

# A VETRIVEL & COMPANY

Chartered Accountants

FRN : 027496S

Prop : A.VETRIVEL B.Sc.,FCA.



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Coimbatore - 641 012. Phone : 0422 2495760

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Date : .....

## INDEPENDENT AUDITORS' REPORT To the Members of M/s.KPR Exports PLC.

### Report on the Audit of the Financial Statements

#### Opinion

I have audited the financial statements of M/s KPR Exports PLC ("the Company"), which comprise the balance sheet as at March 31, 2024, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

I conducted my audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (the 'ICAI'). My responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to my audit of the financial statements and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion on the financial statements.



**M/S. KPR EXPORTS PLC  
COIMBATORE**

**Information Other than the Financial Statements and Auditors' Report Thereon.**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and my auditors' report thereon.

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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

The Company's Management is responsible for the preparation and fair presentation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, and for such internal controls as management determines is necessary to enable preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing the Company's financial reporting process.



**M/S. KPR EXPORTS PLC  
COIMBATORE**

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

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management
- Conclude on the appropriateness of the 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



**M/S. KPR EXPORTS PLC  
COIMBATORE**

- 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.

I 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 I identify during my audit.

I 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 my independence, and where applicable, related safeguards.

**UDIN: 24025028BKBIDJ8980**

**PLACE: Coimbatore**

**DATE: 25.04.2024**

**For A VETRIVEL & COMPANY**

  
**CA. A VETRIVEL, B.Sc., FCA.,  
M.No: 025028  
(Proprietor)**

**K.P.R. EXPORTS PLC**  
**BALANCE SHEET AS AT 31.03.2024**

(₹ in Lakhs)

	Note	As at 31.03.2024	As at 31.03.2023
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment	4	-	-
<b>Total non - current assets</b>		-	-
<b>(2) Current assets</b>			
(a) Inventories	5	-	-
(b) Financial assets			
(i) Cash and cash equivalents	6	58	58
(ii) Other Financial Assets	7	91	91
(c) Other current assets	8	-	-
<b>Total current assets</b>		<b>149</b>	<b>149</b>
<b>Total assets</b>		<b>149</b>	<b>149</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity share capital	9	424	424
(b) Other equity	10	(275)	(275)
<b>Total equity</b>		<b>149</b>	<b>149</b>
<b>Liabilities</b>			
<b>(2) Non - current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	11	-	-
<b>Total non- current liabilities</b>		-	-
<b>(3) Current liabilities</b>			
(a) Financial liabilities			
(A) Total outstanding dues of micro and small enterprises	12 (A)	-	-
(B) Total outstanding dues of creditors other than micro and small enterprises	12 (B)	-	-
(b) Other Current Liabilities	13	-	-
<b>Total current liabilities</b>		-	-
<b>Total liabilities</b>		-	-
<b>Total equity and liabilities</b>		<b>149</b>	<b>149</b>

Material accounting policies

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The notes from 1 to 27 are an integral part of these financial statements  
For and on behalf of the Shareholders

"To be read with my report of even date"  
**A.Vetrivel & Company**  
**Chartered Accountants**

**P.Nataraj**  
Representing of K.P.R.Mill Limited

**A.Vetrivel**  
Proprietor

Coimbatore  
25.04.2024

**KPR EXPORTS PLC**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2024**

(₹ in Lakhs)

	Note	Year Ended	
		31.03.2024	31.03.2023
I. Revenue from operations	14	-	-
II. Other Income	15	-	-
<b>III. Total Income (I+II)</b>		-	-
<b>IV. Expenses</b>			
Cost of Materials Consumed	16	-	-
Purchase of stock-in-trade		-	-
Changes in inventories of finished goods, work- in-progress and stock in trade	17	-	-
Employee Benefits Expenses	18	-	-
Finance Costs	19	-	-
Depreciation and amortisation Expense	4	-	-
Other expenses	20	-	-
<b>V.Total Expenses</b>		-	-
<b>VI. Profit Before Tax (III-V)</b>		-	-
<b>VII. Tax Expense</b>			
Current Tax			
- Pertaining to current period		-	-
Deferred Tax		-	-
<b>Income tax expenses</b>		-	-
<b>VIII. Profit for the period (VI - VII)</b>		-	-
<b>Other comprehensive income</b>			
Item that will be reclassified to profit or loss		-	-
Item that will not be reclassified to profit or loss		-	-
<b>IX. Net other comprehensive income</b>		-	-
<b>X Total Comprehensive Income for the period (VIII+IX)</b>		-	-
<b>Earnings per equity share (EPS)</b>			
Basic & Diluted EPS (in ₹)	26	-	-

