



Diversifying with

**PURPOSE.**

Scaling with

**CONFIDENCE.**



Annual Report

**2024-25**



02-31

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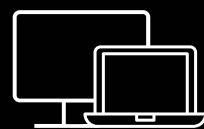
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## NOTICE

## INVESTOR INFORMATION

Market Capitalization (as of March 31, 2025)	: INR 10,756.9 Mn
CIN	: L29100JH1991PLC004465
BSE Code	: 544253
NSE Symbol	: KROSS
AGM Date	: Tuesday, September 23, 2025
AGM Venue	: Video Conferencing (VC) and Other Audio-Visual Means (OAVMs)
ISIN	: INE006601022



For more investor-related information, please visit:  
<https://www.krosslimited.com/agm-annual-report>



Or, scan this QR code

### Disclaimer:

This document contains statements about expected future events and financials of Kross Limited ('The Company'), which are 'forward-looking.' By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

# DIVERSIFYING WITH PURPOSE. SCALING WITH CONFIDENCE.

At Kross Limited, growth is not an outcome of chance - it is the result of deliberate choices and disciplined execution. FY 2024-25 marked a pivotal chapter in the Company's journey, defined by two powerful themes:

## Diversifying with Purpose

The Company has moved beyond its portfolio to strategically enter adjacent product categories that align with its domain expertise and manufacturing strengths. The introduction of torque rods, tipping jacks, and upcoming additions like car carrier axles reflects a conscious effort to address a wider range of customer requirements while leveraging existing capabilities. This expansion is not just horizontal, it also includes backward integration, as seen in the upcoming seamless tube manufacturing and axle extrusion beam facility, which is expected to enhance quality control, improve cost structures, and reduce supply chain dependence. Each new offering is evaluated through the lens of long-term value creation and operational alignment, ensuring that diversification remains grounded in purpose rather than volume.

## Scaling with Confidence

Supporting this diversification is a calibrated scale-up in manufacturing capacity and infrastructure. Axle production will increase from 5,000 units to 7,500 units per month, and forging operations have been expanded to meet rising demand. The Company's six manufacturing facilities, (including one facility, i.e., Unit-VI is under construction for setting up of Seamless Tube Plant) operate across a cumulative land bank of 17 acres, strengthened by significant acquisitions in FY 2023-24 and FY 2024-25. These investments are not just about capacity but about future readiness, laying the foundation for sustained growth. Meanwhile, exports are gaining traction as Kross enters newer international markets, and the aftermarket segment has emerged as a reliable, margin-accretive growth lever.





## About Us

# PROMINENT MANUFACTURERS OF TRAILER AXLES, SUSPENSION, AND AUTOMOTIVE COMPONENTS

With over three decades of experience in the automotive component manufacturing industry, Kross Limited (also referred to as 'Kross' or 'the Company') is a diversified player with established capabilities across Trailer Axle, Suspension business and Component business. The Company's operations span the manufacturing and supply of trailer axles and suspension assemblies, as well as a broad portfolio of forged and precision-machined, safety-critical components for the medium and heavy commercial vehicles (M&HCV) and farm equipment segments.

Backed by experienced promoters and a proven execution team, the Company stands among the prominent domestic manufacturers of trailer axles and suspension assemblies, with an installed capacity of 5,000 assemblies per month. Its journey from a precision component maker to a systems manufacturer reflects its continued focus on value addition, innovation, and customer-centric growth.

It is one of the few players in India with robust in-house capabilities across design, forging, casting, machining, and process engineering - offering fully integrated and scalable manufacturing solutions for both trailer axles and suspension systems.

The Company supplies its products to a diversified client base of over 200 customers which includes large original equipment manufacturers

(OEMs) manufacturing M&HCV and tractors, tier one suppliers to the OEMs in the M&HCV segment, domestic dealers and fabricators for our trailer axle and suspension business. Its forward-integrated sales and service network spans key states across India, reinforcing its position as one of the fastest-growing organized players in the trailer axle segment.



## VISION

Kross shall achieve profitable growth by being customers' most preferred & valued supplier



## MISSION

- › Leadership skills & teamwork at all levels
- › Integrity & transparency
- › Participatory efforts for continually improving & learning
- › Developing & delivering quality products in the least cycle time at competitive cost for achieving 'customer delight'





## PUBLIC LISTING

Kross Limited was listed on the BSE and NSE on **September 16, 2024**. The INR 5,000 Mn IPO, including an INR 2,500 Mn fresh issue, was aimed at debt reduction, capacity expansion, and general corporate purposes. The listing marks a new chapter in the Company's growth and governance journey.

## KROSS LIMITED'S JOURNEY OF EVOLUTION AND MILESTONES



### 2025

- Progressed in Axle Beam Extrusion technology enhancement and setting up of Seamless Tube Plant to enhance backward integration and capacity enhancement.
- Launched new 18-ton axle and 20-ton and 13-ton suspensions, with further product and export expansion planned in FY 2025-26.

### 2024

Publicly listed on BSE and NSE on September 16, 2024, marking a major milestone in the Company's growth journey.

### 2023

Started bulk exports to Leax AB with Universal Joint Crosses and entered the validation stage for other critical components.

### 2022

Established Foundry Unit-V, featuring a high-pressure mold line along with a dedicated machine shop to support capacity expansion.

### 2019

Entered the trailer segment by developing trailer axles along with mechanical suspensions for the trailer industry.

### 2016

Developed spider bevel gears for TAFE, further expanding its product offerings in the tractor segment.

### 1991

Incorporated as a private limited company, marking the beginning of its journey in precision engineering.

### 1994

Supplied the first product (Universal Joint Cross) to Tata Engineering and Locomotive Company (TELCO), establishing its initial OEM relationship.

### 2004

Diversified into tractor components by starting supplies to TAFE, marking its entry into the agricultural machinery segment.

### 2006

Expanded its commercial vehicle offerings by developing output flanges for Ashok Leyland.

### 2008

Initiated the development and supply of axle shafts for Tata Motors, strengthening its drivetrain portfolio.

### 2014

Commenced business with International Tractors Limited through the supply of rockshafts, deepening its presence in the tractor OEM space.



Strong Presence

## STRONG PRESENCE ACROSS INDIA

Kross maintains a significant physical presence across India through strategically located manufacturing and warehousing facilities, enabling efficient production and distribution of safety-critical components for commercial vehicles and farm equipment.

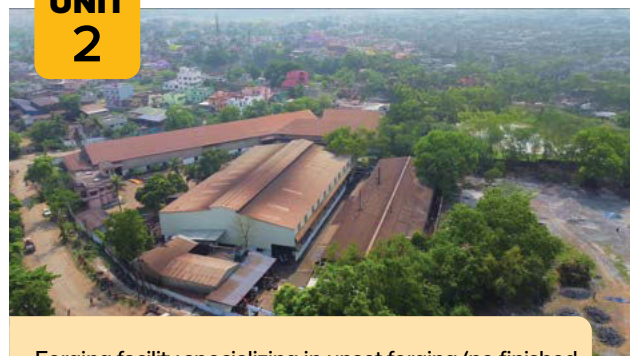
### MANUFACTURING FACILITIES (IN JAMSHEDPUR, JHARKHAND)

UNIT  
1



Manufacturing facility for machining, quality control, packing, and dispatch of components such as coupling flanges, differential spiders, shafts, and assemblies

UNIT  
2



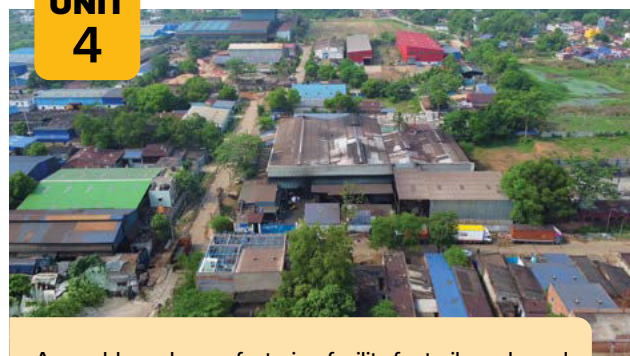
Forging facility specializing in upset forging (no finished goods production)

UNIT  
3



Forging and manufacturing unit handling press and upset forging, heat treatment, shot blasting, and machining, producing axle shafts and related parts

UNIT  
4



Assembly and manufacturing facility for trailer axle and suspension assemblies

UNIT  
5

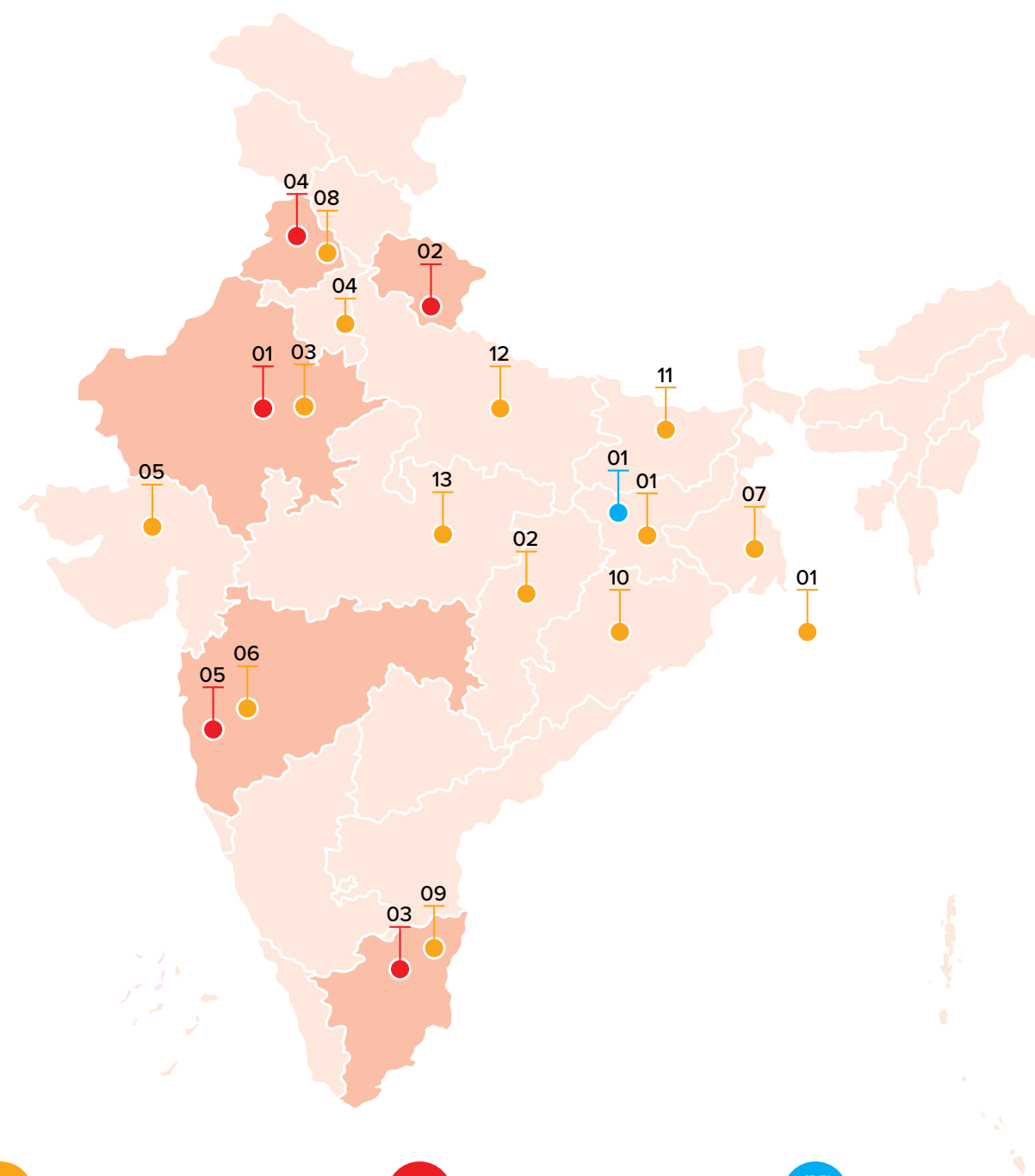


Casting unit with high-pressure mold line, foundry, and machine shop producing hubs, brake drums, and related subassemblies for trailer axles and suspensions

UNIT  
6



6.56-acre land parcel is under construction for the development of the Seamless Tube Plant



#### Service Representatives

1 Jharkhand	8 Punjab
2 Chhattisgarh	9 Tamil Nadu
3 Rajasthan	10 Odisha
4 Delhi	11 Bihar
5 Gujarat	12 Uttar Pradesh
6 Maharashtra	13 Madhya Pradesh
7 West Bengal	



#### Warehousing Facilities

1 Jaipur, Rajasthan
2 Udham Singh Nagar, Uttarakhand
3 Chennai, Tamil Nadu
4 Hoshiarpur, Punjab
5 Raigad, Maharashtra



#### Manufacturing Facilities

1 Jamshedpur, Jharkhand
Unit 1 to unit 6 of Jamshedpur

Disclaimer: This map is a generalized illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its Directors, officers or employees cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection with its accuracy or completeness.



## Chairman's Message

# FROM THE CHAIRMAN'S DESK



**The Initial Public Offering received an encouraging response from investors, a resounding vote of confidence in our vision, execution capabilities, and future potential.**

## Dear Stakeholders,

FY 2024-25 was a defining year in the journey of Kross Limited. With our successful listing on the National Stock Exchange and BSE, we transitioned from a privately held enterprise to a publicly traded Company, a move that redefined our institutional identity and signaled the beginning of a new chapter grounded in greater transparency, accountability, and stakeholder trust.

The Initial Public Offering received an encouraging response from investors, a resounding vote of confidence in our vision, execution capabilities, and future potential. We are deploying the proceeds with clear strategic intent: investing in capacity expansion and new machinery, strengthening backward integration through in-house machining, reducing debt, and scaling working capital to support

our growing operations. The Company has utilized more than 85% of the IPO proceeds in less than a year from the day of its listing.

As we navigate this new phase, we remain anchored in the values that have guided us since 1991 - quality, reliability, and enduring partnerships. Today, Kross stands as a trusted name in the M&HCV ecosystem, poised to seize opportunities in an evolving industrial landscape.

## Riding the Tides of Opportunity

The economic momentum in India remained steady through FY 2024-25 with GDP growth estimated at 6.5% despite global headwinds, supported by sustained public investment, policy reforms, and a gradual revival in private sector participation. Sectors such as commercial mobility, warehousing, road construction, and agricultural mechanization have all seen visible upticks. These developments are expanding demand across the industrial value chain, from components and sub-systems to specialized aggregates.

**At Kross, we see a clear opportunity to deepen our role across these interconnected ecosystems and benefit from these shifts through two interconnected approaches - diversification and scaling.**

## Diversification with Purpose

At Kross, diversification is about strengthening and expanding our core. This year, we made significant strides in broadening our product and capability base, guided by customer needs and operational synergies.

› In 2019, we diversified into the Trailer Axle and Suspension business, a move that has proven highly synergistic and impactful for our growth. Between FY 2020 and FY 2024, this segment recorded substantial expansion and today contributes over 40% to the Company's revenue.

› We have developed a comprehensive product range for the transport industry, catering to the 12-18T segment, and remain committed to introducing additional models based on evolving customer requirements and market trends.

› To strengthen our backward integration, we are commissioning a first-of-its-kind axle beam extrusion machine. This will reduce dependence on external vendors, enhance quality control, and lower production costs, while also creating new growth opportunities, particularly in TAG axles.

› Our entry into tipping jacks will further deepen our presence in the trailer ecosystem, strengthening relationships with trailer manufacturers and diversifying revenue streams. Additionally, products such as torque rods and V-stay bars will reinforce our position across critical aggregates in commercial freight and farm equipment value chains.

› Our ongoing diversification into Seamless Tubes presents significant opportunities:

› It enables backward integration for our axle manufacturing.

› We will be the only auto component manufacturer with an in-house seamless tube facility.

› Our tipping jack product line will extensively utilize seamless tubes.

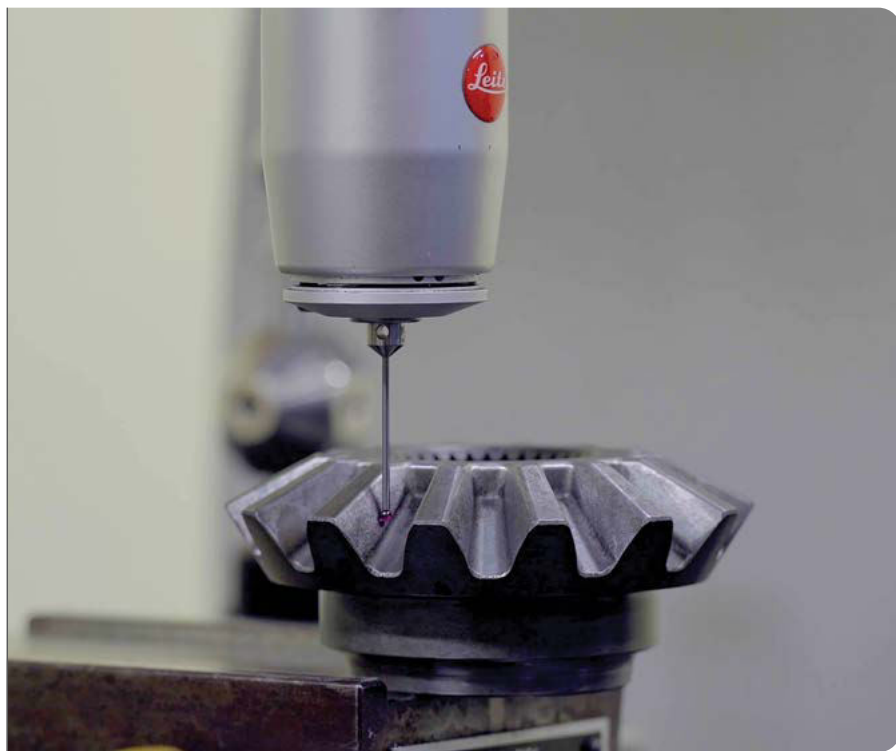
› It opens entry into infrastructure applications such as gas and oil pipelines for Public Sector Units and creates a pathway to new product lines like gas cylinders, currently manufactured in India but without specialized producers. From inception, this diversification has been aligned with the strategic purpose of strengthening our core.

Additionally, a car-carrier-specific axle and suspension platform is under development and is expected to launch in FY 2025-26, subject to development and validation timelines, targeting a niche but rapidly growing segment in the logistics sector.

These investments are expected to improve cost efficiency, support new product development, and expand our presence in infrastructure, oil & gas, and industrial applications. Each of these moves is strategic, designed to increase customer stickiness, reduce supply chain dependencies, and deepen our relevance in the value chains we serve.

## Scaling with Confidence

FY 2024-25 was defined by a series of strategic investments aimed at reinforcing our readiness to meet



growing demand, expand into adjacencies, and increase our global competitiveness. It is important to be equipped with infrastructure where opportunities are not missed. Kross, from its IPO proceeds, has invested in Plant and Machinery for-

- › Doubling forging capacity to 3,500 MT/month with the commissioning of a 2,000-ton screw press and a 1,000-ton screw press, while two additional presses (1,600-ton and 2,000-ton) are under manufacturing. This upgrade enables us to cater to higher-specification requirements in commercial and industrial segments.
- › Expanding foundry capacity by installing a new moulding line, increasing output from 1,200 tonnes/month to 2,700 tonnes/month.

- › Scaling heat treatment facilities to support increased production volumes.
- › Enhancing trailer axle manufacturing capacity from 5,000 units/month to 7,500 units/month, enabled by the upcoming axle beam extrusion line.
- › Building a seamless tube plant with an annual capacity of 1.2 Lakh tonnes, scheduled to go live by FY 2026-27, reinforcing backward integration and supporting product diversification.
- › Increasing machining capacity and securing a land bank to support projects planned over the next three years.
- › Expanding export share, with a target of achieving 5-6% of total revenue from exports in the current financial year and 10-11% within the next two years.

- › Strengthening market leadership, with Kross currently ranked No. 2 in the Indian trailer axle segment. With the introduction of advanced technologies such as axle beam extrusion and new products like 18-ton and 20-ton suspensions and car carrier axles, we aim to achieve the No. 1 position in the next two years.
- › Accelerating global expansion, as FY 2024-25 marked key milestones with the commencement of supplies to a leading Swedish engineering company, a testament to our technical expertise and process excellence on the global stage.

### Operational Traction

Our enhanced manufacturing infrastructure is already yielding tangible benefits. In FY 2024-25, we produced 40,100 trailer Axle and suspension units, achieving approximately 67%

**As plants stabilized and integration efficiencies improved, we achieved our highest-ever monthly production and sales in the trailer axle segment during Q4 FY 2024-25, resulting in a highest volume growth in the final quarter.**

capacity utilization. As plants stabilized and integration efficiencies improved, we achieved our highest-ever monthly production and sales in the trailer axle segment during Q4 FY 2024-25, resulting in highest volume growth in the final quarter.

This momentum is reflective of our ability to scale efficiently, sustain quality at higher volumes, and optimize throughput. It also validates the effectiveness of our operational model, which is now sharper, more responsive, and increasingly data-driven.

### Financial Resilience

These operational milestones translated into resilient financial performance, despite a subdued demand environment in the first half of the year. We closed FY 2024-25 with revenue of INR 6,204 Mn, broadly stable compared to the previous year. EBITDA improved to INR 813 Mn, with margin expansion to 13.1%, driven by a richer product mix, improved asset utilization, and disciplined cost control. As of March 2025, our debt-to-equity stood at just 0.1x, following the strategic deployment of INR 900 Mn of IPO proceeds toward debt repayment.

### Strengthening the Core

Our listing has steered in a new era of transparency, accountability, and institutional maturity. We have strengthened Board governance, enhanced our compliance systems, and elevated disclosure standards, aligning

**Our listing has steered in a new era of transparency, accountability, and institutional maturity.**

ourselves with the expectations of a more diverse and long-term-oriented investor base.

Sustainability is also becoming a core business lens. From energy optimization and process automation to material efficiency and resource circularity, we are embedding responsibility across our operations. These efforts are aligned not just to compliance, but to our long-term vision of responsible growth and operational excellence.

### Looking Ahead

As we move into FY 2025-26, we are optimistic on its growth aspects. We have identified clear priorities for the year ahead:

- › Deepen backward integration through machining and extrusion, while scaling new product platforms to strengthen operational efficiency and cost competitiveness.
- › Expand export contributions by strengthening relationships with OEMs and Tier-1 suppliers, backed by a proven track record of meeting evolving engineering requirements in commercial vehicle components.
- › Leverage favorable macro factors, including strong government focus on infrastructure development, which is expected to gain momentum in the coming year, and a better-than-normal monsoon supporting rural demand.
- › Capitalize on robust agricultural machinery demand, with tractor sales at an all-time high, driving growth in related aggregates.
- › Adapt to changes in the commercial vehicle segment, such as the adoption of air-conditioned cabins. While these upgrades may cause short-term disruptions, they present significant long-term growth potential.

- › Enhance competitiveness in a niche segment, where only three prominent multinationals currently operate in India. Our backward integration through seamless tube production, forging, and foundry capabilities positions us strongly on cost and quality.
- › Leverage our nationwide sales, spares, and service network for trailers and suspension systems to also support the tipping jack product line, ensuring deeper market penetration and stronger customer engagement.

### In Closing

As we step into a new era of growth, we remain grounded in our values, clear in our purpose, and bold in our ambition. We thank our shareholders, customers, employees, and partners for their continued trust and look forward to building the future of Kross, together.

Warm Regards,

**Sudhir Rai**

Chairman and Managing Director



## Product Portfolio

# PRECISION ENGINEERING. DIVERSIFIED SOLUTIONS.

Kross Limited has built a wide-ranging portfolio of high-performance and safety-critical components for the Medium and Heavy Commercial Vehicle (M&HCV) and agricultural equipment sectors. The Company has evolved into a systems manufacturer with the ability to deliver complex components with closed tolerances, backed by fully integrated operations - covering design, forging, casting, machining, and assembly. With a strong product development team and modern facilities, Kross continues to expand its portfolio across domestic and international markets.

## TRAILER AXLES AND SUSPENSION ASSEMBLIES



The Company is one of the established manufacturers of trailer axles and suspension assemblies in India. The Company offers a comprehensive range of trailer axles and suspension assemblies in the 12-18-ton category, catering to India's fast-growing trailer industry. With in-house development and manufacturing capabilities, Kross is among the few Indian players offering a complete trailer solution. Its robust infrastructure supports growing volumes, cost optimization, and design innovation, including air and mechanical suspension variants.

### Key Features

- › Comprehensive in-house production from design to assembly.
- › First-of-its-kind extrusion line being commissioned to produce axle beams.
- › Lightweight, high-durability axle beams with improved cost efficiency.
- › Segment contributed 44.1% to FY 2024-25 revenue.
- › Capacity of 5,000 units/month, scalable to more than 7,500 with new investments.

### Applications

- › Road trailers and semi-trailers.
- › Flatbeds, tankers, tipping trailers.

## MEDIUM AND HEAVY COMMERCIAL VEHICLE (M&HCV) COMPONENTS



Kross supplies a broad range of machined and forged components to leading OEMs and Tier 1 customers in the commercial vehicle space. With a long-standing reputation for precision and reliability, these components are used across front and rear axle assemblies, braking systems, and drivetrains. The Company continues to deepen relationships with clients like OEM and Tier 1 and has a proven track record of supporting evolving engineering requirements.

### Key Features

- › Supplies include axle shafts, brake drums, bevel gears, differential spiders, and universal joint crosses, coupling flanges – these are some of the parts being supplied to various OEMs and Tier 1 companies.
- › Machining, forging, and heat-treatment processes integrated in-house.

### Applications

- › Medium and heavy commercial vehicles.
- › Axle and steering assemblies.
- › Suspension and drivetrain systems.

## TRACTOR COMPONENTS



Kross has developed a reliable range of components for India's agricultural equipment sector, catering to both front-end and transmission-related applications. With deep collaborations with OEMs, the Company has built its reputation as a trusted supplier of farm-grade mechanical parts that meet the high-load and wear conditions typical of field use.

### Key Features

- › Includes PTO shafts, ring gears, rock shafts, stub axles, and joint differential cross assemblies.
- › Enhanced durability and structural integrity suited for off-road conditions.
- › Products tested for load-bearing, heat resistance, and surface treatment.

### Applications

- › Agricultural tractors and harvesters.
- › Transmission assemblies and power take-off systems.
- › Rear axle and hydraulic lift systems.

## EXPORT COMPONENTS



Kross has been steadily expanding its global footprint, supplying high-precision components to European OEMs. The export portfolio currently centers around universal joint crosses, with validation underway for other critical components. The Company is targeting a higher export contribution in the coming years, driven by quality consistency and cost competitiveness.

### Key Features

- › Regular supply of UJ crosses, brake drums, king pin assemblies, anti-roll bar, various propeller shaft items spline journal, and cross tooth flange, among others.
- › Current export share: 3.2% of revenue in FY 2024-25.
- › Targeting 5% contribution in FY 2025-26.

### Applications

- › Global commercial vehicle OEM platforms.
- › Axle and transmission assemblies.



## STRATEGIC PRODUCT INITIATIVES

Kross is undertaking multiple product development initiatives to strengthen its presence across the trailer ecosystem and enhance its value proposition. In addition to the upcoming Seamless Tube Plant expected in FY 2026-27, the Company is expanding its product portfolio in line with evolving market needs and customer demand.

### Tipping Jacks

Launch planned in H2 FY 2025-26 to cater to high-demand markets such as Rajasthan, Jharkhand, and Chhattisgarh. These precision hydraulic assemblies are widely used in dumpers and tip trailers.

### V Stay Bars and Torque Arms

As a natural extension of its suspension systems business, Kross plans to introduce V Stay Bars and Torque Arms, which are critical components in air suspension assemblies.

### Brake Drums for export

A broader range of brake drums is being developed to serve the growing demand from global players.

### TAG Axles

The upcoming axle beam extrusion facility will enable Kross to enter the TAG axle segment. This move supports portfolio diversification and further strengthens the Company's position in the trailer and axle component space.

### Car Carrier Specific Axle and Suspension

A car-carrier specific axle and suspension platform is under development and is expected to launch in FY 2025-26, subject to development and validation timelines, targeting a niche but rapidly growing segment in the logistics sector.

### Landing Gears for Trailers

Kross is developing robust and reliable landing gears to meet the operational and safety requirements of heavy-duty trailers. This addition enhances the Company's trailer product ecosystem and broadens its offerings for fabricators and OEMs.

Together, these initiatives are expected to deepen Kross's integration across the trailer component value chain and expand its role as a comprehensive systems provider.

## BACKWARD INTEGRATION



### Seamless Tube Plant

A seamless tube facility is being set up with an INR 1,670 Mn investment and 120,000 TPA capacity. The plant will support captive needs and cater to sectors like oil & gas, automotive, and infrastructure. The ground-breaking ceremony for this state-of-the-art plant has already taken place, and commercial production is expected to begin in Q3 FY 2026-27.

## TECHNOLOGICAL ADVANCEMENT



### Extrusion Line

Kross is commissioning a first-of-its-kind axle beam extrusion line at Unit V, with production expected to begin in Q2 FY 2025-26. This facility will enable in-house production of axle beams, a critical component in trailer assemblies, and support the Company's foray into TAG axles. The extrusion process is expected to improve component durability and cost efficiency, while reducing reliance on external suppliers. In addition, the Unit is equipped with a Robotic Welding facility, which enhances precision, consistency, and production efficiency in axle assembly, further strengthening the Company's manufacturing capabilities.



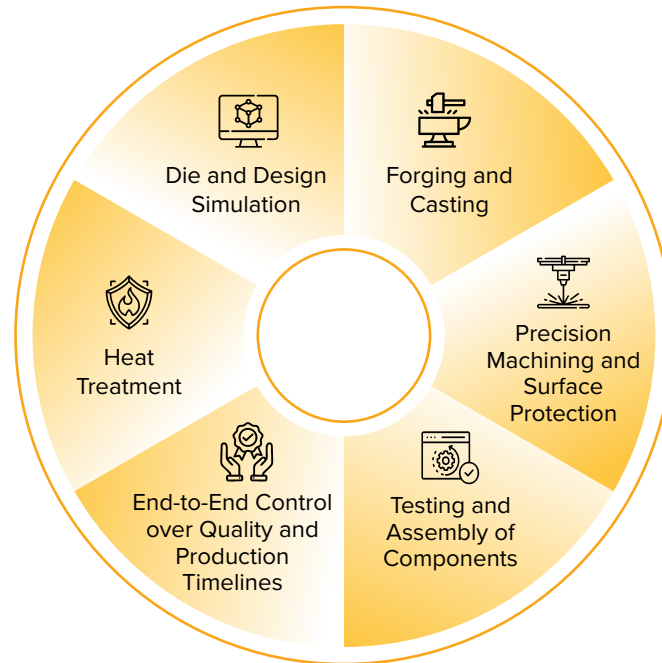
Manufacturing Prowess

# MANUFACTURING PROWESS AND TECHNOLOGICAL EDGE

A comprehensive, self-reliant manufacturing model combining in-house design, precision engineering, automation, and backward integration enabling Kross to ensure quality control, cost efficiency, and timely delivery across its product portfolio.

## INTEGRATED OPERATIONS AND IN-HOUSE CAPABILITIES

Kross operates a fully integrated manufacturing model that covers all critical stages to ensure quality, cost control, and timely delivery of safety-critical components for commercial vehicles, tractors, and trailer axles.



## MANUFACTURING FACILITIES, CAPACITY AND SCALE

Facility	Product	Installed Capacity (No. of Units)	Production (No. of Units)	Capacity Utilization (%)
Unit 1	Coupling Flanges	7,80,000	6,60,000	~85
	Differential Spiders	2,80,000	2,06,000	~74
Unit 3	Axle Shafts	2,70,000	2,01,000	~74
	Trailer Axle & Suspension	60,000	40,100	~67
Unit 4	Bell Crank Assembly	42,000	24,300	~58
	Anti Roll Bars & Stabilizer Bar Assembly	1,00,000	78,300	~78



## ADVANCED PROCESSES, TECHNOLOGY, AND EQUIPMENT

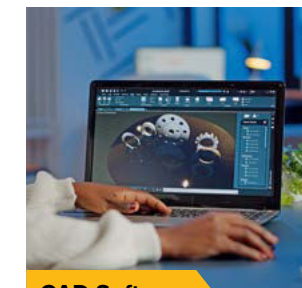
The Company uses state-of-the-art manufacturing technologies and proprietary designs to ensure high-quality, efficient production and technical innovation.

- Advanced forging presses and heat treatment furnaces with SCADA data logging.
- CNC machining, including VMCs and HMCs.
- Robotic welding and plasma cutting.
- Surface protection methods like phosphating and CED coating.
- High-pressure mold lines and PLC-controlled sand mixers in casting.
- Proprietary designs such as three-piece wheel seals and pre-loading bearing systems.

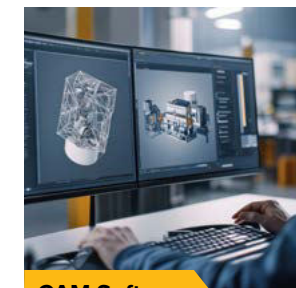
## DESIGN AND PRODUCT DEVELOPMENT EXCELLENCE

The Company's in-house R&D team of 26 employees drives product innovation and process improvements. Using advanced design and simulation tools, they collaborate with customers to deliver customized solutions and develop proprietary trailer axles and suspensions.

### Design and Development Tools



CAD Software



CAM Software



## QUALITY SYSTEMS AND CERTIFICATIONS

Strict quality protocols are implemented across all facilities, supported by metallurgical and non-destructive testing, as well as approved vendor processes.

### Certifications





## STRATEGIC BACKWARD INTEGRATION INITIATIVES



### Axle Beam Extrusion Plant

Expected to start production by FY 2025-26, this facility will produce weld-free, lighter, and stronger axle beams, enhancing margins by 5% and enabling capacity growth. It will also open access to the TAG axle market for rigid vehicles and increase export potential.

### Seamless Tube Manufacturing Facility

With a planned investment of INR 1,670 Mn, commercial production is targeted for FY 2026-27. The plant will produce 1,20,000 tons annually to serve captive needs and external customers, reducing dependency on imports and lowering costs by 3-4%.



## NEW PRODUCT DEVELOPMENT AND PORTFOLIO EXPANSION

Kross is actively expanding its product portfolio to address evolving market needs and unlock new growth avenues.

### Key Product Developments and Expansion Initiatives



Launched 18-ton trailer axles



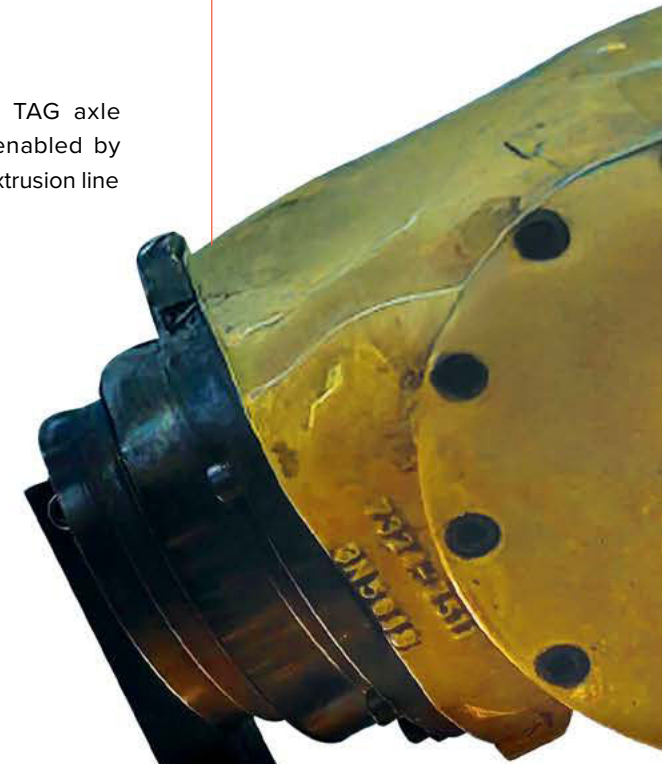
Introduced 13-ton and 20-ton mechanical suspensions



Entry into TAG axle segment enabled by in-house extrusion line



Planned product introductions in FY 2025-26 include tipping jacks, torque rods, V stay bars with car carrier axles and suspensions under development as part of the future portfolio expansion







## Financial Highlights

# SUSTAINED GROWTH

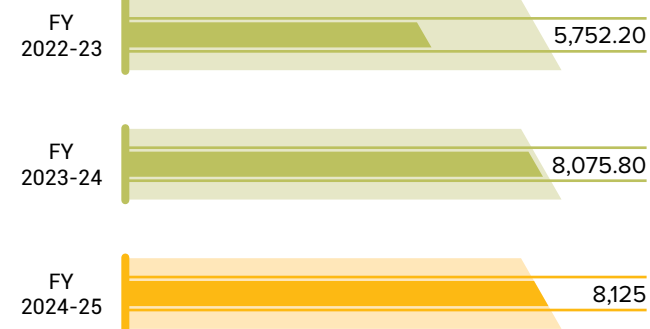
## WITH STRENGTHENING FUNDAMENTALS

In FY 2024-25, Kross maintained revenue momentum while navigating a transitional year marked by strategic investments and capacity expansion. While profitability moderated, key operating metrics reflect underlying strength and improved asset efficiency. With the IPO strengthening the Company's financial foundation, Kross is positioned to capitalize on future growth opportunities with greater agility and scale.

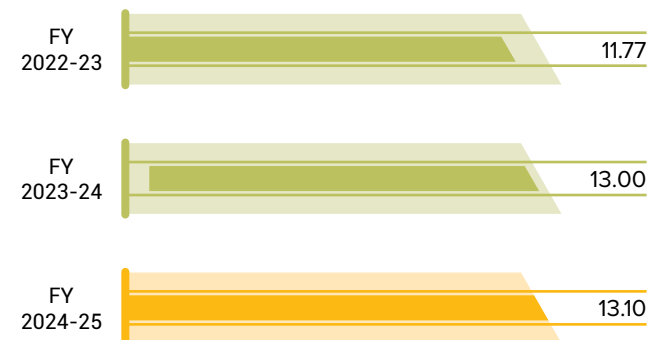
### Revenue from Operations (INR Mn)



### EBITDA (INR Mn)



### EBITDA Margin (%)



### PAT (INR Mn)



### PAT Margin (%)



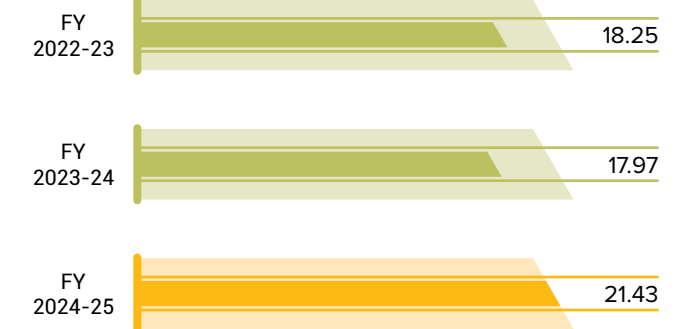
### EPS - Basic & Diluted (INR)



### ROCE (%)



### Net Fixed Asset Turnover (x)



### Net Worth (INR Mn)





## Strategies

# STRATEGIC ROADMAP FOR SUSTAINABLE GROWTH

Kross is set to accelerate growth by expanding its manufacturing capabilities, enhancing backward integration, tapping into new international markets, streamlining operations, and strengthening its financial foundation all powered by targeted investments to support sustainable success.



## Capacity Expansion at Existing Facilities

To meet growing demand and broaden its portfolio of value-added components, Kross allocated INR 700 Mn from IPO proceeds in FY 2024-25 toward new machinery and equipment. This includes new production lines for tractor hydraulic covers and in-house machining capabilities for hubs and brake drums, using CNC, VMC, and vertical lathe machines. These enhancements are expected to increase output of higher-margin products, reduce external dependencies, and improve the Company's responsiveness to market opportunities.



## Backward Integration via Forging, Foundry and Seamless Tubes

Kross is deepening its vertical integration to enhance control over quality, cost, and supply chain. Using IPO proceeds, the Company has doubled its forging and foundry capacity through investments in new presses, CNC lines, and high-pressure moulding facilities.

Additionally, a seamless tube mill is being set up with a capital outlay of INR 1,670 Mn to cater to both in-house and external demand across infrastructure, oil & gas, and automotive sectors. This will further reduce dependency on external vendors and support long-term cost efficiency.



## Expanding Global Footprint

Kross is leveraging its domestic credibility, diversified product portfolio, and integrated operations to grow its international presence. In FY 2024-25, exports contributed 3.2% of total revenue, and the Company is targeting a 5% share in FY 2025-26. Key milestones include the commencement of bulk supplies to a Swedish company. These developments mark the beginning of a concerted push to build a sustainable global order book and diversify revenue sources.



## Operational Efficiency and Cost Optimization

Operational excellence remains core to Kross's competitiveness. The Company has undertaken the process of redesign initiatives to improve material flow, reduce lead times, and streamline manufacturing execution. Dedicated production cells for specific product families and increased backward integration are enabling better control over quality and cost, resulting in improved shop floor efficiency and more agile delivery capabilities.



## Strengthening the Financial Profile

Kross is focused on reinforcing its balance sheet to support long-term capital allocation. The deployment of INR 300 Mn from IPO proceeds has helped meet near-term working capital needs, while debt repayment using INR 900 Mn from the public issue has lowered interest costs. The resulting deleveraging creates headroom for funding future expansion from internal accruals and strengthens the Company's financial resilience.



## Customer Engagement and After-Sales Service Initiatives

In line with its commitment to customer-centric growth, Kross Limited organized a multi-city Customer Meet across Raipur, Bilaspur, Korba, Raigarh, and Jharsuguda in December 2024. These events served as interactive platforms for clients to engage with the Company, explore product innovations, and understand its future roadmap. The meets received strong media coverage and further deepened customer relationships. Throughout FY 2024-25, Kross also conducted Free Trailer Check-up Camps across several states. These camps offered on-site inspections of axles, suspensions, brake systems, and other critical components. By proactively addressing vehicle health, the initiative enhanced operational uptime for fleet owners, promoted road safety, and reinforced Kross's reputation as a responsible, service-oriented partner to its customers.



## Environmental and Social Responsibility

# DRIVING IMPACT. SUSTAINING FUTURES.

At Kross, responsibility is engineered into growth. The Company is steadily advancing its environmental performance, workforce development, and social contributions - not just as a compliance imperative, but as a business enabler.

FY 2024-25 marked a year of deepened action as the Company expanded its renewable energy capacity, enhanced workforce readiness, and touched over 5 Lakh lives through targeted CSR initiatives. These efforts reinforce the Company's long-term commitment to building a more sustainable, equitable future.



## ENVIRONMENTAL STEWARDSHIP

Kross is proactively reducing its environmental footprint by improving energy efficiency, resource use, and waste management across its operations.



### Solar Energy Adoption

Rooftop solar installations at key facilities reduced grid dependency, with plans to increase the renewable energy share by 20% by FY 2025-26.



### Green Manufacturing Investments

New projects like the seamless tube plant and extrusion lines are designed for energy-efficient production and minimal waste generation.



### Resource Circularity

Water reuse systems, LED retrofitting, and better furnace utilization have helped reduce per-unit energy consumption.



