

Walker Chandio & Co LLP
Chartered Accountants
21st Floor, DLF Square, Jacaranda Marg
DLF Phase II, Gurugram – 122002
Haryana, India

Telephone: +91 124 4628099

Anil Pariek & Garg
Chartered Accountants
33, Anand Bazar,
Swaroop Nagar - 208002
Kanpur, Uttar Pradesh

Telephone: +91 8853170720

Independent Auditor's Report

To the Members of Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited) ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2025, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Scheme of Arrangement

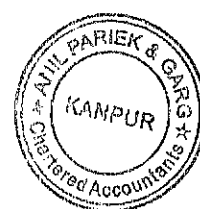
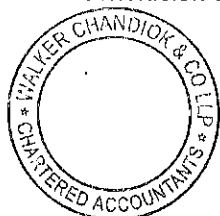
4. We draw attention to note 48 to the accompanying standalone financial statements which describes that pursuant to the Scheme of Arrangement (the 'Scheme') between the Company and Lohia Trade Services Limited (formerly known as Lohia Corp Limited) ('LTSL'), Technical Textile Machinery Business ('Demerged Undertaking') of LTSL has been transferred to and merged with the Company with the appointed date of 01 April 2024 as per the accounting treatment prescribed in the Scheme which has been approved by National Company Law Tribunal, Allahabad Bench ('NCLT') vide their order dated 16 April 2024.

Our opinion is not modified in respect of this matter.

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

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

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



Independent Auditor's Report to the members of Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited) on the standalone financial statements for the year ended 31 March 2025 (cont'd)

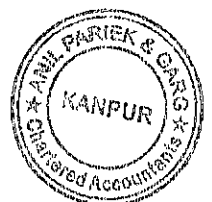
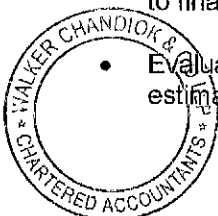
In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears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

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

6. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone 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 the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the standalone financial statements, the Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

9. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.
10. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal 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 adequate 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;



Independent Auditor's Report to the members of Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited) on the standalone financial statements for the year ended 31 March 2025 (cont'd)

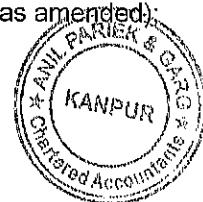
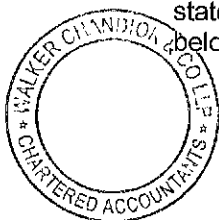
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
 - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. 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.

Other Matter

12. The standalone financial statements of the Company for the year ended 31 March 2024 were audited by the current joint auditor, Anil Pariek & Garg, Chartered Accountants, who have expressed an unmodified opinion on those standalone financial statements vide their audit report dated 24 June 2024.

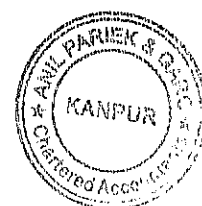
Report on Other Legal and Regulatory Requirements

13. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
14. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
15. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, 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 purpose of our audit of the accompanying standalone financial statements;
 - b) Except for the matters stated in paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), 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 standalone financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act;
 - f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 15(b) above on reporting under section 143(3)(b) of the Act and paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);



Independent Auditor's Report to the members of Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited) on the standalone financial statements for the year ended 31 March 2025 (cont'd)

- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2025 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed unmodified opinion;
- 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, as detailed in note 35 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2025;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2025;
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 46(e) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 46(f) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the 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; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
 - v. As stated in note 49 to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31 March 2025 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.



Independent Auditor's Report to the members of Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited) on the standalone financial statements for the year ended 31 March 2025 (cont'd)

- vi. As stated in note 50 to the standalone financial statements and based on our examination which included test checks, the Company, in respect of financial year commencing on 1 April 2024, has used an accounting software is operated by a third-party software service provider for maintaining its books of account which has a feature of recording audit trail facility and the same has been operated throughout the year for all relevant transactions recorded in the software at the application level. In absence of an 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with SAE 3402, Assurance Reports on Controls at a Service Organization), we are unable to comment on whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions or whether there were any instances of audit trail feature being tampered with at the database level. The audit trail has been preserved at the application level by the Company as per the statutory requirements for record retention. Further, due to absence of the Type 2 report, we are unable to comment on preservation of audit trail at the database level.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Tarun