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Material accounting policies

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Coimbatore  
25.04.2024

**K.P.R. EXPORT PLC**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2024**

(₹ in Lakhs)

PARTICULARS	Year ended 31.03.2024	Year Ended 31.03.2023
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit for the year</b>	-	-
Adjustments for:		
Depreciation and amortisation expense	-	-
Finance costs	-	-
<b>Operating Profit Before Working Capital Changes</b>	-	-
Changes in working capital:		
Adjustments For (increase) / decrease in operating assets:		
Inventories	-	-
Trade receivables	-	-
Other financial asset	-	(2)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	-	-
<b>Cash Generated From Operations</b>	-	(2)
Net income tax (paid)	-	-
<b>Net Cash Generated from / (used in) Operating Activities</b>	(A) -	(2)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure on property, plant and equipments	-	-
<b>Net Cash Flow Used from Investing Activities</b>	(B) -	-
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Finance costs paid	-	-
<b>Net Cash Flow Used from Financing Activities</b>	(C) -	-
Net increase in cash and cash equivalents	(A+B+C) -	(2)
Add: Opening cash and cash equivalents	58	60
<b>Closing Cash and cash equivalents (Refer Note No 6)</b>	<b>58</b>	<b>58</b>
<b>Closing cash and cash equivalents comprises</b>		
(a) Cash on hand	-	-
(b) Balance with banks:		
i) In Current accounts	58	58
	<b>58</b>	<b>58</b>

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Material accounting policies

The notes from 1 to 27 are an integral part of these financial statements

For and on behalf of the Shareholders

"To be read with my report of even date"

**A.Vetrivel & Company**  
**Chartered Accountants**

**P.Nataraj**

Representing of K.P.R.Mill Limited

**A.Vetrivel**  
Proprietor

Coimbatore  
25.04.2024

**KPR EXPORTS PLC, ETHIOPIA**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31.03.2024**

**a. Equity Share Capital**

	(₹ in Lakhs)
Balance as at April 01, 2022	424
Changes during the year	-
<b>Balance as at March 31, 2023</b>	<b>424</b>
Changes during the year	-
<b>Balance as at March 31, 2024</b>	<b>424</b>

**b. Other Equity**

(₹ in Lakhs)

Particulars	Securities Premium Reserve	Capital Reserve	General Reserve	Retained Earnings	Total Other Equity
Balance as at April 01, 2022	-	-	-	(1,445)	(1,445)
Profit for the year	-	-	-		-
<b>Balance as at March 31, 2023</b>	-	-	-	<b>(1,445)</b>	<b>(1,445)</b>
Profit for the Year					-
<b>Balance as at March 31, 2024</b>	-	-	-	<b>(1,445)</b>	<b>(1,445)</b>

Material accounting policies

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The notes from 1 to 29 are an integral part of these financial statements

For and on behalf of the Share Holders

"To be read with my report of even date"

**P.Nataraj**  
**Representing K.P.R.Mill Limited**

**A.Vetrivel**  
Chartered Accountant

Coimbatore  
25.04.2024

## KPR EXPORTS PLC, ETHIOPIA

### Notes forming part of the Financial Statements for the year ended 31.03.2024

Statutory Audit under the Companies act 2013 is not applicable. Only for the purpose of consolidation of accounts, the audit is carried out in the light of Accounting Standard applicable in India for the operation at Ethiopia .

#### 1 CORPORATE INFORMATION

KPR EXPORTS PLC, ETHIOPIA (' the Company') is a Wholly owned Subsidiary Company of K.P.R.Mill Limited. The Company produces Readymade Garments.

#### 2 BASIS OF PREPARATION

##### A) STATEMENT OF COMPLIANCE

These financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act, as amended from time to time.

These financial statements for the year ended 31.03.2024 are approved for issue by the Company's Board of Directors on 25.04.2024.

Details of the Company's accounting policies, including changes thereto, are included in note 3. The Company has consistently applied the accounting policies to all the periods present in these financial statements.