## WORKFORCE EMPOWERMENT

Kross places significant emphasis on developing a skilled, motivated, and inclusive workforce. Alongside structured policies on induction, training, engagement, and well-being, the Company actively fosters a culture of gender equality and women empowerment.



### Promoting Gender Equality and a Safe Workplace

As part of its commitment to creating a safe and respectful workplace, Kross has implemented the Prevention of Sexual Harassment (PoSH) Act, 2013, in full compliance with regulatory requirements. The Company conducted PoSH awareness sessions in November 2024, ensuring all employees are sensitized to their rights and responsibilities, and reaffirming its zero-tolerance approach to harassment.

In March 2025, the Company celebrated **International Women's Day** with the theme: 'She leads, She inspires, She empowers!' The event recognized the aspirations, achievements, and contributions of women across the organization. Through inspiring talks, recognition initiatives, and inclusive participation, the celebration reinforced Kross's belief that empowering women is essential to empowering the world.

These initiatives reflect the Company's broader belief that a diverse, safe, and equitable workplace not only uplifts individuals but also strengthens long-term organizational capability.

543

Permanent Employees

1,736

Contractual Employees

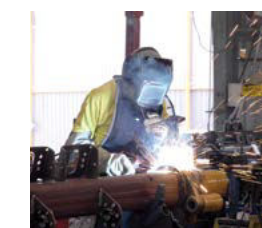


## Human Capital Initiatives



### Training and Upskilling

Over 14,280 workforce-hours of technical and behavioral training were conducted during FY 2024-25, including on new products and digital systems.



### Occupational Safety

Zero major incidents reported across plants, backed by enhanced SOPs, PPE audits, and mock drills.



### Health and Wellness

Employee medical checkups, on-site clinics, and periodic mental health sessions were rolled out.



### Inclusion and Respect

The Company continues to maintain an inclusive environment with fair opportunity across levels.



## Labor Relations and Compliance

The Company ensures adherence to applicable labor laws and regulations. Notably, in FY 2024-25, there was a temporary increase in employee costs attributed to a one-time settlement and minor wage revisions, anticipated to stabilize in subsequent quarters.





## CSR AND COMMUNITY IMPACT

Kross' CSR approach is deeply rooted in creating long-term societal impact. In FY 2024-25, the Company supported a diverse range of initiatives across healthcare, education, women's empowerment, community upliftment, and animal welfare. Kross contributed to the *Tarumitra Centre* at Loyola Jamshedpur, a student-led environmental initiative promoting conservation through workshops, nature camps, and tree plantation drives.

INR **8.15** Mn

CSR Expenditure Aggregated for FY 2024-25



### Education & Child Development



#### Masti Ki Pathshala (with Tata Steel Foundation):

Supported the rehabilitation of 250+ street and child labor-affected children in Jamshedpur, integrating them into formal ICSE and CBSE schools.



#### Gracious Aid Foundation

Funded construction of classrooms and educational materials for underprivileged children in Odisha.



### Healthcare Initiatives



#### Inaugurated by the Union Minister of State for Defence, Jharkhand and Deputy Commissioner, Saraikela, Kharsawan, Jharkhand

Donated an advanced ultrasound machine and equipment (INR 18.48 Lakhs), enhancing diagnostic capabilities.



#### Blood Donation Camp

Kross Limited organized a Blood Donation Camp as part of its healthcare initiatives, encouraging employees and stakeholders to actively participate in this noble cause.

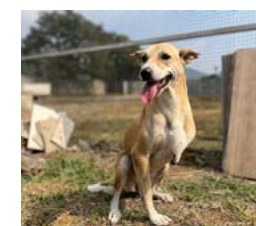


#### Vehicle Donation for Blood Donation Drives

Provided a Bolero vehicle to the Voluntary Blood Donors Association, Jharkhand, to support mobile blood collection.



### Animal Welfare



#### The Stray Army Trust

Helped establish an Animal Operation Theatre and Diagnostics Centre in Saraikela District, Jharkhand.





BoD and Management Team

# LEADERSHIP THAT DRIVES PURPOSEFUL GROWTH

The Company's leadership team combines strategic foresight with deep operational expertise. With decades of experience across core functions, the Board and management continue to guide the Company's growth journey through prudent governance, focused execution, and a long-term vision for value creation.

## Board of Directors



**Mr. Sudhir Rai**  
Chairman and Managing Director

Associated with Kross Limited since its incorporation, Mr. Rai primarily handles policy matters. He holds a Bachelor's Degree in Science from the University of Delhi and a Diploma in Business Administration from Xavier Institute of Management.



**Ms. Anita Rai**  
Whole-Time Director

With the Company since inception, Ms. Rai is responsible for store and purchase functions. She holds a Bachelor's Degree in Education from the University of Delhi and a Postgraduate Certificate in Logistics and Supply Chain Management from XLRI - Xavier School of Management, Jamshedpur.



**Mr. Sumeet Rai**  
Whole-Time Director

Bringing over 9 years of automotive industry experience, Mr. Rai oversees plant operations. He holds a Bachelor's Degree in Mechanical Engineering from the University of Michigan.



**Mr. Kunal Rai**  
Whole-Time Director  
(Finance) and CFO

Responsible for finance and commercial activities, Mr. Rai has over 9 years of experience in the automotive sector. He holds a bachelor's degree in science from Aston University.



**Mr. Sanjiv Paul**  
Independent Director

Former Vice President at Tata Steel and Managing Director at Tata Metaliks, Mr. Paul holds a Bachelor's Degree in Science from Regional Institute of Technology, Ranchi University, and has completed the General Management Program at the European Centre for Continuing Education.



**Ms. Deepa Verma**  
Independent Director

Former Chief Human Resource Business Partner at Tata Steel, Ms. Verma holds a Bachelor's Degree in Commerce from the University of Poona and a Post Graduate in Personnel Management & Industrial Relations from XLRI - Xavier School of Management, Jamshedpur.



**Mr. Mukesh Agarwal**  
Independent Director

Previously Vice President at ISMT Limited, Mr. Agarwal holds a Diploma in Mechanical Engineering from Seth Ganga Sagar Jatiya Polytechnic with notable contributions in plant operations, quality systems, and project execution.



**Mr. Gurvinder Singh Ahuja**  
Independent Director

Mr Ahuja is a chartered accountant. He was previously associated with Tata Motors Limited as Plant Finance Head at Jamshedpur & Pune. He also held the position of Chief Financial Officer at TML Drivelines Limited, a Tata Group company.

## Key Managerial Personnel

**Ms. Debolina Karmakar**  
Company Secretary and Compliance Officers

## Senior Management

**Mr. K Suresh Babu** General Manager (Operations)  
**Mr. Sandeep Kumar** General Manager (Sales)  
**Mr. Rama Kant Giri** General Manager (HR) & Admin  
**Mr. Dharendra Jena** Head (Accounts and Finance)  
**Mr. Ranjan Kumar Sarkar** General Manager (Forging)  
**Mr. Pawan Mehar** AGM (Quality)



## Awards &amp; Accolades

# RECOGNIZED FOR PERFORMANCE.

# TRUSTED FOR EXCELLENCE.

Over the years, Kross has earned recognition from leading OEMs for its commitment to quality, reliability, and alignment with customer goals. These awards reflect the trust the Company has built across long-standing partnerships and its consistent delivery of performance that exceeds expectations.

2013



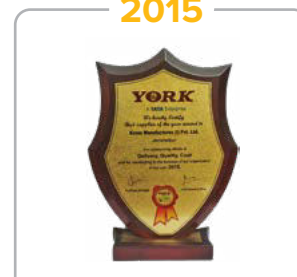
Received the Best Supplier Award for 'Consistent Delivery Performance' through the pull system, Kanban, at the Global Supplier Meet organized by TAFE.

2014



Honored as the Best Supplier for 'Overall Performance' by TAFE.

2015



Honored with the Best Supplier of the Year Award for exceptional delivery, quality, and cost performance by York, a Tata Enterprise.

2021



Won the DuraFit Range Best Vendor Award for demand fulfilment in the East region (FY 2020-21) at the Tata Genuine Parts Vendor Impact Program.

2023



Received the Silver Award for Best Performance in Business Alignment from Ashok Leyland.

2024



Recognized as a Super 8 Supplier by Ashok Leyland at the FY 2024-25 Supplier Samrat Annual Regional Summit.



# CORPORATE INFORMATION

## Board of Directors

**Mr. Sudhir Rai**

Chairman and Managing Director

**Ms. Anita Rai**

Whole-Time Director

**Mr. Sumeet Rai**

Whole-Time Director

**Mr. Kunal Rai**

Whole-Time Director (Finance) and CFO

**Mr. Sanjiv Paul**

Independent Director

**Mr. Mukesh Agarwal**

Independent Director

**Ms. Deepa Verma**

Independent Director

**Mr. Gurvinder Singh Ahuja**

Independent Director

## Key Managerial Personnel

**Mr. Kunal Rai**

Chief Financial Officer

**Ms. Debolina Karmakar**

Company Secretary and Compliance Officer

## Statutory Auditors

**S K Naredi & Co LLP**

Chartered Accountants

## Internal Auditor

GWC Professional Services Private Limited

## Cost Auditor

M/s. Aditya Bhojgaria &amp; Co.

## Secretarial Auditor

Mr. Sital Prasad Swain

## Bankers

HDFC Bank Limited

Axis Bank Limited

DBS Bank India Limited

## Registered and

## Corporate Office

M-4, Phase VI, Gamharia, Adityapur Industrial Area, Jamshedpur - 832108, Jharkhand, India

**Contact Person:** Debolina Karmakar, Company Secretary and Compliance Officer

**Telephone:** +91 7280026478

**Email:** investors@krossindia.com

**Website:** www.krosslimited.com

## Manufacturing Facilities

### Unit – I

M-4, Phase-VI, Adityapur Industrial Area, Jamshedpur, Seraikela Kharsawan, Jharkhand

### Unit – II

C-78, Phase-III, Adityapur Industrial Area, Jamshedpur, Seraikela Kharsawan, Jharkhand

### Unit – III

B-30, 31, 32, 33, and 34, Phase-III, Adityapur Industrial Area, Jamshedpur, Seraikela Kharsawan, Jharkhand

### Unit – IV

M-2 (P), Phase-IV, Adityapur Industrial Area, Jamshedpur, Seraikela Kharsawan, Jharkhand

### Unit – V

NS-06, M-2 (P), Plot No. 314 and 315, Phase-V, Adityapur Industrial Area, Jamshedpur, Seraikela Kharsawan, Jharkhand

### Unit – VI

E-29, E-30, E-31 (P), and E-32, EMC Plot, Near Phase-VII, Village – Hatyadiah, Seraikela Kharsawan (Under Construction)

## Registrar & Transfer Agents

The Registrar to the Offer and the Share Transfer Agent is KFin Technologies Limited

**Address:** Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500032, Telangana, India

**Telephone:** +91 40 6716 2222

**Investor Grievance Email:** einward.ris@kfintech.com

**Contact Person:** M. Murali Krishna

**Website:** www.kfintech.com

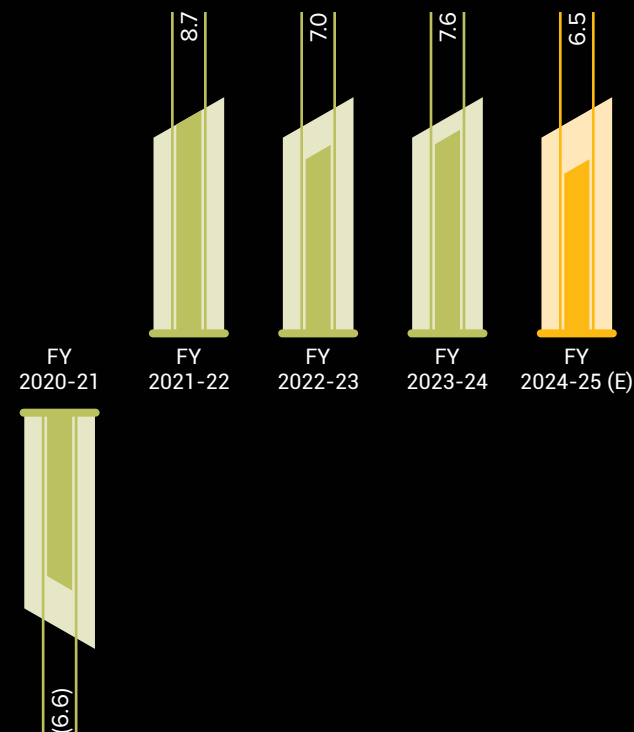


# MANAGEMENT DISCUSSION AND ANALYSIS

## INDIAN ECONOMY

India's economy is expected to grow at a solid 6.5% in FY 2024-25, underscoring the strength of its domestic fundamentals. This momentum stands out against a challenging global landscape shaped by trade tensions and tariff-related uncertainties. Decisive and timely policy actions have played a key role in cushioning the impact of external pressures.

Indian Economy Real GDP Growth Rate (%)



(Source: <https://www.indiabudget.gov.in/economicsurvey/doc/echapter.pdf>)

India's economic stability is underpinned by strong domestic consumption, with rural demand providing a key buffer against global volatility. A thriving agricultural sector, coupled with targeted government programs, has amplified rural spending and helped sustain economic momentum.

India's macroeconomic foundation continues to gain strength through the combined impact of structural reforms, rapid digital advancement, and large-scale infrastructure development. These drivers are shaping the trajectory of long-term growth and reinforcing economic stability. At the same time, achieving greater global competitiveness in manufacturing will depend on accelerating the reform agenda to attract larger-scale investment.

In this context, the automotive industry is positioned for significant growth. Increasing household incomes and improved consumer sentiment are driving demand, while policy support and favorable market signals are enabling further expansion. The sector is emerging as a critical lever in India's broader economic development strategy.

### Outlook

India's projected GDP growth of 6.5% between FY 2025–26 and FY 2027–28 signals a determined stride toward the **Viksit Bharat @ 2047** vision, an ambitious national agenda to transform India into a fully developed economy by its 100th year of independence. This transformation agenda is defined by its focus on inclusive development, technological leadership, and equitable access to progress.

Sustained expansion at this pace aligns with the country's goal of reaching a US\$ 30 Tn economy by 2047, enabling multi-sectoral growth and a future of greater opportunity, improved infrastructure, and enhanced quality of life across the population.

(Source: <https://www.ubs.com/global/en/investment-bank/insights-and-data/2024/indias-outlook-2025-2026-story.html>)

## INDUSTRY REVIEW

### Medium and Heavy Commercial Vehicle (M&HCV) Industry



The M&HCV industry is entering a phase of steady expansion, with sales expected to grow at a compound annual growth rate (CAGR) of 2–4% between FY 2023-24 and FY 2028-29. This growth will be supported by rising industrial activity, consistent agricultural output, and the government's continued emphasis on infrastructure development. Together, these factors are expected to strengthen freight movement and replacement demand across key sectors such as construction, logistics, and mining.

At the same time, structural efficiencies introduced in recent years are reshaping the industry's growth path. The implementation of the Goods and Services Tax (GST), development of better road networks, and commissioning of the dedicated freight corridor (DFC) are expected to enhance logistics efficiency, which may moderate the pace of volume growth over the long term.

Nevertheless, the broader outlook remains favorable. The government's 'Make in India' push, coupled with infrastructure improvements and stronger corporate capital expenditure, is expected to reinforce a healthy capex cycle beyond FY 2023-24. With supportive policies, rising demand for freight movement, and technology adoption in line with emission and efficiency norms, the M&HCV industry is poised to sustain promising growth in the years ahead.





## Growth Drivers

### Rising Freight Rates Supporting Recovery of Deferred Demand

In FY 2023-24, fuel accounted for nearly 55% of transport operators' expenses. Diesel prices rose by about 2%, while freight rates increased by approximately 6%, improving margins for transporters. This trend, combined with a rebound in freight activity, is driving the recovery in Commercial Vehicle (CV) sales.

### Government Push on Infrastructure Development

The National Infrastructure Pipeline (NIP) outlines capital investment of INR 111 Lakh Cr. during FY 2020-25, targeting upgrades across transport, energy, water, and urban infrastructure. This large-scale investment is driving sustained demand in the CV segment, particularly Medium and Heavy Commercial Vehicles (MHCVs), by boosting logistics and industrial activity.

### Focus on Infrastructure and Higher Mining Output to Drive Tipper Demand

In FY 2023-24, capital outlay for infrastructure ministries rose by 28% over the FY 2022-23 revised estimate, reaching INR 18.6 Lakh Cr. Road construction by NHAI is targeted to increase to 14-15 km per day by FY 2026-27, up from around 11 km per day in FY 2020-21. Simultaneously, coal production is expected to grow at a CAGR of 4.5 to 5.5% and iron ore mining at 3.5 to 4.5% from FY 2023-24 to FY 2028-29, driving demand for tippers in both construction and mining sectors.

### Transporter Utilization and Profitability as a Core Demand Driver

Commercial vehicle demand is directly linked to fleet utilization, which depends on freight volumes generated from agriculture, manufacturing, and ports. Favorable regulatory policies, improved road infrastructure, and consistent freight availability enhance fleet efficiency and encourage fleet renewal and expansion.

### Scrappage Policy as a Long-term Demand Enabler

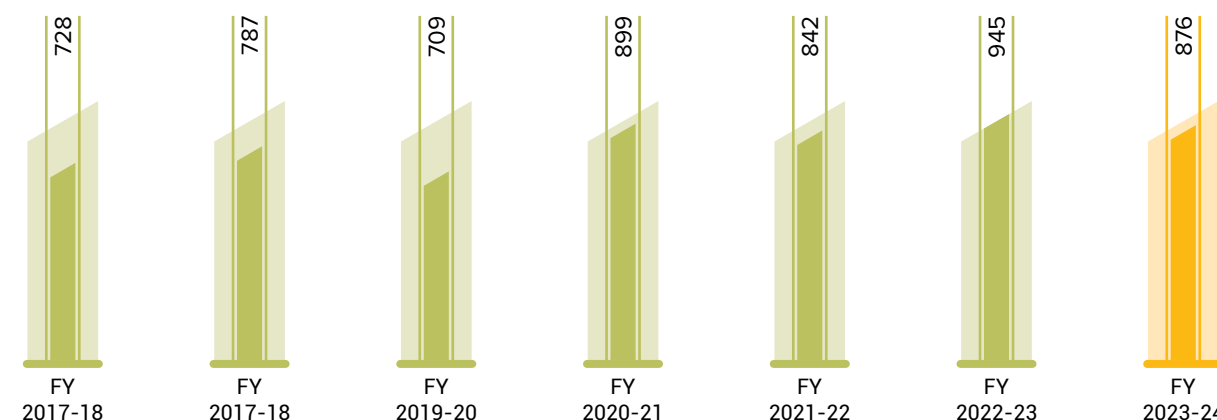
The vehicle scrappage policy introduced by the Ministry of Road Transport and Highways (MoRTH) is designed to remove older, inefficient, and high-emission vehicles from circulation. Initially proposed in August 2018, the policy targets vehicles over 15 years of age, with particular emphasis on those registered prior to April 2005. To promote adoption, the government has introduced incentives, including waivers on registration charges for new vehicle purchases following the scrappage of eligible units. However, the scrappage policy is yet to take off, with limited traction seen in terms of large-scale implementation and adoption.

## Indian Agricultural Tractor Market



The Ministry of Road Transport and Highways (MoRTH) has introduced a scrappage policy targeting commercial vehicles older than 15 years, especially those registered before April 2005. The policy offers incentives such as registration fee exemptions to encourage replacement of inefficient and high-emission vehicles, supporting long-term replacement demand.

## Overview of Domestic Tractor Sales Market (in terms of sales volume)



Source: TMA, CRISIL MI&A Consulting

## Growth Drivers

### Farm Mechanization Varies across States

States like Punjab, Haryana, and Uttar Pradesh have achieved high mechanization levels, with current demand largely driven by replacements. In contrast, eastern states remain underpenetrated, offering significant room for growth, especially for first-time tractor buyers in less saturated markets.

### Increasing Non-Farm Usage of Tractors

Nearly 20% of tractors in India are now used for non-agricultural purposes such as haulage, construction, and mining. Farmers are increasingly renting out their tractors when idle, improving asset utilization and generating secondary income. This trend is set to accelerate as equipment productivity gains priority.

### Rental Model and Low-Cost Tractors Key to Penetrating Fragmented Land Holdings in India

With over 80% of Indian farms classified as small or marginal, outright tractor ownership remains a challenge for many. Low-cost tractors and rental models are bridging this gap. Government-supported rental apps are also enabling flexible access to equipment, driving inclusive mechanization.

### Segment-Wise Tractor Sales Shifting toward Higher Horsepower

Sales continue to be led by the 41–50 hp segment, valued for its adaptability across farming and commercial tasks. Regional factors like irrigation coverage, soil type, and average land size influence horsepower demand. Better-irrigated and tougher terrain areas tend to favor higher hp models, while smaller farms with softer soils prefer lower hp variants.



## Trailer Industry



The Company, as a leading trailer-axle manufacturer, is well positioned in a market that is expanding rapidly. The India Automotive Trailer Market is projected to grow at a CAGR of 8.4% between CY 2025 and CY 2031, driven by surging freight volumes and logistics needs.

### Growth Drivers

#### Surge in Logistics and E-Commerce

Rapid growth of third-party logistics and e-commerce is fueling demand for trailers—and by extension, for durable, high-capacity axles.

#### Infrastructure Expansion and Regulatory Support

Government initiatives like the Trailer Code and enhanced road networks, along with increased permissible axle loads, are enabling higher payloads and safer operations.

#### Focus on Cost- and Fuel-Efficiency

Operators are shifting from rigid trucks to trailer combinations to achieve the lowest cost per ton-kilometer, driving adoption of lighter, longer-lasting axle technologies.

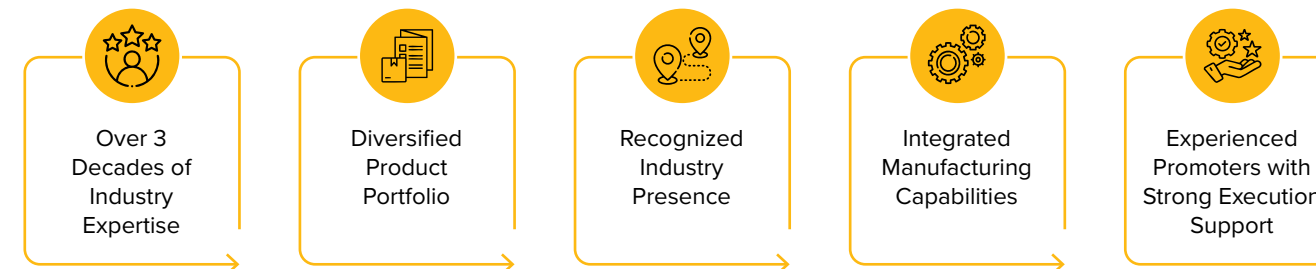
## COMPANY OVERVIEW

Established in 1994, Kross Limited (also referred to as 'Kross' or The Company) is a leading manufacturer and supplier of high-performance, safety-critical components serving the medium and heavy commercial vehicle (M&HCV) and farm equipment sectors. Over the years, the Company has earned a strong reputation for reliability and engineering excellence, positioning itself as a trusted partner to major original equipment manufacturers (OEMs), Tier 1 suppliers, domestic dealers, and fabricators throughout India. Headquartered in Jamshedpur, Jharkhand, Kross operates five fully integrated manufacturing facilities. This backward integration ensures end-to-end oversight of its manufacturing processes, supporting both quality control and operational efficiency. The Company's product portfolio is both diverse and highly specialized, encompassing trailer axle and suspension assemblies, axle shafts, companion flanges, anti-roll bars, stabilizer bar assemblies, suspension linkages, differential spiders, bevel gears, planet carriers, inter-axle kits, rear end spindles, and a wide range of tractor components such as hydraulic lift arrangements, power take-off (PTO) shafts, and

front axle spindles. Each of these components plays a critical role in ensuring the safety, durability, and performance of commercial vehicles and agricultural machinery.

Kross's commitment to global standards is reflected in its certifications: IATF 16949:2016 for quality management, ISO 14001:2015 for environmental responsibility, and ISO 45001:2018 for occupational health and safety. These accreditations are the result of a disciplined approach to manufacturing and an uncompromising focus on process excellence. Supporting this effort is the Company's dedicated Research and Development team, which continually drives product innovation to meet the changing needs of its customers and the industry at large.

With an expansive manufacturing infrastructure and a broad, loyal client base, Kross continues to strengthen its position as a specialist supplier of safety-critical components for the M&HCV and farm equipment sectors. The Company's consistent delivery, technical expertise, and strategic approach make it a preferred partner in one of the most demanding segments of industrial manufacturing.



## Strategic Capacity and Capability Expansion

Kross is strategically expanding its capabilities across forging, casting, and machining to support accelerated growth in its core segments: exports, trailer axles and suspension assemblies, and high-precision components. These investments are not only strengthening the Company's current production capacity but are also laying a robust foundation for its medium and long-term strategic goals. In FY 2024-25, Kross commissioned a 2,000-ton screw press, and a 1,000-tonne press, furthermore, the Company plans to install a 1,600-tonne press plus a 2,000 ton to strengthen forging capabilities a move that significantly enhances its ability to meet rising demand and strengthens its long-term manufacturing readiness.

### Axle Beam Extrusion Plant

In a major technological step forward, Kross is establishing India's first Axle Beam Extrusion Plant, with commercial production slated for FY 2025-26. This facility will leverage advanced extrusion technology to scale trailer axle and suspension assembly output from 5,000 to 7,500 units per month, with the flexibility to ramp up to 10,000 axle beams per month. The extruded design will result in a lighter and stronger component, delivering estimated cost savings of 5% and contributing to improved operational margins without affecting pricing stability.

The extrusion plant also opens the door to a new product category for Kross: tag and dead axles for rigid vehicle applications. This segment, previously unaddressed by Kross, presents a high-potential growth opportunity. As the extruded axle reaches production readiness in FY 2025-26, Kross will be positioned to pursue export opportunities in the global trailer axle market, a space currently dominated by Chinese manufacturers who utilize similar extrusion technologies. With this move, the Company intends to diversify its product offerings, while gaining a foothold in an established international market.

### Seamless Tube Manufacturing Facility (Mill 219)

Reaffirming its commitment to backward integration, Kross is setting up a seamless tube manufacturing plant in the Adityapur Industrial Area, Jharkhand. The project involves a planned investment of INR 1,670 Mn, funded through a combination of internal accruals and debt. The facility will house Mill 219, designed to manufacture seamless tubes with diameters ranging from 115 mm to 220 mm.

This strategic initiative is aimed at reducing reliance on external suppliers, while enhancing control over input quality and availability. In-house tube production is expected to improve cost efficiency by 3-4% and ensure a steady supply of critical materials for internal use. With an annual installed capacity of 1,20,000 tons, the plant will also cater to external customers in key sectors, including automotive, oil & gas, and general engineering. Commercial operations are scheduled to commence in FY 2026-27, with significant revenue contribution anticipated from FY 2027-28 onward.

## Segment-Wise Performance

### Trailer Axles and Suspension Assemblies

This segment contributed 44.1% to Kross' total revenue in FY 2024-25. Despite a 5% contraction in the domestic trailer market, the Company achieved a modest increase in segmental revenue. Axle sales rose from approximately 31,000 units in FY 2023-24 to 32,500 units in FY 2024-25. March 2025 marked the highest monthly output, with production reaching close to 4,200 units. The Company continues to see growing interest in air suspension systems and has developed a complete axle portfolio ranging from 12-ton to 18-ton capacities.

Kross has established a strong presence in key states such as Rajasthan, Chhattisgarh, and Jharkhand, where it is a preferred brand for tipping trailer applications. The Company is also preparing to launch tipping jacks in the second half of FY 2025-26 to deepen its integration within the trailer ecosystem.

### Component Business (M&HCV and Tractor Components)

This segment contributed 55.9% of total revenue in FY 2024-25. Kross manufactures a diverse range of components including axle shafts, coupling flanges, differential spiders, rockshafts, and joint assemblies. Capacity utilization across key lines varied between 58% and 85% during the year. The Company has seen steady growth in business from established OEMs such as Dana and International Tractors Limited, driven by both volume expansion and product diversification.

### Exports

Export revenue stood at INR 197 Mn in FY 2024-25, contributing 3.2% to the Company's total revenue. The export business has gained early traction through consistent supply of universal joint crosses and successful customer engagements in



Europe. Kross is targeting an export revenue share of 5% in FY 2025-26. With the introduction of the extruded trailer axle beam, the Company expects to access global trailer OEMs, particularly in markets that demand high-precision, one-piece axle designs.

#### New Product Development

The upcoming launch of tipping jacks marks a strategic expansion within the trailer segment. Targeting high-volume states like Rajasthan and Chhattisgarh, Kross is leveraging its existing customer base to gain early market share. Realizations are estimated at INR 1.15 Lakh per unit. Initial volumes in FY 2025-26 are expected to reach 300-400 units, with a target of scaling up to 800 units per month over the medium term.

#### Other Initiatives

Product development is ongoing in new categories such as tag axles and load-bearing dead axles. These offerings will be manufactured using the extruded beam platform, allowing Kross to deliver lighter, stronger, and globally competitive products. These new categories are expected to support both domestic demand and long-term export ambitions.

### Discussion on Financial Performance with Respect to Operational Performance

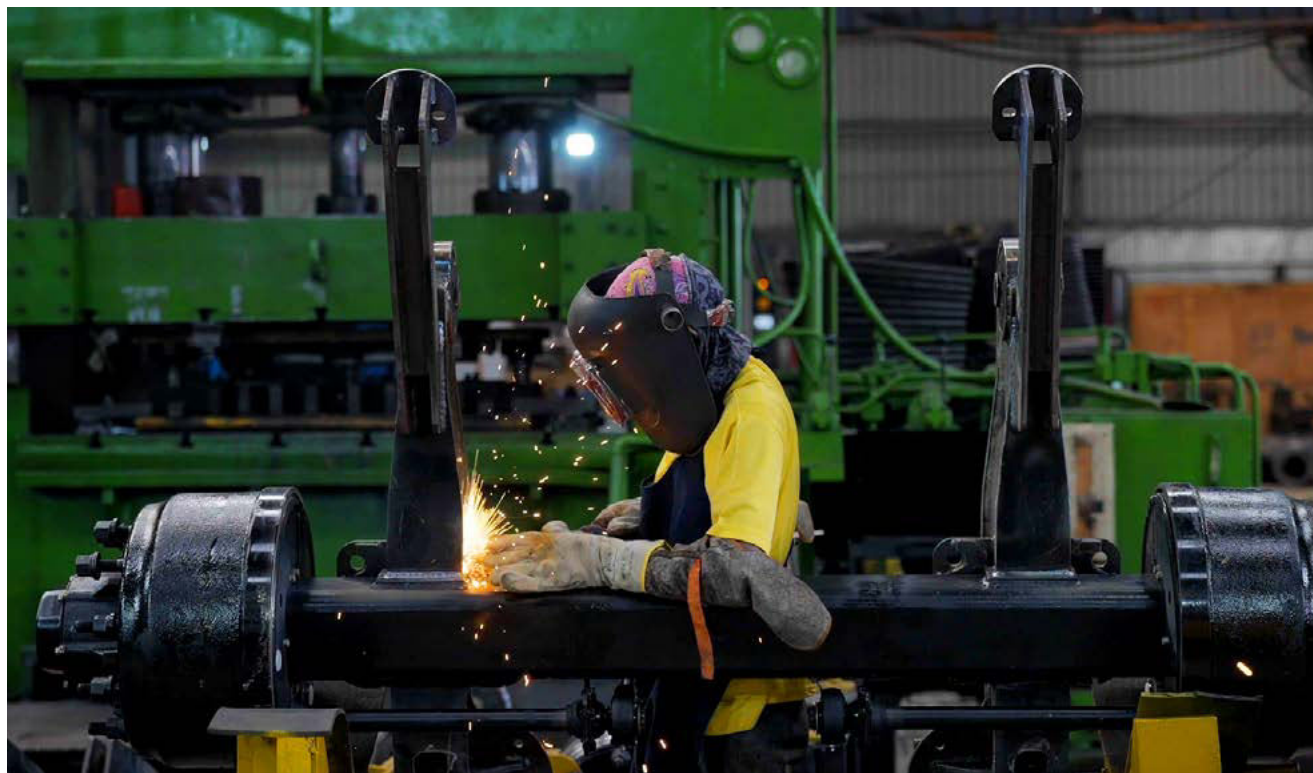
Kross delivered a stable financial performance in FY 2024-25, supported by targeted operational execution across key manufacturing segments. Total revenue stood at INR 6,204 Mn, nearly flat compared to INR 6,202 Mn in FY 2023-24, as volume growth in the trailer axle business offset muted demand in certain component categories.

EBITDA improved marginally to INR 813 Mn in FY 2024-25 from INR 808 Mn in FY 2023-24, with the EBITDA margin expanding slightly to 13.1% from 13.0%. This improvement was driven by enhanced forging capacity, tighter cost controls, and favorable product mix in the trailer axle and suspension assembly segment. The successful commissioning of the 2,000-ton screw press during the year enabled higher forging throughput and supported increased axle output in the second half. In March 2025, the Company achieved its highest-ever monthly production of nearly 4,200 trailer axles.

Capacity utilization across key forging, machining, and assembly lines ranged between 67% and 85% during the year, contributing to improved operational efficiency. The Company also expanded its axle portfolio to cover 12 to 18-ton ranges and observed a higher share of air suspensions, aiding realizations and margin stability.

Profit after tax increased to INR 480 Mn in FY 2024-25, compared to INR 449 Mn in FY 2023-24, marking a 7.0% year-on-year growth. This was supported by stable operating margins, reduced finance costs post-IPO, and effective working capital management. As of March 31, 2025, the debt-to-equity ratio stood at 0.1x, reflecting improved financial strength and headroom to fund future growth.

While the axle beam extrusion plant and seamless tube manufacturing facility (Mill 219) did not contribute to FY 2024-25 revenue, both represent critical forward-looking investments. These initiatives are expected to reduce material costs, increase in-house value addition, and support entry into new product and export markets starting FY 2025-26.



## SWOT ANALYSIS

### Strengths

- With over three decades of operational history, Kross Limited has built deep expertise and trust in the automotive components sector, catering to leading OEMs and Tier 1 suppliers.
- The Company operates a backward-integrated manufacturing setup with in-house design, forging, casting, machining, and surface protection capabilities. This ensures better control over quality, cost, and lead times.
- Kross offers a comprehensive range of components across multiple vehicle categories and applications. Over time, the Company has successfully broadened its customer base, reducing dependence on a few large clients.
- The Company continues to maintain a disciplined financial profile, supported by healthy profitability metrics, low leverage, and a consistent focus on capital efficiency.
- Kross has long-standing relationships with prominent domestic and international OEMs and Tier 1 suppliers. The Company is recognized for its quality and reliability and has received multiple supplier awards.

### Weakness

- The Company's growth roadmap includes multiple large-scale projects. Any delay or disruption in commissioning or stabilizing these facilities could impact targeted efficiencies.
- Although export volumes have begun to scale, the Company's revenue mix remains predominantly domestic, indicating scope for further international diversification.
- Business operations in certain segments have experienced extended receivable cycles and higher inventory holding, leading to increased pressure on operational cash flows.

### Opportunities

- The commissioning of India's first extrusion line is expected to enhance capacity, product quality, and margins, while enabling entry into new categories such as TAG axles.
- Strategic plans to introduce products such as tipping jacks will further deepen the Company's presence in the trailer ecosystem and open new revenue streams.
- The seamless tube manufacturing facility under development is expected to reduce dependency on external suppliers and unlock long-term margin benefits across product lines.
- The adoption of advanced manufacturing technologies positions Kross to tap into export opportunities in global trailer and axle markets, helping build a diversified international portfolio over time.
- Continued infrastructure development, regulatory changes, and OEM-led product upgrades are expected to support demand growth in the Company's core segments.
- The M&HCV segment is not under any immediate threat from electrification, either at present or in the near future, ensuring stability and visibility of demand.

### Threats

- The Company's performance remains linked to the demand cycles in the commercial vehicle and trailer industries, which are susceptible to broader economic and regulatory developments.
- The automotive components industry is marked by pricing pressures, evolving customer expectations, and continuous technological advancement, necessitating ongoing agility and differentiation.
- The success of ongoing and future capacity expansion efforts will depend on timely execution, efficient ramp-up, and alignment with evolving market needs.
- While current export exposure is modest, shifts in international trade dynamics, tariffs, or regulatory frameworks could influence future growth trajectories.





## FINANCIAL OVERVIEW

In FY 2024–25, Kross maintained steady revenue performance, supported by a strong recovery toward the end of the year following muted demand in the initial quarters. Profitability improved, driven by cost efficiencies, a more favorable product mix, and a higher share of export contributions. The application of IPO proceeds toward debt repayment led to lower finance costs and contributed to a stronger balance sheet. In parallel, improved asset utilization enhanced operational efficiency across the business.

Particulars	FY 2024-25	FY 2023-24
Revenue (INR Mn)	6,204	6,202.50
EBITDA (INR Mn)	812.50	807.50
EBITDA Margin (%)	13.10	13.02
PAT (INR Mn)	480.20	448.80
PAT (%)	7.70	7.22

### Key Financial Ratios

Ratio	As of March 31, 2025	As of March 31, 2024	Variance (%)	Explanation in Case of Variance is More than 25%
Debtors Turnover Ratio	4.25	7.67	(44.59)	Better collection and realization.
Inventory Turnover Ratio	12.67	16.12	(21.40)	-
Interest Coverage Ratio	6.48	5.11	26.81	Significant portion of term loan repayment from IPO proceeds impacted the ratio.
Current Ratio	3.21	1.37	134.30	Improvement is due to repayment of borrowings from IPO proceeds.
Debt-to-Equity Ratio	0.12	0.95	(87.37)	Improvement is due to repayment of borrowings from IPO proceeds.
Operating Profit Margin (%)	11.99	12.09	(0.99)	-
Net profit Margin (%)	7.68	7.22	6.37	-
Return on Net Worth (%)	11.05%	30.57%	(63.85)	Fresh issuance of 1,04,16,666 equity shares in the initial public offering of the Company.

## RISKS AND THEIR MITIGATION STRATEGIES

Risk	Impact	Mitigation Strategies
Competition-Related	Kross faces competition from both domestic and international players, some of whom possess greater resources and lower cost structures. This competitive landscape could exert pressure on pricing and margins, which in turn may impact the Company's market share, profitability, and overall growth trajectory.	The Company prioritizes product quality, continuous innovation, and long-term customer relationships, while actively investing in advanced technologies and process improvements to sustain its competitive edge.
End-User Industry-Related	A slowdown in vehicle sales, especially within the M&HCV and farm equipment sectors, could significantly reduce demand for Kross's offerings. Such a development may adversely affect both revenue generation and overall financial performance.	The Company actively monitors shifts in industry dynamics, while broadening both its product range and customer base. At the same time, Kross is aligning operations with emerging vehicle technologies and regulatory changes to reduce dependency on a single end-user segment.
Raw Material Price Volatility	If increases in steel and raw material prices cannot be fully passed on to customers, the resulting cost pressure may reduce Kross's margins, constrain working capital, and weaken its financial standing.	By engaging suppliers in strategic negotiations and establishing long-term agreements, the Company optimizes inventory management to control raw material cost volatility and alleviate working capital demands.
Customer Concentration	With a substantial portion of revenue from its top five customers, Kross remains vulnerable to supply chain or commercial disruptions if purchasing volumes from any of these accounts decline or stop altogether.	The Company's strategy focuses on reducing exposure by growing its customer base, securing critical relationships, integrating protective terms in key contracts, exploring untapped markets, and continuously evaluating the financial health of core clients.
Manufacturing Facility Disruption	Unplanned operational shutdowns or periods of under-utilization stemming from equipment malfunctions, regulatory hurdles, supply chain interruptions, or labor unrest can significantly disrupt business continuity, strain cash flows, and weaken financial performance.	The Company is taking a multi-pronged approach to mitigate operational risks by enforcing disciplined maintenance procedures, developing contingency plans, diversifying supplier networks, and investing in infrastructure enhancements.
Product Quality-Related	If Kross fails to uphold rigorous quality standards or fulfill warranty obligations, it may trigger product recalls and replacements, facilitating litigation, and suffering reputational harm, all of which could negatively impact its financial performance and operational stability.	To safeguard product integrity and meet customer-defined benchmarks, the Company has strengthened its operations with firm quality control, regular inspections, and thorough testing, thereby limiting exposure to defect-related issues.
Geographical Market Concentration	A concentrated focus on the Indian market heightens Kross's sensitivity to domestic economic, political, and sectoral fluctuations. Limited global reach continues to pose a challenge to broadening revenue sources across geographies.	To ease its reliance on the Indian market, the Company is broadening its global reach and developing the internal expertise required to manage the operational and regulatory challenges of international markets.



## CORPORATE SOCIAL RESPONSIBILITY INITIATIVES (CSR)

In FY 2024–25, Kross Limited continued to uphold its commitment to responsible corporate citizenship by contributing INR 8.15 Mn toward meaningful and high-impact CSR initiatives. The Company's efforts were directed across a diverse range of focus areas including healthcare, education, community welfare, environmental awareness, and social empowerment, with an emphasis on creating long-term value for underserved communities.

### Strengthening Public Healthcare

Kross facilitated the enhancement of diagnostic and maternal health services by donating an advanced ultrasound machine and associated medical equipment to the Sub-Divisional Hospital in Chandil. It also supported the Voluntary Blood Donors Association in Jharkhand by providing a utility vehicle to strengthen their outreach for blood donation drives. Further, the Company enabled the provision of equipment for antenatal care services at 50 Anganwadi Centers in the Saraikela-Kharsawan region, promoting maternal and child health in underserved communities.

### Supporting Education and Child Welfare

Kross collaborated with the Tata Steel Foundation to support Masti Ki Pathshala, a program dedicated to reintegrating street and homeless children into the formal education system. In partnership with local schools, over 250 children were successfully admitted to ICSE and CBSE institutions in Jamshedpur. In addition, the Company extended support to organizations working toward the educational upliftment

of children from disadvantaged backgrounds, including Scheduled Caste (SC), Scheduled Tribe (ST), and Other Backward Classes (OBCs). Contributions were also made to programs that empower rural girl children by fostering confidence, life skills, and access to education across schools in Rajasthan and beyond.

### Advancing Community and Animal Welfare

The Company partnered with non-profit organizations to support food distribution for residents of orphanages and elderly care homes in Odisha. It also contributed to animal welfare efforts by facilitating the development of veterinary diagnostics infrastructure to improve treatment access for stray animals.

### Fostering Environmental Awareness

Kross supported awareness and learning initiatives through the Loyola Tarumitra Center in Jamshedpur. The center engages students in ecological education and conservation activities, helping instil responsible environmental stewardship from a young age.



Donation of an ultrasound machine to Chandil Sub-Divisional Hospital, located in a remote village of Jharkhand. The facility was inaugurated by the Union Minister of State for Defence and the Deputy Commissioner of Saraikela-Kharsawan, Jharkhand

## HUMAN RESOURCES MANAGEMENT

Kross recognizes employees as indispensable assets integral to maintaining the Company's competitive edge across strategic markets and the broader industry. The Company's human resources approach is designed to attract qualified and talented individuals who fit seamlessly with its existing workforce and organizational culture.