Tarun Gupta

Partner

Membership No.: 507892

UDIN: 255078928 mNSmnp892

Place: Kanpur

Date: 18 June 2025



For **Anil Pariek & Garg**

Chartered Accountants

Firm's Registration No.: 016766

Anil Pariek

H.K. Pariek

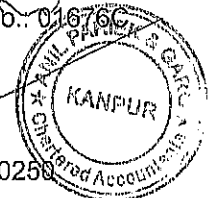
Partner

Membership No.: 070258

UDIN: 250702508MJBTE7667

Place: Kanpur

Date: 18 June 2025



Annexure A referred to in paragraph 15 of the Independent Auditor's Report of even date to the members of Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited) on the standalone financial statements for the year ended 31 March 2025

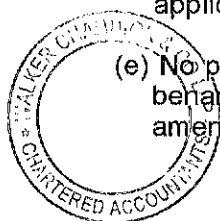
In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress, and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment, capital work-in-progress, and relevant details of right-of-use assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in note 2 to the standalone financial statements, are held in the name of the Company, except for the following properties, for which the Company's management is in the process of getting the registration in the name of the Company:

Description of property	Gross carrying value (₹ in Million)	Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of company
Land Freehold	117.08	Lohia Trade Services Limited (formerly known as Lohia Corp Limited)	No	1 April 2024	The Technical Textile Machinery Business ('Demerged Undertaking') of Lohia Trade Services Limited was demerged and transferred to the Company. The Company is in the process of getting this transferred in its own name

- (d) The Company has adopted cost model for its Property, Plant and Equipment (including right-of-use assets) and intangible assets. Accordingly, reporting under clause 3(i)(d) of the Companies (Auditor's Report) Order 2020, (hereinafter referred to as 'the Order') is not applicable to the Company.

- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.



Annexure A referred to in Paragraph 15 of the Independent Auditor's Report of even date to the members of Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited) on the standalone financial statements for the year ended 31 March 2025

- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and inventory lying with third parties. 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 as compared to book records. In respect of inventory lying with third parties, these have been substantially confirmed by the third parties and in respect of goods-in-transit, these have been confirmed from corresponding receipt and/or dispatch inventory records.
- (b) As disclosed in note 19 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of ₹ 50.00 millions by banks based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and such returns/statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit/review.
- (iii) The Company has not provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships during the year. Further, the Company has made investments in and granted unsecured loans to companies during the year, in respect of which:
- (a) The Company has provided loan to Subsidiary during the year as per details given below:

Particulars	Loans (₹ in millions)
Aggregate amount provided/granted during the year:	
Subsidiary	352.25
Balance outstanding as at balance sheet date:	
Subsidiary	178.50

- (b) The Company has not provided any guarantee or given any security or granted advances in the nature of loans, during the year. Further, the Company has made investment in three entities amounting to ₹61.13 millions (year-end balance ₹62.53 millions) and has granted loan to one entity, amounting to ₹352.25 millions (year-end balance ₹178.50 millions) in our opinion, and according to the information and explanations given to us, such investment made and the terms and conditions of the grant of loan are, prima facie, not prejudicial to the interest of the Company.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and the payment of the interest has been stipulated and the repayments/ receipts of principal and interest are regular. However, in few cases the schedule of repayment of principal and the payment of the interest has not been stipulated accordingly, we are unable to comment as to whether the repayments/receipts of principal interest are regular.
- (d) There is no overdue amount in respect of loans granted to such companies. However in few cases, in the absence of stipulated schedule of repayment of principal and payment of interest in respect of certain loans or advances in the nature of loans, we are unable to comment as to whether there is any amount which is overdue for more than 90 days. Reasonable steps have been taken by the Company for recovery of such principal amounts and interest.



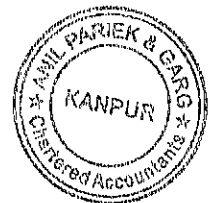
Annexure A referred to in Paragraph 15 of the Independent Auditor's Report of even date to the members of Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited) on the standalone financial statements for the year ended 31 March 2025

(e) The Company has not granted any loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan that existed as at the beginning of the year. However, in few cases, in respect of loans granted by the Company, the schedule of repayment of principal has not been stipulated. According to the information and explanation given to us, such loans have not been demanded for repayment as on date.