##### B) FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Indian Rupees (INR). Company's functional currency is Ethiopian Birr. For the purpose of consolidation functional currency is converted to INR at the year end exchange rates (i.e. 31.03.2024). All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

##### C) BASIS OF MEASUREMENT

These financial statements have been prepared under historical cost basis and on an accrual basis, except for the following items which are measured on an alternative basis on each reporting date:

- i. Derivative financial instruments measured at fair value through profit and loss;
- ii. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments) and
- iii. Net defined (asset) / liability measured at fair value & plan assets less present value of obligations.

##### D) USE OF JUDGEMENTS AND ESTIMATES

In preparing these financial statements, management has made judgments and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

##### Assumptions and estimation uncertainties:

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

##### (i) Impairment of non-financial assets:

In assessing impairment, management has estimated economic use of assets, the recoverable amount of each asset or cash-generating units based on expected future cash flows and use an interest rate to discount them. Estimation of uncertainty relates to assumptions about future operating cash flows and determination of a suitable discount rate. (also refer Note 3)

##### (ii) Useful lives of depreciable assets:

Management reviews its estimate of useful lives of depreciable assets at each reporting date, based on expected utility of assets. Uncertainties in these estimates relate to technological obsolescence that may change utility of assets (also refer Note 3).

##### (iii) Inventories:

Management has carefully estimated the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by market-driven changes (also refer Note 3).

##### (iv) Impairment of financial assets - refer Note 3

**E) 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. Fair values are categorised 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. The inputs used to measure the fair value of assets or a liability fall into different levels of the fair value hierarchy. Accordingly, the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the low level input that is significant to the entire measurement.

Management uses various valuation techniques to determine fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management based on its assumptions on observable data as far as possible but where it not available, the management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date (also refer Note 24). The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**F) CURRENT AND NON-CURRENT CLASSIFICATION**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

**3 SUMMARY OF MATERIAL ACCOUNTING POLICIES**

**A) INVENTORIES**

Inventories are valued at lower of cost and net realizable value. The cost of raw materials, components, stock-in-trade, consumable stores and spare parts are determined using first-in first-out / specific identification method and includes freight, taxes and duties, net of duty credits wherever applicable, and any other expenditure incurred in bringing them to their present location and condition. In the case of finished goods and work-in-progress, cost includes an appropriate share of manufacturing overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials, stores and spares, packing and others held for use in the production of finished goods are not written down below except in cases where material prices have declined and it is estimated that the cost of the finished goods will exceed their net realizable value.

The comparison of cost and net realisable value is made on an item by item basis.

**B) CASH AND CASH EQUIVALENTS (FOR PURPOSES OF CASH FLOW STATEMENT)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**C) CASH FLOW STATEMENT**

Cash flows are reported using the indirect method, whereby profit / (loss) is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. In cash flow statement, cash and cash equivalents include cash in hand, balances with banks in current accounts and other short-term highly liquid investments with original maturities of three months or less.

**D) PROPERTY, PLANT AND EQUIPMENT**

**Recognition and measurement:**

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Freehold land is stated at historical cost less any accumulated impairment losses. Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises:

- a. purchase price, including import duties and non-refundable taxes on purchase (goods and service tax), after deducting trade discounts and rebates.
- b. any directly attributable cost of bringing the item to its working condition for its intended use estimated costs of dismantling and removing the item and restoring the site on which it is located.
- c. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Any gain/ loss on disposal of an item of property, plant and equipment is recognised in the statement of profit and loss.

**Subsequent expenditure**

Subsequent expenditure is capitalised, only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

**Component accounting**

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

**Depreciation:**

Depreciation is calculated on the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over the estimated useful lives and is generally recognised in the Statement of profit and loss. Freehold land is not depreciated.

Depreciation on property, plant and equipment is charged over the estimated useful life of the asset or part of the asset (after considering double/triple shifts) as evaluated on technical assessment on straight-line method, in accordance with Part A of Schedule II to the Companies Act, 2013.