Employee development remains a priority, supported by targeted training initiatives and regular performance evaluations that promote both personal advancement and the Company's growth trajectory. A structured rewards and recognition system celebrates employees' contributions based on performance and impact, regardless of seniority or location. The Company's induction process ensures continuous feedback and fosters interaction between new recruits and senior management, supporting effective onboarding and cultural assimilation. Comprehensive medical insurance and wellness programs further demonstrate the Company's commitment to employee health and well-being. As of March 31, 2025, Kross employed 2,279 individuals, consisting of 543 permanent and 1,736 contractual employees.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Kross's structured internal control system ensures the integrity of financial reporting and promotes operational efficiency. Since deploying a company-wide ERP system in 2012, which is currently being upgraded, real-time coordination has improved across procurement, manufacturing, and supply chain functions. The Company's commitment to quality is demonstrated through ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and IATF 16949:2016 certifications. Internal controls are diligently monitored by the Audit Committee, and the Risk Management Committee actively manages exposure to key risks. The past three years have passed without any material non-compliance. In response to ongoing business growth and increasing cyber threats, the Company continues to strengthen its internal controls.

## CAUTIONARY STATEMENT

This section contains the Company's objectives, estimates, expectations, and projections, which may include 'forward-looking statements' as defined under applicable securities laws and regulations. These statements are based on certain assumptions and anticipated future events. However, the Company cannot assure the fulfillment or accuracy of these assumptions and expectations. Actual outcomes may differ significantly due to factors beyond the Company's control. The Company does not undertake any obligation to revise or update these 'forward-looking statements' considering future developments, information, or events.



# BOARD'S REPORT

Dear Members,

Your directors are pleased to present the 34<sup>th</sup> Annual Report on the business and operations of your Company along with Standalone Audited Financial Statements and the Auditors' Report thereon for the financial year ended March 31, 2025.

## STATE OF COMPANY'S AFFAIRS

### 1) FINANCIAL SUMMARY & PERFORMANCE HIGHLIGHTS

The Audited Financial Statements for the Financial Year ended March 31, 2025, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standard (hereinafter referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable. Necessary disclosures with regard to Ind-AS reporting have been made under the Notes to Financial Statements. The Company's performance during the financial year under review as compared to the previous financial year is summarized below:

Particulars:	(INR in Mn)	
	Standalone	
	Year Ended March 31, 2025	Year Ended March 31, 2024
Revenue from Operations	6,204.10	6,202.50
Other Income	52.71	12.14
<b>Total Income</b>	<b>6,256.82</b>	<b>6,214.64</b>
Profit before Finance Cost, Depreciation, and Tax	865.21	819.72
Finance Cost	122.86	148.96
Depreciation	68.46	57.86
Share of Profit/(Loss) of Subsidiary	0	0
<b>Profit Before Tax (PBT)</b>	<b>673.89</b>	<b>612.90</b>
Current Tax	178.29	160.49
Deferred Tax	15.32	3.60
<b>Net Profit After Tax (PAT)</b>	<b>480.27</b>	<b>448.81</b>
Other Comprehensive Income	0	0
Total Comprehensive Income for the Year	0	0
Earnings per equity share (In ₹)		
Basic earnings per share	8.04	8.30
Diluted earnings per share	8.04	8.30

#### 1.1) BUSINESS REVIEW

The Company delivered a strong performance in Q4 FY25, meeting expectations. Q3 was marked by inconsistent order flows—starting on a positive note in October but softening in November and December. In contrast, Q4 saw a clear rebound, with healthy demand in January and February, and March recording our highest-ever monthly trailer axle production and sales at nearly 4,200 units. As a result, our Q4 FY25 topline grew 23.3% over Q3. The trailer axle and suspension assembly segments performed particularly well, and we expect this positive momentum to carry forward into FY 2025-26.

On the export front, we closed the year with INR 19.7 Cr. in export revenues, with our partnership with global OEMs progressing smoothly. We have made steady progress on our export business, with the universal joint cross already in regular supply. Building on this momentum, we are well-positioned to expand our export offerings in FY 2025-26,

further strengthening our global relationships and reinforcing our long-term strategy. We do not anticipate any material impact from the tariffs, as our current exposure is largely limited to European OEMs who have onboarded us following a rigorous validation process. With this foundation in place, we are confident of growing exports meaningfully and are targeting a 5% revenue share from exports by FY 2025-26.

To summarize, FY 2024-25 was a year of strategic progress and operational resilience. We have laid a strong foundation for sustainable growth across both core and emerging product categories. As part of this journey, 75% of the IPO proceeds have already been deployed, and the balance 25% will be fully utilized within the current financial year (FY 2025–26). With ongoing investments and continued product diversification, we are excited about the opportunities ahead and remain committed to delivering long-term value to all our stakeholders.

## BOARD'S REPORT (CONTD.)

### 1.2) FINANCIAL REVIEW

- Revenue stood at INR 620.4 Cr., compared to INR 620.3 Cr. in FY 2023-24, reflecting flat year-on-year growth.
- Revenue contribution from the Trailer axles & Suspension business stood at 44.1%, while the Component business contributed 55.9% in FY 2024-25.
- Export sales contribution stood at 3.2% in FY 2024-25. We are confident of growing exports meaningfully and are targeting a 5% revenue share from exports by FY 2025-26.
- EBITDA stood at INR 81.3 Cr., compared to INR 80.8 Cr. in FY 2023-24, an absolute growth of 0.6% over same period last year.
- EBITDA margin for the year stood at 13.1%, from 13% in FY 2023-24.
- PAT stood at INR 48 Cr., compared to INR 44.9 Cr. in FY 2023-24, an absolute growth of 7% over same period last year.
- PAT margin for the year stood at 7.7%, from 7.2% in FY 2023-24.
- On the balance sheet front, ROCE as on March 31, 2025 stood at 16.7%.
- Gross Fixed Asset Turnover stood at 4.7 times.
- Debt to Equity for the period stood at 0.1 times.
- The EPS on financials for the year ended on March 31, 2025 was 8.04 (Basic) and 8.04 (Diluted).

### 1.3) NEW INITIATIVES & FUTURE OUTLOOK

As we step into FY 2025-26, we've seen a steady start to the year, with April volumes holding strong, consistent with the momentum we saw at the close of FY 2024-25. One of the most transformative developments underway is our new extrusion line, a first-of-its-kind setup in India. There has been some delay in timelines due to logistical challenges. Equipment arrival in June 2025, with production likely to commence in Q2FY26. This new capability will also support our entry into tag axles, marking an important expansion of our product portfolio and strengthening our position in the space.

Currently, we have the capacity to manufacture around 4,500 to 5,000 axles per month, and with the upcoming technology upgrade we see significant headroom for scaling up volumes. With the new technology, while selling prices remain stable, costs reduce, which directly enhances our margins.

### Seamless Tube Plant

One of the most ambitious and capital-intensive projects underway is our seamless tube plant. The equipment is expected to arrive in 9 months. The total capex for the plant is estimated at INR 167 Cr., with a capacity of 1,20,000 tonnes per annum. This plant will serve both captive consumption and external customers. The Company sees significant opportunities in catering to India's oil & gas transportation pipelines, automotive, and general engineering sectors. The commercial production expected to begin in Q3FY27 and the business will contribute meaningfully from FY 2027-28.

### Other Product Initiatives

Building on this strong foundation, we are expanding our product portfolio with the introduction of Tipping Jacks by H2 FY26, a strategic addition that enhances our presence in the trailer ecosystem. This launch will deepen our engagement with trailer manufacturers and further diversify our revenue streams.

Kross has already earned a strong reputation for its trailer axles and suspensions, particularly in states like Rajasthan, Chhattisgarh, and Jharkhand, where our brand is widely used in tipping trailers. Since tipping trailers require tipping jacks and we already have a strong foothold in these regions, we are well-positioned to drive market adoption.

We are confident these initiatives will enhance profitability and further strengthen our market position.

### 1.4) BUSINESS AND OPERATIONS OF THE COMPANY AND THE MATERIAL CHANGES AFFECTING IT

The Company is diligently executing a well-defined growth strategy aimed at enhancing its market visibility and establishing itself as a trusted and reliable player in the auto component industry, both in India and globally. The Company has listed its equity shares on the nationwide trading terminal with NSE India Limited and BSE Limited launching an INR 500 Cr IPO, (consisting of INR 250 Cr as fresh issue and INR 250 Cr offer for sale).

The Board of the Directors at their meeting held on February 07, 2025 has approved the proposal for setting up of a Seamless Tube Plant at Adityapur Industrial Area of District - Saraikela Kharsawan in Jharkhand.

No material changes and commitments affecting the financial position of the Company have occurred after the end of the financial year ended March 31, 2025 till the date of this Report.



## BOARD'S REPORT (CONTD.)

### 1.5) INDUSTRY OVERVIEW

The Indian auto component industry demonstrated robust performance in FY 2024-25, continuing its upward trajectory on the back of strong domestic demand, export resilience, and aftermarket expansion. According to the Automotive Component Manufacturers Association of India (ACMA), the industry recorded a turnover of INR 3.32 Lakhs Cr. (US\$ 39.6 Bn) in the first half of FY 2024-25, reflecting a year-on-year growth of 11.3

Key performance indicators for FY 2024-25 including, Domestic OEM supplies: INR 2.83 Lakhs Cr. (US\$ 33.8 Bn), up 11.2% YoY, Aftermarket: INR 47,416 Cr. (US\$ 5.7 Bn), up 5%, aided by rural penetration and e-commerce, - Imports: US\$ 11 Bn, resulting in a trade surplus of US\$ 150 Mn.

Looking ahead to FY 2025-26, the industry is expected to maintain a moderate growth rate of 7-9%, as projected by CRISIL Ratings and ICRA Limited. This growth will be supported by Continued demand from 2W and PV segments, which together contribute nearly 50% of industry revenue, Steady aftermarket expansion (projected at 5-7% growth), Increased localization and investments in EV components, automation, and precision manufacturing.

However, the sector may face headwinds from Geopolitical tensions and freight cost volatility, Tariff risks in key export markets like the US, Slower EV adoption in Western markets.

Despite these challenges, the industry remains resilient, with stable operating margins (estimated at 12-12.5%) and a healthy capex pipeline of INR 22,000-25,000 Cr. for FY 2025-26, focused on EV readiness and value-added technologies. Globally, the automotive components market is projected to grow from US\$ 1,710 Bn in 2024 to US\$ 2,455 Bn by 2033, at a CAGR of 4.1%, driven by electrification, autonomous technologies, and lightweight materials.

### 2) TRANSFER TO RESERVE

An amount of INR Nil has been transferred to General Reserves out of the profit earned during the financial year 2024-25.

### 3) DIVIDEND

During the financial year under review, the Company successfully listed its equity shares on the stock exchange, marking a significant milestone in its corporate journey. As the Company continues to focus on consolidating its

resources and strengthening its financial position post-listing, the Board of Directors has decided not to recommend any dividend for the FY 2024 -25. This decision is in alignment with the Company's strategic priorities of reinvestment and long-term value creation for its stakeholders.

As per Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (hereafter referred to as SEBI (LODR)), the Company has formulated Dividend Distribution Policy taking into account the parameters prescribed in the said Regulations. The Dividend Distribution Policy is available on Company's website at <https://www.krosslimited.com/corporategovernance-corporatepolicies>

There is no dividend which was required to be transferred to Investor Education and Protection Fund during the year ended March 31, 2025.

### 4) SHARE CAPITAL

#### a) Authorized Share Capital

During the year under review, there is no change in the Authorized Share Capital of the Company. As on March 31, 2025 the Authorized Share Capital of the Company is INR 37,00,00,000 divided into 70,00,000 Equity Shares of INR 5/- each amounting to INR 35,00,00,000 (Rupees Thirty-Five Crores Only) and 20,00,000 preference shares of INR 10/- each amounting to INR 2,00,00,000 (Rupees Two Crore).

#### b) Issued, Subscribed and Paid-up Share Capital

During the year under review, the Company has issued fresh equity shares of 1,04,16,666 through Initial Public Offering ("IPO") and hence the paid-up share capital of the Company stands at INR 32,25,47,110/- divided into 6,45,09,422 equity shares of INR 5/- each.

Further, Company did not issue any class or category of shares, Employee Stock Options, Convertible securities and consequently there is no change in the capital structure since previous year, except as disclosed above.

#### c) Utilization of Proceeds of IPO

Pursuant to the Regulation 32 of the Listing Regulations, there was no deviation(s) or variation(s) in the use of proceeds of IPO till March 31, 2025. The proceeds of IPO were utilized for the objects as disclosed in the Prospectus. Details as on March 31, 2025 are as follows:

## BOARD'S REPORT (CONTD.)

(Amount in INR Mn)			
Name of the Object	Amount as proposed in Offer Document (In Mn)	Amount utilized (in Mn)	Total unutilized Amount (in Mn)
Funding of capital expenditure requirements of our Company towards purchase of machinery and equipment	700.00	207.66	492.34
Repayment or prepayment, in full or in part, of all or a portion of certain outstanding borrowings availed by our Company, from banks and financial institutions	900.00	900.00	0.00
Funding working capital requirements of the Company	300.00	97.64	202.36
General corporate purposes	469.19	419.62	49.57
<b>Total (A)</b>	<b>2369.19</b>	<b>1624.92</b>	<b>744.27</b>

The Company has appointed India Ratings and Research Private Limited as a monitoring agency to monitor the utilization of the funds. The report issued by India Ratings and Research Private Limited states that there is no deviation in the utilization of the funds.

### 5) STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Subsidiary/ Associate / Joint Venture as on March 31, 2025 in Form AOC-1 is annexed to this Report as **Annexure 1**.

### 6) DIRECTORS & KEY MANAGERIAL PERSONNEL

The Board of Directors holds fiduciary position and is entrusted with the responsibility to act in the best interests of the Company. The Board at its meetings deliberates and decides on strategic issues including review of policies, financial matters, discuss on business performance and other critical matters for the Company.

Committees constituted by the Board focus on specific areas and take informed decisions within the framework of the delegated authority and responsibility and make specific recommendations to the Board on matters under its purview. Decisions and recommendations of the Committees are placed before the Board for consideration and approval as required.

Composition of Board of Directors of the Company is duly constituted with proper balance of Executive Directors, and Non-Executive Independent Directors including Women Director in accordance with the provisions of Companies Act, 2013 and Regulation 17 of SEBI (LODR) Regulations, 2015 ("Listing Regulations").

All the Directors have rich experience and specialized knowledge in sectors covering law, finance, accountancy. Human resource, and other relevant areas.

As on 31<sup>st</sup> March, 2025, the Board consists of 8 (Eight) directors comprising of four Non-Executive Independent Directors including a woman director, namely, Ms. Deepa Verma. The Chairman of the Company is an Executive Director. The profile of all the Directors is available in the Annual Report of the Company.

None of the Directors of the Company are disqualified from being appointed as Directors in terms of Section 164(1) and (2) of the Companies Act, 2013 and are not debarred from holding the office of Director by virtue of any SEBI order or any other such authority. Your Company has also obtained a certificate from a Company Secretary in practice confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by Securities Exchange Board of India ("SEBI")/Ministry of Corporate Affairs ("MCA") or any such statutory authority. The aforementioned certificate forms part of this Annual Report annexed with Corporate Governance Report.

In the view of the Board, all the Directors possess the requisite skills, expertise, integrity, competence, as well as experience considered to be vital for business growth.

The composition of Board of Directors and detailed analysis of various skills, qualifications and attributes as required and available with the Board has been presented in the Corporate Governance Report.

#### 6.1) DIRECTORS RETIRING BY ROTATION

Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Kunal Rai (DIN 06863533) retired by rotation and being eligible, was re-appointed as Directors of the Company with the approval of Members at the 33<sup>rd</sup> AGM held on 20<sup>th</sup> June, 2024.



## BOARD'S REPORT (CONTD.)

Further, in accordance with the provisions of the Companies Act, 2013, Mrs. Anita Rai (DIN: 00513329) Whole Time Director of the Company is liable to retire by rotation at the ensuing 34<sup>th</sup> AGM of the Company.

She is eligible and offered herself for re-appointment as Director of the Company. Resolution for her reappointment is being proposed at the 34<sup>th</sup> AGM and her profile is included in the Annexure to Notice of the 34<sup>th</sup> AGM.

### 6.2) CHANGE IN BOARD OF DIRECTORS

During the financial year under review, there was no change in the Board of Directors of the Company.

### 6.3) KEY MANAGERIAL PERSONNEL

As on date, Company has following key managerial personnel in compliance with the provisions of Section 203 of the Companies Act, 2013.

1.	Mr. Sudhir Rai	Chairman and Managing Director
2.	Mrs. Anita Rai	Whole Time Director
3.	Mr. Sumeet Rai	Whole Time Director
4.	Mr. Kunal Rai	Whole Time Director (Finance) and CFO
5.	Ms. Debolina Karmakar	Company Secretary and Compliance Officer.

All Directors, key managerial personnel and senior management have confirmed compliance with the Company's Code of Conduct.

### 6.4) DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(7)

The Independent Directors have furnished the necessary declaration of Independence stating that they fulfill the criteria of independence as per the provisions of Section 149(6) of the Companies Act, 2013 and Regulation 25 and Regulation 26(6) of the SEBI (LODR) and are not disqualified to act as Independent Directors.

They have also complied with requirements of Code for Independent Directors prescribed in Schedule IV of the Companies Act, 2013. The Board is of the opinion that Independent Directors fulfill the independence requirement in strict sense and are eligible to continue as Independent Directors of the Company.

The Company has obtained declaration of independence from all the Independent Directors of the Company. None of the Directors have any pecuniary relationship or transactions with the Company.

### 6.5) NUMBER OF MEETINGS OF THE BOARD

Your Board meets at regular intervals to discuss and decide on business strategies/policies and review the Company's financial performance. During the Financial Year 2024- 25, 08 Board Meetings were held. The meetings were held in accordance with the applicable provisions of the Act.

The details relating to Board Meetings and attendance of Directors in each Board Meeting held during 2024-25 has been separately provided in the Corporate Governance Report.

### 6.6) COMMITTEES OF THE BOARD

The constitution of the Board Committees is in acquiescence of provisions of the Act and the relevant rules made thereunder and Listing Regulations of the Company. The Board has constituted Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and IPO Committee to deal with specific areas/activities that need a closer review and to have an appropriate structure for discharging its responsibilities.

The composition, terms of reference, attendance of directors at the meetings of all the above Committees has been disclosed in the Corporate Governance Report. There has been no instance where the Board has not accepted any of the recommendations of the Audit Committee and other mentioned committees.

### 6.7) BOARD PERFORMANCE EVALUATION

The Nomination and Remuneration Committee of the Company had approved a Nomination and Remuneration policy containing the criteria for performance evaluation, which was approved and adopted by the Board of Directors.

The Board has carried out an annual evaluation of its own performance, Board Committees, and individual Directors pursuant to the provisions of the Act and SEBI (LODR) Regulations and as per the criteria defined in the said act and regulations.

The Board's assessment was discussed with the full Board evaluating, amongst other things, the full and common understanding of the roles and responsibilities of the Board, contribution towards development of the strategy and ensuring robust and effective risk management, understanding of the operational programs being managed by the Company, receipt of regular inputs, receipt of reports by the Board on financial matters, budgets and operations services, timely receipt of information with supporting papers, regular monitoring and evaluation of progress towards strategic goals

## BOARD'S REPORT (CONTD.)

and operational performance, number of Board meetings, committee structures and functioning, etc.

The outcome of the evaluations conducted by the Nomination and Remuneration Committee and the Independent Directors at their respective meetings was presented to the Board, for assessment and development of plans/suggestive measures for addressing action points that arise from the outcome of the evaluation. The Directors expressed their satisfaction on the parameters of evaluation, the implementation and compliance of the evaluation exercise done and the results/ outcome of the evaluation process.

The members concluded that the Board was operating in an effective and constructive manner.

### 6.8) MEETING OF INDEPENDENT DIRECTORS

During the Financial Year under review, separate Meeting of the Independent Directors were held on September 03, 2024 and March 25, 2025 without the attendance of Non-Independent Directors and the Management of the Company. The Independent Directors discussed and reviewed the performance of the Non-Independent Directors and the Board as a whole, and also assessed the quality, quantity and timeliness of flow of information between the Management and the Board which is necessary for the Board to effectively and reasonably perform its duties.

### 6.9) FAMILIARIZATION PROGRAM

In compliance with the requirements of Listing Regulations, the Company has put in place a framework for Directors' Familiarization Program to familiarize the Independent Directors with their roles, rights and responsibilities, strategy planning, manufacturing process, subsidiaries business strategy, amendments in law, Company's codes and policies, environmental aspects, CSR site visit, nature of the industry in which the Company operates, ESG goals/targets, amongst others. The details of the familiarization program conducted during the financial year under review are explained in the Corporate Governance Report.

### 6.10) DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act, the Directors of the Company, based on representation from the management and after due enquiry, confirm that:

- in the preparation of the Annual Accounts for the year ended March 31, 2025, the applicable accounting standards have been followed and there are no material departures from the same;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give

a true and fair view of state of affairs of the Company as at March 31, 2025 and of the profit of the Company for the year ended on that day;

- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- the Annual Accounts for the year ended March 31, 2025 have been prepared on a "going concern" basis;
- they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively throughout the financial year ended March 31, 2025.
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively throughout the financial year ended March 31, 2025.

## 7) AUDITORS AND AUDITORS REPORT

### 7.1) Statutory Auditors

M/s. S.K. Naredi & Co LLP (ICAI Firm Registration No. 003333C), Chartered Accountants, Jamshedpur, Jharkhand, have been appointed as Statutory Auditors of the Company to hold the office for a period of 5 years from the financial year 2022-23 to 2026-27.

The Report given by M/s. S.K. Naredi & Co LLP, Chartered Accountants, Statutory Auditors on the standalone financial statements of the Company for the financial year 2024-25 is part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

Further to inform that the Statutory Auditors i.e. S K Naredi & Co , have been converted from Partnership Firm ("Firm") to Limited Liability Partnership ("LLP") and pursuant to conversion the name of the firm changed from S K Naredi & Co to S K Naredi & Co LLP.

### 7.2) Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board at its meeting held on May 16, 2025 had appointed Mr. Sital Prasad Swain, Practicing Company Secretary (Membership No. F6338, CP No. 6814). (Peer review Number 6863/2025) Secretarial Auditor of the Company for audit period of 5 consecutive years commencing from FY 2025-26 till FY 2029-30. The Secretarial Audit Report for 2024-25 in form MR 3 is annexed to this report as "Annexure- 2".



## BOARD'S REPORT (CONTD.)

Pursuant to provisions of Regulation 24A of Listing Regulations, the Company has undertaken an audit for the 2024-25 for all applicable compliances as per SEBI Rules, Regulations, Circulars, Notifications, Guidelines etc. issued thereunder.

The Secretarial Audit Report and the Annual Secretarial Compliance Report for the financial year ended March 31, 2025 are unmodified i.e. they do not contain any qualification, reservation, or adverse remark.

### 7.3) Internal Auditors

The Company has in place an adequate internal audit framework to monitor the efficacy of the internal controls with the objective of providing to the Audit Committee and the Board of Directors, an independent, objective and reasonable assurance on the adequacy and effectiveness of the Company's processes. The Internal Auditor reports directly to the Chairman of the Audit Committee.

M/s. GWC Professional Services Private Limited, were appointed as the Internal Auditors of the Company in accordance with the provisions of Section 138 of the Act read with the Companies (Accounts) Rules, 2014.

### 7.4) Cost Auditors

The Board of Directors on the recommendation of the Audit Committee, appointed M/s. Aditya Bhojgaria & Co (firm registration number of 000809), as the Cost Auditors of the Company for the Financial Year 2025-26 under Section 148 of the Companies Act, 2013. M/s. Aditya Bhojgaria & Co, Cost Auditor have confirmed that their appointment is within the limits of section 141(3)(g) of the Companies Act, 2013 and have also certified that they are free from any disqualifications specified under section 141(3) and proviso to section 148(3) read with section 141(4) of the Companies Act, 2013. As per the provisions of the Companies Act, 2013, the remuneration payable to the Cost Auditors are required to be placed before the members in a General Meeting for their ratification. Accordingly, a resolution seeking members' ratification for the remuneration payable to M/s. Aditya Bhojgaria & Co., Cost Auditors forms part of the AGM Notice.

### 8) RISK MANAGEMENT

The Company has built a comprehensive risk management framework that seeks to identify all kinds of anticipated risks associated with the business and to take remedial actions to minimize any kind of adverse impact on the Company.

The Company understands that risk evaluation and risk mitigation is an ongoing process within the organization and is fully committed to identify and mitigate the risks in the business.

The Company has also set up a Voluntarily Risk Management Committee to monitor the existing risks as well as to formulate strategies towards identifying new and emergent risks. The Risk Management Committee identifies the key risks for the Company, develops and implements the risk mitigation plan, reviews and monitors the risks and corresponding mitigation plans on a regular basis and prioritizes the risks, if required, depending upon the effect on the business/reputation. The other details in this regard are provided in the Corporate Governance Report, which forms part of this Annual Report.

### 9) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Act and Regulation 34 read with Schedule V of the SEBI Listing Regulations form part of the Notes to the financial statements of the Company provided in this Annual report.

### 10) PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, all the transactions entered into by the Company with related parties were in compliance with the applicable provisions of the Act and the Listing Regulations, details of which are annexed in AOC – 2 to this report as “Annexure-3”. All related party transactions are entered into only after receiving prior approval of the Audit Committee.

Further, in terms of the provisions of Section 188(1) of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, all contracts/arrangements/ transactions entered into by the Company with its related parties, during the financial year under review, were in ordinary course of business and on arm's length and not material as per the Related Party Transaction policy.

In line with the requirements of the Act and the Listing Regulations, the Company has also formulated a Policy on dealing with Related Party Transactions ('RPTs') and the same is available on the website of the Company at <https://www.krosslimited.com/corporategovernance-corporatepolicies>

### 11) ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Returns of the Company are available on the website of the Company at <https://www.krosslimited.com/>

## BOARD'S REPORT (CONTD.)

### 12) PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time in respect of Directors/ employees of the Company and a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time-to-time forms part of this Board Report as “Annexure-4” to this report.

The Board of Directors wishes to express their appreciation to all the employees for their outstanding contribution to the operations of the Company during the year. It is the collective spirit of partnership across all sections of employees and their sense of ownership and commitment that has helped the Company to grow.

### 12.1) HUMAN RESOURCES & INDUSTRIAL RELATIONS

Employees are the most valuable and indispensable asset for a Company. Your Company has cordial relations with the workers and employees at all levels of the organization. A section on Human Resources/ Industrial relations is provided in the Management Discussion and Analysis Report which forms part of the Annual Report.

### 13) COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES

The Company has in place a 'Policy on Nomination & Remuneration for Directors, Key Managerial Personnel (KMP) and Senior Management', which, inter-alia, lays down the criteria for identifying the persons who are qualified to be appointed as Directors and/or Senior Management Personnel of the Company, along with the criteria for determination of remuneration of Directors, KMPs, Senior Management and their evaluation and includes other matters, as prescribed under the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations. The Remuneration paid to the Directors is in line with the Remuneration Policy of the Company.

The Nomination and Remuneration policy is available on the website of the Company at <https://www.krosslimited.com/corporategovernance-corporatepolicies>

### 14. POLICY ON BOARD DIVERSITY

In compliance with the Listing Regulations, the Company has formulated the policy on diversity of Board of Directors. The Company recognizes the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. The Company believes that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, race and gender, which will ensure that the Company retains its competitive advantage.

The Policy on Board Diversity is available on the website of the company in <https://www.krosslimited.com/corporategovernance-corporatepolicies>

### 15. CREDIT RATING

Company's credit ratings were revised by India Ratings and Research Pvt Ltd on March 03, 2025. The ratings of the Company are as under:

Facilities	Amount (INR Mn)	Rating
Fund-based working capital limit	885	IND A/Stable/IND A1 Outlook is Stable
Non-fund-based working capital limit	100	IND A1 Positive Implications
Term loan	INR130 (reduced from INR152)	IND A Outlook is Stable

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

Information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated in Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 for year ended March 31, 2025 is attached as “Annexure -5”.

### 17. VIGIL MECHANISM

The Company has adopted a Whistle Blower Policy and established the necessary Vigil Mechanism, which is in line with the Section 177 of the Companies Act, 2013 for its Directors and employees. The details of this Policy are explained in the Corporate Governance Report which forms a part of this Annual Report and also hosted on the website of the Company at <https://www.krosslimited.com/corporategovernance-corporatepolicies>

There were no instances of reporting under vigil mechanism during the financial year ended March 31, 2025.



## BOARD'S REPORT (CONTD.)

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

The Company has zero tolerance towards sexual harassment at workplace and is committed to provide a safe and secure working environment for all employees.

The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder and the same is hosted on the Company's website at <https://www.krosslimited.com/corporategovernance-corporatepolicies>. An Internal Complaints Committee (ICC) has also been set up to redress complaints received regarding sexual harassment.

During the year under review, no cases were filed under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The constitution of the Internal Complaints Committee are as follows;

Location: Jamshedpur

Name	Designation
Mrs. Anita Rai	Chairperson
Mrs. Alakananda Bakshi	External Member
Mrs. K Vijaya Padmabati	Member
Ms. Debolina Karmakar	Member

No complaints have been filed/ disposed of/ pending during the financial year ended March 31, 2025.

### 19. TRANSFER OF UNPAID DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

The Company is required to transfer dividends which have remained unpaid / unclaimed for a period of seven years to the Investor Education & Protection Fund ("IEPF") established by the Government. Since there was no unpaid dividend, no amount was required to be transferred to IEPF and therefore transfer of unpaid dividend to Investor Education and Protection Fund (IEPF) is not applicable to the Company during the year under review.

### 20. CORPORATE GOVERNANCE REPORT

Corporate Governance Report along with a certificate from the Practicing Company Secretary confirming corporate governance requirements as stipulated under Regulation 27 of Listing Regulations forms part of report as **Annexure 6**.

### 21. MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion and Analysis Report for the financial year under review, as stipulated under Regulation

34(2)(e) of Listing Regulations is presented in a separate section forming part of the Annual Report.

### 22. MATERIAL CHANGES AND COMMITMENTS, IF ANY, POST BALANCE SHEET DATE

No material changes and commitments have occurred between end of the financial year of the Company to which the financial statements relate and the date of this report which may affect the financial position of the Company.

### 23. INTERNAL FINANCIAL CONTROLS

According to Section 134(5)(e) of the Companies Act and Regulation 17(8) of SEBI (LODR) in terms of internal control over financial reporting, the term Internal Financial Control ('IFC') means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and early detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

The Company has a well-established internal control framework, which is designed to continuously assess the adequacy, effectiveness and efficiency of financial and operational controls and the Board is responsible for ensuring that IFC are laid down in the Company and that such controls are adequate and operating effectively. The Company believes that strengthening of internal controls is an ongoing process and there will be continuous efforts to keep pace with changing business needs and environment.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors. Further there were no letters of internal control weaknesses issued by the Internal Auditor or the Statutory Auditors during the financial year under review.

Necessary certification by the Statutory Auditors in relation to Internal Financial Control u/s 143(3)(i) of the Act forms part of the Audit Report.

### 24. CORPORATE SOCIAL RESPONSIBILITY

The Company believes that as a responsible corporate citizen, it has a duty towards the society, environment, and the Country where it operates. The Company's sense of responsibility (which goes beyond just complying with operational and business statutes) towards the community and environment, both ecological and social, in which it operates is known as corporate social responsibility.

## BOARD'S REPORT (CONTD.)

The Company has contributed to several organizations namely Gracious Aid Foundation, The Stray Army Charitable Trust, Tata Steel Foundation, Sagarbhanga Ramkrishnayan Seba Samity, Hamari Ladoo Foundation, Voluntary Blood Donation Association, LOYOLA JAMSHEDPUR, Tarumitra Centre, Local area spending towards Health Care Development by donating an Ultra Sound Machine and 50 no of anti-natal care services to the Anganwadi Centres in the District of Saraikela Kharsawan, where all the manufacturing units of the plant is situated, for fulfilling its CSR obligations for the financial year 2024-25 and ensuring compliance with provisions of Section 135 of the Companies Act, 2013 and the rules made thereunder.

The amount of INR 8.14 Mn was spent by the Company during the financial year 2024-25 to fulfill its CSR obligations and ensure compliance with the provisions of the Companies Act, 2013 and the rules made thereunder.

The Company has adopted a Corporate Social Responsibility Policy in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014 which can be accessed at <https://www.krosslimited.com/corporategovernance-corporatepolicies>. The Policy inter alia briefs the areas in which CSR outlays can be made, objectives, the various CSR Programs/ Projects which can be undertaken, implementation of the said programs and projects, criteria for identification of the implementing agencies, monitoring and evaluation mechanisms and annual action plan.

Further details of the CSR activities are contained in the **Annexure – 7** to this Report.

### 25. INVESTOR RELATIONS (IR)

In compliance with Regulation 46 of the Listing Regulations, the Company promptly disseminates press releases and presentations regarding its performance on its website for the benefit of investors, analysts, and other shareholders immediately following the communication of financial results to the Stock Exchanges.

Additionally, the Company publishes quarterly financial results in prominent business newspapers and on its website.

Moreover, the Company conducts an investor call, following the declaration of financial results, to offer insights into its performance. This call, attended by the Chairman & Managing Director, Executive Director & CFO, and Investor Relations Team, is promptly transcribed, and audio recording is made available on the Company's website. Furthermore, the Company maintains regular communication channels with investors via email, telephone, and face-to-face meetings, including investor conferences, one-on-one meetings, and roadshows.

Recognizing the importance of transparent communication, the Company ensures that material developments related to the Company, which could potentially impact its stock price, are disclosed to stock exchanges in accordance with the Company's Policy for Determination of Materiality of events or Information.

### 26. PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits from the public within the meaning of Sections 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014. As the Company has not accepted any deposit during the financial year under review there is no non-compliance with the requirements of Chapter V of the Act.

### 27. CHANGE IN THE NATURE OF BUSINESS

There has been no change in the nature of business of the Company during the year under review.

### 28. LISTING OF SHARES

The Equity Shares of the Company were listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) on September 16, 2024 through Initial Public Offering ("IPO").

### 29. REGISTRAR AND SHARE TRANSFER AGENT

The Share Transfer and other activities are being carried out by M/s KFin Technologies Limited (CIN: L72400MH2017PLC444072) (earlier Kfin Technologies Private Limited), Registrar and Share Transfer Agent from the following address: -

**Registered Address:** 301, The Centrium, 3<sup>rd</sup> Floor, 57, Lal Bahadur Shastri Road, Nav Pada, Kurla (West), Mumbai, 400 070, Maharashtra.

**Address for Correspondence / Operations Centre:** Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India – 500 032.

### 30. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING IN COMPANY'S SECURITIES

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, the Company has complied and formulated a Code of Conduct for Prevention of Insider Trading Policy, which prohibits trading in shares of the Company by insiders while in possession of unpublished price sensitive information in relation to the Company and can be accessed on the Company's website through the following link <https://www.krosslimited.com/corporategovernance-corporatepolicies>





## BOARD'S REPORT (CONTD.)

The objective of this Code is to protect the interest of Shareholders at large, to prevent misuse of any price sensitive information and to prevent any insider trading activity by way of dealing in securities of the Company by its Designated Persons. Ms. Debolina Karmakar, Company Secretary and Compliance Officer of the Company is authorized to act as Compliance Officer under the Code.

The code is applicable to all directors, designated persons and their immediate relatives and connected persons who have access to unpublished price sensitive information.

Further, the Company has maintained a Structural Digital Database (SDD) pursuant to provisions of regulations 3 (5) and (6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

### 31. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant or material orders were passed by the Regulators or Courts or Tribunals which impacts the going concern status and Company's operations in future.

### 32. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD MEETINGS AND GENERAL MEETINGS

During the Financial Year 2024-25, the Company has complied with all the relevant provisions of the applicable mandatory Secretarial Standards i.e. SS-1 and SS-2, relating to "Meetings of the Board of Directors" and "General Meetings", respectively issued by the Institute of Company Secretaries of India, and notified by Ministry of Corporate Affairs.

### 33. GENERAL DISCLOSURES

#### Your directors state that:

- No material changes and commitments affecting the financial position of the Company have occurred from the close of the financial year ended March 31, 2025 till the date of this report.

- There was no change in the nature of business of the Company during the financial year ended March 31, 2025.
- During the year, no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operation in future.
- During the financial year under review no disclosure or reporting is required with respect to issue of equity shares with differential rights as to dividend, voting or otherwise, issue of Sweat equity shares and Buyback of shares.
- During the Financial Year under review, the Company neither made any application nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).
- The Company serviced all the debts & financial commitments as and when they became due with the bankers or Financial Statements. Further the company has unsecured loans from the executive directors as disclosed in the Financial Statement as on March 31, 2025.
- The Company does not have any Holding / Subsidiary/ Associate/ Joint Venture company as on March 31, 2025.
- The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof: - Not applicable.

#### ACKNOWLEDGEMENT

Your directors' place on records their sincere appreciation for the continued co-operation and support extended to the Company by all the stakeholders. Your directors' also place on record sincere appreciation of the continued hard work put in by the employees at all levels, amidst the challenging time.

The Directors are thankful to the esteemed shareholders for their support and the confidence reposed in the Company and its management and also thank the Company's vendors, investors, business associates, Central/State Government and various departments and agencies for their support and co-operation.

For and on behalf of the Board

Sd/-

Sudhir Rai

Place: Jamshedpur

Date: August 08, 2025

Chairman & Managing Director

(DIN: 00512423)

Sd/-

Kunal Rai

Whole Time Director (Finance) and CFO

(DIN: 06863533)

## ANNEXURE - 1

### FORM AOC-1

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

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

#### Part A – Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in INR Mn)

Sl. No	Particulars	There is no Subsidiary of the Company as on March 31, 2025
1	The date since when subsidiary was acquired	NA
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	NA
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	NA
4	Share capital	NA
5	Reserves and surplus	NA
6	Total Assets	NA
7	Total Liabilities	NA
8	Investments	NA
9	Turnover	NA
10	Profit before taxation	NA
11	Provision for taxation	NA
12	Profit after taxation	NA
13	Proposed Dividend	NA
14	Extent of shareholding (in percentage)	NA

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: NIL
- Names of subsidiaries which have been liquidated or sold during the year: NIL

#### Part B – Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures- NIL as on March 31, 2025

Sl. No	Name of Associates or Joint Ventures	NA
1	Latest audited Balance Sheet date	NA
2	Date on which the Associate or Joint Venture was associated or acquired	NA
3	Shares of Associate or Joint Ventures held by the Company on the year end	NA
	(a) No. of Shares held	NA
	(b) Amount of Investment in Associate/Joint Venture	NA
	(c) Extent of holding %	NA
4	Description of how there is significant influence	NA
5	Reason why the associate/joint venture is not consolidated	NA
6	Net worth attributable to shareholding as per latest audited Balance Sheet	NA
7	Profit or Loss for the year	NA
	Considered in Consolidation	NA
	Not Considered in Consolidation	

Notes:

- Names of associates or joint ventures which are yet to commence operations - NIL
- Names of associates or joint ventures which have been liquidated or sold during the year- NIL

For and on behalf of the Board

Sd/-

Sudhir Rai

Place: Jamshedpur

Date: August 08, 2025

Chairman & Managing Director

(DIN: 00512423)

Sd/-

Kunal Rai

Whole Time Director (Finance) and CFO

(DIN: 06863533)





## ANNEXURE - 2

## ANNEXURE - 2 (CONTD.)

## SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

## FORM NO- MR -3

## FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

To,  
The Members,  
**KROSS LIMITED**  
M-4, Phase-VI, Gamharia, Adityapur Industrial Area,  
Jamshedpur, Dist- Seraikella-Kharsawan, Jharkhand-832108.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kross Limited (CIN: L29100JH1991PLC004465)** (hereinafter called the “Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to me and the representations made by the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records made available to me and maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the audit period)**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the audit period)**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

**(Not applicable to the Company during the audit period)**

Other laws applicable specifically to the Company namely:

- a) Water (Prevention and Control of Pollution) Act, 1974 & Water (Prevention and Control of Pollution) Rules, 1975
- b) Air (Prevention and Control of Pollution) Act, 1981 & Air (Prevention and Control of Pollution) Rules, 1982

- c) Environment Protection Act, 1986 and Environment Impact Assessment Notification S.O 60(E), dated January 27, 1994
- d) Factories Act, 1948 and allied State Laws
- e) Indian Explosive Act, 1884
- f) The Gas Cylinders Rules, 2004
- g) Standards of Weights & Measures (Enforcement) Act, 1985
- h) Petroleum Act, 1934 and Rules thereunder
- i) Indian Electricity Act and Rules
- j) Hazardous Wastes (Management and Handling) Rules, 1989
- k) Jharkhand Fire Services Act, 2007
- l) Contract Labour (Regulation and Abolition) Act, 1970
- m) Minimum Wages Act, 1948
- n) Maternity Benefit Act, 1961

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (LODR) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive Directors and Independent Directors as on March 31, 2025. The changes in the composition of the Board of Directors that took place during the period under review were in compliance with the applicable provisions.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed Notes on Agenda were sent at least seven days in advance for meetings other than those held at shorter notice and a system exists for seeking and obtaining further information and clarifications on the Agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes, the decisions at the Board Meetings were taken unanimously.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company did not have any event which had a major bearing on the Company’s affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. However, the securities of the Company got listed on BSE and NSE w.e.f September 16, 2024.

Sd/-

**Sital Prasad Swain**  
Practicing Company Secretary  
Membership No-F6338  
CP No. 6814

Date: August 08, 2025

Place: Jamshedpur

UDIN – F006338G000918260

P.R. No- 6863/2025

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





ANNEXURE I

To,  
The Members,  
**KROSS LIMITED**  
M-4, Phase-VI, Gamharia, Adityapur Industrial Area,  
Jamshedpur, Dist- Seraikella-Kharsawan, Jharkhand-832108.

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

- Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices that i followed provide a reasonable basis for my opinion.
- I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- Where ever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
- I further report that the Compliance by the Company of applicable Financial Laws like Direct & Indirect Tax Laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

Date: August 08, 2025  
Place: Jamshedpur

Sd/-  
**Sital Prasad Swain**  
Practicing Company Secretary  
Membership No-F6338  
CP No. 6814  
UDIN – F006338G000918260  
P.R.No- 6863/2025

ANNEXURE - 3

FORM NO-AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm’s length transaction under third proviso thereto.

- Details of contracts or arrangements or transactions not at Arm’s length basis. NA

Particulars	Details
Name (s) of the related party & nature of relationship	Nil
Nature of contracts/arrangements/transaction	Nil
Duration of the contracts/arrangements/transaction	Nil
Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
Justification for entering into such contracts or arrangements or transactions’	Nil
Date of approval by the Board	Nil
Amount paid as advances, if any	Nil
Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Nil

- Details of contracts or arrangements or transactions at Arm’s length basis. Applicable

Particulars	Details
Name (s) of the related party & nature of relationship	Tuff Seals Private Limited/Common Directorship
Nature of contracts/arrangements/transaction	Purchase Transaction
Duration of the contracts/arrangements/transaction	One Year (April 01, 2024 to March 31, 2025)
Justification for entering into such contracts or arrangements or transactions	Transaction in ordinary course of business and at arm’s length
Date of approval by the Board	August 20, 2024
Amount paid as advances, if any	Nil
Salient terms of the contracts or arrangements or transaction including the value, if any	Purchase Transaction of INR 3.35 Mn
Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A.