(f) The Company has granted loans which are repayable on demand, as per details below:

Particulars	All Parties (₹ in millions)	Related Parties (₹ in millions)
Aggregate of loans		
- Repayable on demand (A)		
- Agreement does not specify any terms or period of repayment (B)	191.58	191.58
	-	-
Total (A+B)	191.58	191.58
Percentage of loans to the total loans	66.32%	66.32%

- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans and investments made by it, as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of guarantee and security provided by it.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (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)(a) In our opinion and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

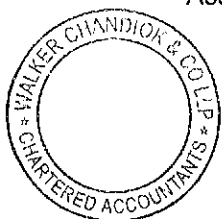


Annexure A referred to in Paragraph 15 of the Independent Auditor's Report of even date to the members of Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited) on the standalone financial statements for the year ended 31 March 2025

- (b) According to the information and explanations given to us, we report that there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

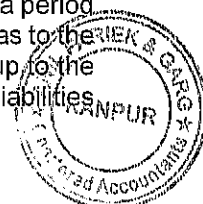
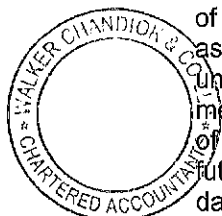
Name of the statute	Nature of dues	Gross Amount (₹ in Million)	Amount paid under Protest (₹ in Million)	Period to which the amount relates	Forum where dispute is pending
Goods and Services Act, 2017	Penalty u/s 122(1)(v ii)	17.12	Nil	2017-2018 to 2018-2019	Commissioner Appeal, Thane Mumbai
Income-tax Act, 1961	Transfer Pricing	0.17	Nil	Assessment Year 2020-2021	Hon'ble Dispute Resolution Panel, Delhi

- (viii) According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful 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 overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilized for long term purposes.
- (e) In our opinion and according to the information and explanations given to us and on an overall examination of the standalone 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) In our opinion and according to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.



Annexure A referred to in Paragraph 15 of the Independent Auditor's Report of even date to the members of Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited) on the standalone financial statements for the year ended 31 March 2025

- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (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 the Nidhi Rules, 2014 are not applicable to it. Accordingly reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company.
- (xvii) The Company has not incurred cash losses in the current financial year but had incurred cash losses amounting to ₹ 0.09 millions in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly reporting under clause 3(xviii) of the Order is not applicable to the company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management 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



Annexure A referred to in Paragraph 15 of the Independent Auditor's Report of even date to the members of Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited) on the standalone financial statements for the year ended 31 March 2025

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) According to the information and explanations given to us, the Company has met the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, however, in the absence of average net profits in the immediately three preceding years, there is no requirement for the Company to spend any amount under sub-section (5) of section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tarun

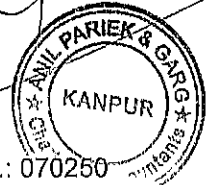
Tarun Gupta
Partner
Membership No.: 507892



UDIN: 25507892 Bm N S m w 180625
Place: Kanpur
Date: 18 June 2025

For **Anil Pariek & Garg**
Chartered Accountants
Firm's Registration No.: 01676C

H.K. Pariek
H.K. Pariek
Partner
Membership No.: 070250



UDIN: 25070250 Bm J B T E 180625
Place: Kanpur
Date: 18 June 2025

Annexure B to the Independent Auditor's Report of even date to the members of Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited) on the standalone financial statements for the year ended 31 March 2025

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act').

1. In conjunction with our audit of the standalone financial statements of Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited) ('the Company') as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

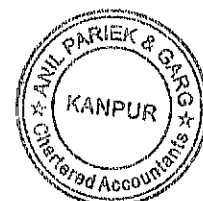
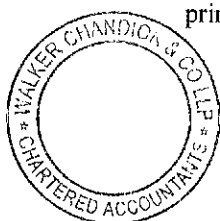
2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the '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 the Company's business, including adherence to the 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.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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 with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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



Annexure B to the Independent Auditor's Report of even date to the members of Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited) on the standalone financial statements for the year ended 31 March 2025

authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

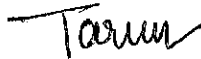
Inherent Limitations of Internal Financial Controls with Reference to Financial Statements .