The estimated useful life of the property, plant and equipment followed by the Company for the current and the comparative period are as follows :

Asset	Management's estimated useful life	Useful life as per Schedule II
Factory Building	~ 30 Years	~ 30 Years
Non Factory Building	~ 60 Years	~ 60 Years
Plant & Equipments	~ 20 Years	~ 8-20 Years
Electricals	~ 14 Years	~ 10 Years
Computers & accessories	~ 3 Years	~ 3-6 Years
Furniture's & fixtures	~ 10 Years	~ 10 Years
Vehicles	~ 8 Years	~ 8-10 Years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if necessary, for each reporting period. Based on technical evaluation, the management believes that its estimate of useful life as given above best represent the period over which management expects to use the asset.

On property, plant and equipment added/ disposed off during the year, depreciation is charged on pro-rata basis for the period from/upto which the asset is ready for use/disposed off.

#### **Capital work-in-progress**

Property, plant and equipment in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. They are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

#### **INTANGIBLE ASSETS**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The estimated amount of intangible asset consisting software license is 3 years.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit and loss when the asset is derecognised.

#### **E) REVENUE FROM CONTRACTS WITH CUSTOMERS**

The Company generates revenue primarily from sale of Readymade Garments. The Company also earns revenue from rendering of services.

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a good or service to a customer.

##### **1.1 Sale of products:**

Revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers.

The amount of revenue to be recognized (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as sales tax or other taxes directly linked to sales. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative stand-alone selling prices. Revenue from product sales are recorded net of allowances for estimated rebates, cash discounts and estimates of product returns, all of which are established at the time of sale. Our customers have the contractual right to return goods only when authorised by the Company.

## KPR EXPORTS PLC, ETHIOPIA

### Notes forming part of the Financial Statements for the year ended 31.03.2024

#### 1.2 Revenue from services:

Revenue from sale of services is recognised when related services are rendered as per the terms agreed with customers.

#### F) FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS

Transactions in foreign currencies are translated into the functional currency at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions are recognised in the statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured at historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences arising on translation are recognised in the statement of profit and loss.

#### G) FINANCIAL INSTRUMENTS

##### (i) Initial Recognition

Trade receivables are initially recognised 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 (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

The 'trade payable' is in respect of the amount due on account of goods purchased in the normal course of business. They are recognised at their transaction and services availed value if the transaction do not contain significant financing component.

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair value through other comprehensive income (FVTOCI) – debt investment;
- Fair value through other comprehensive income (FVTOCI) – equity investment; or
- Fair value through profit and loss (FVTPL)

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI or fair value through profit and loss account (FVTPL), non derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

##### (ii) Classification and subsequent measurement

###### a) Non-derivative financial assets

###### *Financial assets at amortised cost*

A financial asset shall be measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL :

- (a) it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- (b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

***Debt instruments at FVTOCI***

A debt Investment will be measured at FVTOCI if it meets both of the following conditions are met and is not designated as at FVTPL:

(a) it is held within a business model is achieved by both collecting contractual cash flows and selling financial assets; and

(b) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

***Equity instruments at FVTOCI***

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in Other comprehensive income ('OCI'). This election is made on an investment-by-investment basis.

If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently recycled to statement of profit and loss.

***Financial assets at FVTPL***

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL.

On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

**Financial assets – Subsequent measurement and gains and losses**

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

**Financial assets at FVTPL:**

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.

**Financial assets at amortised cost:**

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

**Debt investments at FVOCI:**

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to statement of profit and loss.

**Equity investments at FVOCI:**

These assets are subsequently measured at fair value. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and loss.

**Financial liabilities - Classification, subsequent measurement and gains and losses**

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, 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 recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in statement of profit or loss.

**(iii) Derecognition**

**Financial assets**

The Company derecognises 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 either substantially all of the risks and rewards of ownership of the financial asset are transferred or 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 recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases the transferred assets are not derecognised.

**Financial liabilities**

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in statement of profit or loss.

**(iv) 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 realise the asset and settle the liability simultaneously.

**(v) Derivative financial instruments**

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in foreign exchange rates on foreign currency assets or liabilities and forecasted cash flows denominated in foreign currencies. The counterparty for these contracts is generally a bank.

Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of profit and loss. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit and loss.

**H) EMPLOYEE BENEFITS**

**(a) Short term employee benefit obligations:**

Short-term employee benefits are measured on an undiscounted basis and expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

**(b) Defined contribution plan**

**Provident Fund & Employee State Insurance**

A defined contribution plan is a post-employment benefit plan where the Company's legal or constructive obligation is limited to the amount that it contributes to a separate legal entity. The Company makes specified contributions towards Government administered provident fund and employee state insurance schemes. Obligations for contributions to defined contribution plan are expensed as an employee benefits expense in the statement of profit and loss in period in which the related service is provided by the employee. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

**1) LEASES**

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in Ind AS 116.