Particulars	Details
Name (s) of the related party & nature of relationship	Bull Auto Parts /Directors Proprietorship Firm
Nature of contracts/arrangements/transaction	Sales Transaction
Duration of the contracts/arrangements/transaction	One Year (April 01, 2024 to March 31, 2025)
Justification for entering into such contracts or arrangements or transactions’	Transaction in ordinary course of business and at arm’s length
Date of approval by the Board	August 20, 2024
Amount paid as advances, if any	Nil
Salient terms of the contracts or arrangements or transaction including the value, if any	Sales Transaction of INR 121.01 Mn
Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A.





## ANNEXURE - 3 (CONTD.)

Particulars	Details
Name (s) of the related party & nature of relationship	Mr. Sudhir Rai (Chairman and Managing Director)
Nature of transaction	Director Remuneration
Duration of the transaction	One Year (April 01, 2024 to March 31, 2025)
Date of approval by the Board	August 20, 2024
Amount paid as advances, if any	Nil
Salient terms of the transaction including the value, if any	Director Remuneration INR 3.60 Mn
Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A.
Particulars	Details
Name (s) of the related party & nature of relationship	Mrs. Anita Rai (Whole Time Director)
Nature of transaction	Director Remuneration
Duration of the transaction	One Year (April 01, 2024 to March 31, 2025)
Date of approval by the Board	August 20, 2024
Amount paid as advances, if any	Nil
Salient terms of the transaction including the value, if any	Director Remuneration INR 2.40 Mn
Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A.
Particulars	Details
Name (s) of the related party & nature of relationship	Mr. Sumeet Rai (Whole Time Director)
Nature of transaction	Director Remuneration
Duration of the transaction	One Year (April 01, 2024 to March 31, 2025)
Date of approval by the Board	August 20, 2024
Amount paid as advances, if any	Nil
Salient terms of the transaction including the value, if any	Director Remuneration INR 2.40 Mn
Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A.
Particulars	Details
Name (s) of the related party & nature of relationship	Mr. Kunal Rai (Whole Time Director (Finance) and CFO)
Nature of transaction	Director Remuneration
Duration of the transaction	One Year (April 01, 2024 to March 31, 2025)
Date of approval by the Board	August 20, 2024
Amount paid as advances, if any	Nil
Salient terms of the transaction including the value, if any	Director Remuneration INR 2.40 Mn
Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A.
Particulars	Details
Name (s) of the related party & nature of relationship	Ms. Debolina Karmakar (KMP)
Nature of transaction	Remuneration
Duration of the transaction	One Year (April 01, 2024 to March 31, 2025)
Date of approval by the Board	August 20, 2024
Amount paid as advances, if any	Nil
Salient terms of the transaction including the value, if any	Remuneration INR 0.73 Mn
Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A.

## ANNEXURE - 3 (CONTD.)

Particulars	Details
Name (s) of the related party & nature of relationship	Mr. Sanjiv Paul (Independent Director)
Nature of transaction	Sitting Fees
Duration of the transaction	One Year (April 01, 2024 to March 31, 2025)
Date of approval by the Board	August 20, 2024
Amount paid as advances, if any	Nil
Salient terms of the transaction including the value, if any	Sitting Fees of INR 0.24 Mn
Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A.
Particulars	Details
Name (s) of the related party & nature of relationship	Mr. Gurvinder Singh Ahuja (Independent Director)
Nature of transaction	Sitting Fees
Duration of the transaction	One Year (April 01, 2024 to March 31, 2025)
Date of approval by the Board	August 20, 2024
Amount paid as advances, if any	Nil
Salient terms of the transaction including the value, if any	Sitting Fees of INR 0.24 Mn
Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A.
Particulars	Details
Name (s) of the related party & nature of relationship	Ms. Deepa Verma (Independent Director)
Nature of transaction	Sitting Fees
Duration of the transaction	One Year (April 01, 2024 to March 31, 2025)
Date of approval by the Board	August 20, 2024
Amount paid as advances, if any	Nil
Salient terms of the transaction including the value, if any	Sitting Fees of INR 0.24 Mn
Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A.
Particulars	Details
Name (s) of the related party & nature of relationship	Mr. Mukesh Kumar Agarwal (Independent Director)
Nature of transaction	Sitting Fees
Duration of the transaction	One Year (August 01, 2024 to March 31, 2025)
Date of approval by the Board	August 20, 2024
Amount paid as advances, if any	Nil
Salient terms of the transaction including the value, if any	Sitting Fees of INR 0.18 Mn
Date on which the special resolution was passed in General meeting as required under first proviso to section 188	N.A.

Place: Jamshedpur  
Date: August 08, 2025

Sd/-  
**Sudhir Rai**  
Chairman & Managing Director  
(DIN: 00512423)

**For and on behalf of the Board**  
Sd/-  
**Kunal Rai**  
Whole Time Director (Finance) and CFO  
(DIN: 06863533)



## ANNEXURE - 4

Statement of Disclosure of Remuneration U/s 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

<b>I.</b>		
i)	the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year;	<b>Refer below table</b>
ii)	the percentage increase in remuneration of: (a) Director (b) Chief Financial Officer (c) Company Secretary	<b>No increase</b>
iii)	the percentage increase in the median remuneration of employees in the financial year;	<b>8.04%</b>
iv)	the number of permanent employees on the rolls of company as on March 31, 2025;	<b>543</b>
v)	average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	<b>Nil</b>

It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

Ratio of Remuneration of each Director to the Median remuneration of the Employees of the Company

Name of the Directors	Designation	Ratio
Mr. Sudhir Rai	Chairman and Managing Director	8.51: 1
Mrs. Anita Rai	Whole Time Director	5.67: 1
Mr. Sumeet Rai	Whole Time Director	5.67: 1
Mr. Kunal Rai	Whole Time Director (Finance) and CFO	5.67: 1
Mr. Sanjiv Paul	Independent Director	Not Applicable
Mr. Gurvinder Singh Ahuja	Independent Director	Not Applicable
Ms. Deepa Verma	Independent Director	Not Applicable
Mr. Mukesh Agarwal	Independent Director	Not Applicable

**Note:** Sitting fees paid to the Directors have not been considered as remuneration.

### ANNEXURE - 4 (CONTD.)

#### II. Information as per Rule 5 of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Details of Employees as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and also Top 10 employees in terms of remuneration drawn during the year FY 2024-25:

Sl. No	Employees name	Age	Designation	Remuneration (In INR)	Qualification	Experience (years)	Date of Joining	Last Employment	Related to Director and or Manager
1	SANDEEP KUMAR	46	GM Sales	28,40,095	Bachelor of Commerce	25	June 12, 2019	York Transport Equipment (India) Private Limited	No
2	PAWAN MEHAR	41	GM Quality	19,21,086	Bachelor of Engineering	18	February 11, 2022	Shivam Autotech Ltd	No
3	RANJAN KUMAR SARKAR	50	GM Forging	19,03,134	Diploma in Mechanical Engineering	26	April 01, 2009	Krishna Hammers	No
4	RINKESH KUMAR	39	GM-(Mechanical Maintenance)	18,33,548	Diploma in Forging Technology	18	April 01, 2009	Hi-Tech Gear Ltd	No
5	DHIRENDRA JENA	51	Head - Accounts and Finance	18,22,054	CA Inter	25	May 10, 2022	Utkal Autocoach Pvt. Ltd.	No
6	K. SURESH BABU	55	Plant Head	17,01,539	Bachelor of Engineering	28	October 01, 2011	Faurecia Emission Control Tech.	No
7	ANJANI KUMAR SINGH	51	GM Development	16,65,802	Bachelor of Engineering	27	January 01, 2005	SPM Auto Pvt. Ltd	No
8	DAVANDRA PRASAD TYAGI	58	GM-(Electrical Maintenance)	15,78,337	Diploma in Electrical Engineering	31	December 01, 1999	Hariyana Leather Chemicals Ltd	No
9	ASHWANI KAUSHIK	40	Sr. Manager Sales	15,77,300	Bachelor of Engineering	17	January 02, 2024	Kamal Coach Works Pvt Ltd	No
10	Mohammad Kasim	41	AGM Foundry and Maintenance	14,98,475	Bachelor of Engineering	18	March 18, 2020	Castex Technology Limited	No

#### Notes:

(1) The aforementioned employees have / had permanent employment contracts with the Company.

(2) Salary includes fixed pay and employer share of Provident Fund. The value of stock incentives granted during the period is not included.

Place: Jamshedpur  
Date: August 08, 2025

For and on behalf of the Board of Directors  
Sd/-  
**Sudhir Rai**  
Chairman & Managing Director  
(DIN: 00512423)





ANNEXURE - 5

Information as per Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014

A. CONSERVATION OF ENERGY:	
a) The steps taken or impact on conservation of energy	<div><div>➤ New Cooling Towers: Reduced main fan motor power consumption by 15%.</div><div>➤ Capacitor Bank Installation: Achieved a power factor of 0.98-0.99.</div><div>➤ Machining Line Re-arrangement: Improved productivity and reduced power consumption per unit.</div><div>➤ Induction Billet Heaters: Eliminated Chopper circuits, reducing power consumption by over 10%.</div><div>➤ During Forging frequently Billets drop outs is common. In order to reduce Billet Drop outs we have introduced low power mode, during this period the power consumption is reduced.</div><div>➤ Single Stroke Forging: Improved productivity and reduced power consumption.</div><div>➤ Briquetting in Induction Furnace: Reduced power consumption from 670 units to 635 units per ton of liquid metal.</div></div> <div>These efforts have led to a significant reduction in power consumption, with the Company spending less than 4% on energy costs despite having energy-intensive processes like Forging, Heat Treatment, and Foundry operations.</div> <div>The Company’s focus on energy conservation and productivity has yielded impressive results, demonstrating a commitment to sustainability and cost efficiency.</div>
b) The steps taken by the Company for utilizing alternate sources of energy	<div><div>➤ LED Lighting: Replaced 80% of conventional lighting with LED lights.</div><div>➤ Switching from LPG to natural gas, as which is more environmentally friendly</div></div>
c) The Capital investment on energy conservation equipment’s	Installation of 60 KWP Solar Panel capital investment of INR 22.70 Lakhs
B. TECHNOLOGY ABSORPTION:	
1. The efforts made towards technology absorption	NA
2. The benefits derived like product improvement, cost reduction, product development or import substitution	NA
3. In case of imported technology (imported during the last 3 years reckoned from the beginning of financial year): Details of technology imported a. The year of import b. Whether the technology been fully absorbed c. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	NA
4. Expenditure on R & D a) Capital b) Recurring c) Total d) Total R & D expenditure as a percentage to total turnover	NIL

ANNEXURE - 5 (CONTD.)

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:	
Activities relating to exports, initiative taken to increase exports, development of new export markets for products and services and export plans	
Total Foreign Exchange used and Earned: (INR in Mn)	
Used	568.77
Earned	196.56

For and on behalf of the Board of Directors

Place: Jamshedpur  
Date: August 08, 2025

Sd/-  
Sudhir Rai

Chairman and Managing Director  
(DIN: 00512423)



## ANNEXURE - 6

# REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) read with Section C of Schedule V of SEBI (LODR) Regulations, 2015 (Listing Regulations), as amended, a Report on Corporate Governance for the financial year ended March 31, 2025, is presented below:

## 1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Your Company strongly believes that Corporate Governance represents a value-centric approach to business that places ethical principles at its core, empowering organizations to build sustainable wealth. It involves making responsible business decisions anchored in integrity and aligned with stakeholder expectations.

At Kross, we uphold a governance framework that ensures fairness, openness, and accountability across all our operations. This commitment strengthens the confidence and trusts our stakeholders place in us, reinforcing long-term relationships.

The Company's leadership and workforce are united in their dedication to principles such as transparency, integrity, honesty, and accountability—cornerstones of sound Corporate Governance.

Kross complies fully with the provisions of the SEBI (LODR) Regulations, 2015 ("SEBI Listing Regulations") pertaining to Corporate Governance. A detailed report in accordance with Part C of Schedule V of the SEBI Listing Regulations is presented below.

## 2. BOARD OF DIRECTORS

### a) Composition of the Board

As of March 31, 2025, the Board of Directors consisted of eight (8) members: four (4) Executive Directors, including one (1) woman Director, and four (4) Non-Executive Independent Directors, one (1) of whom is a woman Independent Director

The composition of the Board of Directors of the Company is in conformity with the stipulated requirements of Regulation 17(1) of the SEBI Listing Regulations and Section 149 of the Companies Act, 2013 (hereinafter referred as "Act").

The Chairman of the Board is a Executive Promoter Director and the number of Independent Directors is not less than half of the total number of Directors of the Company.

The necessary disclosures regarding other directorships and committee positions have been made by the Directors confirming that none of the Directors on the Board is a member of more than Ten (10) Committees and Chairman of more than Five (5) Committees across all the companies in which he is a director (as specified in Regulation 26 of SEBI Listing Regulations).

During the year 2024-25, no changes took place in the composition of Board of Directors.

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. Based on the declarations received from the Independent Directors, the Board of Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1) (b) of the SEBI Listing Regulations and that they are independent of the management.

None of the Directors serve as an Independent Director in more than Seven (7) listed companies as per the requirement of Regulation 17A of SEBI Listing Regulations. It is also confirmed that in the opinion of the Board, all the Independent Directors fulfill the conditions specified in these regulations and are independent of the management.

The Board of Directors is comprised of individuals who bring with them essential qualifications and a broad spectrum of experience, skills, and domain expertise. Their competencies span areas such as Corporate Management, Finance, Legal Affairs, Banking, Economics, and other related disciplines, all of which have been identified by the Board as critical to the Company's business operations and strategic direction.

These capabilities empower the Directors to make well-informed and impactful decisions for the Company. A comprehensive matrix detailing the specific skillsets and areas of expertise for each Director is included in a later section of this report. The detailed profiles of the individual Directors are outlined below.

### Sudhir Rai, Chairman and Managing Director

**Sudhir Rai** is the Chairman and Managing Director of our Company. He holds a bachelor's degree in science from the University of Delhi and diploma in business administration from the Xavier Institute of Management. He is currently associated with Tuff Seals Private Limited as a Director and is a director on the board of Tuff Seals Private Limited since 1982, he was associated as a director with Narbheram & Co Limited from September 20, 2004 to August 06, 2007 and as a director with TSF Limited from October 18, 2005 to September 01, 2015, each of which are his associations post his association with the Company. He has been associated with our company since incorporation and is primarily involved in policy matters of the Company.

## REPORT ON CORPORATE GOVERNANCE (CONTD.)

### Anita Rai, Whole Time Director

**Mrs. Anita Rai** is a Whole-time Director of our Company. She holds a bachelor's degree in education from University of Delhi and postgraduate certificate in logistics and supply chain management from XLRI - Xavier School of Management, Jamshedpur. She has been associated with our company since incorporation and is primarily involved in store and purchase activity of the Company.

### Sumeet Rai, Whole-time Director

**Mr. Sumeet Rai**, Whole Time Director of our Company. He has a bachelor's degree in science in engineering (mechanical engineering) from the University of Michigan. He has been associated with our company since April 01, 2008 and is primarily involved in plant operation of the Company.

### Kunal Rai, Whole-Time Director (Finance)

**Mr. Kunal Rai** is a Whole-time Director (Finance) and CFO of our Company. He has a bachelor's degree in science from Aston University. He has been associated with our company since April 08, 2014 and is primarily involved in Finance and commercial activities of the Company.

### Sanjiv Paul, Non-Executive Independent Director

**Mr. Sanjiv Paul** brings over three decades of distinguished leadership experience across the industrial and infrastructure sectors. He is a Metallurgical Engineering graduate from Regional Institute of Technology Jamshedpur and has done his General Management Program from European Center for Continuing Education (CEDEP), France. He began his career with Tata Steel in 1986 and has since held several senior positions within the Tata Group.

He has served as Managing Director of JUSCO (now Tata Steel Utilities and Infrastructure Services Ltd.), Vice President of Corporate Services at Tata Steel, and Managing Director of Tata Metaliks Ltd. His tenure has been marked by strategic transformation, operational excellence, and a strong commitment to sustainability and safety. He was associated with various Tata Group entities, including mJunction, Tata Pigments Ltd., Tata Metaliks Di Pipes Ltd., and Nicco Jubilee Park Ltd., among others.

Mr. Paul has been an active member of industry bodies such as the World Steel Association and the Confederation of Indian Industry, and has played a pivotal role in advancing responsible business practices.

### Gurvinder Singh Ahuja, Non-Executive Independent Director

**Mr. Gurvinder Singh Ahuja** is a chartered accountant and a seasoned finance and governance professional with over

thirty years of experience in corporate leadership roles. He was previously associated with Tata Motors Limited as Plant Finance Head at Jamshedpur & Pune. He also held the position of Chief Financial Officer at TML Drivelines Limited, a Tata Group company, where he played a pivotal role in plant finance, operational efficiency, Merger and Acquisition.

Mr. Ahuja's expertise spans corporate finance, governance, and operational strategy, making him a valuable asset to the Board. His leadership is marked by a focus on transparency, accountability, and sustainable business practices, his contribution to strategic insights and financial stewardship to support the Company's long-term growth.

### Deepa Verma, Non -Executive Independent Director

**Ms. Deepa Verma** is a seasoned Human Resources leader with over three decades of experience in strategic HR management, talent development, and organizational transformation. She previously served as Chief Human Resource at Tata Steel Limited, Jamshedpur, where she has played a pivotal role in shaping people-centric policies and driving cultural excellence.

Her career spans over three decades in multiple leadership roles within Tata Steel, including Chief HRM for Profit Centers and Services, where she led initiatives in employee engagement, capability building, and workforce planning. She was also deputed from Tata Steel to TCIL and Tata Timken. She holds a bachelor's degree of Commerce from University of Poona and has done her post graduation in Personnel Management & Industrial Relations from XLRI - Xavier School of Management, Jamshedpur.

Ms. Verma brings deep insight into, human capital strategy, governance, ethical leadership, diversity and CSR initiatives. Her presence on the Board enhances the Company's commitment to inclusive growth, transparency, and stakeholder trust.

### Mukesh Agarwal, Non-Executive Independent Director

**Mr. Mukesh Kumar Agarwal** is a seasoned professional with over three decades of experience in operations, project management, and strategic leadership across the manufacturing and engineering sectors.

Mr. Agarwal has held senior leadership roles in several prominent organizations, including Vice President – Hot Mills at ISMT Ltd. His career spans diverse industries such as seamless pipe manufacturing, engineering consultancy, and infrastructure development, with notable contributions in plant operations, quality systems, and project execution.



## REPORT ON CORPORATE GOVERNANCE (CONTD.)

He holds a Bachelor's degree in Mechanical Engineering from U.P. Technical Board, Lucknow, and a B.Sc. from Agra University. His professional strengths include Lean Manufacturing, Contract Management, ISO Implementation, and Team Leadership, making him a valuable asset to the Board of Kross Limited.

### b) Details of Board Meeting

The Board oversees management performance so as to ensure that the Company adheres to the highest standards of Corporate Governance. The Board provides leadership and guidance to the management and evaluates the effectiveness of management policies.

Board Meeting dates are finalized in consultation with all the Directors and Agenda of the Board Meetings are circulated well in advance before the date of the meeting. Board Members express opinions and bring up matters for discussions at the meetings. Compliance Report in respect of various laws and regulations applicable to the Company are tabled at Board Meetings.

The Board periodically reviews the items required to be placed before and in particular reviews and approves Quarterly/ Half yearly Un-audited Financial Statements and the Audited Annual Financial Statements, Business Plans, Annual Budgets and Capital Expenditure. The agenda for the Board Meetings covers items set out as guidelines in SEBI (LODR) Regulations to the extent these are relevant and applicable. All agenda items are supported by the relevant information, documents and presentations to enable the Board to take informed decisions.

Company's Board met 8 times during the Financial Year under review on **May 15, 2024, August 20, 2024, September 02, 2024, September 11, 2024, September 27, 2024, November 12, 2024, December 04, 2024 and February 07, 2025**. The Company ensured that atleast one Board Meeting was being held in each quarter and the gap between any two Board meetings was not more than One Hundred and Twenty days as prescribed under the SEBI (LODR) Regulations.

Details of the Directors, their positions, attendance record at Board Meetings and last Annual General Meeting (AGM), other Directorships (excluding Private Limited, Foreign Companies and Alternate Directorships) and the Memberships/Chairmanships of Board Committees (only Audit Committee and Stakeholders Relationship Committee) other than your Company as on March 31, 2025 are as follows:

#### a) Meetings and Attendance

During the year ended March 31, 2025 Eight meetings of the Board of Directors were held on the following dates:

**1.** May 15, 2024, **2.** August 20, 2024, **3.** September 02, 2024, **4.** September 11, 2024, **5.** September 27, 2024, **6.** November 12, 2024, **7.** December 04, 2024 and **8.** February 07, 2025

The 33<sup>rd</sup> Annual General Meeting (AGM) was held on June 20, 2024.

## REPORT ON CORPORATE GOVERNANCE (CONTD.)

The category and the details of Attendance of the Directors in the Board Meetings and at the AGM held during the year are given as under: -

Name of the Directors	Category	No. of Board Meetings Attended								Whether Attended the Last AGM
		May 15, 2024	August 20, 2024	September 02, 2024	September 11, 2024	September 27, 2024	November 12, 2024	December 04, 2024	February 07, 2025	
Mr. Sudhir Rai (Chairman and Managing Director)	Promoter, Executive	P	P	P	P	P	P	P	P	Yes
Mrs. Anita Rai (Whole Time Director)	Promoter, Executive	P	P	P	P	P	P	P	P	Yes
Mr. Sumeet Rai (Whole Time Director)	Promoter, Executive	P	P	P	P	P	P	P	P	Yes
Mr. Kunal Rai (Whole Time Director (Finance) and CFO)	Non-Executive & Independent	P	P	P	P	P	P	P	P	Yes
Mr. Sanjiv Paul	Non-Executive & Independent	P	P	P	P	P	P	P	P	Yes
Mr. Gurvinder Singh Ahuja	Non-Executive & Independent	P	P	P	P	P	P	P	P	Yes
Mr. Mukesh Kumar Agarwal	Non-Executive & Independent	P	P	P	P	A	P	A	P	No
Ms. Deepa Verma	Non-Executive & Independent	P	P	P	P	P	P	P	P	Yes

#### Separate Meeting of Independent Directors

In terms of the requirements of Section 149(8) of the Companies Act, 2013 read with Schedule IV thereto, a separate meeting of the Independent Directors without the attendance of non-independent directors and members of the management were held on September 03, 2024 and March 25, 2025 to review performance of Non-Independent Directors and the Board as a whole and also performance of the Chairperson of the Company and to assess the quality, quantity and timeliness of the flow of information between the Company Management and the Board.

### b) Directorships/ Committee positions held by the Directors

Details of Directorships/ Committee positions held by the Directors as on March 31, 2025 in Indian Listed Companies are as follows:

Name of the Directors	No. of directorship (listed Companies) and Committee membership(s)/ chairmanship(s) in Indian Public Companies including the Company as on March 31, 2025			Directorships in Other Listed Companies		Skill and Expertise
	Other Directorship(s) **	Committee Membership(s)*	Committee Chairmanship*	Name of the Company	Category	
Mr. Sudhir Rai (Chairman and Managing Director)	1	2	-	-	-	Automotive Components Industry
Mrs. Anita Rai, (Whole Time Director)	1	-	-	-	-	Automotive Components Industry
Mr. Sumeet Rai, (Whole Time Director)	1	-	-	-	-	Automotive Components Industry
Mr. Kunal Rai, (Whole Time Director)	1	-	-	-	-	Automotive Components Industry



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Name of the Directors	No. of directorship (listed Companies) and Committee membership(s)/ chairmanship(s) in Indian Public Companies including the Company as on March 31, 2025			Directorships in Other Listed Companies		Skill and Expertise
	Other Directorship(s) **	Committee Membership(s)*	Committee Chairmanship*	Name of the Company	Category	
Mr. Sanjiv Paul (Independent Director)	1	-	2	-	-	Stake Holder Management, Planning, Strategic Management, Safety, Sustainability and Risk Management
Mr. Gurvinder Singh Ahuja (Independent Director)	1	1	-	-	-	Financial Management, Corporate Planning, Accounting and Strategic Planning
Ms. Deepa Verma (Independent Director)	1	-	-	-	-	Human Resource Management and Industrial Relation
Mr. Mukesh Kumar Agarwal (Independent Director)	1	-	-	-	-	Projects, OHSAS ISO Audits and etc.

## Notes

\*The committees considered for the purpose are those prescribed under regulation 26 of SEBI Listing Regulations viz. Audit Committee and Stakeholders' Relationship Committee of Listed Companies.

\*\*Other Directorships exclude Directorship in Foreign Companies, Private Limited Companies and Companies under Section 8 of the Companies Act, 2013.

## c) Familiarization Program

The Independent Directors are familiarized with the Company's business model and the regular Industry updates through presentations in the Board Meetings. Interactive sessions with senior leadership team and functional heads in Board Meetings also enables better understanding of business strategy, operational performance, product offerings and market initiatives etc. The roles, rights and responsibilities of Independent Directors are also updated through discussion in Board Meetings and Plant visits are another way to familiarize the new directors to get familiar with the Company and its operations. They are also introduced to the organization structure, Board procedures and business strategy. Since the Company was listed on September 16, 2024, so the familiarization program hours has been counted after listing only. The web link for accessing the familiarization programs of Independent Directors is <https://www.krosslimited.com/corporategovernance-corporatepolicies>.

## Relationship between Directors, inter-se

Mr. Sudhir Rai and Mrs. Anita Rai are Husband and wife.

Mr. Sumeet Rai and Mr. Kunal Rai are sons of Mr. Sudhir Rai and Mrs. Anita Rai.

Mr. Sumeet Rai and Mr. Kunal Rai are brothers.

## Number of shares held by Directors as on March 31, 2025

The details of shares held by Executive Directors are as under:

Name of Director	No. of Shares held
Mr. Sudhir Rai	2,43,86,409
Mrs. Anita Rai	1,17,83,143
Mr. Sumeet Rai	38,00,000
Mr. Kunal Rai	34,92,000

The details of shares held by Non- Executive Directors are as under:

Name of Director	No. of Shares held
Mr. Sanjiv Paul	NIL
Mr. Gurvinder Singh Ahuja	NIL
Ms. Deepa Verma	NIL
Mr. Mukesh Agarwal	NIL

## d) COMMITTEES OF THE BOARD

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following Committees viz:

- Audit Committee;
- Nomination and Remuneration Committee;
- Corporate Social Responsibility Committee;
- Stakeholders Relationship Committee; and
- Risk Management Committee
- IPO Committee

The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Each of these Committees has been mandated to operate within a given framework. Minutes of the meetings of each of these Committees are table regularly at the Board Meetings.

## (i) Audit Committee

Audit Committee has been constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and Regulation 18 of the SEBI Listing Regulations (including any amendments and re-enactments thereof).

The functioning and terms of reference of the Audit Committee including the role, powers and duties, quorum for meeting and frequency of meetings, are in accordance with the provisions of the Companies Act, 2013 and Part C of Schedule II to the SEBI Listing Regulations.

## Brief description of Terms of Reference:

- oversight of Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the Company including the internal auditor, cost auditor and statutory auditor of the Company, and fixation of the audit fee;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

- matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
- changes, if any, in accounting policies and practices and reasons for the same;
- major accounting entries involving estimates based on the exercise of judgment by management;
- significant adjustments made in the financial statements arising out of audit findings;
- compliance with listing and other legal requirements relating to financial statements;
- disclosure of any related party transactions; and
- modified opinion(s) in the draft audit report.

- reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

**Explanation:** The term "related party transactions" shall have the same meaning as provided in Regulation 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.



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- reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given
- make necessary changes to the policy on materiality of related party transactions and on dealing with related party transactions and guidelines as may be required, from time to time as it may deem fit;
9. scrutiny of inter-corporate loans and investments;
  10. valuation of undertakings or assets of the Company, wherever it is necessary;
  11. evaluation of internal financial controls and risk management systems;
  12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  13. approve the disclosure of the key performance indicators to be disclosed in the documents in relation to the initial public offering of the equity shares of the Company;
  14. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  15. discussion with internal auditors of any significant findings and follow up there on;
  16. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  17. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  18. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  19. to review the functioning of the vigil mechanism and whistle blower mechanism and to whom the directors and employee shall report in case of any concern;
  20. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
  21. carrying out any other functions required to be carried out by the Audit Committee, as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time;
  22. reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding INR 100 Cr. or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing; and
  23. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and
  24. To carry out such other functions as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company.
- The Audit Committee shall mandatorily review the following information:
- management discussion and analysis of financial condition and results of operations;
  - management letters / letters of internal control weaknesses issued by the statutory auditors;
  - internal audit reports relating to internal control weaknesses; and
  - the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
  - statement of deviations:
- (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI (LODR) Regulations, 2015, as amended;
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (LODR) Regulations, 2015, as amended."

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**Composition and attendance**

The Audit Committee comprises of three members including two Independent Directors viz. i.e. Mr. Sanjiv Paul and Mr. Gurvinder Singh Ahuja.

Mr. Sanjiv Paul, Non-Executive Independent Director of the Company, was appointed as Chairman of the Audit Committee of the Company in Board meeting held on October 21, 2023.

All the members of the Audit Committee are financially literate. The Audit Committee satisfies the criteria of two-third of its members being Independent Directors.

Chief Financial Officer, Internal Auditor and Representatives of Statutory Auditors are permanent invitees to the meetings of Audit Committee. Company Secretary acts as Secretary to the Committee.

During the year ended March 31, 2025, seven meetings of the Audit Committee were held on the following dates:

1) May 15, 2024 2) August 20, 2024, 3) September 02, 2024 4) September 11, 2024 5) September 27, 2024 6) November 12, 2024 and 7) February 07, 2025

The attendance of each Audit Committee Member is as under:

Name of the Member / Chairperson	Category	May 15, 2024	August 20, 2024	September 02, 2024	September 11, 2024	September 27, 2024	November 12, 2024	February 07, 2025
Mr. Sanjiv Paul, Chairman	Non-Executive Independent	P	P	P	P	P	P	P
Mr. Gurvinder Singh Ahuja, Member	Non-Executive Independent	P	P	P	P	P	P	P
Mr. Sudhir Rai, Member	Chairman and Managing Director	P	P	P	P	P	P	P

**(ii) Nomination & Remuneration Committee**

Nomination & Remuneration Committee has been constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 read with The Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 19 of the SEBI Listing Regulations (including any amendments and re-enactments thereof).

The terms of Reference of the Nomination & Remuneration Committee are in accordance with the requirements of the Companies Act, 2013 and Part D of Schedule II to the SEBI Listing Regulations, which inter-alia, includes:

(a) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company a policy relating to the remuneration of the directors, key managerial personnel and other employees. The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.

(b) for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- use the services of an external agencies, if required;
- consider candidates from a wide range of backgrounds, having due regard to diversity; and



## REPORT ON CORPORATE GOVERNANCE (CONTD.)

- consider the time commitments of the candidates.
- (c) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (d) devising a policy on diversity of board of directors;
- (e) identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director);
- (f) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (g) recommend to the Board, all remuneration packages, in whatever form, payable to directors, senior management and other staff, as deemed necessary;

**Explanation:** The expression senior management means the officers and personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors), including the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.

#### Composition and Attendance

The Nomination & Remuneration Committee consists of three members all being Non-Executive Independent Directors i.e. Ms. Deepa Verma, Mr. Gurvinder Singh Ahuja and Mr. Mukesh Kumar Agarwal.

The Chairman of the Committee is Ms. Deepa Verma.

During the year, one meeting of the Nomination & Remuneration Committee was held on **November 11, 2024**. The detail of attendance of each Committee Member is as under:

Name of Director	No. of meetings attended
Ms. Deepa Verma, Chairman	1
Mr. Gurvinder Singh Ahuja, Member	1
Mr. Mukesh Kumar Agarwal, Member	1

#### Performance Evaluation

In compliance with the requirements of the provisions of Section 178 of the Companies Act, 2013 and the SEBI Regulations, the Company has a framework for performance evaluation of Independent Directors, Board, committees and other Directors, which include criteria for performance evaluation of the Non-Executive Directors and Executive Directors. The evaluation of the Independent Directors was carried out by the Board, excluding the Director being evaluated, and that of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning, such as composition of the Board and committees, experience and competencies, etc. The performance was reviewed on the basis of the criteria, such as contribution of the individual Director to the Board and committee meetings, like preparedness on the issues to be discussed, quality and value of the contributions at Board meetings, well informed on the latest developments in the areas in which company operates etc.

#### (iii) Stakeholders' Relationship Committee

Stakeholders' Relationship Committee has been constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 20 of the SEBI Listing Regulations (including any amendments and re-enactments thereof).

The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required under applicable law, the following:

- (a) Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;

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- (b) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- (c) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
- (d) carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time."

#### Composition and Attendance

The Stakeholders' Relationship Committee comprises of 3 members, Executive Director i.e Mr. Sudhir Rai and Mr. Kunal Rai and Non-Executive, Independent Director i.e., Mr. Sanjiv Paul,

During the year, one meeting of the Stakeholders Relationship Committee was held on **November 11, 2024**.

The detail of attendance of each Committee Member is as under:

Name of the Directors	No. of Meetings Attended
Mr. Sanjiv Paul, Chairman	1
Mr. Sudhir Rai, Member	1
Mr. Kunal Rai, Member	1

The Committee attends to the investors' grievances/correspondence expeditiously.

Status of queries/ complaints received and resolved during the year

Number of Shareholders' Queries/ Complaints received during the year	16
Number of Shareholders Complaints solved to the satisfaction of Shareholders	16
Number of Shareholders Complaints pending as on March 31, 2025	Nil

#### Name and designation of Compliance Officer

Ms. Debolina Karmakar, Company Secretary of the Company is the Compliance Officer for complying with the requirements of SEBI Listing Regulations. The Company has provided an exclusive Email ID i.e.investors@krossindia.com for the members to send

their queries/ grievances to the concerned department so that the queries/ complaints are addressed.

#### (iv) Corporate Social Responsibility (CSR) Committee

In compliance with the provisions of Section 135 of the Companies Act, 2013 and Rules made thereunder, the Board of Directors of the Company has constituted a CSR Committee. The Committee is governed by its Charter. The terms of reference of the Committee inter alia comprises of the following.

- (a) formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013, as amended;
  - (b) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) above;
  - (c) To formulate and recommend to the Board, an annual action plan in pursuance to the Corporate Social Responsibility Policy, which shall include the following, namely:
    - a. the list of Corporate Social Responsibility projects or programs that are approved to be undertaken in areas or subjects specified in the Schedule VII of the Companies Act, 2013;
    - b. the manner of execution of such projects or programs as specified in Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014;
    - c. the modalities of utilization of funds and implementation schedules for the projects or programs;
    - d. monitoring and reporting mechanism for the projects or programs; and
    - e. details of need and impact assessment, if any, for the projects undertaken by the Company.
- Provided that the Board may alter such plan at any time during the financial year, as per the recommendations of the Corporate Social Responsibility Committee, based on the reasonable justification to that effect.
- f. monitor the corporate social responsibility policy of the Company and its implementation from time to time; and

## REPORT ON CORPORATE GOVERNANCE (CONTD.)

- g. any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.”

**Composition and Attendance**

The Corporate Social Responsibility Committee consists of four members consisting of Executive Directors i.e. Mr. Sudhir Rai, Mrs. Anita Rai, Mr. Sumeet Rai and Non-Executive Director i.e. Ms. Deepa Verma

The Chairman of the Committee is Mr. Sudhir Rai.

During the year, one meeting of the Corporate Social Responsibility Committee was held on **August 20, 2024**. The details of attendance of each Committee Member are as under:

Name of Director	No. of meetings attended
Mr. Sudhir Rai, Chairman	1
Mrs. Anita Rai, Member	1
Mr. Sumeet Rai, Member	1
Ms. Deepa Verma, Member	1

**(v) Risk Management Committee (RMC)**

SEBI (LODR) (Fifth Amendment) Regulations, 2021 has amended the Regulation 21 of SEBI (LODR) Regulations making it compulsory to have Risk Management Committee for top 1000 listed companies.

The Company had constituted the risk management committee voluntary in the Board meeting held on October 21, 2023. Corporate Risk Evaluation and the methods to control the same is an ongoing process within the Organization. The Company has a well-defined Risk Management framework to identify, monitor and minimizing/mitigating risks as also identifying business opportunities. The terms of reference of the Committee inter alia comprises the following:

- To formulate a detailed risk management policy which shall include:
  - A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral,

sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

- Measures for risk mitigation including systems and processes for internal control of identified risks.
  - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
  - To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
  - To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
  - To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
  - The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee; and
  - any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the SEBI (LODR) Regulations, 2015.

**Composition and Attendance**

The Risk Management Committee consists of three members consisting of Executive Directors i.e. Mr. Sudhir Rai, Mr. Sumeet Rai and Non-Executive Director i.e. Ms. Deepa Verma.

The Chairman of the Committee is Mr. Sudhir Rai.

During the year, one meeting of the Risk Management Committee was held on March 25, 2025. The details of attendance of each Committee Member are as under:

Name of Director	No. of meetings attended
Mr. Sudhir Rai, Chairman	1
Mr. Sumeet Rai, Member	1
Ms. Deepa Verma, Member	1

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**(vi) IPO COMMITTEE**

The Company had constituted IPO Committee on October 21, 2023 for the purpose of giving effect to the IPO and listing the Equity Shares on one or more of the stock exchanges, consisting of the following Directors:

**Composition and Attendance**

The IPO Committee consists of three members consisting of Executive Directors i.e. Mr. Sudhir Rai, Mr. Sumeet Rai and Mr. Kunal Rai.

The details of attendance of each Committee Member are as under:

Name of the Member / Chairperson	Category	August 16, 2024	September 03, 2024	September 06, 2024	September 11, 2024	September 12, 2024
Mr. Sudhir Rai, Chairman	Chairman and Managing Director	P	P	P	P	P
Mr. Sumeet Rai, Member	Whole Time Director	P	P	P	P	P
Mr. Kunal Rai, Member	Whole Time Director	P	P	P	P	P

**e) SENIOR MANAGEMENT**

The Company had defined the following persons as Senior Management of the Company:

**Mr. K Suresh Babu** - General Manager (Operation)

**Mr. Sandeep Kumar** - General Manager (Sales)

**Mr. Rama Kant Giri** - General Manager (HR) & Admin

**Mr. Dharendra Jena** - Head (Accounts and Finance)

**Mr. Ranjan Kumar Sarkar** - General Manager (Forging)

**Mr. Pawan Mehar** - AGM (Quality)

**Ms. Debolina Karmakar** - Company Secretary & Compliance Officer- KMP (Key Managerial Personnel)

All the senior management persons are well qualified and have rich experience in their respective fields and contributing to the growth of the Company. There were no changes in Senior management personnel at the close of financial year as on March 31, 2025.

**f) POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION:**

The Nomination and Remuneration Committee has adopted a Policy which, inter alia, deals with the manner of Selection of Board of Directors and their remuneration.

**i. Criteria for Selection of Non -Executive Directors:**

- The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.

The Chairman of the Committee is Mr. Sudhir Rai.

During the year, five meeting of the IPO Committee was held on August 16, 2024, September 03, 2024, September 06, 2024, September 11, 2024, September 12, 2024

- In case of appointment of Independent Directors, the Nomination and Remuneration Committee satisfies itself with regard to the independence nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- Nomination and Remuneration Committee ensures that the candidate identified for appointment /reappointment as an Independent Director are not disqualified for appointment / re-Appointment under Section 164 of the Companies Act, 2013.
- Nomination and Remuneration Committee considers the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director:
  - Qualification, expertise and experience of the Directors in their respective fields;
  - Personal, professional or business standing;
  - Diversity of the Board.

Board of Directors take into consideration the performance evaluation of the Directors and their engagement level.

**ii. Remuneration**

- Directors with pecuniary relationship or business transaction with the Company the Executive Directors receive salary, perquisites, allowances and other benefits in accordance with their terms of appointment, while all the Non-Executive



## REPORT ON CORPORATE GOVERNANCE (CONTD.)

Directors/Independent Directors receive sitting fees for attending the Board meetings, reimbursement of travelling expenses and commission. It is also to be noted that the transactions with other entities where Chairman & Managing Director/ other Directors are interested are being carried out by the Company in its ordinary course of business and on arm's length basis,

- (b) Criteria for making payment to Non- Executive Directors:

The Non-Executive Directors (Independent Directors) shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses, if any, and commission as detailed hereunder:

- A Non-Executive Director shall be entitled to receive sitting fees for each of the meeting of Board or Committee of the Board attended by him as approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;
- A Non-Executive Director may be paid Commission of such sum as may be approved by the Board on the recommendation of the Nomination and Remuneration Committee.

The total remuneration by way of commission payable to the Non-Executive Directors (including Independent Directors) shall not exceed 1% per annum of the Net Profit of the Company subject to the approval of the members of the Company;

- iii. **The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company pursuant to the provisions of Companies Act, 2013 and SEBI (LODR) Regulations.**

- (c) Criteria for making payments to executive directors:

As per the Nomination & Remuneration Policy of the Company, the Board, on the recommendation of the Nomination and Remuneration Committee, reviews and approves the remuneration payable to Executive Directors. The Board and the committee consider the provisions of the Companies Act, 2013, the limits approved by the shareholders, and the individual and corporate performance in recommending and approving the remuneration of Executive Directors. The remuneration/sitting fees, as the case may be, paid to Non-Executive/Independent Director, shall be in accordance with the provisions of the Act and the Rules made thereunder for the time being in force, or as may be decided by the committee/ Board/shareholders.