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the Guidance Note issued by the ICAI.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Tarun Gupta

Partner
Membership No.: 507892



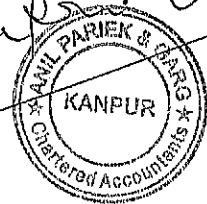
UDIN: 25507892BMNSmW2892

Place: Kanpur
Date: 18 June 2025

For Anil Pariek & Garg
Chartered Accountants
Firm's Registration No.: 01876C


H.K. Pariek

Partner
Membership No.: 070250



UDIN: 25070250BMJBTE7667

Place: Kanpur
Date: 18 June 2025

Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited)
Corporate Identification No.: U28261UP2023PLC183476
Standalone Balance Sheet as at 31 March 2025
(All amounts are in ₹ millions unless otherwise stated)

Particulars	Note	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
(a) Property, plant and equipment	2	3,219.96	-
(b) Right-of-use assets	3(a)	427.10	-
(c) Capital work-in-progress	4	126.72	-
(d) Intangible assets	5	10.74	-
(e) Intangible assets under development	5	4.51	-
(f) Financial assets			
(i) Investments	6	176.19	-
(ii) Loans	7	4.76	-
(iii) Other financial assets	8	77.13	-
(g) Non-current tax assets (net)	9	8.48	-
(h) Other non-current assets	10	26.23	-
Total non-current assets		4,081.82	-
Current assets			
(a) Inventories	11	2,599.32	-
(b) Financial assets			
(i) Trade receivables	12	1,225.17	-
(ii) Cash and cash equivalents	13	243.60	0.00
(iii) Loans	7	185.18	-
(iv) Other financial assets	8	321.28	0.01
(c) Current tax assets (net)	9	123.26	-
(d) Other current assets	10	496.00	0.01
Total current assets		5,193.81	0.02
Total assets		9,275.63	0.02
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	105.65	0.10
(b) Other equity	15	3,813.84	(0.09)
Total equity		3,919.49	0.01
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	862.90	-
(ii) Lease liabilities	3(b)	124.03	-
(c) Deferred tax liabilities (net)	17	69.35	-
(d) Other non-current liabilities	18	258.54	-
Total non-current liabilities		1,314.82	-
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	947.01	-
(ii) Lease liabilities	3(b)	38.13	-
(iii) Trade payables	20		
(a) Total outstanding dues of micro and small enterprises;		251.79	-
(b) Total outstanding dues of other than iii (a) above		809.14	0.01
(iv) Other financial liabilities	21	234.36	-
(b) Other current liabilities	18	1,646.32	-
(c) Provisions	22	89.63	-
(d) Current tax liabilities (net)	23	24.94	-
Total current liabilities		4,041.32	0.01
Total liabilities		5,356.14	0.01
Total equity & liabilities		9,275.63	0.02

The accompanying notes form an integral part of the standalone financial statements.
As per our report of even date attached.

For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013

Tarun
Tarun Gupta
Partner
Membership No. 507892

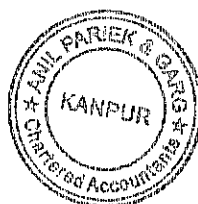
Place : Kanpur
Date : 18 June 2025



For Anil Pariek & Garg
Chartered Accountants
Firm's Registration No. N1876C

Anil Pariek
H.K. Pariek
Partner
Membership No. 70250

Place : Kanpur
Date : 18 June 2025



For and on behalf of the Board of Directors of
Lohia Corp Limited

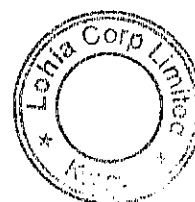
Raj Kumar Lohia
Raj Kumar Lohia
Chairman & Managing Director
DIN: 00203659

Shilpa Srivastava
Shilpa Srivastava
Company Secretary
Membership No. A22406

Place : Kanpur
Date : 18 June 2025

Rajendra Kumar
Rajendra Kumar
Director
DIN: 09658071

Anupam Sen
Anupam Sen
Chief Financial Officer
PAN: ACFPA5533R



Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited)
Corporate Identification No.: U28261UP2023PLC183476
Standalone Statement of Profit and Loss for the year ended 31 March 2025
(All amount are in ₹ millions unless otherwise stated)