**i) As a lessee:**

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

## KPR EXPORTS PLC, ETHIOPIA

### Notes forming part of the Financial Statements for the year ended 31.03.2024

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revision in –substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company presents right-of-use assets that do not meet the definition of investment property in "property, plant and equipment" and lease liabilities separately in balance sheet within "Financial liabilities".

#### **Short term leases and low value assets:**

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Company recognises the lease payments associated with these leases are recognized as an expense on in statement of profit and loss on a straight-line basis over the lease term.

#### **ii) As a lessor**

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As a part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

If an arrangement contains lease and non-lease components, then Company applies Ind AS 115 Revenue from contracts with customers to allocate the consideration in the contract

## **J) BORROWING COSTS**

Borrowing cost are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are considered as adjustment to interest costs) incurred in connection with the borrowings of funds. Borrowing cost directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

**K) EARNINGS PER SHARE**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). Diluted earnings per share is computed by dividing the profit (considered in determination of basic earnings per share) after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share adjusted for the weighted average number of equity shares that would have been issued upon conversion of all dilutive potential equity shares.

**L) IMPAIRMENT**

**Impairment of Financial Instruments**

The Company recognises loss allowance for expected credit loss on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred

Evidence that a financial asset is credit - impaired includes the following observable data:

- significant financial difficulty;
- a breach of contract such as a default or being past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Loss allowances for trade receivables are measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are credit losses that result from all possible default events over expected life of financial instrument. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information. The Company assumes that credit risk on a financial asset has increased significantly if it is past due.

The Company considers a financial asset to be in default when:

- the recipient is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is past due.

**Measurement of expected credit losses**

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

**Write-off**

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

**Impairment of Non-Financial Assets**

## **KPR EXPORTS PLC, ETHIOPIA**

### **Notes forming part of the Financial Statements for the year ended 31.03.2024**

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in estimates used to determine recoverable amount. Such a reversal is made only to an extent that asset's carrying amount does not exceed carrying amount that would have been determined, net of depreciation/ amortisation, if no impairment loss was recognised.

#### **M) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

##### **Provisions:**

Provisions:

Provisions are recognised 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. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Where the Company expects some or all of the expenditure required to settle a provision will be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset.

##### **Contingent liabilities:**

Whenever there is possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability are considered as contingent liability.

##### **Contingent assets:**

Contingent asset is not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date

**N) ONEROUS CONTRACTS**

A contract is said to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with the contract.

KPR EXPORTS PLC, ETHIOPIA

Notes forming part of the financial statements for the year ended 31.03.2024

(₹ in Lakhs)

	As at 31.03.2024	As at 31.03.2023
<b>5 INVENTORIES</b>		
Stores, spares, packing and others	-	-
	-	-
<b>6 CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	-	-
Balance with Banks		
i) In Current Accounts	58	58
	<b>58</b>	<b>58</b>
<b>7 OTHER FINANCIAL ASSETS</b>		
Other Advances	91	91
	<b>91</b>	<b>91</b>
<b>8 OTHER CURRENT ASSETS</b>		
Advance for Purchase	-	-
	-	-
<b>9 SHARE CAPITAL</b>		
<b>a) Issued, Subscribed &amp; Fully Paid up</b>		
1,68,855 (Pr.Yr.1,68,855) Equity Shares of 100 ETB each fully paid-up with voting rights.	424	424
	<b>424</b>	<b>424</b>
<b>10 OTHER EQUITY</b>		
Share Application Money pending Allotment	1,170	1,170
<b>Retained Earnings</b>		
Opening Balance	(1,445)	(1,445)
Add: Profit for the year	-	-
Closing balance	<b>(1,445)</b>	<b>(1,445)</b>
<b>Total</b>	<b>(275)</b>	<b>(275)</b>
<b>NON CURRENT LIABILITIES</b>		
<b>FINANCIAL LIABILITIES</b>		
<b>11 BORROWINGS</b>		
<b>Term Loan</b>		
<b>From Others (Unsecured)</b>		
Loan From Holding Company	-	-
	-	-
<b>CURRENT LIABILITIES</b>		
<b>FINANCIAL LIABILITIES</b>		
<b>12 TRADE PAYABLES</b>		
(A) Total outstanding dues of micro and small enterprises	-	-
(B) Total outstanding dues of creditors other than micro and small enterprises	-	-
	-	-
<b>13 OTHER CURRENT LIABILITIES</b>		
Statutory dues payable	-	-
	-	-