The details of remunerations paid to the Directors during the Financial Year 2024-2025 is given below:

Name of the Director and Designation	Relationship with the Director *	Salary and perquisite	Sitting fee	Commission	Total
Mr. Sudhir Rai Chairman and Managing Director	Husband of Anita Rai and Father of Sumeet Rai and Kunal Rai	3.60	NA	NA	3.60
Mrs. Anita Rai (Whole Time Director)	Wife of Sudhir Rai and mother of Sumeet Rai and Kunal Rai	2.40	NA	NA	2.40
Mr. Sumeet Rai (Whole Time Director)	Son of Sudhir Rai and Anita Rai and brother of Kunal Rai	2.40	NA	NA	2.40
Mr. Kunal Rai (Whole Time Director (Finance) and CFO)	Son of Sudhir Rai and Anita Rai and brother of Sumeet Rai	2.40	NA	NA	2.40
Mr. Sanjiv Paul (Independent Director)	NA	NA	0.24	NA	0.24
Mr. Gurminder Singh Ahuja (Independent Director)	NA	NA	0.24	NA	0.24
Ms. Deepa Verma (Independent Director)	NA	NA	0.24	NA	0.24
Mr. Mukesh Kumar Agarwal (Independent Director)	NA	NA	0.18	NA	0.18

## REPORT ON CORPORATE GOVERNANCE (CONTD.)

### 3. GENERAL BODY MEETINGS

The last three Annual General Meetings were held as per details given below:

Financial Year	2021-22	2022-23	2023 -24
Venue	M-4, Phase-VI, Gamharia, Adityapur Industrial Area, Jamshedpur, Seraikela Kharsawan, Jharkhand, 832108 (Registered Office)	M-4, Phase-VI, Gamharia, Adityapur Industrial Area, Jamshedpur, Seraikela Kharsawan, Jharkhand, 832108 (Registered Office)	M-4, Phase-VI, Gamharia, Adityapur Industrial Area, Jamshedpur, Seraikela Kharsawan, Jharkhand, 832108 (Registered Office)
Date and time	September 30, 2022 (Friday) 04:00 PM	September 30, 2023 (Saturday) 04:00 PM	June 20, 2024 (Thursday) 12 Noon
Special Resolutions Passed	None	None	None

During the last three Financial Year the EGM held as under;

Financial Year	2023 – 24
Venue	M-4, Phase-VI, Gamharia, Adityapur Industrial Area, Jamshedpur, Seraikela Kharsawan, Jharkhand, 832108 (Registered Office)
Date and time	October 26, 2023 (Thursday) 11:00 A.M.
Special Resolutions Passed	<ol style="list-style-type: none"> <li>Adoption of New Articles of Association of the Company in order to align the Articles of Association with the requirements of the SEBI (LODR) Regulations, 2015, as amended, and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, and the requirements of the stock exchanges where the equity shares of the Company are proposed to be listed.</li> <li>Alteration Of Main Object Clause of the Memorandum of Association for addition of the word 'Trailers' in the Main Object Clause 3 (A) in point No-1 of the Memorandum of Association of the Company.</li> <li>Issue Of Bonus Shares in the ratio of 1:1 i.e. 1 (One) fully paid-up Equity Share for every 1 (One) Equity Shares held by the shareholders.</li> <li>Sub Division/Split of Equity Shares and Alteration of the Capital Clause 5 Of the Memorandum of Association.</li> <li>Appointment of Mr. Sudhir Rai as Chairman and Managing Director and KMP of the Company for a period of 5 years commencing from October 26, 2023 to October 26, 2028.</li> <li>Appointment of Mrs. Anita Rai to Whole Time Director of the Company for a period of 5 years commencing from October 26, 2023 to October 26, 2028.</li> <li>Appointment of Mr. Sumeet Rai to Whole Time Director of the Company for a period of 5 years commencing from October 26, 2023 to October 26, 2028.</li> <li>Appointment of Mr. Kunal Rai to Director (Finance) and CFO and Whole Time Director of the Company for a period of 5 years commencing from October 26, 2023 to October 26, 2028.</li> <li>Appointment Of Non-Executive Independent Director - Mr. Sanjiv Paul for a period of three consecutive years from October 26, 2023 to October 26, 2026.</li> <li>Appointment Of Non-Executive Independent Director - Mr. Gurminder Singh Ahuja for a period of three consecutive years from October 26, 2023 to October 26, 2026.</li> <li>Appointment Of Non-Executive Independent Director – Ms. Deepa Verma for a period of three consecutive years from October 26, 2023 to October 26, 2026.</li> <li>Appointment Of Non-Executive Independent Director - Mr. Mukesh Agarwal for a period of three consecutive years from October 26, 2023 to October 26, 2026.</li> <li>Borrowing Money for the Purpose of Business of the Company subject to such aggregate borrowings not exceeding the amount which is INR. 300 Cr. (Rupees three hundred crore only).</li> <li>Initial Public Offer of Equity Shares of the Company.</li> </ol>

#### POSTAL BALLOT

During the year, the Company did not pass any special resolution through Postal Ballot as no voting was conducted through Postal Ballot.

## REPORT ON CORPORATE GOVERNANCE (CONTD.)

**4. MEANS OF COMMUNICATION**

- a) **Quarterly Results:** The quarterly, half-yearly and annual financial results of the Company are submitted to the BSE Limited and National Stock Exchange of India Limited where its equity shares are listed and the same are generally published in Financial Express, All India Edition (English) and in Utkal Mail (Regional language).

The financial results are also posted on the website of the Company i.e. <https://www.krosslimited.com/>

- b) **Company's Website** (<https://www.krosslimited.com/>): Detailed information on the Company's business and products; quarterly/ half yearly/ nine months and annual financial results are displayed on the Company's website. The Company's website <https://www.krosslimited.com/> is a comprehensive reference on Kross's management, vision, mission, policies, corporate governance, corporate sustainability, investor relations, sales network, updates and news. The section on 'Investor' serves to inform the shareholders, by giving complete financial details, shareholding patterns, corporate benefits, information relating to stock exchanges, presentations made to institutional investors or to the analysts, registrars and share transfer agents etc.

- c) **The Management Discussion & Analysis:** The Management Discussion & Analysis Report forms part of the Annual Report.

- d) **Intimation to Stock Exchanges:** The Company is timely submitting the required information, statement and report to the BSE Limited and National Stock Exchange of India Limited. The Company intimates BSE Limited and National Stock Exchange of India Limited all price sensitive information which in its opinion are material and of relevance to the shareholders.

All information is filed electronically on online portals of BSE Limited and National Stock Exchange of India Limited.

- e) **Investor Conference Calls:** Every quarter, post announcement of financial results, conference calls are organized with institutional investors and analysts. These calls are addressed by Chairman and Managing Director, Whole -Time Director and CFO and Head of Investor Relations. Transcripts of the calls are hosted on the website of the Company viz. <https://www.krosslimited.com/>

- f) SEBI processes investor complaints in a centralized web-based complaints redressal system, i.e. SCORES. Through this system a shareholder can lodge a complaint against the Company for redressal of his grievance. The Company

uploads the action taken report on the complaint, which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.

- g) The Company has designated an email-ID for investor services, i.e. [investors@krossindia.com](mailto:investors@krossindia.com) and the same is available on the Company's website, i.e. <https://www.krosslimited.com/>

**5. GENERAL SHAREHOLDER INFORMATION****(i) 34<sup>th</sup> Annual General Meeting**

The 34<sup>th</sup> Annual General Meeting will be held on September 23, 2025 at 11.00 a.m. through VC / OAVM.

**(ii) Financial Year**

The Financial Year of the Company starts from April 01 and ends on March 31 of next year.

**(iii) Registered Office Address**

Kross Limited Unit – 1, M4, Phase VI, Adityapur Industrial Area, Jamshedpur - 832 108, Jharkhand

- (iv) **Company Secretary and Compliance Officer** - Ms. Debolina Karmakar, Company Secretary Email for redressal of Investors' Complaints: [investors@krossindia.com](mailto:investors@krossindia.com)

- (v) **Website** - <https://www.krosslimited.com/>

**(vi) Financial Reporting Calendar:****Financial Calendar (subject to change) for Financial Year 2025-26:**

First Quarter Results	On or before August 14, 2025
Second Quarter/Half Yearly Results	On or before November 14, 2025
Third Quarter Results	On or before February 14, 2026
Audited Results for the Financial Year 2025-26	On or before May 30, 2026

**(vii) Listing of Equity Shares on Stock Exchanges**

The Equity Shares of the Company are listed on the BSE Limited and National Stock Exchange of India Limited.

The annual listing fee due to BSE Limited and National Stock Exchange of India Limited for the year 2025-26 has been duly paid.

ISIN of the Equity Shares of the Company is INE006601022

## REPORT ON CORPORATE GOVERNANCE (CONTD.)

**(viii) Stock Code**

<b>BSE Limited</b> Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400 001	<b>544253</b>
<b>National Stock Exchange of India Limited</b> Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C/1, Bandra Kurla Complex, Bandra (East), Mumbai 400 051	<b>KROSS</b>

**(ix) Market Price Data**

The securities of the Company have been listed on BSE and NSE. The stock market prices were as under:

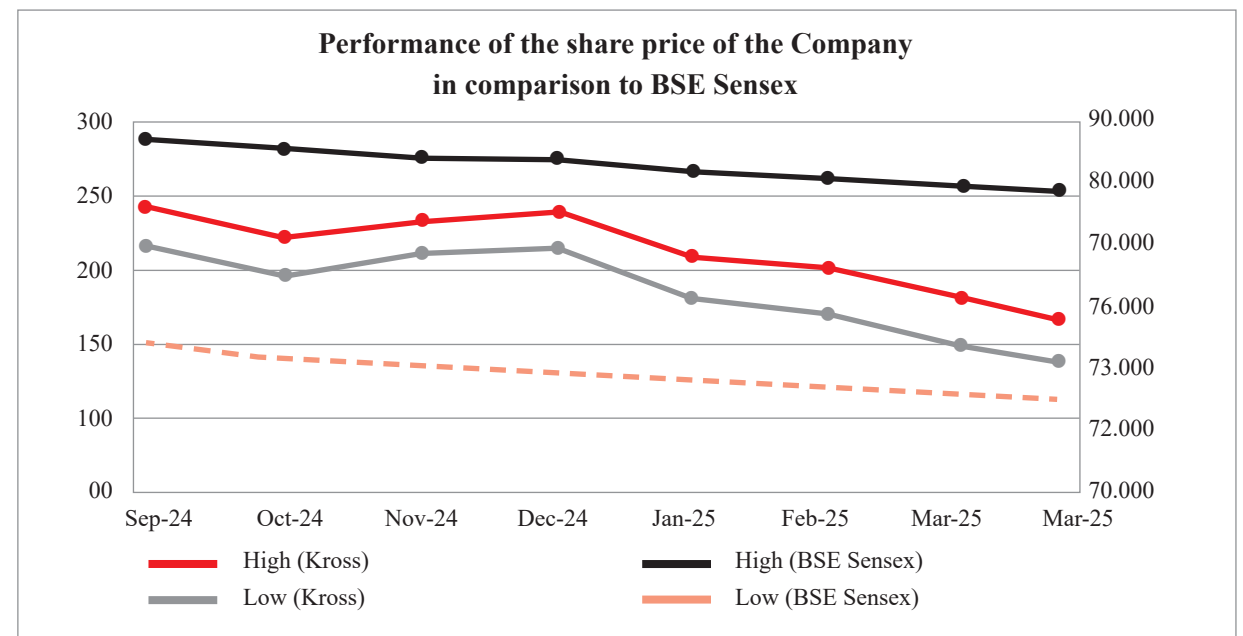
**a) High and Low Prices and Trading Volumes on the BSE and NSE**

Months	Share Price at BSE		Share Price at NSE	
	High (INR)	Low (INR)	High (INR)	Low (INR)
Sep-24	271.00	207.50	270.89	207.52
Oct-24	214.80	158.30	214.89	158.00
Nov-24	235.25	168.00	235.50	168.60
Dec-24	246.05	208.25	246.60	208.72
Jan-25	222.05	166.05	222.50	165.00
Feb-25	205.20	146.65	205.00	160.50
Mar-25	198.35	158.60	197.69	158.84

**(b) Performance in comparison to broad-based indices**

Performance of the share price of the Company in comparison to BSE Sensex: BSE SENSEX

Months	Share Price		S&P BSE Sensex	
	High (₹)	Low (₹)	High (₹)	Low (₹)
Sep-24	271.00	207.50	85,978.25	80,895.05
Oct-24	214.80	158.30	84,648.40	79,137.98
Nov-24	235.25	168.00	80,569.73	76,802.73
Dec-24	246.05	208.25	82,317.74	77,560.79
Jan-25	222.05	166.05	80,072.99	75,267.59
Feb-25	205.20	146.65	78,735.41	73,141.27
Mar-25	198.35	158.60	78,741.69	72,633.54

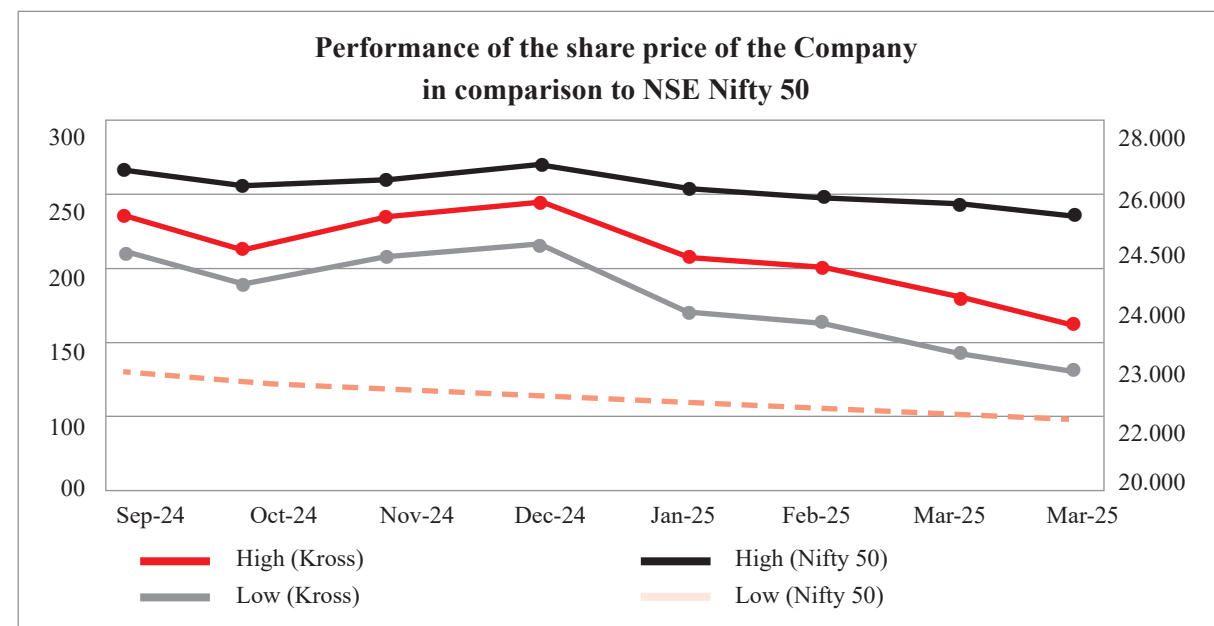




## REPORT ON CORPORATE GOVERNANCE (CONTD.)

Performance of the share price of the Company in comparison to NSE Nifty 50

Months	Share Price		Nifty 50	
	High (INR)	Low (INR)	High	Low
Sep-24	270.89	207.52	26,277.35	24,753.15
Oct-24	214.89	158.00	25,907.60	24,073.90
Nov-24	235.50	168.60	24,537.60	23,263.15
Dec-24	246.60	208.72	24,857.75	23,460.45
Jan-25	222.50	165.00	24,226.70	22,786.90
Feb-25	205.00	160.50	23,807.30	22,104.85
Mar-25	197.69	158.84	23,869.60	21,964.60



## (x) Registrar &amp; Transfer Agent

**Name:** KFIN Technologies Limited

**Registered Address:** 301, The Centrium, 3<sup>rd</sup> Floor, 57, Lal Bahadur Shastri Road, Nav Pada, Kurla (West), Mumbai, 400 070, Maharashtra.

**CIN:** L72400MH2017PLC444072

**Address for Correspondence / Operations Centre:** Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India - 500 032.

**Email ID:** einward.ris@kfintech.com

**Toll Free / Phone Number:** 1800 309 4001

**WhatsApp Number:** (91) 910 009 4099

**Investor Support Centre:** <https://kprism.kfintech.com/>

**KFINTECH Corporate Website:** <https://www.kfintech.com>

**RTA Website:** <https://ris.kfintech.com>

**KPRISM (Mobile Application):** <https://kprism.kfintech.com/signup>

**RTA Search:** <https://www.registrarsassociation.com/search>

## REPORT ON CORPORATE GOVERNANCE (CONTD.)

QR code:

Investor Support Centre:



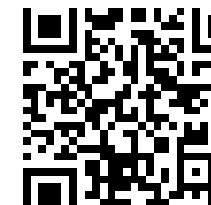
KFINTECH Corporate website:



RTA Website:



RTA Search:



## Online application for Investor Query:

Members are hereby notified that our RTA, KFin Technologies Limited (Formerly known as KFin Technologies Private Limited), basis the SEBI Circular (SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/72) dated Jun 08, 2023, have launched an online application which can be accessed at <https://ris.kfintech.com> > Investor Services > Investor Support.

Members are requested to register / sign up, using the Name, PAN, Mobile and email ID. Post registration, user can login via OTP and execute activities like, raising Service Request, Query, Complaints, check for status, KYC details, Dividend, Interest, Redemptions, e-Meeting and e-Voting details.

Quick link to access the signup page: <https://kprism.kfintech.com/signup>



## REPORT ON CORPORATE GOVERNANCE (CONTD.)

### Senior Citizens - Investor Support

As part of the initiative, our RTA, in order to enhance the investor experience for Senior Citizens, a Senior Citizens investor cell has been newly formed to assist exclusively the Senior Citizens in redressing their grievances, complaints and queries. The special cell closely monitors the complaints coming from Senior Citizens through this channel and handholds them at every stage of the service request till closure of the grievance.

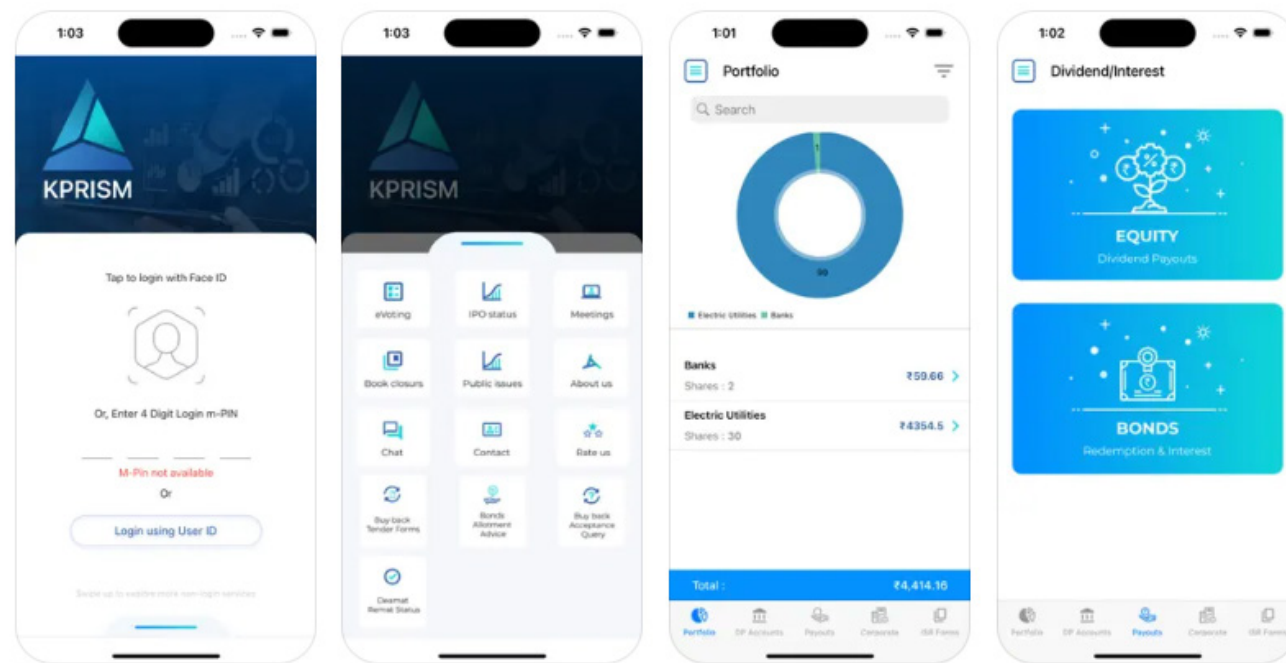
Senior Citizens wishing to avail this service can send the communication with the below details to the email id, senior.citizen@kfintech.com. Senior Citizens (above 60 years of age) have to provide the following details:

1. ID proof showing Date of Birth
2. Folio Number
3. Company Name
4. Nature of Grievance

A dedicated Toll-free number for Senior Citizens can also be accessed at 1-800-309-4006 for any queries or information.

### KPRISM Mobile App:

Mobile applications for all users to review their portfolio being managed by KFINTECH is available in Play store and App Store. User are requested to download the application and register with the PAN number. Post verification, user can use functionalities like – Check portfolio / holding, check IPO status / Demat / Remat, track general meeting schedules, download ISR forms, view the live streaming of AGM and contact the RTA with service request, grievance, and query.



QR Code to access KPRISM:



## REPORT ON CORPORATE GOVERNANCE (CONTD.)

### (xi) Share Transfer System / Dividend and other related matters:

#### i. Share Transfers

The Company's registrar and share transfer agent is M/s. KFIN Technologies Limited ("RTA") for dealing with the equity shares listed on NSE and BSE. All the requests relating to transfer, transmission, splitting of share certificates, dematerialization and rematerialization processing, payment of dividends etc. are done by the share transfer agent.

Pursuant to the SEBI Circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 and MCA notification dated September 10, 2018 (effective October 2, 2018), all securities shall be held in dematerialised form only while processing service requests in relation to the issue of duplicate securities certificates, renewal/exchange of securities certificates, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition. The Company's equity shares are traded on the Stock Exchanges compulsorily in the demat mode segment. The Company has constituted Stakeholders Relationship Committee to deal with matters concerning the securities of the Company.

As per Regulation 40 of the Listing Regulations, as amended, securities of listed entities can be transferred only in dematerialized form, with effect from April 01, 2019.

Further, none of the shareholder is holding shares in physical form as on March 31, 2025.

#### ii. Physical Shareholding:

The Company hereby informs the Members that as per SEBI Circular, effective from April 01, 2019 physical shares will not be transferred unless and until they are dematerialized. As on March 31, 2025, none of the member was holding shares in physical form.

### (xii) Distribution of Shareholding as on March 31, 2025

#### (a) Shareholding pattern as on March 31, 2025:

Category	No. of Shares held		Total No. of Shares	% of total shares
	Physical	Electronic		
Promoters	-	4,34,61,552	4,34,61,552	67.37
Resident Individuals	-	1,10,78,022	1,10,78,022	17.17
Mutual Funds	-	54,11,255	54,11,255	8.39
Foreign Portfolio - Corp	-	19,32,195	19,32,195	2.99
Alternative Investment Fund	-	8,58,422	8,58,422	1.33

### iii. Dividend:

- a. Payment of dividend through National Electronic Clearing Services (NECS)/National Automated Clearing (NACH):

The Company provides facility for remittance of dividend to the Members through NECS. To facilitate dividend payment through NECS/ NACH, members who hold Shares in demat mode should inform their Depository Participant and such of the members holding Shares in physical form should inform the Company of the core banking account number allotted to them by their bankers. In cases where the core banking account number is not intimated to the Company / Depository Participant, the Company will issue Dividend Warrants to the Members.

- b. Unclaimed Dividends:

The Company is required to transfer dividends which have remained unpaid / unclaimed for a period of seven years to the Investor Education & Protection Fund established by the Government. There was no such amount to be transferred to Investor Education and Protection Fund.

### iv. Reconciliation of Share Capital Audit:

As required by the Securities and Exchange Board of India (SEBI), a Quarterly Reconciliation of Share Capital is being carried out by an independent Practicing Company Secretary with a view to reconcile the Total Share Capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the Issued and Listed Capital of the Company. The Practicing Company Secretary's Certificate with regard to this is submitted to BSE Limited and the National Stock Exchange of India Limited and was placed before Stakeholders Relationship Committee and the Board of Directors.



## REPORT ON CORPORATE GOVERNANCE (CONTD.)

Category	No. of Shares held		Total No. of Shares	% of total shares
	Physical	Electronic		
H U F	-	4,75,111	4,75,111	0.74
Promoter Group	-	4,00,000	4,00,000	0.62
Non-Resident Indians	-	3,86,724	3,86,724	0.59
Bodies Corporates	-	3,12,694	3,12,694	0.48
Foreign Portfolio Investors	-	1,21,000	1,21,000	0.19
Non-Resident Indian Non Repatriable	-	71,556	71,556	0.11
NBFC	-	869	869	0.00
Clearing Members	-	22	22	
<b>Total</b>		<b>6,45,09,422</b>	<b>6,45,09,422</b>	<b>100</b>

**(b) Distribution of Shareholding as on March 31, 2025:**

Category (Amount)		No. of Shareholders		No. of Shares	
From	To	Number	% Total	Number	% Total
1	5,000	86,528	99.79	1,02,28,791	15.86
5,001	10,000	102	0.11	7,40,549	1.15
10,001	20,000	37	0.04	5,47,964	0.85
20,001	30,000	9	0.01	2,45,079	0.38
30,001	40,000	6	0.00	2,21,561	0.34
40,001	50,000	3	0.00	1,42,781	0.22
5,00,001	1,00,000	4	0.00	2,92,192	0.45
1,00,001	Above	22	0.03	5,20,90,505	80.75
<b>Total</b>		<b>86,711</b>	<b>100</b>	<b>6,45,09,422</b>	<b>100</b>

**(xiii) Dematerialization of Shares & Liquidity:**

The Shares of the Company are compulsorily traded in demat form on the Stock Exchanges where they are listed. The Shares can be dematerialized with any one of the Depositories viz. National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL).

The breakup of Equity Share capital held with depositories and in physical form as on March 31, 2025 is as follows: -

Category	No. of Equity Shares	No. of shareholders	% of Capital
Physical	0	0	0.00
NSDL	1,15,52,295	20,779	17.91
CDSL	5,29,57,127	66,602	82.09
<b>Total</b>	<b>6,45,09,422</b>	<b>87,381</b>	<b>100.00</b>

**(xiv) Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely Impact on Equity:**

The Company has not issued GDRs / ADRs / Warrants or any convertible instruments.

## REPORT ON CORPORATE GOVERNANCE (CONTD.)

**(xv) Plant Locations of the Company**

The Company has following Plant location as follows. The addresses are as given below:

SL No	Facility name and address	Type of facility & relevant processes
1	Unit I Plot No M-4, Phase-VI, Adityapur Industrial Area, Gamharia, Jamshedpur	<b>Manufacturing Facility</b> <ul style="list-style-type: none"> <li>Machining – CNC turning, VMC, HMC Drilling, Hobbing, Induction Hardening, Hardening Tempering, Case Carburizing, Surface and Spline Broaching, Milling, Grinding</li> <li>Quality Control</li> <li>Packing and Dispatch</li> </ul>
2	Unit II C-78, Phase-III, Adityapur Industrial Area, Gamharia, Jamshedpur	Forging Facility <ul style="list-style-type: none"> <li>Upset Forging</li> </ul>
3	Unit III B 30-31 & C-78, Phase-III, Adityapur Industrial Area, Gamharia, Jamshedpur	Forging & Manufacturing Facility <ul style="list-style-type: none"> <li>Press and upset forging</li> <li>Shot blasting</li> <li>Heat treatment</li> <li>Machining – CNC turning, Rolling, Hobbing, Induction hardening, HMC Drilling</li> <li>Quality control</li> <li>Packing and dispatch</li> </ul>
4	Unit IV M2(P) 4 <sup>th</sup> Phase, Adityapur Industrial Area, Gamharia, Jamshedpur	Manufacturing Facility <ul style="list-style-type: none"> <li>Machining</li> <li>Assembly unit</li> <li>Heat Treatment</li> </ul>
5	Unit V Plot no. NS-06, Phase 5, Adityapur Industrial Area, Gamharia, Jamshedpur	Manufacturing Facility <ul style="list-style-type: none"> <li>Casting unit</li> </ul>
6	Unit VI E- 29, E- 30, E- 31(P) and E - 32 EMC Plot near Phase - VII, Vill - Hatyadiah Saraikela Kharsawan	Seamless Tube Manufacturing (Site under construction)

**(xvi) Address for Correspondence**

The shareholders may address their communications/ suggestions/ grievances/ queries to:

**Registered Office**

Kross Limited (Unit I), M-4, Phase VI, Gamharia,  
Adityapur Industrial Area, Saraikela Kharsawan - 832108, Jharkhand

Email: investors@krossindia.com

For all matters relating to investor relations please contact:

The Company Secretary & Compliance officer Kross Limited

M-4, Phase VI, Gamharia, Adityapur Industrial Area,  
Saraikela Kharsawan - 832108, Jharkhand

Tel: + 91 7280026478

Email: investors@krossindia.com

## REPORT ON CORPORATE GOVERNANCE (CONTD.)

## (xvii) Commodity price risk or foreign exchange risk and hedging activities

Based on the products manufactured or dealt with by the Company, the Company is not exposed to any material commodity price risks. The Company is exposed to foreign exchange risk mainly in respect of exposures relating to export orders. The Company remains substantially hedged through appropriate derivative instruments to minimize the risk and to take advantage of forward premium. The details of unhedged foreign currency exposures and hedging are disclosed in notes to the financial statements.

## (xviii) Credit ratings obtained by the Company

Company's credit ratings were revised by India Ratings and Research Pvt Ltd on March 03, 2025. The ratings of the Company are as under:

Facilities	Amount (INR Mn)	Rating
Fund-based working capital limit	885	IND A/Stable/IND A1 Outlook is Stable
Non-fund-based working capital limit	100	IND A1 Positive Implications
Term loan	INR130 (reduced from INR152)	IND A Outlook is Stable

## 6. OTHER DISCLOSURES

## (a) Related Party Transactions

All transactions entered into with Related Parties as defined under the Section 188 of the Companies Act, 2013 and of SEBI (LODR) Regulations during the Financial Year 2024 - 25 were in the Ordinary Course of Business and at Arms' Length basis. Suitable disclosures as required under Indian Accounting Standards (Ind AS-24) have been made in the Notes to the Financial Statements. The Company has also formed a Policy on Related Party Transactions which has been placed at the website of Company at <https://www.krosslimited.com/corporategovernance-corporatepolicies>

The Company has not entered into any transaction with related parties i.e. Directors or Management, or relatives conflicting with the Company's interest at large. The Register of Contracts containing transactions in which Directors are interested is placed before the Audit Committee / Board regularly. The details of Related Party Transactions are disclosed in Financial Section of this Annual Report.

## (b) Compliance By the Company:

The Company has complied with all the mandatory requirements of the SEBI (LODR) Regulations after the regulations became applicable to the Company. Further, during the year ended March 31, 2025 from the date of listing i.e. September 16, 2024 no penalties were imposed or strictures were passed on the Company by the Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets.

However during the year under review company has suo moto filed a adjudication application with the RoC, Jharkhand for offences in relation to allotment of Equity Shares in physical form, while being required to issue

Equity Shares only in dematerialised form. The company has successfully adjudicated the offence committed and submitted the required fine/penalty suo moto to ROC Jharkhand, MCA.

The Company has complied with the requirements of the Stock Exchanges and Securities and Exchange Board of India (SEBI) including:

- Corporate governance requirement as specified under Point C of Schedule V of the SEBI Listing Regulations.
- Regulation 17 to 27 and clause (b) to (i) of Regulation 46(2) of the SEBI Listing Regulations, as applicable
- Treatment as prescribed in the applicable Accounting Standards.

## (i) CODE OF CONDUCT:

Company's Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct is available on the website of the Company and can be accessed through following link <https://www.krosslimited.com/corporategovernance-corporatepolicies>

The Code lays down the standard of conduct which is expected to be followed by the Board Members and the Senior Management of the Company in particular on matters relating to integrity at the work place, in business practices and in dealing with Stakeholders.

All Board Members and Senior Management Personnel have affirmed compliance of the Code of Conduct. A declaration signed by Mr. Sudhir Rai, Chairman and Managing Director to this effect is enclosed at the end of this report.

## REPORT ON CORPORATE GOVERNANCE (CONTD.)

## (ii) PROHIBITION OF INSIDER TRADING:

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, the Company has framed a Code of Conduct to avoid insider trading. The Code of Conduct is applicable to all the promoters, directors, designated persons and their immediate relatives, connected persons and such employees of the Company who are expected to have access to the unpublished price sensitive information relating to the Company. The Code lays down guidelines, which advises them on procedure to be followed and disclosures to be made, while dealing in the shares of the Company.

## (c) Details of establishment of Vigil Mechanism/ Whistle Blower Policy

In compliance with Section 177 of the Companies Act, 2013, the Company has formulated a Vigil Mechanism/ Whistle Blower Policy (Mechanism) for its Stakeholders, Directors and Employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct.

This Mechanism also provides for adequate safeguards against victimization of Director(s) / Employee(s) Stakeholders who avail the mechanism and also provide for direct access to the Chairman of the Audit Committee.

The Policy is available on the website of the Company. Any Stakeholder, who comes across any instances of unethical matters, can report the same by sending an email and by sending letters to the address mentioned in the said Policy.

During the year under review, no person was denied access to the Chairperson of the Audit Committee. The policy is available on the website of the Company at <https://www.krosslimited.com/corporategovernance-corporatepolicies>

## (d) Web Link where Policy for determining material subsidiaries is disclosed

Company does not have any subsidiary, and will formulate policy for determining material subsidiaries as and when required.

## (e) Web link where policy on dealing with related party transactions is disclosed:

The Company has also formed a Policy on Related Party Transactions which has been placed at the website of Company <https://www.krosslimited.com/corporategovernance-corporatepolicies>.

## (f) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) –

No funds have been raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) during the financial year ended on March 31, 2025.

## (g) Certificate from PCS regarding disqualification of Directors:

A certificate has been received from Mr. Sital Prasad Swain, Practicing Company Secretary, Jamshedpur, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such statutory authority. The said certificate is enclosed with this report

## (h) Recommendation of the Board's Committees

All recommendations of the various committees were accepted by the Board.

## (i) Details of total fees paid to Statutory Auditors

Details of total fees for all services paid by the Company, on a consolidated basis, to the Statutory Auditors are provided under Note No. 31.1 to the Standalone financial statements.

## (j) Disclosure in relation to Sexual Harassment of Women at Workplace

The Company values the dignity of individuals and is committed to provide an environment, which is free of discrimination, intimidation and abuse. The Company has put in place a policy on redressal of Sexual Harassment and a Policy on redressal of harassment at workplace as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Sexual Harassment Act"). As per the



## REPORT ON CORPORATE GOVERNANCE (CONTD.)

policy, any employee may report his/ her complaint to the Redressal Committee formed for this purpose.

The Company has also constituted an Internal Complaints Committee to inquire into complaints of sexual harassment and recommendation for appropriate action.

No complaints have been filed/ disposed of/ pending during the financial year 2024-25.

### (k) Disclosure of accounting treatment

These Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The previous year figures have been regrouped/ reclassified or restated as per Ind AS, so as to make the figures comparable with the figures of current year. The significant Accounting Policies which are consistently applied have been set out in the Notes to the Financial Statements.

### (l) CEO /CFO CERTIFICATION:

The Whole Time Director and the Chief Financial Officer of the Company have certified to the Board that the Financial Results of the Company for the year ended March 31, 2025 do not contain any false or misleading statements or figures and do not omit any material facts which may make the statements or figures contained therein misleading as required by Regulations 33 of SEBI (LODR) Regulations. in terms of Regulation 17(8) of the SEBI Listing Regulations is enclosed at the end of this Report.

### (m) Disclosure of loans and advances in the nature of loans to firms/ companies in which directors are interested of the Company and subsidiaries

During the year, the Company has not provided any loans and advances in the nature of loans to firms/ companies in which directors are interested.

## 7. ADOPTION OF DISCRETIONARY REQUIREMENTS

With respect to the discretionary requirements as per Regulation 27(1) and Part E of Schedule II to SEBI Listing Regulations, the Company has a Non-Executive Chairperson and the Company also has a record of unmodified audit opinion on the financial statements as is evident from the audit reports of previous financial years. The Company endeavors to continue the same.

## 8. NON-MANDATORY REQUIREMENTS:

### a) Shareholders' Rights

As the quarterly and annual financial results were published in leading Newspapers having nation-wide circulation, the same are not sent to the Shareholders of the Company individually. However, the Financial Results and other significant information's are uploaded on the Website of the Company.

### b) Unmodified opinion in audit report.

The Statutory Auditors of the Company have issued Audit Report on Audited Financial Results for year ended March 31, 2025 with unmodified opinion. A declaration has been submitted to the stock exchanges as per Regulation 33(3)(d) of the Listing regulations.

### c) Reporting of Internal Auditor:

In accordance with the provisions of Section 138 of the Act, the Company has appointed an Internal Auditor who reports to the Audit Committee which reviews the audit reports and suggests necessary action.

## 9. DISCLOSURE ON COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENT

- The Company has complied with the requirements specified in Regulations 17 to 27 and Regulation 46 of Listing Regulations as applicable.
- Compliance certificate from CS Sital Prasad Swain, Practicing Company Secretary, Jamshedpur, confirming compliance in Practice, confirming compliance with conditions of Corporate Governance, as stipulated under Regulation 34 of the Listing Regulations, is attached to this report.

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

**Kross Limited**

Jharkhand

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kross Limited having CIN L29100JH1991PLC004465 and having registered office at M-4, Phase-VI, Gamharia, Adityapur Industrial Area, Jamshedpur, Jharkhand-832108 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Sudhir Rai	00512423	May 09, 1991
2.	Mrs. Anita Rai	00513329	May 09, 1991
3.	Mr. Sumeet Rai	02304257	April 01, 2008
4.	Mr. Kunal Rai	06863533	April 08, 2014
5.	Mr. Sanjiv Paul	00086974	October 26, 2023
6.	Mr. Gurminder Singh Ahuja	08132223	October 26, 2023
7.	Mr. Mukesh Kumar Agarwal	09046565	October 26, 2023
8.	Ms. Deepa Verma	10359047	October 26, 2023

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Jamshedpur  
Date : August 08, 2025

Sd/-  
Name: **Sital Prasad Swain**  
Membership No.:F6338  
CP No.: 6814  
UDIN: F006338G001032055  
P.R NO.- 6863/2025



COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

(In terms of Regulation 34(3) and Schedule V (E) of SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members  
**Kross Limited**  
Jharkhand

I have examined the compliance of the conditions of Corporate Governance by Kross Limited (‘the Company’) for the year ended on March 31, 2025, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the SEBI (LODR)Regulations, 2015 ('SEBI Listing Regulations').

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended March 31, 2025.

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

Place: Jamshedpur  
Date: August 08, 2025

Sd/-  
Name: **Sital Prasad Swain**  
Membership No.: F6338  
CP No.: 6814  
UDIN: F006338G001032176  
P.R NO.- 6863/2025

CERTIFICATE BY THE CHAIRMAN AND MANAGING DIRECTOR AND WHOLE  
TIME DIRECTOR (FINANCE) & CHIEF FINANCIAL OFFICER OF THE COMPANY  
UNDER REGULATION 17(8) OF THE SEBI (LODR)REGULATIONS, 2015

We, Sudhir Rai, Chairman and Managing Director and Kunal Rai, Whole Time Director (Finance) and CFO of Kross Limited as required under the Regulation 17(8) of SEBI (LODR)Regulations, 2015 to the best of our knowledge and belief, certify with respect to the financial results for the financial year ending March 31, 2025 as follows:

- A. We have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - 2) these statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company’s code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
- 1) significant changes in internal control over financial reporting during the year;
  - 2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - 3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control system over financial reporting.

Place: Jamshedpur  
Date: August 08, 2025

Sd/-  
**Sudhir Rai**  
Chairman and Managing Director  
DIN: 00512423

Sd/-  
**Kunal Rai**  
Whole Time Director (Finance) and CFO  
DIN 06863533





## ANNEXURE - 7

### DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT

As provided under Regulation 26(3) of the SEBI (LODR) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the code of conduct of board of directors and senior management for the year ended March 31, 2025.

Place: Jamshedpur  
Date: August 08, 2025

Sd/-  
**Sudhir Rai**  
Chairman and Managing Director  
DIN: 00512423

### ANNUAL REPORT ON CSR ACTIVITIES

#### (Pursuant to Rule-9 of Companies (Corporate Social Responsibility Policy) Rules, 2014)

- Brief outline on CSR Policy of the Company. – “Kross acknowledges its responsibility towards society, a commitment clearly demonstrated through the initiatives it undertakes. Its CSR program not only encompasses individuals directly associated with the company, but also extends to the broader community, with special focus on residents in local areas. The company’s vision and mission underscore its dedication to societal betterment through empowerment, value creation, and welfare activities. Furthermore, Kross pledges to extend its utmost support during times of critical need.”

- Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Sudhir Rai	Executive Director	1	1
2.	Mrs. Anita Rai	Executive Director	1	1
3.	Mr. Sumeet Rai	Executive Director	1	1
4.	Ms. Deepa Verma	Independent Director	1	1

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: <https://www.krosslimited.com/corporategovernance-corporatepolicies>
- Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. **Not Applicable**
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any - Not Applicable

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in INR)	Amount required to be set-off for the financial year, if any (in INR)
-	-	-	-

- Average net profit of the company as per section 135(5). - INR 401.40 Mn (a) Two percent of average net profit of the company as per section 135(5) - INR 8.028 Mn
  - Surplus arising out of the CSR projects or programs or activities of the previous financial years. NA
  - Amount required to be set off for the financial year, if any
  - Total CSR obligation for the financial year (7a+7b-7c). – 8.028 Mn

- (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year.	Amount Unspent (in INR)				
	Total Amount transferred to Unspent CSR Account as per section 135 (6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135 (5)		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
81,48,802	-	-	-	-	-

- (b) Details of CSR amount spent against ongoing projects for the financial year: As per section 135(5) of the Companies Act, 2013, inter alia, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy.



## ANNEXURE - 7 (CONTD.)

The Company has computed the CSR amount required to spend for the financial years 2024 to 2025 and is in the process of identifying the necessary projects and approval.