Particulars	Notes	Year Ended 31 March 2025	For the period from 5 June 2023 to 31 March 2024
Income			
I Revenue from operations	24	13,101.04	-
II Other income	25	127.74	-
III Total Income (I+II)		13,228.78	-
IV Expenses			
Cost of materials consumed	26	6,403.49	-
Purchases of stock-in-trade		835.78	-
Changes in inventories of finished goods, work in progress and stock-in-trade	27	97.98	-
Employee benefits expenses	28	1,559.18	-
Finance costs	29	134.74	-
Depreciation and amortisation expenses	30	482.14	-
Other expenses	31	2,131.30	0.09
Total expenses (IV)		11,644.61	0.09
V Profit/(loss) before tax (III-IV)		1,584.17	(0.09)
VI Tax expense	32		
a) Current tax		444.77	-
b) Deferred tax		(46.85)	-
Total tax expense		397.92	-
VII Profit/(loss) for the year/period (V-VI)		1,186.25	(0.09)
VIII Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
Gain/(loss) on defined benefit obligation		28.85	-
Income tax relating to above		(7.26)	-
(B) Items that will be reclassified to profit or loss			
Net gains on cash flow hedges		1.06	-
Income tax relating to above		(0.27)	-
Total other comprehensive income for the year/period		22.38	-
IX Total comprehensive income for the year/ period (VII+VIII)		1,208.63	(0.09)
X Earnings per equity share	33		
Basic earning per share (₹)		13.80	(0.90)
Diluted earning per share (₹)		13.80	(0.90)

The accompanying notes form an integral part of the standalone financial statements.
As per our report of even date attached.

For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No. 091076N/N500013

Tarun
Tarun Gupta
Partner
Membership No. 507892

Place : Kanpur
Date : 18 June 2025



For Anil Pariek & Garg
Chartered Accountants
Firm's Registration No. 01876C

Anil Pariek
H.K. Pariek
Partner
Membership No 70250

Place : Kanpur
Date : 18 June 2025



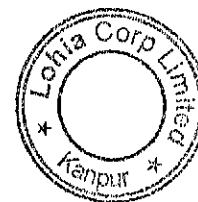
For and on behalf of the Board of Directors of
Lohia Corp Limited

Raj Kumar Lohia
Raj Kumar Lohia
Chairman & Managing Director
DIN: 00203659

Shikha Srivastava
Shikha Srivastava
Company Secretary
Membership No. A22406

Rajendra Kumar Arya
Rajendra Kumar Arya
Director
DIN: 09658071

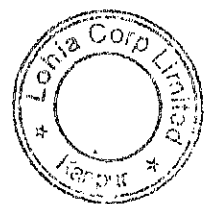
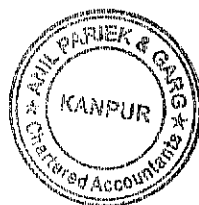
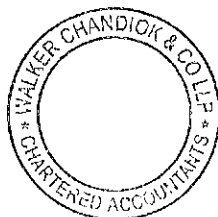
Amrita Agnawal
Amrita Agnawal
Chief Financial Officer
PAN: ACFPA5533R



Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited)
Corporate Identification No.: U28261UP2023PLC183476
Standalone statement of cash flows for the year ended 31 March 2025
(All amount are in ₹ millions unless otherwise stated)