## KPR Export PLC

Notes Forming part of the Financial Statements for the year ended 31.03.2024

(₹ in Lakhs)

		Year Ended	
		31.03.2024	31.03.2023
<b>14</b>	<b>REVENUE FROM OPERATIONS</b>		
	Sale of products	-	-
	Sale of services	-	-
	Revenue from operations	-	-
<b>14.1</b>	<b>Sale of Products</b>		
	Garment	-	-
		-	-
	<b>Less: Discount Allowed</b>	-	-
		-	-
<b>14.2</b>	<b>Sale of Service</b>		
	Fabrication income	-	-
		-	-
<b>15</b>	<b>OTHER INCOME</b>		
	<b>Interest income on</b>		
	Recovery of bad debts	-	-
		-	-
<b>16</b>	<b>COST OF MATERIALS CONSUMED</b>		
	<b>a) Inventory of materials at the beginning of the year</b>		
	Yarn and fabric	-	-
		-	-
	<b>b) Add: Purchases</b>		
	Trims, packing and others (Consumption)	-	-
		-	-
	<b>c) Less : Inventory of materials at the end of the year</b>		
	Yarn and fabric	-	-
		-	-
	<b>Cost of materials consumed (a + b - c)</b>	-	-
<b>17</b>	<b>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK- IN-PROGRESS AND STOCK IN TRADE</b>		
	<b>a) Inventories at the beginning of the period</b>		
	Finished goods	-	-
		-	-
	<b>b) Inventories at the end of the period</b>		
	Finished goods	-	-
		-	-
	<b>Net (increase) / decrease</b>	-	-

## KPR Export PLC

Notes Forming part of the Financial Statements for the year ended 31.03.2024

(₹ in Lakhs)

	Year Ended	
	31.03.2024	31.03.2023
<b>18 EMPLOYEE BENEFITS EXPENSES</b>		
Salaries, wages and bonus	-	-
Contribution to providend and other funds	-	-
Staff welfare expenses	-	-
	-	-
<b>19 FINANCE COSTS</b>		
Interest expense on financial liabilities measured at amortised cost		
Working Capital Loans	-	-
	-	-
<b>20 OTHER EXPENSES</b>		
<b>Manufacturing Expenses</b>		
Power and fuel	-	-
<b>Repairs and Maintenance</b>		
Building	-	-
<b>Administration Expenses</b>		
Payment to auditor	-	-
Travelling and conveyance	-	-
Impairment loss / gain on Investment		-
<b>Selling Expenses</b>		
Freight and forwarding	-	-
	-	-

KPR EXPORTS PLC, ETHIOPIA

Notes forming part of the financial statements for the year ended 31.03.2024

21 Payment to Auditors (₹ in Lakhs)

Particulars	2023-24	2022-23
Audit Fees	-	-
Expenses (incl. Service Tax)	-	-
Total	-	-

22 INCOME TAX (₹ in Lakhs)

Particulars	2023-24	2022-23
<b>Income tax recognised in profit or loss</b>		
<b>Current tax</b>		
Current income tax charge	-	-
Adjustment in respect of current income tax of prior years	-	-
MAT Credit entitlement	-	-
<b>Deferred tax</b>		
In respect of current year	-	-
Total	-	-

23 Contingent Liabilities and Commitments (to the extent not provided for):

Income Tax demands - Nil

24 Financial Instruments

Accounting Classification and Fair Values:

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy

31.03.2024

(₹ in Lakhs)

Particulars	Carrying amount				Fair value
	Mandatorily at FVTPL - Others	Other financial assets - amortised cost	Other financial liabilities	Total carrying amount	
<b>Financial assets not measured at fair value</b>					
Loans	-	-	-	-	-
Trade receivables	-	-	-	-	-
Cash and cash equivalents	-	58	-	58	-
Other bank balances	-	-	-	-	-
Other financial assets	-	91	-	91	-
<b>Financial liabilities not measured at fair value</b>					
Borrowings	-	-	-	-	-
Trade payables	-	-	-	-	-
Other financial liabilities	-	-	-	-	-