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in INR in Mn)	Amount spent in the current financial Year (in INR in Mn)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in INR in Mn)	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1.	-	-	-	-		-	-	-	-	-	-	-
	Total	-	-	-		-	-	-	-	-	-	-

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in INR)	Mode of implementation - Direct (Yes/ No)	Mode of implementation - Through implementing agency.	
				State	District			Name.	CSR registration number
1.	Serving the needy people/ children	Eradicating Hunger	No	Odisha / Bhubaneswar		4,50,108	No	Gracious Aid Foundation	CSR00017353
2.	Contribution towards animal Operation Theatre	Animal Welfare	Yes	Jharkhand / East Singhbhum		3,00,000	No	The Stray Army Charitable Trust	CSR00063455
3.	Serving the needy people/ children	Eradicating Hunger	No	Odisha / Bhubaneswar		5,00,000	No	Gracious Aid Foundation	CSR00017353
4.	Masti Ki Pathshala	Promoting education, including special education and employment enhancing vocation skills especially among children,	Yes	Jharkhand / East Singhbhum		21,10,020	No	Tata Steel Foundation	CSR00001142
5.	Education and Other skill development program for children of unprivileged backgrounds	Promoting education, including special education and employment enhancing vocation skills especially among children,	No	Paschim Bardhamman/ West Bengal		2,50,000	No	Sagarbhanga Ramkrishnayan Seba Samity	CSR00074576
6.	Development of girls from underprivileged or marginalized backgrounds	Empowering women	No	Rajasthan		5,00,000	No	Hamari Ladoo Foundation	CSR00084384

## ANNEXURE - 7 (CONTD.)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in INR)	Mode of implementation - Direct (Yes/ No)	Mode of implementation - Through implementing agency.	
				State	District			Name.	CSR registration number
7.	Development in the Health Care Sector of the District	Promoting health care	Yes	Jharkhand / Saraikela Kharsawan		18,48,574	Yes	District Civil Surgeon, Saraikela Kharsawan	NA
8.	Ongoing contribution to public health and community welfare, we are donating a BOLERO vehicle to enhance the accessibility and outreach of a blood donation organization	Promoting health care	Yes	Jharkhand / East Singhbhum		11,25,000	No	Voluntary Blood Donation Association	CSR00038352
9.	Promotion of ecological awareness and action among students	Environmental Sustainability	Yes	Jharkhand / East Singhbhum		5,00,000	No	Loyola, Jamshedpur	CSR00067066
10.	Deployment of Anti Natal Care Centre, in 50 Anganwadi's	Promoting health care	Yes	Jharkhand / Saraikela Kharsawan		5,65,100	Yes	District Civil Surgeon, Saraikela Kharsawan	NA
	<b>Total</b>	-	-	-		<b>81,48,802</b>	-	-	

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): INR 81,48,802

(g) Excess amount for set off, if any: Nil

Sl. No.	Particular	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	80,28,066
(ii)	Total amount spent for the Financial Year	81,48,802
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1,20,736
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	1,20,736



## ANNEXURE - 7 (CONTD.)

## 8. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in INR in Mn)	Amount spent in the reporting Financial Year (in INR in Mn)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in INR in Mn)	Remarks
				Name of the Fund	Amount (INR in Mn)	Date of transfer		
-	-	-	-	-	-	-	-	-

\*There is no unspent CSR amount for the preceding three financial year, however for the previous years accumulated shortfall on CSR Liability an amount of INR 51,10,000 was paid during the FY 2024 – 25, and as on the date of the report the outstanding CSR Liability for any previous year's from when the CSR Liability was applicable to the company stands NIL

## (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NIL

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project	Financial Year in which the project was commenced.	Project duration	Total amount allocated for the project (INR in Mn)	Amount spent on the project in the reporting Financial Year (INR in Mn)	Cumulative amount spent at the end of reporting Financial Year. (INR in Mn)	Status of the project - Completed /Ongoing.
1	-	-	-	-	-	-	-	-

## 9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Nil

## (asset-wise details)

- Date of creation or acquisition of the capital asset(s).
  - Amount of CSR spent for creation or acquisition of capital asset.
  - Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
  - Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). NA

## For and on behalf of the Board

Place: Jamshedpur  
Date: August 08, 2025

Sd/-  
**Sudhir Rai**  
Chairman & Managing Director  
(DIN: 00512423)

Sd/-  
**Kunal Rai**  
Whole Time Director (Finance) and CFO  
(DIN: 06863533)

## INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF KROSS LIMITED

## Report on the Audit of the Financial Statements

## OPINION

We have audited the accompanying financial statements of KROSS LIMITED (the "Company"), which comprises the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of 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 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 Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

## BASIS FOR OPINION

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are

independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

## KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended March 31, 2025. These matters were addressed in the context of our audit of the financial statements, as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matter	How our audit addressed the key audit matter
<b>(a) Revenue Recognition</b> (as described in Note 3.3(a), Note 3.3(b) of the financial statements)	
The Company's revenue is derived primarily from sale of goods. The Company manufactures motor vehicles and automobile parts. Revenue from sale of goods is recognized at a point in time when control of the asset is transferred to the customer, generally on delivery of goods.	<p><b>Our procedures included the following:</b></p> <ul style="list-style-type: none"> <li>- We assessed the appropriateness of the Company's accounting policies for revenue recognition by comparing with applicable accounting standards.</li> <li>- We evaluated the design, implementation and operating effectiveness of key internal controls over recognition of revenue.</li> <li>- We tested on a sample basis, key customer contracts to identify terms and conditions relating to transfer of control.</li> </ul>
The timing of revenue recognition is relevant to the reported performance of the Company. Revenue recognition has been identified as a key audit matter as there could be incentives or external pressures to meet expectations resulting in revenue being overstated or recognized before the control has been transferred.	<ul style="list-style-type: none"> <li>- On a sample basis, we tested the revenue transactions recorded during the year verifying the underlying documents to assess whether the revenue is recognized appropriately when control is transferred.</li> <li>- We tested, on a sample basis specific revenue transactions recorded closer to the year end after the financial year-end date to assess whether revenue is recognized in the correct period.</li> <li>- We performed analytical procedures to identify any unusual variances &amp; corroborate the reasons for the same.</li> </ul>

## INDEPENDENT AUDITOR'S REPORT (CONTD.)

### INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

Our opinion on the 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 Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

### RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

## INDEPENDENT AUDITOR'S REPORT (CONTD.)

conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditors report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit 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, Statement of Equity and the Statements of Cash Flow Statement

dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2025 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 Control with reference to Financial Statements 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 with reference to Financial Statements.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197(16) of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note 34 to the Financial Statements.
- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection fund as such the question of delay in transferring such sums does not arise.
- iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or



## INDEPENDENT AUDITOR'S REPORT (CONTD.)

- in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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 the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) The company had not declared or paid any dividend during the year, therefore 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 transaction in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. The company has preserved audit trail log as per the statutory requirement of record retention and were available for audit.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure "B"**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For S.K. Naredi & Co  
Chartered Accountants  
ICAI Firm Regn No. 003333C

(Rahul Naredi)  
Partner  
M. No. 302632  
UDIN: 25302632BMJBIR3745

Place: Jamshedpur, India  
Date: May 16, 2025

## ANNEXURE – "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Kross Limited of even date)

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

We have audited the internal financial controls with reference to Financial Statements of KROSS LIMITED (the "Company") as at March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year 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 Act.

**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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. 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 effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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.

## ANNEXURE – “A” TO THE INDEPENDENT AUDITORS’ REPORT (CONTD.)

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

### OPINION

In our opinion, 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, 2025, 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 **S.K. Naredi & Co**  
Chartered Accountants  
ICAI Firm Regn No. 003333C

**(Rahul Naredi)**  
Partner  
Place: Jamshedpur, India M. No. 302632  
Date: May 16, 2025 UDIN: 25302632BMJBIR3745

## ANNEXURE ‘B’ TO THE INDEPENDENT AUDITOR’S REPORT

**(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Kross Limited of even date)**

**To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:**

- i. In respect of the Company’s Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) As explained to us all the fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. As informed to us no materials discrepancies were noticed on such verification.
- (c) Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) As explained to us, the management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
- (b) The Company has sanctioned working capital limits in excess of Rs. 50 millions, in aggregate, at any points of

time during the year, from banks or financial institutions on the basis of security of current assets of the company. The quarterly returns/statements filed by the Company with such banks are not in agreement with the books of accounts of the Company and the same has been disclosed in Note - 48 of the Financial Statement.

- iii. The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. However, the company has made investments during the year.

During the year, the company has not provided any loan or advances in the nature of loans to any party. Accordingly reporting under clause 3 (iii)(a), 3(c), 3(d), 3(e) & 3(iii) (f) of the Order is not applicable.
- (b) The company has not provided any guarantee or given any security during the year. The investment made are not, prima facie, prejudicial to the Company’s interest.
- iv. In our opinion and according to the information and explanation given to us the Company has complied with the provisions of Section 186 of the Act in respect of investment made. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of loans, guarantees and security.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. In respect of statutory dues:
  - (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues as at March 31, 2025, for a period of more than six months from the date they became payable.



## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT (CONTD.)

- (b) The dues of goods and services tax, income tax, duty of excise that have not been deposited on account of any dispute, are as follows

Name of the Statute	Nature of dues	Amount in millions	Period to which the amount relates	Forum where dispute is pending
Income Tax Act 1961	Income Tax	16.99	FY 2012-13	ITAT Ranchi
Central Goods and Services Tax Act, 2017	Cenvat Tran-1	3.47	FY 2017-18	Assistant Commissioner of Goods & Service Tax
Central Goods and Services Tax Act, 2017	Excise Duty	0.65	Apr 15-June 17	CGST & Central Excise, Adityapur-V
Central Goods and Services Tax Act, 2017	Excise Duty	6.94	Dec 11-June 17	CGST & Central Excise, Adityapur, Division-III
Central Goods and Services Tax Act, 2017	Excise Duty	20.07	Apr 07-June 17	CGST & Central Excise, Adityapur, Division-III

Other than above, there are no dues of provident fund, employees' state insurance, sales-tax, service tax, custom duty, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute.

- viii. According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowing or in the payment of interest thereon from any lender.
- (b) The Company has not been declared defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilized for long-term purposes.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiary or joint ventures and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) In our opinion and according to the information and explanations given to us, money raised by way of initial public offer during the year were applied for the purposes for which those are raised, as detailed below:

Nature of the funds raised	Purpose for which funds were raised	Total amount to be utilised (Rs. in millions)	Amount utilised for the purpose (Rs. in millions)	Unutilized/ (Excess Utilized) balance as at balance sheet date*	Details of deviations
Initial Public Offer	Towards funding of Capital Expenditure	700.00	207.66	492.34	-
	Repayment / prepayment in part or full of certain of the borrowings availed by the company	900.00	900.00	-	-
	Funding working capital requirements of the Company	300.00	97.64	202.36	-
	General corporate purpose	469.19	419.62	49.57	-
	<b>Total (A)</b>	<b>2369.19</b>	<b>1624.92</b>	<b>744.27</b>	-
	Offer expenses (B)	130.81	125.11	5.70	-
	<b>Total (A + B)</b>	<b>2,500.00</b>	<b>1,750.03</b>	<b>749.97</b>	-

\*Idle/ Surplus funds which are not required for immediate utilization have been invested in fixed deposits with scheduled commercial banks and also maintained in the monitoring agency. The idle/ surplus funds during the year has been invested in fixed deposits of Rs. 799.33 millions and Rs. 6.82 millions maintained with monitoring agency respectively was outstanding at the end of the year.

## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT (CONTD.)

- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT - 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) According to the information and explanations given to us, including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and according to the information & explanation given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and the nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the company till date for the period under audit.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45- IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditor of the Company during the year. Accordingly, the provision stated under clause 3 (xviii) of the order is not applicable to the Company.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund Specified in Schedule VII to the Companies Act in compliance with the second proviso to sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable for the year.
- (b) In respect of ongoing projects, the company has transferred unspent amount to a special account within a period of 30 days from the end of the current financial year in compliance with the provision of section 135(6) of the Act.
- xxi. The Company is not required to prepare Consolidated Financial Statements. Accordingly, reporting under clause 3(xxi) of the Order is not applicable to the Company.

For S K. Naredi & Co.  
Chartered Accountants  
ICAI Firm Regn No. 003333C

(Rahul Naredi)  
Partner

Place: Jamshedpur, India  
Date: May 16, 2025

M. No. 302632  
UDIN: 25302632BMJBIR3745



## BALANCE SHEET

AS AT MARCH 31, 2025

(Amounts in INR Mn, unless stated otherwise)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
<b>ASSETS</b>			
<b>(1) Non Current Assets</b>			
(a) Property, plant and equipment	4	1,307.84	1,051.41
(b) Capital work in progress	4	5.50	54.30
(c) Right of use assets	5	12.06	7.77
(d) Other intangible assets	6	4.30	0.90
(e) Financial assets			
(i) Investments	7	49.62	0.30
(ii) Other financial assets	8	62.44	31.25
(f) Other non-current assets	9	439.47	32.53
<b>Total Non-current assets</b>		<b>1,881.22</b>	<b>1,178.46</b>
<b>(2) Current Assets</b>			
(a) Inventories	10	985.50	835.18
(b) Financial assets			
(i) Investments	7	10.96	5.31
(ii) Trade receivables	11	1,819.18	1,098.38
(iii) Cash and cash equivalents	12	828.43	56.55
(iv) Other bank balance (Other than (iii) above)	13	14.35	48.57
(v) Other financial assets	8	2.01	1.75
(c) Other current assets	9	191.19	295.86
<b>Total current assets</b>		<b>3,851.62</b>	<b>2,341.59</b>
<b>Total Assets [1+2]</b>		<b>5,732.84</b>	<b>3,520.04</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity share capital	14	322.55	270.46
(b) Other equity	15	4,022.48	1,197.59
<b>Total equity</b>		<b>4,345.02</b>	<b>1,468.05</b>
<b>Liabilities</b>			
<b>(2) Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16	53.26	225.26
(ii) Lease liabilities	5	10.07	5.20
(b) Long-term provisions	17	51.49	48.96
(c) Deferred tax liabilities (Net)	19	74.13	59.36
<b>Total Non-current liabilities</b>		<b>188.96</b>	<b>338.78</b>
<b>(3) Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16	273.36	945.79
(ii) Lease liabilities	5	2.83	2.75
(iii) Trade payables	20		
Total outstanding dues of micro enterprises and small enterprises		105.29	89.91
Total outstanding dues of creditors other than micro enterprises and small enterprises		568.31	397.60
(iv) Other financial liabilities	21	117.11	79.24
(b) Other current liabilities	23	91.63	104.71
(c) Short-term provisions	17	5.73	6.44
(d) Current tax liabilities (Net)	22	34.59	86.77
<b>Total current liabilities</b>		<b>1,198.86</b>	<b>1,713.22</b>
<b>Total Equity and Liabilities [1+2+3]</b>		<b>5,732.84</b>	<b>3,520.04</b>

See accompanying Notes 1 to 64 to the Financial Statements

As per our report of even date attached

**For S K Naredi & Co.**  
Chartered Accountants  
ICAI Firm Regn Number : 003333C

**Rahul Naredi**  
Partner  
M No: 302632

Jamshedpur, India  
May 16, 2025

**For and on behalf of the Board of Directors**  
**KROSS LIMITED**  
CIN : L29100JH1991PLC004465

**Sudhir Rai**  
Chairman & Managing Director  
DIN: 00512423

**Kunal Rai**  
Whole Time Director & CFO  
DIN: 06863533

**Anita Rai**  
Whole Time Director  
DIN: 00513329

**Debolina Karmakar**  
Company Secretary  
M No: ACS62738

## STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2025

(Amounts in INR Mn, unless stated otherwise)

Particulars	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>(1) Revenue from operations</b>	24	<b>6,204.10</b>	<b>6,202.50</b>
<b>(2) Other income</b>	25	52.71	12.14
<b>(3) Total Income (1) + (2)</b>		<b>6,256.82</b>	<b>6,214.64</b>
<b>(4) Expenses</b>			
(a) Cost of Materials Consumed	26	3,523.42	3,786.81
(b) Changes in inventories of finished products and work in progress	27	15.89	(227.78)
(c) Employee benefits expense	28	345.40	304.23
(d) Finance costs	29	122.86	148.96
(e) Depreciation and amortization expense	30	68.46	57.86
(f) Other expense	31	1,506.89	1,531.66
<b>Total Expenses (4)</b>		<b>5,582.93</b>	<b>5,601.74</b>
<b>(5) Profit before tax (3) - (4)</b>		<b>673.89</b>	<b>612.90</b>
<b>(6) Tax Expense</b>			
<b>(a) Current tax</b>			
(i) Current tax	18	164.17	154.89
(ii) Current tax for the earlier years		14.12	5.60
<b>(b) Deferred tax</b>			
(i) Deferred tax	19	15.32	3.60
<b>Total tax expense (6)</b>		<b>193.62</b>	<b>164.09</b>
<b>(7) Profit for the period/ year (5) - (6)</b>		<b>480.27</b>	<b>448.81</b>
<b>(8) Other comprehensive income/ (loss)</b>			
<b>Items that will not be reclassified to profit or loss</b>		<b>(2.20)</b>	<b>(2.45)</b>
(a) Remeasurement of the employees defined benefit plans		0.55	0.62
(b) Income tax relating to above items		(1.65)	(1.83)
<b>Total other comprehensive income (8)</b>			
<b>(9) Total comprehensive income for the period/ year (7 + 8)</b>		<b>478.62</b>	<b>446.98</b>
<b>(10) Earnings per equity share (Face value of share of INR 5 each)</b>			
Basic		8.04	8.3
Diluted		8.04	8.3

See accompanying Notes 1 to 64 to the Financial Statements

As per our report of even date attached

**For S K Naredi & Co.**  
Chartered Accountants  
ICAI Firm Regn Number : 003333C

**Rahul Naredi**  
Partner  
M No: 302632

Jamshedpur, India  
May 16, 2025

**For and on behalf of the Board of Directors**  
**KROSS LIMITED**  
CIN : L29100JH1991PLC004465

**Sudhir Rai**  
Chairman & Managing Director  
DIN: 00512423

**Kunal Rai**  
Whole Time Director & CFO  
DIN: 06863533

**Anita Rai**  
Whole Time Director  
DIN: 00513329

**Debolina Karmakar**  
Company Secretary  
M No: ACS62738





## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2025

(Amounts in INR Mn, unless stated otherwise)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>(A) Cash flows from operating activities :</b>		
Profit before tax	673.89	612.90
Adjustments for:		
Depreciation and amortization expense	68.46	57.86
Finance costs	122.86	148.96
Allowances for expected credit loss	0.93	3.71
Unwinding of interest on long term security deposit	(0.09)	(0.05)
Net fair value gains on financial assets mandatorily measured at fair value through profit or loss	(0.03)	(0.64)
Profit on sale of property, plant and equipments	(0.44)	(0.02)
Interest Income	(38.94)	(6.93)
<b>Operating profit before changes in non current/ current assets and liabilities</b>	<b>826.65</b>	<b>815.79</b>
<b>Changes in operating assets and liabilities</b>		
(Increase)/Decrease in Inventories	(150.32)	(213.22)
(Increase)/Decrease in Other non-current financial assets	(31.10)	34.72
(Increase)/Decrease in Trade receivables	(721.73)	(584.02)
(Increase)/Decrease in Other current financial assets	(0.26)	0.06
(Increase)/Decrease in Other current assets	(360.62)	(89.94)
Increase/(Decrease) in Provisions	1.82	2.57
Increase/(Decrease) in Trade payables	186.10	147.08
Increase/(Decrease) in Other current financial liabilities	37.88	46.31
Increase/(Decrease) in Other current liabilities	(13.08)	26.74
<b>Cash generated from/ (used in) operations</b>	<b>(224.68)</b>	<b>186.10</b>
Direct Taxes Paid	(95.91)	(103.59)
<b>Net cash flow from/ (used in) operating activities</b>	<b>(320.59)</b>	<b>82.51</b>
<b>(B) Cash flows from investing activities :</b>		
Purchase of Property, plant and equipment (including CWIP)	(272.68)	(271.03)
Purchase of Intangible assets (incl. RoU)	(10.88)	(0.77)
Proceeds from sale of Property, plant and equipment	0.71	0.04
Interest Received	38.94	6.93
Term deposits (placed) / matured (net)	34.22	(36.09)
Investment in shares	(49.32)	-
Investment in mutual fund	(5.62)	(3.62)
<b>Net cash flow from/ (used in) investing activities</b>	<b>(264.64)</b>	<b>(304.04)</b>

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>(C) Cash flows from financing activities :</b>		
Proceeds from Long-term borrowings	83.95	165.26
Repayment of Long-term borrowings	(255.94)	(175.30)
Proceeds from / (repayment) of short-term borrowings (net)	(672.43)	297.48
Increase in lease liabilities	3.64	(1.95)
Dividend paid	-	-
Issue of share capital	2,317.10	-
Other interest payments	(119.22)	(137.39)
<b>Net cash flow from/ (used in) financing activities</b>	<b>1,357.11</b>	<b>148.10</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>771.88</b>	<b>(73.43)</b>
Cash and cash equivalents at the beginning of the period/ year	56.55	129.98
<b>Cash and cash equivalents at the end of the period/ year</b>	<b>828.43</b>	<b>56.55</b>

### Components of Cash and Cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Cash in hand	7.61	1.90
Balances with bank in current accounts	16.48	51.19
Balances with bank in deposit accounts	804.34	3.46
	<b>828.43</b>	<b>56.55</b>

As per our report of even date attached

**For S K Naredi & Co.**

Chartered Accountants

ICAI Firm Regn Number : 003333C

**Rahul Naredi**

Partner

M No: 302632

Jamshedpur, India

May 16, 2025

**For and on behalf of the Board of Directors****KROSS LIMITED**

CIN : L29100JH1991PLC004465

**Sudhir Rai**

Chairman &amp; Managing Director

DIN: 00512423

**Kunal Rai**

Whole Time Director &amp; CFO

DIN: 06863533

**Anita Rai**

Whole Time Director

DIN: 00513329

**Debolina Karmakar**

Company Secretary

M No: ACS62738

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2025

(Amounts in INR Mn, unless stated otherwise)

### A. EQUITY SHARE CAPITAL

Particulars	Notes	No. of Shares	Amount
<b>Balance as at March 31, 2023</b>	14	13,523,189	135.23
Changes in equity share capital due to prior period item		-	-
Restated balance at the beginning of the current reporting period		-	-
Changes in equity share capital during the year		40,569,567	135.23
<b>Balance as at March 31, 2024</b>	14	<b>54,092,756</b>	<b>270.46</b>
Changes in equity share capital due to prior period item		-	-
Restated balance at the beginning of the current reporting period		-	-
Changes in equity share capital during the year		10,416,666	52.083,33
<b>Balance as at March 31, 2025</b>	14	<b>64,509,422</b>	<b>322.55</b>

### B. OTHER EQUITY

Particulars	Notes	Reserves & Surplus			Total
		Retained Earnings	General Reserve	Security Premium	
<b>Balance as at March 31, 2023</b>	15	<b>807.74</b>	<b>70.21</b>	<b>7.88</b>	<b>885.83</b>
Profit for the year		448.81	-	-	448.81
Changes in equity share capital due to prior period item		-	-	-	-
Restated balance at the beginning of the current reporting period		-	-	-	-
Other Comprehensive Income/ (loss) for the year		(1.83)	-	-	(1.83)
Bonus share issued		(57.14)	(70.21)	(7.88)	(135.23)
<b>Balance as at March 31, 2024</b>	15	<b>1,197.59</b>	<b>-</b>	<b>-</b>	<b>1,197.59</b>
Profit for the period		480.27	-	-	480.27
Changes in equity share capital due to prior period item		-	-	-	-
Securities premium on fresh issue of shares		-	-	2,447.92	2,447.92
Securities premium utilized during the period		-	-	(130.81)	(130.81)
Restated balance at the beginning of the current reporting period		-	-	-	-
Other Comprehensive Income for the period		(1.65)	-	-	(1.65)
Issuance of Bonus Shares during the year		-	-	-	-
Transfer from Securities Premium Reserves		29.17	-	-	29.17
<b>Balance as at March 31, 2025</b>	15	<b>1,705.37</b>	<b>-</b>	<b>2,317.10</b>	<b>4,022.48</b>

As per our report of even date attached

**For S K Naredi & Co.**

Chartered Accountants

ICAI Firm Regn Number : 003333C

**Rahul Naredi**

Partner

M No: 302632

Jamshedpur, India

May 16, 2025

**For and on behalf of the Board of Directors**

**KROSS LIMITED**

CIN : L29100JH1991PLC004465

**Sudhir Rai**

Chairman & Managing Director

DIN: 00512423

**Kunal Rai**

Whole Time Director & CFO

DIN: 06863533

**Anita Rai**

Whole Time Director

DIN: 00513329

**Debolina Karmakar**

Company Secretary

M No: ACS62738

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

### 1 GENERAL INFORMATION

Kross Limited is a public limited company registered in Jharkhand, India under the provisions of the erstwhile Companies Act, 1956. The Company is engaged in manufacturing of critical components for commercial vehicles and Tractors. The Company specializes in manufacturing of trailer axles and other components for automotive industry.

(CIN: L29100JH1991PLC004465 & ISIN: INE006601022)

**Registered Office :** M-4, Phase-VI, Gamharia, Adityapur Industrial Area, Jamshepdur, Gamharia, Seraikela-kharsawan, Seraikella Kharsawan, Jharkhand, India, 832108

The Company had completed its Initial Public Offering ('IPO') during the month of September, 2024. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE).

### 2 BASIS OF PREPARATION

#### 2.1 Statement of Compliance

The financial statements comply with all material aspect of Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting standards) Rule, 2015] and other relevant provisions of the Act.

#### 2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest Mn upto two decimal, unless otherwise stated.

#### 2.3 Basis of measurement

These Historical Audited Financial Statements have been prepared on the historical cost basis except certain financial assets and liabilities which are measured at fair values.

#### 2.4 Use of estimates and critical accounting judgements

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

Key source of estimation of uncertainty at the date of the financial statements, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year are provided below:

#### (a) Property, plant and equipment and intangible assets – useful lives

Property, plant and equipment represents a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the Management at the time the asset is acquired and reviewed periodically, including at the end of each reporting period. The lives are based on historical experience with similar assets.

#### (b) Assets and obligations relating to employee benefits

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### (c) Lease classification, termination and renewal option of leases

Ind AS 116, Leases requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that the Company will continue the lease beyond non-cancellable period and whether any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the terminating the lease and the importance of the underlying asset to Company's operations taking in to account the location of the underlying asset and the availability of



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no material changes are required to lease period relating to the existing lease contracts.

## 2.5 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognizes transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

## 3 MATERIAL ACCOUNTING POLICIES:

Pursuant to the Companies (Indian Accounting Standards) Amendment Rules, 2023 effective April 01, 2023, the Company is required to disclose 'material accounting policy Information' in lieu of the earlier requirement of disclosing 'significant accounting policies'. All accounting

policies followed by the company are in accordance with the Indian Accounting Standards (Ind AS) notified u/s 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and conform to Schedule III to the Companies Act, 2013 as applicable. Specific disclosure of material accounting policy information where Ind AS permits options is made hereunder: The company has assessed the materiality of the accounting policy information, which involves exercising judgement and considering both quantitative and qualitative factors by taking into account not only the size and nature of the item or condition but also the characteristics of the transactions, events or conditions that could make the information more likely to impact the decisions of the users of the financial statements.

### 3.1 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is classified current when it is:

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

#### A liability is classified current when:

- (a) It is expected to be settled in the normal operating cycle;
- (b) It is held primarily for the purpose of trading;
- (c) It is due to be settled within twelve months after the reporting period; or
- (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are always classified as non-current assets and liabilities.

### 3.2 Financial instruments

#### (a) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially

recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

#### (b) Classification and subsequent measurement

##### Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- Fair value through profit or loss (FVTPL) or Fair value through other comprehensive income ('FVOCI')

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets. A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets 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.

A financial asset is measured at fair value through other comprehensive income ('FVOCI') if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows and cash flows from sales; 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.

All financial assets not classified as measured at amortized cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Equity instruments are always classified fair value through profit and loss, except in cases where the Company has elected an irrevocable option of designating the same as fair value through other comprehensive income (FVOCI).

#### Financial assets: Subsequent measurement and gains and losses

##### Financial assets at FVTPL :

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

##### Financial assets at amortized cost:

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

##### Financial assets at FVOCI :

These assets are subsequently measured at fair value through other comprehensive income i.e., subsequent changes in fair value of the instrument is recognized in other comprehensive income. Any dividend received on such instruments are recognized in Statement of Profit and Loss.

#### Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified and measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

#### (c) Derecognition

##### Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

#### Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

#### (d) Impairment of financial assets

Loss allowance for expected credit losses is recognized for financial assets measured at amortized cost and fair value through other comprehensive income. The Company recognizes life time expected credit losses for all trade receivables that do not constitute a financing transaction.

For financial assets (apart from trade receivables that do not constitute of financing transaction) whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognized. Loss allowance equal to the lifetime expected credit losses is recognized if the credit risk of the financial asset has significantly increased since initial recognition.

#### (e) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

### 3.3 Revenue from contract with customers

Revenue from contracts with customers is recognized when control of the goods/services are transferred to the customer

at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods/services. Such revenue is recognized upon the Company's performance of its contractual obligations and on satisfying all the following conditions:

- (1) Parties to the contract have approved the contract and undertaken to perform their respective obligations;
- (2) Such contract has specified the respective rights and obligations of the parties in connection with the transfer of goods or rendering of services (hereinafter the "Transfer");
- (3) Such contract contains specific payment terms in relation to the Transfer;
- (4) Such contract has a commercial nature, namely, it will change the risk, time distribution or amount of the Company's future cash flow;
- (5) The Company is likely to recover the consideration it is entitled to for the Transfer to customers.

Revenue is recognized when no significant uncertainty exists regarding the collection of the consideration. The amount recognized as revenue is exclusive of all indirect taxes and net of returns and discounts.

#### (a) Sale of goods

For contracts with customers for sale of goods, revenue is recognized net of discount and rebates, at a point in time when control of the asset is transferred to the customer, which is when the goods are delivered to the customers as per the terms of the contracts. Delivery happens when the goods have been shipped or delivered to the specific location, as the case may be, the risk of loss has been transferred, and either the customer has accepted the goods in accordance with the contracts or the Company has objective evidence that all criteria related for acceptance has been satisfied.

No element of significant financing is deemed present as the sales are generally made with a credit term which is consistent with the market practice. A receivable is recognized when the goods are delivered and this is the point in time that the consideration is unconditional because only the passage of time is required before the payment

#### (b) Sale of Services

Revenue from service contracts are recognized in the accounting period in which the services are rendered. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the standalone selling

price and revenue is recognized over time as and when the customer receives the benefit of the Company's performance based on the actual service provided to as proportion of the total services to be provided. In case, the service contracts include one performance obligation revenue is recognized based on the actual service provided to the end of the reporting period as proportion of the total services to be provided. This is determined based on the actual expenditure incurred to the total estimated cost.

#### (c) Dividend and interest income

Dividend income is recognized when the company's right to receive payment has been established and that the economic benefits will flow to the Company and amount of income can be measured reliably.

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

### 3.4 Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

### 3.5 Income Taxes Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

Deferred tax is provided using the liability method on

temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

### 3.6 Foreign currencies

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Company's financial statements are presented in Indian Rupees, which is the Company's functional and presentation currency.

#### Transactions and balances

Transactions in foreign currencies are initially recorded by the Company in its functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

settlement or translation of monetary items are recognized in profit or loss unless they relates to the qualifying cash flow hedges.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

**3.7 Property, plant and equipment**

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Construction in progress is stated at cost, net of accumulated impairment losses, if any.

Cost of Property, plant and equipment includes the costs directly attributable to the acquisition or constructions of assets, or replacing parts of the plant and equipment and borrowing costs for qualifying assets, if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with them will flow to the Company and the cost of the item can measured reliably. All other repair and maintenance costs are recognized in profit or loss as incurred.

Advance given for acquisition / construction of Property, Plant and Equipment and Intangible assets are presented as "Capital Advance" under Other Non-Current Assets. The assets in the process of construction or acquisition but not ready for management's intended use are included under Capital Work in progress.

Depreciation is provided on Straight line method in the manner and on the basis of useful lives prescribed in Schedule II to the Companies Act, 2013. Depreciation on addition / deduction is calculated pro-rata from/to the month of addition / deduction.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The estimated useful lives of the assets considered by the Company is stated hereunder:

Assets Description	Useful Life in Years
Office Building	60
Heavy Equipments	15
Heavy Vehicles	6
Office Appliances	5
Computer	3
Other Machinery	15
Motor Cycle, Scooter	10
Motor Vehicles	8
Furniture	10
Electrical Equipments	10

**3.8 Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**The Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**Right-of-use assets**

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

**Lease liabilities**

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments.

The Company's lease obligations are presented on the face of the Balance Sheet.

**Short-term leases and leases of low value assets**

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

**The Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the

carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

**3.9 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**3.10 Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Subsequent to initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets are amortized over the useful economic life (5 years for computer software) and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss.

**3.11 Impairment of assets (other than financial assets)**

At each balance sheet date, the Company reviews the carrying value of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognized in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized in the statement of profit and loss immediately.

### 3.12 Provisions and contingencies

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Disclosure for contingent liabilities is made 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 embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

### 3.13 Inventories

Raw materials, work-in-progress and finished products are valued at lower of cost and net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes purchase price, non-refundable taxes and duties and other directly attributable costs incurred in bringing the goods to the point of sale. Work-in-progress and finished goods include appropriate proportion of overheads.

Stores and spares and consumables are valued at cost

comprising of purchase price, non-refundable taxes and duties and other directly attributable costs after providing for obsolescence and other losses, where considered necessary.

### 3.14 Cash and short-term deposits

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

### 3.15 Employee benefits

#### Short-term employee benefits

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee related liabilities under other financial liabilities in balance sheet.

#### Post - employment benefits

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually at year end by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. These are included in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligations resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

### Defined contribution plan

The Company pays provident fund contributions to publicly administered provident fund as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

### 3.16 Earnings per share

#### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Parent
- by the weighted average number of equity shares outstanding during the financial year

#### (ii) Diluted earnings per share

Diluted earnings per share adjusts 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.

### 3.17 Contributed equity

Equity shares are classified as equity. Incremental cost directly attributable to the issue of new shares or options are shown in equity as reduction, net of tax from the proceeds.

### 3.18 Cash dividend

The Company recognizes a liability to pay a dividend when the distribution is authorized, and the distribution is no longer at the discretion of the Company. As per the corporate laws of India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

### 3.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ('CODM').

The CODM is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Board of Directors of the Parent.



# NOTES FORMING PART OF FINANCIAL STATEMENTS

(Amounts in INR Mn, unless stated otherwise)

## NOTE 4: PROPERTY, PLANT AND EQUIPMENT

### (i) Movement in Property, plant and equipment

Particulars	Buildings	Land & Development	Plant & Machinery	Electrical Installation	Lab. Testing equipments	Motor Vehicles	Computer and accessories	Furniture and fixture	Office equipments	Total
<b>Gross Block</b>										
Balance as at March 31, 2023	199.93	41.14	1,000.98	95.42	5.40	30.54	7.06	8.37	3.22	1,392.06
Additions	-	72.09	126.24	7.00	-	9.13	1.21	0.42	0.64	216.73
Disposals	-	-	-	-	-	(0.28)	-	-	-	(0.28)
Balance as at March 31, 2024	199.93	113.23	1,127.21	102.42	5.40	39.39	8.27	8.78	3.86	1,608.49
Additions	43.73	10.56	241.16	17.79	-	5.63	0.86	0.48	1.25	321.48
Disposals	-	-	(0.71)	-	-	(0.15)	-	-	-	(0.86)
Balance as at March 31, 2025	243.66	123.79	1,367.66	120.21	5.40	44.87	9.14	9.27	5.11	1,929.11
<b>Accumulated depreciation</b>										-
Balance as at March 31, 2023	35.95	6.27	369.88	53.26	5.40	16.41	5.90	6.13	2.10	501.30
Depreciation expense	5.88	2.09	38.82	4.97	-	3.58	0.26	0.17	0.31	56.07
Disposals	-	-	-	-	-	(0.27)	-	-	-	(0.27)
Balance as at March 31, 2024	41.82	8.35	408.68	58.22	5.40	19.72	6.16	6.29	2.42	557.08
Depreciation expense	6.05	3.39	44.18	5.60	-	3.83	0.89	0.37	0.48	64.78
Disposals	-	-	(0.51)	-	-	(0.08)	-	-	-	(0.60)
Balance as at March 31, 2025	47.87	11.74	452.35	63.82	5.40	23.47	7.05	6.66	2.90	621.27
<b>Carrying Amount</b>										
Balance as at March 31, 2024	158.11	104.88	718.53	44.20	0.00	19.67	2.11	2.49	1.44	1,051.41
Balance as at March 31, 2025	195.79	112.05	915.31	56.39	0.00	21.40	2.08	2.61	2.21	1,307.84

(a) Refer Note 16 for details of security against borrowings.

### (ii) Movement in Capital work-in-progress

Particulars	Capital work-in-progress
Balance as at March 31, 2023	-
Additions	54.30
Transferred to Property, plant and equipment	-
Balance as at March 31, 2024	54.30
Additions	5.50
Transferred to Property, plant and equipment	(54.30)
Balance as at March 31, 2025	5.50

### (a) Ageing analysis of Capital work in progress

Particulars	As at March 31, 2025				
	Less Than 1 Year	1 to 2 years	2 to 3 years	More than 3 years	Total
Project in progress	5.50	-	-	-	5.50
Project temporarily suspended	-	-	-	-	-

Particulars	As at March 31, 2024				
	Less Than 1 Year	1 to 2 years	2 to 3 years	More than 3 years	Total
Project in progress	54.30	-	-	-	54.30
Project temporarily suspended	-	-	-	-	-

## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

## NOTE 5: RIGHT OF USE ASSETS

This note provides information for leases where the Company is a lessee.

The Company has taken on lease various offices, warehouses other spaces for its uses. Rental contracts typically ranges from 1 year to 5 years.

### (i) Movement in Right of Use assets :

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Gross Block</b>		
Opening Balance	9.69	0.85
Additions during the year	9.33	8.84
Deletions/cancellation/modification during the year	(2.16)	0
Closing Balance	16.86	9.69
<b>Accumulated depreciation</b>		
Opening Balance	1.92	0.17
Amortization expense	3.37	1.75
Deletions/cancellation/modification during the year	(0.49)	0
Closing Balance	4.80	1.92
Net Carrying amount	12.06	7.77

The aggregate depreciation expense on RoU assets is included under depreciation expense in the Statement of Profit and Loss under note number 30.

### (ii) Movement in Lease Liabilities:

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	7.95	0.68
Additions during the year	9.23	8.56
Deletions during the year	(1.71)	-
Finance cost accrued during the year	1.30	0.66
Payment of lease liabilities	(3.88)	(1.95)
Net Carrying amount	12.90	7.95

### (iii) The break-up of current and non-current lease liabilities as at the year end:

Particulars	As at March 31, 2025	As at March 31, 2024
Current	2.83	2.75
Non-current	10.07	5.20
<b>Total*</b>	12.90	7.95

\*with the exception of short term and leases of low-value underlying assets, each lease is reflected in the Balance Sheet as right of use assets and a lease liability payment made for short term lease and leases of low-value are expensed on a straight line basis over the lease term.

## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

## (iv) The details of contractual maturities of lease liabilities as at the year end on undiscounted basis are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Less than one year	2.83	2.75
One to five years	5.03	5.20
More than five years	5.04	-
<b>Total*</b>	<b>12.90</b>	<b>7.95</b>

\*the Company does not face a significant liquidity risk regards to its lease liabilities as the current assets are sufficient to the meet the obligations related to the lease liabilities as and when they fall due

## (v) The amount recognized in the Statement of Profit or Loss are as follows:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Amortization of right of use assets	3.37	1.75
Interest expense on lease liabilities	1.30	0.66
Rent expense - short-term lease and leases of low value assets	14.12	10.23
<b>Total*</b>	<b>18.79</b>	<b>12.65</b>

## (vi) Extension and termination options

Extension and termination options are included in various leases. These are used to maximize operational flexibility in terms of managing the assets used in the Company's operations. The majority of the extension and termination options held are exercisable by the Company and not by the respective lessor.

## (vii) Discounting rate

The Company has used the incremental borrowing rate of 10% (Financial Year 2023 - 2024 : 10%) to determine the lease liabilities.

## NOTE 6: OTHER INTANGIBLE ASSETS

## (i) Movement in Other Intangible assets :

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Cost / Deemed cost</b>		
<b>Opening Balance</b>	<b>6.20</b>	<b>5.43</b>
Additions	3.71	0.77
Disposals	-	-
<b>Closing Balance</b>	<b>9.92</b>	<b>6.20</b>
<b>Accumulated depreciation</b>		
<b>Opening Balance</b>	<b>5.30</b>	<b>5.27</b>
Amortization expense	0.32	0.03
Disposals	-	-
<b>Closing Balance</b>	<b>5.62</b>	<b>5.30</b>
<b>Carrying Amount</b>	<b>4.30</b>	<b>0.90</b>

## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

## NOTE 7: INVESTMENTS

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Investments designated at fair value through OCI</b>		
Investment in Equity Shares (Unquoted)		
Adityapur Auto Cluster	0.30	0.30
300 (As at March 31, 2024 - 300 equity shares of INR 1000 each, fully paid up)		
Adityapur Electronic Manufacturing Cluster Limited		
493,159 (As at March 31, 2024 -Nil equity shares of INR 100 each, fully paid up)	49.32	-
<b>Total Non-Current investment</b>	<b>49.62</b>	<b>0.30</b>
<b>Investments designated at fair value through profit &amp; loss</b>		
Investment in Mutual Funds	10.96	5.31
<b>Total Current investment</b>	<b>10.96</b>	<b>5.31</b>

## NOTE 8: OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
<b>(i) Non-current</b>		
(Unsecured, considered good, unless stated otherwise)		
(a) Security Deposits	30.44	31.25
(b) Fixed deposits maturing after 12 months from the balance sheet date#	31.99	-
<b>Total Other financial assets - Non-Current</b>	<b>62.44</b>	<b>31.25</b>
<b>(ii) Current</b>		
(Unsecured, considered good, unless stated otherwise)		
(a) Security Deposits	2.01	1.75
<b>Total Other financial assets - Current</b>	<b>2.01</b>	<b>1.75</b>

#Deposits balances in the account are not due for realization within 12 months from the balance sheet date are primarily placed as security with banks as collateral and margin money for bank guarantee of INR 29.32 Mn as at March 31, 2025 and with vendors for performance guarantee of INR 8.30 Mn as at March 31, 2025.

Deposit balances due for realizations within 12 months but more than 3 months are classified as other bank balances and are disclosed under note no. 13

## NOTE 9: OTHER ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
<b>(i) Non-current</b>		
(Unsecured, considered good, unless stated otherwise)		
(a) Capital Advances	439.47	32.53
<b>Total other non current assets</b>	<b>439.47</b>	<b>32.53</b>
<b>(ii) Current</b>		
(a) Advance to suppliers and service providers	139.10	259.16
(b) GST receivables	30.16	12.27
(c) Advances to employees	0.67	1.25
(d) Prepaid expenses	3.19	2.86
(e) Other assets	18.06	20.32
<b>Total other current assets</b>	<b>191.19</b>	<b>295.86</b>



## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

### NOTE 10: INVENTORIES

#### (i) Movement in Other Intangible assets :

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Raw materials*	440.51	317.56
(b) Work-in-progress	259.80	185.70
(c) Finished products	212.12	302.11
(d) Stores and spare parts	43.61	18.95
(e) Consumables	29.45	10.85
<b>Total Inventories</b>	<b>985.50</b>	<b>835.18</b>

\*Includes stock in transit INR 11.39 Mn (March 31, 2024: 7.00 Mn)

- The mode of valuation of inventories has been stated in note 3.14
- For details of carrying amount of inventories pledged as security for secured borrowings refer note 16.