KPR EXPORTS PLC, ETHIOPIA

Notes forming part of the financial statements for the year ended 31.03.2024

31.03.2023

(₹ in Lakhs)

Particulars	Carrying amount				Fair value
	Mandatorily at FVTPL - Others	Other financial assets - amortised cost	Other financial liabilities	Total carrying amount	
<b>Financial assets not measured at fair value</b>					
Loans	-	-	-	-	-
Trade receivables	-	-	-	-	-
Cash and cash equivalents	-	58	-	58	-
Other bank balances	-	-	-	-	-
Other financial assets	-	91	-	91	-
<b>Financial liabilities not measured at fair value</b>					
Borrowings	-	-	-	-	-
Trade payables	-	-	-	-	-
Other financial liabilities	-	-	-	-	-

For those financial assets and liabilities, which are not carried at its fair value, disclosure of fair value is not required as the carrying amounts approximates the fair values.

**Capital Management**

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return to stakeholders through optimisation of debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as detailed in note 11, off set by cash and bank balances) and total equity of the Company.

The Company is not subject to any externally imposed capital requirements.

The Company's net debt to equity ratio as at March 31, 2024 was as follows

Particulars	As at March 31, 2024	As at March 31, 2023
Debt *	-	-
Less : Cash and bank balances	58	58
Net debt	(58)	(58)
Total equity	149	149
Net debt to equity ratio	-38.93%	-38.93%

\* Debt is defined as long-term borrowings, short-term borrowings and current maturities of long term borrowings as described in note 11. Cash and Bank balances include cash and cash equivalents and other bank balances as described in Notes 6.

**Financial Risk Management**

**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.

**KPR EXPORTS PLC, ETHIOPIA****Notes forming part of the financial statements for the year ended 31.03.2024****Credit risk management**

Credit risk is the risk that the counterparty will not meet its obligations under customer contract, leading to a financial loss. Credit risk primarily arises from the Company's trade receivables.

**Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**25 Related Party disclosures**

Disclosures under "Ind AS" 24 – Related Party Disclosure, as identified and disclosed by the management and relied upon by the Auditors:

**25.1 Name of related parties and nature of relationship where control exists are as under**

Holding Company	M/s. K.P.R.Mill Limited
Key Management Personnel	Sri K.P.Ramasamy Sri KPD Sigamani Sri P.Nataraj Sri C.R.Anandakrishnan
Enterprises owned by key management personnel/Directors or their relatives	M/s K.P.R.Developers Limited M/s K P R Cements Private Limited M/s K P R Holdings Private Limited M/s K P R Agro Farms Private Limited M/s Jahnvi Motor Private Limited M/s KPR Mill Pte Limited, Singapore M/s K.P.R.Sugar Mill Limited M/s KPR Sugar and Apparels Limited M/s Quantum Knits Private Limited M/s Galaxy Knits Limited

**25.2 Transactions during the year and the balance outstanding at the balance sheet date****(₹ in Lakhs)**

Nature of Transaction	Enterprises owned by key management personnel / Directors or their relatives	Holding Company	Total as on 31/03/2024
Sale of Goods		-	-
Purchase of Goods		-	-
Loan From Holding Company		-	-

Note: Figures in brackets relates to the previous year

**KPR EXPORTS PLC, ETHIOPIA**

**Notes forming part of the financial statements for the year ended 31.03.2024**

**26 Earnings Per Share (EPS)**

<b>Particulars</b>	<b>2023-24</b>	<b>2022-23</b>
Profit/(Loss) for the year attributable to equity shareholders ₹ in Lakhs	-	-
Weighted average number of Shares	1,68,855	1,68,855
Earnings Per Share (₹) - Basic and Diluted	-	-

**27 Ratios as per the Schedule III requirements :**

**Ratios are not presented as there is no operations during the year**

The notes from 1 to 27 are an integral part of these financial statements.

For and on behalf of the Shareholders

"To be read with my report of even date"

**A.Vetrivel & Company**  
**Chartered Accountants**

**P.Nataraj**

Representing K.P.R. Mill Limited

**A.Vetrivel**  
**Proprietor**

Coimbatore  
25.04.2024