### NOTE 11: TRADE RECEIVABLES

Particulars	As at March 31, 2025	As at March 31, 2024
<b>(Trade receivables, considered good, secured)</b>		
Trade receivables, secured, considered good	1,819.18	1,098.38
Trade receivables, credit impaired	14.35	13.42
	<b>1,833.52</b>	<b>1,111.80</b>
Less: Allowances for expected credit losses	14.35	13.42
<b>Total Trade receivables</b>	<b>1,819.18</b>	<b>1,098.38</b>

#### Disclosure of contract balances as per Ind AS 115 revenue from contract with customers

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Contract balances</b>		
(a) Trade receivable - Billed	1,819.18	1,098.38
(b) Trade receivable - Unbilled	-	-
<b>Total Contract balances</b>	<b>1,819.18</b>	<b>1,098.38</b>

Age bracket	As at March 31, 2025						
	Not due	Less than 6 months	6 Months to 1 years	1 year to 2 years	2 years to 3 years	More than 3 years	Total
Undisputed trade receivables – considered good	-	1,670.64	135.43	23.45	1.10	0.69	1,831.32
Undisputed trade receivables – considered doubtful	-	-	-	-	-	-	-
Disputed trade receivables considered good	-	-	2.20	-	-	-	2.20
Disputed trade receivables considered doubtful	-	-	-	-	-	-	-
<b>Total Ageing of receivables</b>	<b>-</b>	<b>1,670.64</b>	<b>137.63</b>	<b>23.45</b>	<b>1.10</b>	<b>0.69</b>	<b>1,833.52</b>
Add: Unbilled							-
Less: Allowances for expected credit losses							14.35
<b>Total Trade receivables</b>							<b>1,819.18</b>

## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

Age bracket	As at March 31, 2024						Total
	Not due	Less than 6 months	6 Months to 1 years	1 year to 2 years	2 years to 3 years	More than 3 years	
Undisputed trade receivables – considered good	-	1,030.78	71.69	4.87	1.11	2.65	1,111.09
Undisputed trade receivables – considered doubtful	-	-	-	-	-	-	-
Disputed trade receivables considered good	-	-	-	-	-	0.71	0.71
Disputed trade receivables considered doubtful	-	-	-	-	-	-	-
<b>Total Ageing of receivables</b>	<b>-</b>	<b>1,030.78</b>	<b>71.69</b>	<b>4.87</b>	<b>1.11</b>	<b>3.35</b>	<b>1,111.80</b>
Add: Unbilled	-						-
Less: Allowances for expected credit losses							13.42
<b>Total Trade receivables</b>							<b>1,098.38</b>

- The ageing has been determined from the date they were invoiced to the customers. Refer Note 39 on credit risk for more details.
- Movement in allowances for expected credit loss

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Allowances for expected credit losses at the beginning of the year	13.42	9.71
Allowances created during the year [Refer note 31]	0.93	3.71
Allowances utilized / reversed during the year	-	-
<b>Allowances for expected credit losses for the year</b>	<b>14.35</b>	<b>13.42</b>

### NOTE 12: CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Balances with bank in current accounts	16.48	51.19
(b) Cash on hand	7.61	1.90
(c) Other Balances with bank in deposit accounts*	804.34	3.46
<b>Total cash and cash equivalents</b>	<b>828.43</b>	<b>56.55</b>

\*Original maturity of less than three months

### NOTE 13: OTHER BANK BALANCE (OTHER THAN (III) ABOVE)

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Balances with bank in deposit accounts <sup>#</sup>	14.35	48.57
<b>Total other bank balances</b>	<b>14.35</b>	<b>48.57</b>

<sup>#</sup>Deposits balances in the account are due for realization within 12 months from the balance sheet date are primarily placed as security with banks as collateral and margin money for bank guarantee of INR 29.32 Mn (as at March 31, 2024: INR 70.09 Mn) and with vendors for performance guarantee of INR 8.30 Mn (as at March 31, 2024 : INR 6.24 Mn)

Deposit balance in the account are due for realization in more than 12 months are disclosed in note number 8 under Fixed deposits maturing after 12 months from the balance sheet date.

## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

**NOTE 14: EQUITY SHARE CAPITAL**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Authorized share capital</b>		
7,00,00,000 Equity Shares of INR 5/- each	350	350
20,00,000 Preference Shares of INR 10/- each	20	20
<b>Total authorized share capital</b>	<b>370</b>	<b>370</b>
<b>Issued, subscribed and paid up share capital</b>		
6,45,09,422 Equity Shares of INR 5/- each fully paid up	322.55	270.46
(As at March 31, 2024: 5,40,92,756 Equity Shares of INR 5/- each fully paid up)		
<b>Total issued, subscribed and paid up share capital</b>	<b>322.55</b>	<b>270.46</b>

**(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period/ year**

Particulars	As at March 31, 2025		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
Balance as at the beginning of the year	5,40,92,756	270.46	1,35,23,189	135.23
Issue of Bonus shares and impact of share split	-	-	4,05,69,567	135.23
Shares issued during the year (Refer note * below)	1,04,16,666	52.08	-	-
<b>Balance at the end of the period/ year</b>	<b>6,45,09,422</b>	<b>322.55</b>	<b>5,40,92,756</b>	<b>270.46</b>

**(b) Details of equity shares held by equity shareholders holding more than 5% of the aggregate shares in the Company:**

Name	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Holding %	No. of shares	Holding %
Sudhir Rai	2,43,86,409	37.80%	3,12,00,140	57.68%
Anita Rai	1,17,83,143	18.27%	1,51,99,816	28.10%
Sumeet Rai	38,00,000	5.89%	38,00,000	7.02%
Kunal Rai	34,92,000	5.41%	34,92,000	6.46%
<b>Balance at the end of the period/ year</b>	<b>4,34,61,552</b>	<b>67.37%</b>	<b>5,36,91,956</b>	<b>99.26%</b>

**(c) Details of equity shares held by the promoters at the period/ year end**

Name	As at March 31, 2025		As at March 31, 2024		
	No. of shares	Holding %	No. of shares	Holding %	% Change
Sudhir Rai	2,43,86,409	37.80%	3,12,00,140	57.68%	(0.22%)
Anita Rai	1,17,83,143	18.27%	1,51,99,816	28.10%	(0.22%)
Sudhir Rai (HUF)	4,00,000	0.62%	4,00,000	0.74%	0.00%
Sumeet Rai	38,00,000	5.89%	38,00,000	7.02%	0.00%
Kunal Rai	34,92,000	5.41%	34,92,000	6.46%	0.00%
<b>Balance at the end of the period/ year</b>	<b>4,38,61,552</b>	<b>67.99%</b>	<b>5,40,91,956</b>	<b>100.00%</b>	

**(d) Rights, preferences and restrictions attached to shares****Equity shares**

The Company has one class of equity shares having a par value of INR 5.00 per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

\*The company completed an initial public offer (IPO) of 2,08,33,332 equity shares at the face value of INR 5 each at an issue price of INR 240/- per equity share. Comprising offer for sale of 1,04,16,666 shares by selling shareholder and a fresh issue of 1,04,16,666 shares aggregating INR 500 Mn. The equity shares of the company were listed on the Bombay stock exchange limited (BSE) and National Stock Exchange of India Limited (NSE) on September 16, 2024.

**(e) Equity share movement during the period of 5 years immediately preceeding the reporting date.**

During the FY 2023-24 the company had issued bonus share in the ratio 1 : 1 to its existing equity shareholder vide their board resolution dated November 26, 2023 by way of capitalization of its security premium & general reserve

The Company has not bought back share during the last 5 years immediately preceeding March 31, 2025.

**NOTE 15: OTHER EQUITY**

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Retained earnings	1,705.37	1,197.59
(b) General Reserve	-	-
(c) Security Premium	2,317.10	-
<b>Total Other Equity</b>	<b>4,022.48</b>	<b>1,197.59</b>

**(i) Retained Earnings**

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Balance at the beginning of the year	1,197.59	807.74
(b) Profit for the year	480.27	448.81
(c) Other Comprehensive Income for the year	(1.65)	(1.83)
(d) Bonus issued during the year/period.	-	(57.14)
(e) transfer from Securities premium reserve	29.17	0.00
<b>Balance at the end of the year</b>	<b>1,705.37</b>	<b>1,197.59</b>

**(ii) General Reserve**

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Balance at the beginning of the year	-	70.21
(b) Utilized during the year	-	(70.21)
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>

**(iii) Security Premium**

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Balance at the beginning of the year	-	7.88
(b) Utilized during the year	(130.81)	(7.88)
(c) Securities Premium on fresh issue of shares	2,447.92	-
<b>Balance at the end of the year</b>	<b>2,317.10</b>	<b>-</b>

**(a) Retained earnings**

Retained earnings are the profits that the Company has earned till date, less any transfers to reserves, dividends or other distributions paid to shareholders. Retained earnings is a free reserve available to the Company and eligible for distribution to shareholder, in case where it is having positive balance representing net earning till date.



## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

**(b) General Reserve**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by transfer from one equity component to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

**(c) Security Premium**

Share premium used to record premium received on issue of shares. The reserve is utilized in accordance with the provisions of the Companies Act, 2023.

**NOTE 16: BORROWINGS**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>A. Non-current</b>		
<b>(a) Secured borrowings - at amortized cost</b>		
(i) Term Loans from BanksB	124.10	346.21
(ii) Term Loans from Non Banking Financial Institutionc	5.15	10.38
	<b>129.25</b>	<b>356.59</b>
Less: Current maturities of long-term borrowings (included in current borrowings)	75.58	129.63
Less: Interest accrued on long-term borrowings (included in current borrowings)	0.41	1.71
<b>Total Long-term borrowings</b>	<b>53.26</b>	<b>225.26</b>
<b>B. Current</b>		
<b>(a) Secured borrowings - at amortized cost</b>		
(i) Cash Credit from Banks - Overdraft	179.78	796.86
(ii) Current maturities of long-term borrowings	75.58	129.63
(iii) Interest accrued on long-term borrowings	0.41	1.71
<b>(b) Unsecured borrowings - at amortized cost</b>		
(i) Promotors	17.59	17.59
<b>Total Short-term borrowings</b>	<b>273.36</b>	<b>945.79</b>
<b>Total borrowings</b>	<b>326.62</b>	<b>1,171.04</b>

**(A) Security Details**

Name of the Bank	As at March 31, 2025			Security
	Long Term	Short Term	Current Maturity	
DBS Bank India Limited	-	50.00	-	Secured by pari passu first charge on all current assets (current and future) of Company and pari passu first charge on all movable fixed assets and lease hold property of Company.
Axis Bank Limited	17.69	59.59	50.45	Secured by pari passu first charge on all current assets (current and future) of Company and pari passu first charge on specified lease hold property of Company and exclusive charge on few lease hold land. <b>For term loan:</b> Personal guarantee from promoters and exclusive charge on the plant and machinery constructed out of this fund.

## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

Name of the Bank	As at March 31, 2025			Security
	Long Term	Short Term	Current Maturity	
HDFC Bank Limited	29.07	70.18	18.91	Secured by pari passu first charge on stock as well as all other current assets, pari passu first charge on specified lease hold property of Company, Pari-passu first charge on entire Plant and Machinery, Personal guarantees from promoters and fixed deposit. <b>For term loan:</b> Secured by exclusive charge on plant & machinery procured out of this fund and pari-passu second charge on specified leasehold property and personal guarantees from promoters <b>For vehicle loan:</b> Hypothecation of respective vehicle.
Punjab National Bank	3.48	-	0.58	Secured by hypothecation of respective assets financed.
Bank of India	3.03	-	0.52	Secured by hypothecation of respective assets financed.
Daimler Financial Services Pvt Ltd	-	-	3.56	Secured by hypothecation of respective assets financed.
Siemens Financial Services Pvt Ltd	-	-	1.56	Secured by hypothecation of respective assets financed.
	<b>53.26</b>	<b>179.78</b>	<b>75.58</b>	

Name of the Bank	As at March 31, 2024			Security
	Long Term	Short Term	Current Maturity	
DBS Bank India Limited	-	150.00	-	Secured by pari passu first charge on all current assets (current and future) of Company and pari passu first charge on all movable fixed assets and lease hold property of Company.
Axis Bank Limited	58.63	360.50	57.69	Secured by pari passu first charge on all current assets (current and future) of Company and pari passu first charge on specified lease hold property of Company and exclusive charge on few lease hold land. <b>For term loan :</b> Personal guarantee from promoters and exclusive charge on the plant and machinery constructed out of this fund.
HDFC Bank Limited	157.58	286.35	66.09	Secured by pari passu first charge on stock with and receivables up to 120 days (excluding Tata Motors), pari passu first charge on specified lease hold property of Company, Pari-passu first charge on entire Plant and Machinery (Excluding Assets specifically financed by Siemens and L&T Finance) and fixed deposit. <b>For term loan :</b> Secured by Pari-passu second charge over the entire current assets of the Company, both present and future, exclusive charge on Plant and Machineries procured from the Term Loan and personal guarantees from promoters. <b>For vehicle loan :</b> Hypothecation of respective vehicle.
Punjab National Bank	1.43	-	4.12	Secured by hypothecation of respective assets financed.
Daimler Financial Services Pvt Ltd	3.56	-	1.20	Secured by hypothecation of respective assets financed.
Siemens Financial Services Pvt Ltd	4.05	-	0.53	Secured by hypothecation of respective assets financed.
	<b>225.26</b>	<b>796.86</b>	<b>129.63</b>	

## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

## (B) Term Loan from Banks

Particulars	Total No. of Installments	Earliest Start Date	Maturity	Rate of Interest	As at March 31, 2025	As at March 31, 2024
Axis Bank Limited	48	October 31, 2021	February 08, 2026	Repo+2.75%	-	17.85
Axis Bank Limited	48	February 28, 2022	January 31, 2028	Repo+2.75%	-	20.80
Axis Bank Limited	58	October 31, 2021	November 01, 2026	Repo+3.25%	-	10.69
Axis Bank Limited	49	October 31, 2021	November 30, 2025	Repo+3.25%	10.36	30.36
Axis Bank Limited	29	August 31, 2023	January 31, 2026	Repo+2.75%	-	12.03
Axis Bank Limited	35	August 31, 2023	December 31, 2026	Repo+2.75%	-	12.56
Axis Bank Limited	28	August 31, 2023	December 31, 2025	Repo+3.25%	-	11.55
Axis Bank Limited	60	March 05, 2024	February 05, 2029	9.95%	0.41	0.49
Axis Bank Limited	60	January 31, 2025	January 31, 2029	Repo+3.25%	57.37	-
HDFC Bank Limited	48	December 07, 2020	November 07, 2024	8.90%	-	0.11
HDFC Bank Limited	60	November 07, 2022	October 07, 2027	8.25%	0.28	0.38
HDFC Bank Limited	48	June 05, 2022	May 05, 2026	7.26%	0.27	0.49
HDFC Bank Limited	48	January 05, 2023	December 05, 2026	8.70%	0.43	0.64
HDFC Bank Limited	48	June 07, 2023	May 07, 2028	9.15%	0.41	0.52
HDFC Bank Limited	48	November 07, 2023	October 07, 2027	8.85%	1.29	1.72
HDFC Bank Limited	48	March 05, 2024	February 05, 2028	9.51%	0.80	1.02
HDFC Bank Limited	60	July 05, 2024	June 05, 2029	9.65%	0.53	-
HDFC Bank Limited	48	March 01, 2021	January 31, 2026	9.35%	-	30.38
HDFC Bank Limited	48	May 01, 2022	April 01, 2028	9.25%	-	25.90
HDFC Bank Limited	34	January 01, 2023	December 28, 2027	9.42%	-	15.24
HDFC Bank Limited	34	March 01, 2023	December 28, 2027	9.42%	-	13.79
HDFC Bank Limited	34	February 01, 2023	December 28, 2027	9.42%	-	6.23
HDFC Bank Limited	34	January 01, 2023	December 28, 2027	9.42%	-	14.44
HDFC Bank Limited	34	April 01, 2023	December 28, 2027	9.42%	-	7.79
HDFC Bank Limited	34	April 01, 2023	December 28, 2027	9.42%	-	2.28
HDFC Bank Limited	34	May 01, 2023	December 28, 2027	9.42%	-	3.32
HDFC Bank Limited	34	July 01, 2023	December 28, 2027	9.42%	-	3.78
HDFC Bank Limited	54	September 01, 2022	August 04, 2027	9.70%	-	18.02
HDFC Bank Limited	54	October 01, 2022	August 04, 2027	9.70%	-	6.12
HDFC Bank Limited	54	December 01, 2022	August 04, 2027	9.70%	-	2.37
HDFC Bank Limited	48	January 01, 2024	February 29, 2028	9.00%	4.00	26.56
HDFC Bank Limited	48	January 01, 2024	February 29, 2028	9.00%	7.32	9.74
HDFC Bank Limited	48	January 01, 2024	February 29, 2028	9.00%	14.63	19.51
HDFC Bank Limited	48	February 01, 2024	February 29, 2028	9.00%	5.76	7.69
HDFC Bank Limited	48	March 01, 2024	February 29, 2028	9.00%	2.72	3.62
HDFC Bank Limited	48	April 01, 2024	February 29, 2028	9.00%	1.49	2.00
HDFC Bank Limited	47	May 01, 2024	February 29, 2028	9.00%	2.06	-
HDFC Bank Limited	46	June 01, 2024	February 29, 2028	9.00%	5.98	-
Bank of India	84	September 05, 2024	August 05, 1931	8.95%	1.07	-
Bank of India	84	October 02, 2024	September 02, 1931	9.25%	0.85	-
Bank of India	60	January 10, 2025	December 10, 2029	9.10%	0.63	-
Bank of India	60	December 05, 2024	December 05, 2029	8.80%	0.53	-

## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

Particulars	Total No. of Installments	Earliest Start Date	Maturity	Rate of Interest	As at March 31, 2025	As at March 31, 2024
Bank of India	60	December 05, 2024	December 05, 2029	8.85%	0.46	-
Punjab National Bank	84	December 04, 2023	November 04, 1930	9.00%	4.05	4.58
Interest accrued on long-term borrowings (included in current borrowings)					0.37	1.64
<b>Total</b>					<b>124.10</b>	<b>346.21</b>

## (C) Term Loan from Non Banking Financial Institution

Particulars	Total No. of Installments	Earliest Start Date	Maturity	Rate of Interest	As at March 31, 2025	As at March 31, 2024
Daimler Financial Services Pvt Ltd	60	December 04, 2020	November 04, 2025	10%	3.56	4.77
Siemens Financial Services Pvt Ltd	48	December 12, 2021	November 12, 2025	10%	0.30	0.71
Siemens Financial Services Pvt Ltd	48	April 08, 2021	March 08, 2025	10%	-	1.29
Siemens Financial Services Pvt Ltd	48	November 25, 2021	October 25, 2025	10%	0.20	0.51
Siemens Financial Services Pvt Ltd	48	October 14, 2021	September 14, 2025	10.25%	1.06	3.03
Interest accrued on long-term borrowings (included in current borrowings)					0.03	0.06
<b>Total</b>					<b>5.15</b>	<b>10.38</b>

## NOTE 17: PROVISIONS

Particulars	As at March 31, 2025	As at March 31, 2024
<b>(i) Non-current</b>		
(a) Employee defined benefit obligation - Gratuity [Refer note 35]	51.49	48.96
<b>Total Long-term provisions</b>	<b>51.49</b>	<b>48.96</b>
<b>(ii) Current</b>		
(a) Employee defined benefit obligation - Gratuity [Refer note 35]	5.41	5.14
(b) Provision for warranty [Refer note 33]	0.33	1.302
<b>Total Short-term provisions</b>	<b>5.73</b>	<b>6.44</b>



## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

**NOTE 18: INCOME TAXES**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>(A) Analysis of Income tax expense recognized in the Statement of Profit and Loss</b>		
<b>(i) Amount recognized in profit or loss</b>		
(a) Current tax	164.17	154.89
(b) Current tax for the earlier years	14.12	5.60
(c) Deferred tax	15.32	3.60
	<b>193.62</b>	<b>164.09</b>
<b>(ii) Amount recognized in other comprehensive income</b>		
(a) Deferred tax	(0.55)	(0.62)
	<b>(0.55)</b>	<b>(0.62)</b>
<b>Total Income Tax Expense [(i) + (ii)]</b>	<b>193.07</b>	<b>163.47</b>
<b>(B) Reconciliation of tax expense and the accounting profit multiplied by tax rate:</b>		
<b>Accounting Profit before tax</b>	<b>673.89</b>	<b>612.90</b>
At India's statutory Income tax rate of 25.168% (March 31, 2024: 25.168%)	169.60	154.27
Tax effect of amounts which are not deductible (taxable) in calculating taxable income	9.34	3.60
Adjustment for change in tax rate	-	-
Income tax related to earlier years	14.12	5.60
<b>Income tax expense reported</b>	<b>193.07</b>	<b>163.47</b>

The Company has elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019. Accordingly, the Company has recognized provision for income tax for the year ended on March 31, 2021 onwards and remeasured their deferred tax balances basis the rate prescribed in the said section.

**NOTE 19: DEFERRED TAXES**

Particulars	Balance at beginning of the year	Deferred tax expense/ (income) recognized P & L	Deferred tax expense/ (income) recognized in OCI	Balance at end of the year
	<b>For the year ended March 31, 2025</b>			
<b>Deferred tax assets</b>				
Provisions for employee benefits	(15.69)	(1.64)	0.55	(16.77)
Lease liabilities	(2.00)	(1.24)		(3.24)
Allowance for credit losses	(3.38)	(0.23)		(3.61)
Disallowance under 43(B)(h)	(3.96)	0.12	-	(3.84)
Provision for Warranty	(0.33)	0.25	-	(0.08)
<b>Total deferred tax assets</b>	<b>(25.35)</b>	<b>(2.75)</b>	<b>0.55</b>	<b>(27.55)</b>
<b>Deferred tax liabilities</b>				
Property, plant and equipment and Intangible assets	82.48	11.93	-	94.41
Fair value changes of investments	1.96	1.08	-	3.04
Allowance under 43(B)(h)	0	3.96	-	3.96
Right of Use Assets	0.27	0.01	-	0.28
<b>Total deferred tax liabilities</b>	<b>84.71</b>	<b>16.97</b>	<b>-</b>	<b>101.68</b>
<b>Net deferred tax assets/(liabilities)</b>	<b>59.36</b>	<b>14.22</b>	<b>0.55</b>	<b>74.13</b>

## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

Particulars	Balance at beginning of the year	Deferred tax expense/ (income) recognized P & L	Deferred tax expense/ (income) recognized in OCI	Balance at end of the year
	<b>For the year ended March 31, 2024</b>			
<b>Deferred tax assets</b>				
Provisions for employee benefits	(12.57)	(3.73)	0.62	(15.69)
Lease liabilities	(0.17)	(1.83)	-	(2.00)
Allowance for credit losses	(2.44)	(0.94)	-	(3.38)
Disallowance under 43(B)(h)	-	(3.96)	-	(3.96)
Provision for Warranty	(2.16)	1.83	-	(0.33)
<b>Total deferred tax assets</b>	<b>(17.34)</b>	<b>(8.63)</b>	<b>0.62</b>	<b>(25.35)</b>
<b>Deferred tax liabilities</b>				
Property, plant and equipment and Intangible assets	73.42	9.06	-	82.48
Fair value changes of investments	0.11	1.85	-	1.96
Right of Use Assets	0.17	0.10	-	0.27
<b>Total deferred tax liabilities</b>	<b>73.7</b>	<b>11.01</b>	<b>-</b>	<b>84.71</b>
<b>Net deferred tax assets/(liabilities)</b>	<b>56.36</b>	<b>2.39</b>	<b>0.62</b>	<b>59.36</b>

**NOTE 20: TRADE PAYABLES**

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Total outstanding dues of micro enterprises and small enterprises (Refer Note below)	105.29	89.91
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	568.31	397.60
<b>Total Trade payables</b>	<b>673.61</b>	<b>487.51</b>

**Ageing of trade payables**
**As at March 31, 2025**

	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - MSME	-	-	105.26	0.04	-	-	105.29
Undisputed - Others	-	-	558.11	10.21	-	-	568.31
Disputed dues-MSME	-	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>663.36</b>	<b>10.25</b>	<b>-</b>	<b>-</b>	<b>673.61</b>

**As at March 31, 2024**

	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - MSME	-	-	89.91	-	-	-	89.91
Undisputed - Others	-	-	383.34	14.26	-	-	397.60
Disputed dues-MSME	-	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>473.25</b>	<b>14.26</b>	<b>-</b>	<b>-</b>	<b>487.51</b>

(a) The ageing has been determined from the date of the invoice.

(b) As per information available with the Company there are no dues of micro and small enterprises except as disclosed above.

## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

**NOTE 21: OTHER FINANCIAL LIABILITIES**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>(i) Current</b>		
(a) Payable to employees	31.52	26.58
(b) Other payables	85.60	52.66
<b>Total Current Other Financial Liabilities</b>	<b>117.11</b>	<b>79.24</b>
<b>Total Other financial liabilities</b>	<b>117.11</b>	<b>79.24</b>

**NOTE 22: CURRENT TAX LIABILITIES (NET)**

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Provision for taxes (net)*	34.59	86.77
<b>Total Other financial liabilities</b>	<b>34.59</b>	<b>86.77</b>

[Net of Advance taxes (including TDS and TCS assets receivable) INR 74.88 Mn [As at March 31, 2024: INR 58.05 Mn]\*

**NOTE 23: OTHER CURRENT LIABILITIES**

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Statutory Dues	91.63	104.71
<b>Total Other current liabilities</b>	<b>91.63</b>	<b>104.71</b>

**NOTE 24: REVENUE FROM OPERATIONS**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Revenue from contract with customers</b>		
(a) Sale of Products	6,077.89	6,025.78
(b) Sale of Services	8.15	10.00
(c) Other Operating Revenue	118.07	166.72
<b>Total revenue from operations</b>	<b>6,204.10</b>	<b>6,202.50</b>

**Notes :**

- The Company recognizes revenue when control over the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods and services.
- The Company does not have any significant adjustments between the contracted price and revenue recognized in the Statement of Profit and Loss.
- The Company recognizes revenue from rendering of services overtime, as when such services are performed.

## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

**NOTE 25: OTHER INCOME**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>(a) Interest income on financial assets measured at amortized cost</b>		
(i) Interest income from deposits with banks	38.94	6.93
(ii) Unwinding of interest on long term security deposit	0.09	0.05
<b>(b) Income from Investments</b>		
(i) Net fair value gains on financial assets mandatorily measured at fair value through profit or loss	0.03	0.64
(c) Net gain on foreign currency transaction and translation	9.26	3.42
(d) Profit on sale of property, plant and equipments	0.44	0.02
(e) Miscellaneous Income	3.96	1.08
<b>Total other income</b>	<b>52.71</b>	<b>12.14</b>

**NOTE 26: COST OF MATERIALS CONSUMED**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Materials Consumed</b>		
(a) Opening stock	317.56	315.68
(b) Add: Purchases	3,646.37	3,788.69
	<b>3,963.93</b>	<b>4,104.37</b>
(c) Less: Closing stock	440.51	317.56
<b>Total materials consumed</b>	<b>3,523.42</b>	<b>3,786.81</b>

**NOTE 27: CHANGES IN INVENTORIES OF FINISHED PRODUCTS AND WORK IN PROGRESS**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Inventories at the beginning of the year</b>		
(a) Finished Goods	302.11	186.84
(b) Work in Progress	185.70	73.19
	<b>487.81</b>	<b>260.03</b>
<b>Inventories at the end of the year</b>		
(a) Finished Goods	212.12	302.11
(b) Work in Progress	259.80	185.70
	<b>471.93</b>	<b>487.81</b>
<b>Net (increase)/decrease in inventory</b>	<b>15.89</b>	<b>(227.78)</b>

**NOTE 28: EMPLOYEE BENEFITS EXPENSE**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Salaries, Wages and Bonus	312.20	277.98
(b) Contribution to provident and other funds	14.18	13.43
(c) Gratuity (Refer note 35)	9.19	7.92
(d) Staff welfare expenses	9.82	4.90
<b>Total employee benefits expense</b>	<b>345.40</b>	<b>304.23</b>



## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

**NOTE 29: FINANCE COSTS**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Interest on financial liabilities measured at amortized cost		
- Interest expenses on short-term borrowings from banks and financial institutions	83.09	93.51
- Interest expenses on term loans banks	23.46	33.88
- Interest others	2.00	4.14
(b) Interest on lease obligations	1.30	0.66
(c) Interest expense for short fall on payment of income tax	3.64	7.19
(d) Other borrowing costs	9.36	9.58
<b>Total Finance costs</b>	<b>122.86</b>	<b>148.96</b>

**NOTE 30: DEPRECIATION AND AMORTIZATION EXPENSE**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Depreciation on property, plant and equipments	64.78	56.07
(b) Amortization of Intangible assets	0.32	0.04
(c) Amortization of right of use assets	3.37	1.75
<b>Total Depreciation and Amortization expense</b>	<b>68.46</b>	<b>57.86</b>

**NOTE 31: OTHER EXPENSES**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Consumption of stores, spare parts and consumables	300.33	343.72
(b) Freight, transportation and handling charges	227.30	216.53
(c) Power & Fuel expense	232.35	256.63
(d) Contractual labour charges	373.75	353.85
(e) Work offloading charges	108.05	86.41
(f) Commission	3.41	2.94
(g) Packing and forwarding expenses	45.21	39.88
(h) Material Handling & Weightment charges	9.76	12.14
(i) Repairs and maintenance expenses		
- Building	3.79	2.26
- Plant & Equipments	24.91	10.96
- Others	37.35	43.51
(j) Travelling, Conveyance, Vehicle Running & Maintenance expenses	38.35	36.02
(k) Corporate Social Responsibility [Refer note - 41]	8.15	4.41
(l) Rental expenses	14.12	10.23
(m) Insurance Charges	5.07	3.79
(n) Warehouse, Yard and Branch Expenses	3.64	4.13
(o) Allowances for expected credit loss	0.93	3.83
(p) Provision for warranty expenses [Refer note - 33]	24.24	15.83
(q) Rates & Taxes	0.45	1.90
(r) Legal & Professional Charges	8.08	46.68
(s) Auditor's Remuneration [Refer note - 31.1]**	1.32	0.55
(t) Other General expenses***	36.33	35.47
<b>Total Other expenses</b>	<b>1,506.89</b>	<b>1,531.66</b>

\*\*Payment to auditors of INR 2.25 Mn excluding IPO related expenses debited to share issue expenses between selling shareholder

\*\*\* Does not include any item of expenditure with a value of more than 1% of the revenue from opearitions

## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

**Note 31.1: Auditor's Remuneration**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Audit fees - Statutory Audit & Tax Audit	0.75	0.50
Audit fees - Limited Review	0.50	-
Certification	0.07	0.05
Other Fees	-	-
<b>Total</b>	<b>1.32</b>	<b>0.55</b>

**NOTE 32: EARNINGS PER SHARE**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>(i) Calculation of EPS after giving effect of bonus issue and split</b>		
Profit after tax for the year (in INR Mn)	480.27	448.81
Profit available to the equity shareholders (in INR Mn) (a)	480.27	448.81
Number of equity shares at the end of the year (b)	64,509,422	54,092,756
Weighted average number of equity shares outstanding during the period/ year (c)	59,714,901	54,092,756
<b>Earnings per share (a/b)</b>		
<b>Basic earnings per equity share (a/b) (in INR)</b>	<b>8.04</b>	<b>8.3</b>
<b>Diluted earnings per equity share (a/c) (in INR)</b>	<b>8.04</b>	<b>8.3</b>
Face Value per share	5.00	5.00

**32.1** The company has issued and allotted 13,523,189 equity bonus shares in ratio of 1 (one) fully paid up bonus share of the face value of INR 10 each for every existing 1 (one) fully-paid equity share of face value of INR 10 each held as approved by the members at the annual general meeting held on October 26, 2023. In terms of IND AS 33, impact of the same has been considered in the calculation of Basic and Diluted EPS for the year ended March 31, 2025 and for the year ended March 31, 2024 retrospectively.

**32.2** Pursuant to Shareholder's resolution passed at the Extraordinary General Meeting held on October 26, 2023, the face value per equity share of the company was subdivided from INR 10 each to INR 5 each. Accordingly, the calculation above reflects the effect of share split retrospectively for all the periods presented.

**NOTE 33: WARRANTY AGAINST PRODUCTS**

The Company extends warranty on certain products manufactured and sold by it. The Company provides for any anticipated warranty costs at the time of recognizing the sale based on technical evaluation and estimated costs. The details of movement of provision for warranty are given below:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Opening balance at the beginning of the year</b>	<b>1.30</b>	<b>0.46</b>
Provisions recognized during the year	24.24	15.83
Utilized for meeting the warranty costs	(25.22)	(14.98)
Unutilized provisions reversed during the year	-	-
<b>Closing balance at the end of the year [Refer note 17]</b>	<b>0.33</b>	<b>1.30</b>



## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

## NOTE 34: CONTINGENCIES AND COMMITMENTS

## (A) Contingent liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Excise duty and service tax matters in dispute relating to applicability and classification	27.67	27.67
(b) Sales tax/ GST in dispute relating to issues of applicability and classification	3.47	3.47
(c) Income tax matters in dispute	16.99	16.99
(d) Bills Discounted with ICICI Bank & DBS Bank India Limited 1	324.35	315.50
<b>Total Contingent liabilities</b>	<b>372.48</b>	<b>363.63</b>

(1) Bills Discounted with recourse to the company with ICICI Bank Limited &amp; DBS Bank India Limited

It is not practicable for the Company to estimate the timings of the cash outflows, if any, pending resolution of the respective proceedings. The Company does not expect any reimbursements in respect of the same

## (B) Commitments

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Capital Commitment	687.54	99.17
Estimated amount of contracts remaining to be executed on capital account and not provided for in the books of account		
(b) Other Commitment	-	-
<b>Total Contingent liabilities</b>	<b>687.54</b>	<b>99.17</b>

## NOTE 35: EMPLOYEE BENEFITS

## Employees Defined Contribution Plans - Provident Fund

The Company provides Provident Fund facility to its eligible employees. The fund is managed by Commissioner of the Provident Fund. The contributions are expensed as they are incurred in line with the treatment of wages and salaries. The liability of the Company is limited to the contribution deducted from the salary of the employee and the Company's share. During the year ended March 31, 2025, the Company made contribution plans amounting to INR 13.43 Mn (for the year ended March 31, 2024: INR 12.26 Mn) and same has been recognized as an expense in the Statement of Profit and loss.

## Employee Defined Benefit Plans - Gratuity [funded]

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination of the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied by the number of years of service. The gratuity plan is a funded plan. The Company does not fully fund the liability and make the payments as and when they become due from its own funds.

## Amounts recognized in the financial statements

The amounts recognized in the financial statements and the movements in the net defined benefit obligation and fair value of plan assets is as under:

Particulars	Defined Benefit Obligation	Fair value of plan assets	Net amount
<b>Balance as at March 31, 2023</b>	<b>54.36</b>	<b>4.43</b>	<b>49.93</b>
Current service cost	4.37	-	4.37
Interest expense/ income	3.93	0.37	3.56
<b>Total amount recognized in profit or loss</b>	<b>8.30</b>	<b>0.37</b>	<b>7.93</b>
Remeasurement			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(0.69)	0.69

## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

Particulars	Defined Benefit Obligation	Fair value of plan assets	Net amount
Actuarial (gain)/loss from change in financial assumptions	1.25	-	1.25
Actuarial (gain)/loss from unexpected experience	0.51	-	0.51
<b>Total amount recognized in OCI</b>	<b>1.76</b>	<b>(0.69)</b>	<b>2.45</b>
Employer contributions/ premium paid	-	6.20	(6.20)
Benefit payments	2.67	2.67	-
<b>Balance as at March 31, 2024</b>	<b>61.75</b>	<b>7.64</b>	<b>54.11</b>
Current service cost	5.48	-	5.48
Interest expense/ income	4.30	0.59	3.71
<b>Total amount recognized in profit or loss</b>	<b>9.79</b>	<b>0.59</b>	<b>9.19</b>
Remeasurement			
Return on plan assets, excluding amounts included in interest expense/(income)	-	(0.08)	0.08
Actuarial (gain)/loss from change in financial assumptions	2.88	-	2.88
Actuarial (gain)/loss from unexpected experience	(0.76)	-	(0.76)
<b>Total amount recognized in OCI</b>	<b>2.12</b>	<b>(0.08)</b>	<b>2.20</b>
Employer contributions/ premium paid	-	8.60	(8.60)
Benefit payments	1.87	1.87	-
<b>Balance as at March 31, 2025</b>	<b>71.78</b>	<b>14.88</b>	<b>56.90</b>

## NOTE 36: FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS

The financial assets and financial liabilities of the Company at the end of the year and the transition date is as under:

Particulars	Classification of the assets / liabilities	As at March 31, 2025		As at March 31, 2024	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial assets</b>					
Investments in equity instruments	FVOCI	49.62	49.62	0.30	0.30
Trade receivables	Amortized Cost	1,819.18	1,819.18	1,098.38	1,098.38
Investments in mutual fund	FVTPL	10.96	10.96	5.31	5.31
Cash and cash equivalents	Amortized Cost	828.43	828.43	56.55	56.55
Other balances with bank	Amortized Cost	14.35	14.35	48.57	48.57
Other Financial assets (Current & non-current)	Amortized Cost	64.44	64.44	33.00	33.00
	<b>Total</b>	<b>2,786.97</b>	<b>2,786.97</b>	<b>1,242.10</b>	<b>1,242.10</b>
<b>Financial liabilities</b>					
Long-term borrowings (including current maturity and accrued interest thereon)	Amortized Cost	129.25	129.25	356.59	356.59
Short-term borrowings	Amortized Cost	197.37	197.37	814.45	814.45
Lease liabilities (Current & non-current)	Amortized Cost	12.90	12.90	7.95	7.95
Trade payables	Amortized Cost	673.61	673.61	487.51	487.51
Other financial liabilities (Current & non-current)	Amortized Cost	117.11	117.11	79.24	79.24
	<b>Total</b>	<b>1,130.24</b>	<b>1,130.24</b>	<b>1,745.75</b>	<b>1,745.75</b>

- (i) The carrying amounts of current financial assets and liabilities carried at amortized cost closely approximate to their fair values as the impact of discounting on such financial assets or liabilities is not significant considering the instruments matures in a very short time.
- (ii) Unsecured loans from related parties are repayable on demand and accordingly represents its fair value.



## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

- (iii) Long-term security deposits are repayable on closure of contracts i.e., repayable on demand and accordingly carrying amount reflect its fair values. The same can be categorized as Level 3 fair value.
- (iv) Long-term borrowings carries both fixed and variable rate of interest. For variable interest rate borrowings, carrying amounts are considered to represent fair value of such borrowings. For fixed rate borrowings fair values have been determined using discounted cash flow approach using the current interest rates. The fair values of the borrowings can be categorized as Level 2 fair values.

**Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

**(a) Level 1 - Quoted prices in an active market:**

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

**(b) Level 2 - Fair values determined using valuation techniques with observable inputs:**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**(c) Level 3 - Fair values determined using valuation techniques with unobservable inputs:**

This level of hierarchy includes financial assets and financial 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.

The following table summarizes the financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

Particular	As at March 31, 2025			As at March 31, 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
(a) Other investments classified as fair value through OCI - Non current	-	-	49.62	-	-	0.3
(b) Current investments classified as fair value through PL	10.96	-	-	5.31	-	-

There are no transfers between levels 1, 2 and 3 during any of the periods/ years.

**NOTE 37: CAPITAL MANAGEMENT****Risk Management**

The Company's objectives when managing capital are to:

- (a) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- (b) Maintain an optimal capital structure to reduce the cost of capital.

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 and debts appearing as part of the borrowings.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, long term borrowings and short term borrowings.

## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

**NOTE 38: RECONCILIATION OF DEBT**

This section sets out an analysis of debt and the movements therein

Particulars	As at March 31, 2025	As at March 31, 2024
Long-term borrowings including current maturities	53.26	225.26
Short-term borrowings	273.36	945.79
Lease obligations (current and non-current)	12.90	7.95
	<b>339.52</b>	<b>1179.00</b>

Particulars	Long-term borrowings including current maturities	Short-term borrowings	Lease obligations (current and non- current)
<b>Balance as at March 31, 2023</b>	364.93	516.97	0.68
Borrowings recognized for new leases taken during the year	-	-	8.56
Proceeds from borrowings during the year	165.26	297.48	-
Interest expense for the year	33.88	93.51	-
Interest paid during the year	(32.17)	(93.51)	0.66
Repayment of borrowings / lease liability during the year	(175.30)	-	(1.95)
<b>Balance as at March 31, 2024</b>	<b>356.59</b>	<b>814.45</b>	<b>7.95</b>
Borrowings recognized for new leases taken during the year	-	-	9.23
Proceeds from borrowings during the period/ year	83.95	63.89	-
Interest expense for the year	23.46	83.09	-
Interest paid during the year	(23.06)	(83.09)	1.30
Repayment of borrowings / lease liability during the year	(311.70)	(680.97)	(3.88)
Revocation of Lease Liability during the year	-	-	(1.71)
<b>Balance as at March 31, 2025</b>	<b>129.25</b>	<b>197.37</b>	<b>12.90</b>

**NOTE 39: FINANCIAL RISK MANAGEMENT**

In the course of its business, the Company is exposed primarily to fluctuations in interest rates, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. In order to minimize any adverse effects on the financial performance of the Company, the Company has risk management policies as described below:

**(a) Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) including deposits with banks and financial institutions, foreign exchange transactions, other financial instruments carried at amortized cost.

Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, cash and cash equivalents and other bank balances held by the Company. Trade receivables, cash and cash equivalents and other bank balances of the Company result in material concentration of credit risk.

The carrying value of financial assets represent the maximum credit risk. The maximum exposure to credit risk being the total carrying value of trade receivables, balances with bank, bank deposits, and other financial assets are as follows-

Particulars	Maximum Credit Risk (in INR Mn)
Financial Year 2024 - 2025	2,786.97
Financial Year 2023 - 2024	1,242.10

## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

### Trade 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 30 to 60 days credit terms. The Company has a detailed review mechanism of overdue customer receivables at various levels within the organization to ensure proper attention and focus for realization. The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable.

Financial assets are considered to be of good quality and there is no significant increase in credit risk.

The requirement for impairment is analyzed at each reporting date. The Company's receivables turnover is quick and historically, there was no significant defaults on account of those customer in the past. Ind AS requires an entity to recognize in profit or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized in accordance with Ind AS 109, Financial Instruments. Expected credit losses are measured at an amount equal to the life time expected credit losses. 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 adjusted for forward-looking information. The outstanding receivables are regularly monitored to minimize the credit risk.

The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. Of the trade receivables balance, INR 1021.77 Mn in aggregate (INR 553.75 Mn as at March 31, 2024) is due from the Company's customers individually representing more than 5% of the total trade receivables balance and accounted for approximately % 66.06% as at March 31, 2025, 49.81% as at March 31, 2024 of all the receivables outstanding.

### Other financial instruments and bank deposits

Credit risk from balances with banks is managed by the Company's finance department in accordance with the Company's policy. Counterparty credit limits are reviewed by the Parent Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Board of Directors. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Balances with banks and deposits are placed only with highly rated banks/financial institution.

### (b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally performed in accordance with practice and limits set by the Company.

### Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity based on their contractual maturities.

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

Particulars	As at March 31, 2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Borrowings and interest thereon	261.02	35.90	16.82	4.70	318.44
Lease liabilities	2.83	2.85	2.18	5.03	12.90
Trade payables	673.61	-	-	-	673.61
Other financial liabilities	117.11	-	-	-	117.11
<b>Total financial liabilities</b>	<b>1,054.58</b>	<b>38.75</b>	<b>19.00</b>	<b>9.74</b>	<b>1,122.07</b>

## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

Particulars	As at March 31, 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Borrowings and interest thereon	1029.40	133.42	74.32	55.61	1,292.75
Lease liabilities	2.08	2.17	2.08	1.62	7.95
Trade payables	487.51	-	-	-	487.51
Other financial liabilities	79.24	-	-	-	79.24
<b>Total financial liabilities</b>	<b>1,598.23</b>	<b>135.6</b>	<b>76.4</b>	<b>57.22</b>	<b>1,867.45</b>

### c) Market Risk

#### 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 debt obligations with floating interest rates.

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

#### Interest rate risk exposure on financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Fixed rate borrowings	59.20	137.65
Variable rate borrowings	267.42	1,033.40
<b>Total borrowings</b>	<b>326.62</b>	<b>1,171.04</b>

#### Sensitivity to changes in interest rates

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

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Monetary Liabilities	Monetary Assets	Monetary Liabilities	Monetary Assets
Interest expense rates – increase by 50 basis points (50 bps)*	1.34	1.00	5.17	3.87
Interest expense rates – decrease by 50 basis points (50 bps)*	(1.34)	(1.00)	(5.17)	(3.87)

\*Holding all other variables constant

#### Foreign currency risk

The Company undertakes transactions (e.g. sale of goods, foreign currency loan, purchase of raw materials, etc.) denominated in foreign currencies and thus is exposed to exchange rate fluctuations. The Company evaluates its exchange rate exposure arising from foreign currency transactions and manages the same based upon approved risk management policies. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Monetary Liabilities	Monetary Assets	Monetary Liabilities	Monetary Assets
US Dollar (not hedged)	-	17.64	-	10.58
EURO (not hedged)	(26.31)	112.12	-	47.54





## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

**Sensitivity to changes in exchange rate**

The following table details the Company's sensitivity to a 10% increase and decrease in exchange rate between the pairs of currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for 10% change in foreign currency rates. The sensitivity analysis has been undertaken on net unhedged exposure in foreign currency.

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Impact on profit before tax	Impact on equity	Impact on profit before tax	Impact on equity
Increase in rate of 1 US\$ against INR by 10%	1.76	1.32	1.06	0.79
Decrease in rate of 1 US\$ against INR by 10%	(1.76)	(1.32)	(1.06)	(0.79)
Increase in rate of 1 EURO against INR by 10%	8.58	6.42	4.75	3.56
Decrease in rate of 1 EURO against INR by 10%	(8.58)	(6.42)	(4.75)	(3.56)

**NOTE 40: DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006**

Particulars	As at March 31, 2025	As at March 31, 2024
Principal amount remaining unpaid to the suppliers as at the end of the accounting year	105.29	89.91
Interest due thereon remaining unpaid to suppliers as at the end of the accounting year	1.92	4.07
Interest paid in terms of Section 16 along with the amount of payments made to suppliers beyond the appointment day during the year	-	-
Interest due and payable for the period of delays in making payment (which have been paid beyond the appointment date during the year but without adding interest specified under the act)	-	-
<b>The amount of interest accrued and remaining unpaid at the end of the accounting year.</b>	<b>6.86</b>	<b>4.94</b>

The above information have been disclosed to the extent such suppliers could be identified by the management on the basis of information available with the Company and the same has been relied upon by the auditors.

**NOTE 41: CORPORATE SOCIAL RESPONSIBILITY**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Amount required to be spent during the period/ year</b>	8.03	4.41
Amount approved by the board to be spent during the period*	13.95	4.41
<b>Amount spent during the period on:</b>		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	13.95	3.70
Amount of expenditure incurred	13.95	3.70
Shortfall at the end of the period	-	0.71
Total of previous years shortfall	-	5.10
<b>Cumulative Shortfall</b>		
Nature of CSR activities		
Activities specified in Schedule VII of the Companies Act, 2013	13.95	3.70
<b>Details of related party transactions</b>	<b>Nil</b>	<b>Nil</b>

\*CSR expenditure incurred INR 8.15 Mn (Previous Year INR 5.81 Mn)

## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

As per section 135(5) of the Companies Act, 2013, Inter alia, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. The Company has computed the CSR amount required to spend Financial Year 2023 - 2024 and Financial Year 2024 - 2025 and is in the process of identifying the necessary projects and approval.

**NOTE 42: DETAILS OF BENAMI PROPERTY**

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

**NOTE 43: TITLE DEED OF IMMOVABLE PROPERTY NOT HELD IN THE NAME OF THE COMPANY**

The title deed of the immovable properties (other than properties where company is the lessee and the lease agreement are duly executed in favour of leasee), to the financial statements, are held in the name of the Company.

**NOTE 44: STRUCK OFF COMPANIES**

The Company does not have any transactions with struck off companies under section 248 of the Companies Act 2013 or section 560 of the Companies Act 1956.

**NOTE 45: SEGMENT DISCLOSURES**

The Company is engaged in manufacturing of critical components for commercial vehicles and Tractors. The performance of the Company is assessed and reviewed by the Chief Operating Decision Maker (CODM) as a single operating segment and accordingly logistics and allied services is the only operating segment.

The Company is domiciled in India, and also provides services in India. The amount of its revenue from external customers split by location of the customers is shown in the table below.

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
India	6,007.54	6,131.53
Outside India	196.56	70.97
<b>Total Revenue</b>	<b>6,204.10</b>	<b>6,202.50</b>

There are no non-current assets located in foreign countries.

**NOTE 46: WILFUL DEFAULTER**

The company is not declared wilful defaulter by any bank or financial institution or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

**NOTE 47: REGISTRATION OF CHARGES**

There are no charges or satisfaction which are yet to be registered with Registrar of Companies beyond the statutory period.

**NOTE 48: UNDISCLOSED INCOME**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under Income Tax Act, 1961 that has not been recorded in the books of accounts.

**NOTE 49: COMPLIANCE WITH APPROVAL SCHEME AND ARRANGEMENT**

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**NOTE 50: UTILIZATION OF BORROWINGS AVAILED FROM BANKS AND FINANCIAL INSTITUTIONS**

The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken during the current or previous financial year.

## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

### NOTE 51: RELATED PARTY DISCLOSURES

#### (a) List of related parties and relationship

S. No.	Particulars	Relationship / Designation
	<b>Related parties where control exists :</b>	
(i)	Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence	Tuff Seals Private Limited
(ii)	Firm where director is a proprietor	Bull Auto Parts
(iii)	Hindu undivided Family of Director	Dipak Rai (HUF) [Sudhir Rai - Karta]
	<b>Key Managerial Personnel (KMP) :</b>	
(i)	Mr. Sudhir Rai	Chairman and Managing Director
(ii)	Mrs. Anita Rai	Whole Time Director
(iii)	Mr. Sumeet Rai	Whole Time Director
(iv)	Mr. Kunal Rai	Whole Time Director (Finance) and CFO
(v)	Mr. K Suresh Babu (ceased w.e.f October 21, 2023)	Director
(vi)	Mr. Rahul Rungta (ceased w.e.f May, 2023)	Company Secretary
(vii)	Mrs. Sangita Kumari Agarwal (ceased w.e.f November 16, 2023)	Company Secretary
(viii)	Ms. Debolina Karmakar	Company Secretary and Compliance Officer
(ix)	Mr. Sanjiv Paul	Independent Director
(x)	Mr. Gurvinder Singh Ahuja	Independent Director
(xi)	Mr. Mukesh Kumar Agarwal	Independent Director
(xii)	Mrs. Deepa Verma	Independent Director

#### (b) Transactions with the related parties

S. No.	Name of the Related party	Relationship	Nature of transactions	Transaction amount for the year ended	Outstanding	Transaction amount for the year ended	Outstanding
				March 31, 2025	March 31, 2024		
1	Tuff Seals Private Limited	Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence	Purchase of goods	3.35	0.53	3.20	0.45
2	Bull Auto Parts	Firm where director is a proprietor	Sale of goods	121.01	70.21	155.98	52.79
3	Mr. Sudhir Rai	Chairman and Managing Director	Remuneration	3.60	0.23	3.60	0.25
			Unsecured Loan	-	12.53	-	12.53
			Dividend Paid	-	-	-	-
4	Mrs. Anita Rai	Whole Time Director	Remuneration	2.40	0.16	2.40	0.14
			Unsecured Loan	-	3.42	-	3.42
			Dividend Paid	-	-	-	-
5	Mr. Sumeet Rai	Whole Time Director	Remuneration	2.40	0.14	2.40	0.14
			Unsecured Loan	-	0.86	-	0.86
			Dividend Paid	-	-	-	-

## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

S. No.	Name of the Related party	Relationship	Nature of transactions	Transaction amount for the year ended	Outstanding	Transaction amount for the year ended	Outstanding
				March 31, 2025	March 31, 2024		
6	Mr. Kunal Rai	Whole Time Director (Finance) and CFO	Remuneration	2.40	0.14	2.40	0.10
			Unsecured Loan	-	0.79	-	0.79
			Dividend Paid	-	-	-	-
7	Mr. K Suresh Babu	Key Managerial Personnel	Remuneration	-	-	0.85	0.05
			Dividend Paid	-	-	-	-
8	Mr. Rahul Rungta	Company Secretary	Salary	-	-	0.02	-
9	Mrs. Sangita Kumari Agarwal	Company Secretary	Salary	-	-	0.07	-
10	Ms. Debolina Karmakar	Company Secretary and Compliance Officer	Salary	0.73	0.06	0.21	0.05
11	Mr. Sanjiv Paul	Independent Director	Sitting Fees	0.24	0.03	0.06	-
12	Mr. Gurvinder Singh Ahuja	Independent Director	Sitting Fees	0.24	0.03	0.06	-
13	Mr. Mukesh Kumar Agarwal	Independent Director	Sitting Fees	0.18	0.03	0.03	-
14	Mrs. Deepa Verma	Independent Director	Sitting Fees	0.24	0.03	0.06	-

### NOTE 52: ANALYTICAL RATIOS

Ratios	As at March 31, 2025	As at March 31, 2024	Percentage change (%)	Remarks
Current Ratio	3.21	1.37	1.35	Improvement is due to repayment of borrowings from IPO Proceeds.
Debt-equity ratio	0.12	0.95	(0.88)	Improvement is due to repayment of borrowings from IPO Proceeds.
Debt Service Coverage Ratio	1.59	2.15	(0.26)	Significant portion of term loan repayment from IPO proceeds, while same is not considered part of the numerator, impacted the ratio.
Return on investment	13.90%	21.64%	(0.36)	Increase in capitalization of fixed assets
Return on Equity Ratio	161.98%	221.26%	(0.27)	Increased in overall shareholding
Inventory turnover ratio	12.67	16.12	(0.21)	NA
Trade Receivables turnover ratio	4.25	7.67	(0.45)	Spin out of the average collection period
Trade payables turnover ratio	8.88	12.85	(0.31)	Favourable credit terms from suppliers
Net capital turnover ratio	3.78	12.02	(2.18)	Increase in revenue along with increase in working capital following lower current liabilities
Net profit ratio	0.08	7.24%	0.07	NA
Return on Capital employed	53.73%	46.29%	0.16	NA





## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

Ratios	As at March 31, 2025	As at March 31, 2023	Percentage change (%)	Remarks
Current Ratio	1.37	1.37	0.00	NA
Debt-equity ratio	0.95	1.01	(0.06)	NA
Debt Service Coverage Ratio	2.15	1.52	0.42	Increased earning on account of overall growth
Return on investment	21.64%	21.62%	0.00	NA
Return on Equity Ratio	221.26%	228.73%	(0.03)	NA
Inventory turnover ratio	16.12	19.34	(0.17)	NA
Trade Receivables turnover ratio	7.67	9.57	(0.20)	NA
Trade payables turnover ratio	12.85	15.94	(0.19)	NA
Net capital turnover ratio	12.02	15.85	(0.24)	Increase in revenue along with increase in working capital following lower current liabilities
Net profit ratio	7.24%	6.33%	0.14	NA
Return on Capital employed	46.29%	40.71%	0.12	NA

Ratios	Numerator	Denominator
Current Ratio	Current assets	Current liabilities
Debt-equity ratio	Total debt	Total equity
Debt Service Coverage Ratio	Earnings available for debt service=Net Profit after taxes + Non-cash operating expenses+Interest expense	Debt Service=Interest and lease payments + Principal Repayments
Return on investment	Income generated from invested funds	Average invested funds
Return on Equity Ratio	Net Profits after taxes â€“ Preference Dividend	Average total equity = (Opening+Closing)/2
Inventory turnover ratio	Sale of Product	Average inventory = (opening Stock of FG and WIP+ closing Stock of FG and WIP)/2
Trade Receivables turnover ratio	Revenue from operations	Average of trade receivables = (Opening+Closing)/2
Trade payables turnover ratio	Operational expenses	Average of trade payables = (Opening+Closing)/2
Net capital turnover ratio	Revenue from operations	Working capital = Current assets - current liabilities
Net profit ratio	Net Profits after taxes	Revenue from operations
Return on Capital employed	Earnings before interest and taxes	Capital employed = Net worth + Long term borrowing + Lease liability + Deferred tax liability

## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

**NOTE 53: BORROWING SECURED AGAINST CURRENT ASSETS**

The Company has filed quarterly returns or statements with the banks in lieu of the sanctioned working capital facilities, which are in agreement with the books of account other than those as set out below.

**(i) For the Financial Year 2023-24**

Quarter	Name of the Bank	Particular of Security provided	Amount as per Book	Amount as per Return	Difference	Reason for the difference
June 01, 2023	HDFC BANK Limited, AXIS BANK Limited, DBS BANK INDIA Limited, CANARA BANK	Finished Goods, Raw Materials, Stores & Spares, Semi Finished Goods and Furnace Oil etc.	735.44	783.81	48.37	Stock reported to bank is gross figure which is inclusive of GST
		Sundry Debtors	646.09	563.30	(82.79)	Various period end and year end adjustments are accounted for post submission of the statement with the bank.
September 01, 2023	HDFC BANK Limited, AXIS BANK Limited, DBS BANK INDIA Limited	Finished Goods, Raw Materials, Stores & Spares, Semi Finished Goods and Furnace Oil etc.	779.60	806.00	26.40	Stock reported to bank is gross figure which is inclusive of GST
		Sundry Debtors	721.70	721.70	-	
December 01, 2023	HDFC BANK Limited, AXIS BANK Limited, DBS BANK INDIA Limited	Finished Goods, Raw Materials, Stores & Spares, Semi Finished Goods and Furnace Oil etc.	782.40	816.30	33.90	Stock reported to bank is gross figure which is inclusive of GST
		Sundry Debtors	729.40	729.40	-	
March 01, 2024	HDFC BANK Limited, AXIS BANK Limited, DBS BANK INDIA Limited	Finished Goods, Raw Materials, Stores & Spares, Semi Finished Goods and Furnace Oil etc.	835.18	862.20	27.02	Stock reported to bank is gross figure which is inclusive of GST
		Sundry Debtors	1,111.69	862.32	(249.36)	Various period end and year end adjustments are accounted for post submission of the statement with the bank.

**(ii) For the Financial Year 2024-25**

Quarter	Name of the Bank	Particular of Security provided	Amount as per Book	Amount as per Return	Difference	Reason for the difference
June 01, 2024	HDFC BANK Limited, AXIS BANK Limited, DBS BANK INDIA Limited	Finished Goods, Raw Materials, Stores & Spares, Semi Finished Goods and Furnace Oil etc.	944.33	917.4	(26.93)	Stock reported to bank is gross figure which is inclusive of GST
		Sundry Debtors	1,157.47	957.4	(200.07)	Various period end and year end adjustments are accounted for post submission of the statement with the bank.



## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

Quarter	Name of the Bank	Particular of Security provided	Amount as per Book	Amount as per Return	Difference	Reason for the difference
September 01, 2024	HDFC BANK Limited, AXIS BANK Limited, DBS BANK INDIA Limited	Finished Goods, Raw Materials, Stores & Spares, Semi Finished Goods and Furnace Oil etc.	951.90	951.90	-	
		Sundry Debtors	1,324.00	1,068.00	(256.00)	Various period end and year end adjustments are accounted for post submission of the statement with the bank.
December 01, 2024	HDFC BANK Limited, AXIS BANK Limited, DBS BANK INDIA Limited	Finished Goods, Raw Materials, Stores & Spares, Semi Finished Goods and Furnace Oil etc.	978.10	978.10	-	
		Sundry Debtors	1,563.56	1,158.00	(405.56)	Various period end and year end adjustments are accounted for post submission of the statement with the bank.
March 01, 2025	HDFC BANK Limited, AXIS BANK Limited, DBS BANK INDIA Limited	Finished Goods, Raw Materials, Stores & Spares, Semi Finished Goods and Furnace Oil etc.	985.50	985.50	-	
		Sundry Debtors	1,819.18	1,620.30	(198.88)	Various period end and year end adjustments are accounted for post submission of the statement with the bank.

**NOTE 54: UTILIZATION OF FUNDS RAISED THROUGH INITIAL PUBLIC OFFER (IPO)**

INR 2369.19 Mn have been received in the Escrow account(net off estimated offer expenses INR130.81 Mn) from proceeds of fresh issue of equity shares. Full amount of INR 2369.19 Mn have been transferred to the Company's account.Further, the fund raised from offer for sale were remitted to the selling shareholders (net off estimated offer expenses borne/ to be borne by the selling shareholders). The utilization of the net proceeds is summarized as below:

Particulars	Net IPO proceeds to be utilized as per prospectus (A)	Utilization of Net IPO proceeds up to March, 2025	Utilised Net IPO proceeds as on March 31, 2025 (A-B)
Funding of capital expenditure requirements of our company towards purchase of Machinery and equipment	700.00	207.66	492.34
Repayment or prepayment, in full or in part, of all or a portion of certain outstanding borrowings availed by our company, from banks and financial institutions	900.00	900.00	-
Funding working capital of the company	300.00	97.64	202.36
General corporate purpose	469.19	419.62	49.57
<b>Total (A)</b>	<b>2,369.19</b>	<b>1,624.92</b>	<b>744.27</b>

## NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

Particulars	Net IPO proceeds to be utilized as per prospectus (A)	Utilization of Net IPO proceeds up to March, 2025	Utilised Net IPO proceeds as on March 31, 2025 (A-B)
Offer expenses (B)	130.81	125.11	5.70
<b>Total (A+B)</b>	<b>2,500</b>	<b>1,750.03</b>	<b>749.97</b>

**NOTE 55: COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES**

The Company doesn't have any downstream subsidiary Companies hence complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 is not applicable.

**NOTE 56:**

The Code on Wages, 2019 and Code of Social Security, 2020 ("the Codes") relating to employee compensation and post-employment benefits had received Presidential assent but the related rules thereof for quantifying the financial impact have not been notified. The Company will assess the impact of the Codes when the rules are notified and will record any related impact in the period the Codes become effective.

**NOTE 57:**

The dividend paid by the Company is based on the profit available for distribution as reported in the financial statement. The company had not declared or paid any dividend during the year, therefore compliance with section 123 of the Companies Act, 2013 is not applicable.

**NOTE 58: IMPACT OF THE COVID-19**

The Company has considered internal and external sources of information up to the date of approval of these financial statements in evaluating the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of trade receivables. The Company has applied prudence in arriving at the estimates and assumptions. The Company is confident about the recoverability of these assets.

**NOTE 59: RECLASSIFICATION**

Previous year figures have been regrouped/ rearranged/ reclassified wherever necessary. Further, there are no material regrouping/ reclassifications during the year.

**NOTE 60: UTILIZATION OF BORROWED FUND OR SHARE PREMIUM**

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.





NOTES FORMING PART OF FINANCIAL STATEMENTS (CONTD.)

(Amounts in INR Mn, unless stated otherwise)

NOTE 61: LOAN AND ADVANCE TO SPECIFIED PERSON

There are no loans and advances which are given to specified person as defined in Companies Act 2013.

NOTE 62: DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

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

NOTE 63: VALUATION OF PP&E, RIGHT-OF-USE ASSETS, INTANGIBLE ASSET AND INVESTMENT PROPERTY

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous financial year.

NOTE 64: APPROVAL OF FINANCIAL STATEMENTS

The financial statements has been approved for issue by the resolution of the board of directors dated May 16, 2025

As per our report of even date attached

For S K Naredi & Co.

Chartered Accountants

ICAI Firm Regn Number : 003333C

Rahul Naredi

Partner

M No: 302632

Jamshedpur, India

May 16, 2025

For and on behalf of the Board of Directors

KROSS LIMITED

CIN : L29100JH1991PLC004465

Sudhir Rai

Chairman & Managing Director

DIN: 00512423

Kunal Rai

Whole Time Director & CFO

DIN: 06863533

Anita Rai

Whole Time Director

DIN: 00513329

Debolina Karmakar

Company Secretary

M No: ACS62738

NOTICE TO SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT the Thirty Fourth (34<sup>th</sup>) Annual General Meeting ('AGM') of **Kross Limited ('Kross')** will be held on **Tuesday, September 23, 2025 at 11 A.M. (IST) through Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM')** to transact the following business:

ORDINARY BUSINESS:

1. ADOPTION OF AUDITED STANDALONE FINANCIAL STATEMENTS AND THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON FOR THE YEAR ENDED MARCH 31, 2025

*To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions:*

**“RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2025 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted”.

2. APPOINTMENT OF MRS. ANITA RAI (DIN: 00513329) AS DIRECTOR, LIABLE TO RETIRE BY ROTATION

*To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions:*

**“RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mrs Anita Rai (DIN 00513329), who retires by rotation and being eligible offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

**“RESOLVED FURTHER THAT** pursuant to the provisions of Section 152 of the Companies Act 2013 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder including any statutory modification(s) or re-enactment thereof for the time being in force, Mrs. Anita Rai (DIN: 00513329), who retires by rotation as a Director at this Annual General Meeting, and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation”.

SPECIAL BUSINESS:

3. RATIFICATION OF COST AUDITOR'S REMUNERATION FOR FY 2025-26

*To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:*

**“RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the remuneration of INR70,000/- (Rupees Seventy Thousand only) plus applicable taxes and out-of-pocket expenses at actuals, if any, payable to M/s. Aditya Bhojgaria & Co, Cost Accountants (Firm Registration No.: 000809), who have been appointed by the Board of Directors on the recommendation of Audit Committee, as the Cost Auditors of the Company to conduct the Audit of the Cost Records maintained by the Company as prescribed under the Companies (Cost Record and Audit) Rules, 2014 as amended for the Financial Year ending March 31, 2026”.

4. APPOINTMENT OF SECRETARIAL AUDITOR AND APPROVAL OF HIS REMUNERATION

*To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:*

**“RESOLVED THAT** pursuant to the provisions of Regulation 24A and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”) read with Section 204 and other applicable provisions of the Companies Act, 2013, if any read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (“the Act”), thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Sital Prasad Swain, (Membership No – F6338 Certificate of Practice No – 6814) Peer Review No. 6863/2025), a practicing Company Secretary, be and is hereby appointed as Secretarial Auditors of the Company for a period of 5 consecutive years, from April 01, 2025 to March 31, 2030 ('the Term'), on such terms & conditions, including remuneration as may be determined by the Board of Directors (hereinafter referred to as the 'Board' which expression shall include any Committee thereof or person(s) authorized by the Board).

## NOTICE TO SHAREHOLDERS (CONTD.)

## NOTICE TO SHAREHOLDERS (CONTD.)

**RESOLVED FURTHER THAT** approval of the Members is hereby accorded to the Board to avail or obtain from the Secretarial Auditor, such other services or certificates or reports which the Secretarial Auditor may be eligible to provide or issue under the applicable laws at a remuneration to be determined by the Board.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof) be and are hereby authorized to do all such acts, deeds, things and take all such steps as may be necessary, proper or expedient to give effect to this resolution and for matters connected therewith or incidental thereto.”

For and on behalf of the Board of Directors of  
**Kross Limited**

SD/-  
**Debolina Karmakar**

Place: Jamshedpur Company Secretary and Compliance Officer  
Date: August 13, 2025 ACS 62738

**Registered Office:**

M-4, PHASE-VI, GAMHARIA,  
ADITYAPUR INDUSTRIAL AREA,  
JAMSHEDPUR, Gamharia,  
Seraikela Kharsawan, Jharkhand 832108  
CIN: L29100JH1991PLC004465  
Tel.: 7280026478  
Website: <https://www.krosslimited.com/>  
e-mail: [investors@krossindia.com](mailto:investors@krossindia.com)

**NOTES:**

- 1) Ministry of Corporate Affairs (“MCA”) vide its General Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020 and subsequent circulars issued in this regard, the latest being 9/2024 dated September 19, 2024, (collectively referred to as (“MCA Circulars”)) has permitted the companies to hold their Annual General Meeting (“AGM” or “Meeting”) through Video Conference (“VC”) or through Other Audio-Visual Means (“OAVM”) without the physical presence of Members at a common venue. In compliance with the provisions of Companies Act, 2013 (“the Act”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“SEBI Listing Regulations”) and Secretarial Standard-2 on General Meetings (“SS-2”) issued by The Institute of Company Secretaries of India and MCA Circulars, the 34<sup>th</sup> AGM of the Company is being held virtually.

The Notice convening this AGM along with the Annual Report for FY 2024-25 is being sent by electronic mode to those Members whose e-mail address is registered with the Company/Depositories, unless a member has specifically requested for a physical copy of the same. Members may kindly note that the Notice convening this AGM and Annual Report for FY 2024-25 will also be available on the Company’s website [www.krosslimited.com](http://www.krosslimited.com), website of the Stock Exchanges i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively and on the website of National Securities Depository Limited (NSDL) at <https://www.evoting.nsdl.com>. The Company will also publish an advertisement in the newspapers containing details of the AGM and other relevant information for Members viz. manner of registering e-mail Id., Cut-off date for e-voting, etc.

- 2) Appointment of Proxy and Attendance Slip:  
  
Since the 34<sup>th</sup> AGM is being held through VC/OAVM in accordance with the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility of appointment of proxy would not be available to the Members for attending the 34<sup>th</sup> AGM, and therefore, proxy form and attendance slip are not annexed to this Notice.  
  
Since this AGM is held through Video Conference/Other Audio Visual Means (“VC/OAVM”), route map to the venue is not required and therefore, the same is not annexed to this Notice.
- 3) Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body

Resolution/Authorization etc. authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting pursuant to Section 113 of the Companies Act, 2013 (“the Act”). In the absence of such resolution from any of them, would be considered as ‘not voted’. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [spsoffice77@gmail.com](mailto:spsoffice77@gmail.com) with a copy marked to [investors@krossindia.com](mailto:investors@krossindia.com) and [evoting@nsdl.com](mailto:evoting@nsdl.com)

- 4) The statement pursuant to Section 102(1) of the Companies Act, 2013, setting out the material facts in respect of the business under Item Nos. 3 to 4 set out in this Notice and the details under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause 1.2.5 of Secretarial Standard on General Meeting (SS-2) issued by the Institute of Company Secretaries of India, in respect of the persons seeking appointment/ re-appointment as Director at the AGM, is annexed hereto as Annexure A.
- 5) Brief particulars of the Directors proposed to be re-appointed/ appointed, as mandated under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and in terms of Para 1.2.5 of Secretarial Standard on General Meetings (SS-2) is annexed hereto and forms part of this Notice.
- 6) Members attending the meeting through VC/OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act, in case of voting by joint holders, voting by such joint holder who is higher in the order of the names as per the Register of Members of the Company, as of the cut-off date, will be counted for the purpose of this Meeting. Members holding equity shares as on **Tuesday September 16, 2025 (“Cut-off date”)** may join the AGM anytime 30 minutes before the scheduled time by following the procedure outlined in the Notice. A person who is a Member as on the Cut-off date shall be eligible to attend and vote on resolutions proposed at the AGM. Any person who is not a Member as on the Cut-off date shall treat this Notice for informational purpose only.
- 7) The Company has appointed Mr. Sital Prasad Swain, Practising Company Secretary (Membership No – F6338 Certificate of Practice No – 6814) as the Scrutinizer for scrutinizing the remote e-voting process as well as voting at the AGM in a fair and transparent manner.
- 8) **Mandatory updation of PAN, KYC, Nomination and Bank details by Members:**

Members holding shares in demat mode are requested to update their details with their Depository Participants at the earliest.

- 9) To support the ‘Green Initiative’, Members who have not yet registered their E-mail addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the RTA/Company in case the shares are held by them in physical form.
- 10) **Electronic dissemination of the AGM Notice and Annual Report:** Electronic/digital copy of the Annual Report for FY 2024-25 and Notice convening the 34<sup>th</sup> AGM are being sent to all Members whose e-mail Id. are registered with the RTA/ Company/Depositories. Members who have not registered their e-mail Id. may get the same registered by with their Depository Participants. For Members who have not registered their e-mail address, a letter containing exact web-link of the website i.e. <https://www.krosslimited.com/agm-annual-report> where details pertaining to the entire Annual Report is hosted is being sent at the address registered in the records of RTA/Company/Depositories. The Company shall provide hard copy of the Annual Report for FY 2024-25 to the Members, upon request.
- 11) **E-voting:**
  - Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India, and Regulation 44 of the SEBI Listing Regulations, the Company has extended the facility of voting through electronic means including ‘Remote e-voting’ (e-voting other than at the AGM) to transact the business mentioned in the Notice convening the 34<sup>th</sup> AGM., the Company has engaged services of NSDL, for providing e-Voting services.
  - In terms of the provisions of Section 107 of the Companies Act, 2013, since the resolutions as set out in this Notice are being conducted through e-voting, the said resolutions will not be decided on a show of hands at the AGM. However, facility for casting vote during the AGM through e-voting would be provided to the Members who have not cast their vote through remote e-voting earlier.
  - Necessary arrangements have been made by the Company to facilitate ‘Remote e-voting’ as well as e-voting at the aforementioned AGM. Members shall have the option to vote either through remote e-voting (during the remote e-voting window) or at the AGM.
  - Voting rights of Members shall be reckoned on the paid-up value of equity shares registered in their name as on the Cut-off date.



## NOTICE TO SHAREHOLDERS (CONTD.)

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- Members whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date, shall be entitled to avail the facility of remote e-voting or e-voting at the AGM, as the case may be.
- The procedure for e-voting on the day of the AGM is identical to Remote e-voting instructions as outlined in this Notice.
- Remote e-voting facility will begin from **Saturday September 20, 2025 at 09:00 AM to Monday September 22, 2025, at 05:00 PM** after which the facility will be disabled by NSDL and remote e-voting shall not be allowed beyond the said date and time. During this period shareholders of the Company, holding shares in dematerialized form, as on the cut-off date **Tuesday September 16, 2025** may cast their votes electronically.
- Any person who becomes a Member of the Company after dispatch of the Notice and holds equity shares as on the Cut-off date can vote by following the procedure for e-voting, as outlined in the Notice. If you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/ Password” or “Physical User Reset Password” option available on [www.evoting.nsdl.com](https://www.evoting.nsdl.com) or call on 022 - 4886 7000. In case of Shareholders holding securities in demat mode who acquire shares and become Member after the notice is sent through e-mail and holding shares as of the Cut-off date may follow steps mentioned in the Notice. The procedure for e-voting on the day of the AGM is identical to Remote e-voting instructions as outlined in this Notice.
- Members present at the 34<sup>th</sup> AGM and who have not cast their vote on resolutions set out in the Notice convening the AGM through remote e-voting and who are not otherwise barred from doing so, shall be allowed to cast their vote through e-voting facility during the AGM.
- However, Members who have exercised their right to vote during the Remote e-voting period may attend the AGM but shall not be entitled to cast their vote again.
- Once the vote on a resolution is cast, Member shall not be allowed to change the same subsequently or cast vote again.

- Members can opt for only one mode of voting i.e. either through Remote e-voting or e-voting at the AGM. If a Member cast votes by both modes, then voting done through Remote e-voting shall prevail.

- 12) **Inspection of documents:** The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act and all other documents will be available electronically for inspection by the Members during the remote e-voting period and during the proceedings of the 34<sup>th</sup> AGM. Members may seek inspection of documents by accessing to the NSDL e-voting platform at <https://www.evoting.nsdl.com> during the aforementioned period.

- 13) **Speaker registration/facility for non-speakers: Process**

#### Registration as speaker at the AGM

Members who would like to express their views/ ask questions as a speaker at the AGM may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/Folio No., and Mobile No. at [investors@krossindia.com](mailto:investors@krossindia.com) from **Wednesday, September 17, 2025 (9:00 AM. IST) to Sunday, September 21, 2025 (5:00 PM. IST)**. Only those Members who have pre-registered themselves as a speaker on the dedicated e-mail id i.e. [investors@krossindia.com](mailto:investors@krossindia.com) will be allowed to express their views/ask questions during the AGM.

The Company reserves the right to restrict the number of questions and/or number of speakers during the AGM, depending upon availability of time and for smooth conduct of the meeting. However, the Company will endeavour to respond to the questions which have remained unanswered during the meeting to the respective shareholders.

#### Facility for non-speakers

Members who wish to obtain any information on the Annual Report for FY 2024-25 or have questions on the financial statements and/or matters to be placed at the 34<sup>th</sup> AGM, may send a communication from their registered e-mail address mentioning their names, DP ID and Client ID/Folio No., and Mobile No. at [investors@krossindia.com](mailto:investors@krossindia.com) from **Wednesday, September 17, 2025 (9:00 AM IST) to Sunday, September 21, 2025 (5:00 PM. IST)**.

- 14) **Declaration of results of voting:**

After conclusion of the meeting, the Scrutinizer will submit the report on votes cast in favour or against and invalid votes, if any, to the Chairman or any other person authorized by him, who shall countersign the same, and the result of the

voting will be declared within the time stipulated under the applicable laws.

The voting results along with the Scrutinizer’s report, will be hosted on the Company’s website, <https://www.krosslimited.com/>, website of NSDL, [https:// www.evoting.nsdl.com/](https://www.evoting.nsdl.com/), displayed on the Notice Board of the Company at the Registered Office and will be simultaneously forwarded to the Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited.

The Members are requested to submit their nomination Form No. SH-13 to their DP in case the shares are held by

them in electronic form. For any help, please contact RT&A or Company on given email addresses.

- The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. The Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s).
- Members may also note that the Notice of the 34<sup>th</sup> AGM and the Annual Report for FY 2024-25 are available on the Company’s website at <https://www.krosslimited.com/>

# ANNEXURE 1 - TO AGM NOTICE

## INSTRUCTIONS FOR REMOTE E-VOTING AND ACCESS TO THE 34<sup>TH</sup> AGM

Members are requested to follow the instructions given below to cast their vote through e-voting and to access the Video Conference facility at the AGM:

- A. The remote e-voting period begins on **Saturday September 20, 2025, at 9:00 a.m. (IST) (Server time) and ends on Monday September 22, 2025 at 5:00 p.m. (IST) (Server time)**. During this period, shareholders holding shares in dematerialized form as on the ‘Cut-off date’ i.e. **Tuesday September 16, 2025** may cast their vote electronically by logging to NSDL website at [https:// www.evoting.nsdl.com//](https://www.evoting.nsdl.com//)

The e-voting module shall be disabled by NSDL for voting thereafter.

- B. Detailed steps on the process and manner for remote e-voting/e-voting at the AGM and to access the VC facility at the AGM, is given below:

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

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

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





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

In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>“Beneficial Owner”</b> icon under <b>“Login”</b> which is available under <b>‘IDeAS’</b> section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>“Access to e-Voting”</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>“Register Online for IDeAS Portal”</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a> Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

## ANNEXURE 1 - TO AGM NOTICE (CONTD.)

	<p>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <div>  <b>App Store</b>  <b>Google Play</b> </div> <div>   </div>
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Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800-21-09911



## ANNEXURE 1 - TO AGM NOTICE (CONTD.)

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

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

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

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

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

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

- |  |  |
|--|--|
| <ol style="list-style-type: none"> <li>a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.</li> <li>b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.</li> <li>c) How to retrieve your ‘initial password’?</li> <li>d) If your email ID is registered in your demat account or with the Company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.</li> </ol> | <ol style="list-style-type: none"> <li>e) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.</li> </ol> <ol style="list-style-type: none"> <li>6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password: <ol style="list-style-type: none"> <li>a) Click on <b>“Forgot User Details/Password?”</b>(If you are holding shares in your demat account with NSDL or CDSL) option available on <a href="http://www.evoting.nsdl.com">www.evoting.nsdl.com</a>.</li> <li>b) <b>Physical User Reset Password?”</b> (If you are holding shares in physical mode) option available on <a href="http://www.evoting.nsdl.com">www.evoting.nsdl.com</a>.</li> <li>c) If you are still unable to get the password by aforesaid two options, you can send a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> mentioning your demat account number/folio number, your PAN, your name and your registered address etc.</li> <li>d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.</li> </ol> </li> </ol> |
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## ANNEXURE 1 - TO AGM NOTICE (CONTD.)

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### General Guidelines for shareholders

1. Members will be able to see the VC/OAVM link placed under Join Meeting menu against the Company’s name. Members are requested to click on the VC/OAVM link placed under Join Meeting menu.
2. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [sitalpr@yahoo.co.in](mailto:sitalpr@yahoo.co.in) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.
3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password

confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager, NSDL at [evoting@nsdl.com](mailto:evoting@nsdl.com)

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

1. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [investors@krossindia.com](mailto:investors@krossindia.com). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e.
2. Alternatively, shareholder/members may send a request to [evoting@nsdl.com](mailto:evoting@nsdl.com) for procuring user id and password for e-voting by providing above mentioned documents.
3. In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

#### THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.



## ANNEXURE 1 - TO AGM NOTICE (CONTD.)

- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

- Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL** e-Voting system. After successful login, you can see link of “VC/OAVM” placed under “Join meeting” menu against company name. You are requested to click on VC/OAVM link placed under **Join Meeting** menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- Members are encouraged to join the Meeting through Laptops for better experience.
- Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investors@krossindia.com. The same will be replied by the Company suitably.

For and on behalf of the Board of Directors of  
**Kross Limited**

SD/-  
Debolina Karmakar  
Place: Jamshedpur Company Secretary and Compliance Officer  
Date: August 13, 2025 ACS 62738

**Registered Office:**  
M-4, PHASE-VI, GAMHARIA,  
ADITYAPUR INDUSTRIAL AREA,  
JAMSHEDPUR, Gamharia,  
Seraikela Kharsawan, Jharkhand 832108  
CIN: L29100JH1991PLC004465  
Tel.: 7280026478  
Website: www.krosslimited.com  
e-mail: investors@krossindia.com

**ANNEXURE – A****EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 3:**

In accordance with the provisions of Section 148 of the Companies Act, 2013 (“the Act”) and the Companies (Audit and Auditors) Rules, 2014 (“the Rules”) the Company is required to appoint a Cost Auditor to audit the cost records of the Company, for products and services, specified under Rules issued in pursuance to the above section.

Based on the recommendation of the Audit Committee and the Board of Directors at their respective meetings held on May 16, 2025 has approved the appointment of M/s. Aditya Bhojgaria & Co (Firm Registration No. 000809) Cost Accountants, Mr Aditya Bhojgaria, as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company for the Financial Year ending March 31, 2026, at a remuneration not exceeding INR70,000/- (Rupees Seventy Thousand only) plus applicable taxes and reimbursement of expenses at actuals and out-of-pocket expenses as may be incurred by the Cost Auditors.

Your Company has received consent from M/s Aditya Bhojgaria & Co, Cost Accountants, to act as the Cost Auditors of your Company for the financial year 2025-26 along with certificate confirming their independence and eligibility. In accordance with the provisions of Section 148 of the Act read with the Rules, the remuneration payable to the Cost Auditors has to be approved / ratified by the Shareholders of the Company. Accordingly, the consent of the shareholders is sought for the purpose.

None of the Directors and Key Managerial Persons and their relatives are concerned or interested in the resolution set out at No. 3.

The Board recommends the resolution as set out at Item No. 3 for approval by the Members as an Ordinary Resolution.

**Item No. 4:**

Pursuant to the Regulation 24A & other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR”) read with provisions of Section 204 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions of the Companies Act, 2013, if any (“the Act”), the Audit Committee and the Board of Directors at their respective meetings held on May 16, 2025 have approved subject to approval of Members, appointment of Mr Sital Prasad Swain, a peer reviewed Practicing Company Secretary (Membership No. F6338, CP No. 6814). (Peer review Number **6863/2025**) as Secretarial Auditors for a term of 5(Five) consecutive years from April 01, 2025 till March 31, 2030.

**Credentials of the Secretarial Auditor:**

Mr Sital Prasad Swain, Company Secretary, established in Jamshedpur with (Membership No. F6338, CP No. 6814). (Peer review Number **6863/2025**) the Founder is having an overall experience of over 20 years. He specializes in providing comprehensive services in corporate laws, secretarial audits, advisory, etc. Mr Sital Prasad Swain has given his consent to act as Secretarial Auditors of the Company and confirmed that his appointment, if approved would be within the prescribed limits and that he is not disqualified to be appointed as Secretarial Auditor in terms of provisions of the Act & Rules made thereunder and SEBI (LODR).

The Board of Directors of the Company recommends the resolution set out at Item no 4 for approval of the Members as an Ordinary Resolution.

None of the Director, Key Managerial Personnel, or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

For and on behalf of the Board of Directors of  
**Kross Limited**

SD/-  
Debolina Karmakar  
Place: Jamshedpur Company Secretary and Compliance Officer  
Date: August 13, 2025 ACS 62738

**Registered Office:**

M-4, PHASE-VI, GAMHARIA,  
ADITYAPUR INDUSTRIAL AREA,  
JAMSHEDPUR, Gamharia,  
Seraikela Kharsawan, Jharkhand 832108  
CIN: L29100JH1991PLC004465  
Tel.: 7280026478  
Website: www.krosslimited.com  
e-mail: investors@krossindia.com



## ANNEXURE ON DIRECTORS LIABLE TO RETIRE BY ROTATION AND SEEKING RE-APPOINTMENT

**Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India, the following information is furnished about the Directors proposed to be re-appointed**

In terms of Section 152 of the Companies Act, 2013, Mrs. Anita Rai (DIN: 00513329) retires by rotation at this Meeting and being eligible, offers herself for re-appointment.

### Brief profile of Mrs. Anita Rai:



Mrs. Anita Rai holds a Bachelor's degree from the University of Delhi and a Postgraduate Certificate in Logistics and Supply Chain Management from XLRI Jamshedpur's School of Business and Human Resources. With over 30 years of association since the Company's incorporation in 1991, she brings deep institutional knowledge and a nuanced understanding of our operational landscape. Mrs. Rai oversees all aspects of the Company's stores and procurement functions. Her key responsibilities include, designing and implementing end-to-end procurement strategies to ensure timely availability of raw materials and spares, managing inventory levels across multiple warehouses to optimize working capital and prevent stockouts.

Her vision for the coming years is to build a data-driven supply-chain framework that not only drives cost efficiencies but also reinforces agility, sustainability and vendor partnerships as key competitive differentiators.

(Pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard–2 on General Meetings issued by the Institute of Company Secretaries of India is given below).

Particulars	NAME
Name of the Director	Mrs. Anita Rai (DIN: 00513329) Whole Time Director
Date of birth	October 24, 1963
Age	62 years
Date of Appointment/Re-appointment	Appointed w.e.f May 09, 1991, re-appointed again on September 09, 2022 and re-designated as WTD wef October, 26, 2023
Brief Resume of the Director including nature of expertise in specific functional areas	As mentioned above
No. of shares held in the Company as on March 31, 2025	1,17,83,143 Equity Shares (18.27%)
Remuneration for FY 2024-25	INR 24 Lakhs
Directorships (Excluding alternate directorship, directorships in foreign companies and companies under Section 8 of the Companies Act, 2013).	None
Chairman/Member of the Committee of Board of Directors as on March 31, 2025;	None
A. Audit Committee;	None
B. Stakeholders Relationship Committee	None
Inter-se relationship between the Directors / Key Managerial Person (KMP)	Wife of Mr. Sudhir Rai, Chairman and Managing Director and Mother of Mr. Sumet Rai, Whole Time Director and Mr. Kunal Rai, Whole Time Director (Finance) and CFO
No. of Board Meetings attended during FY 2024-25	She had attended 08 meetings of the Board of Directors held during FY 2024-25.

## NOTES

## NOTES

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**KROSS Limited**

M-4, Phase VI, Adityapur Industrial Area,  
Jamshedpur - 832108,  
Jharkhand, India