Particulars	For the year ended 31 March 2025	For the period from 5 June 2023 to 31 March 2024
A. Cash flow from operating activities		
Profit/(loss) before tax	1,584.17	(0.09)
Interest income from financial assets	(27.91)	-
Unrealised foreign exchange differences (net)	(16.97)	-
Liabilities/provisions no longer required written back	(18.77)	-
Net gain on sale of current investments	(10.19)	-
Finance costs	134.74	-
Depreciation and amortisation expense	482.14	-
Net loss on disposal of property, plant and equipment	3.81	-
Provision for export incentive receivable	3.89	-
Bad debts written off	11.65	-
Provision for doubtful debts and advances	112.28	-
Provision for expected credit loss on trade receivables	17.72	-
Operating profit before working capital changes	2,276.56	(0.09)
Adjustments for movement in:		
Changes in inventories	37.03	-
Changes in trade receivables	(246.05)	-
Changes in loans	(1.81)	-
Changes in other financial assets	(139.48)	-
Changes in other assets	(206.02)	(0.02)
Changes in trade payables	189.37	0.01
Changes in other financial liabilities	0.03	-
Changes in other liabilities	(23.76)	-
Changes in provisions	30.79	-
Cash generated from/(used in) operating activities	1,916.66	(0.10)
Income tax paid	(435.45)	-
Net cash flows generated from/(used in) operating activities (A)	1,481.21	(0.10)
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including capital work-in-progress, capital advances and creditors for capital goods)	(229.22)	-
Proceeds from sale of property plant and equipment	27.09	-
Purchase of investments	(3,146.13)	-
Sale proceeds from investments	3,095.19	-
Loan given to related parties and others (net)	(82.10)	-
Lease receipts	7.17	-
Sales proceeds on disposal of net investment in lease in property, plant and equipment	5.06	-
Interest received	22.33	-
Net cash flows (used in) from investing activities (B)	(300.61)	-
C. Cash flow from financing activities		
Proceeds from non-current borrowings	143.00	-
Proceed from issue of equity share capital	-	0.10
Repayment of non-current borrowings	(693.38)	-
Proceeds/(repayment) from current borrowings (net)	(320.16)	-
Payment of lease liabilities	(48.24)	-
Interest paid	(117.58)	-
Net cash flows (used in)/generated from financing activities (C)	(1,036.36)	0.10
Net increase in cash and cash equivalents (A+B+C)	144.24	0.00
Cash and cash equivalents at the beginning of the period	-	-
Transfer on account of scheme*	98.11	-
Effects of currency translation on cash and cash equivalents	1.25	-
Closing cash and cash equivalents (refer note 13)	243.60	0.00

*Refer note no. 48



Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited)

Corporate Identification No.: U28261UP2023PLC183476

Standalone statement of cash flows for the year ended 31 March 2025

(All amount are in ₹ millions unless otherwise stated)

Notes:

1. The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 (Ind AS-7) on "Statements of Cash Flows".
2. Negative figures have been shown in brackets.
3. Refer note 34 for reconciliation of movements of liabilities to cash flows arising from financing activities in accordance with Ind AS-7.

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date attached.

For Walker Chandio & Co LLP

Chartered Accountants

Firm Registration No. 001076N/N500013

Tarun

Tarun Gupta
Partner

Membership No. 507892

Place : Kanpur

Date : 18 June 2025



For Anil Pariek & Garg

Chartered Accountants

Firm's Registration No. 001076C

Anil Pariek
H.K. Pariek
Partner

Membership No 70250

Place : Kanpur

Date : 18 June 2025



For and on behalf of the Board of Directors of

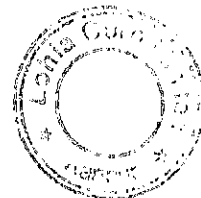
Lohia Corp Limited

Raj Kumar Lohia
Raj Kumar Lohia
Chairman & Managing Director
DIN: 00203659

Shikha Srivastava
Shikha Srivastava
Company Secretary
Membership No. A22406

Rajendra Kumar Arya
Rajendra Kumar Arya
Director
DIN: 09658071

Anupam Agarwal
Anupam Agarwal
Chief Financial Officer
PAN: ACEFA5533R



Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited)
Corporate Identification No.: U28261UP2023PLC183476
Standalone Statement of Changes in Equity for the year ended 31 March 2025
(All amount are in ₹ millions unless otherwise stated)

A. Equity share capital

Balance as at 05 June 2023
Add : Increase in the equity share capital during the period
Balance as at 31 March 2024
Add : Increase in the equity share capital during the year*
Less : Cancellation of the initial equity share capital during the year*
Balance at the end of the year
* Refer note no 48

No. of Shares	Amount
-	-
100,000	0.10
100,000	0.10
105,650,000	105.65
(100,000)	(0.10)
105,650,000	105.65

B. Other equity

Particulars	Reserve and surplus		Other comprehensive income	Total
	Capital reserve	Retained earnings	Cash flow hedging reserve	
Balance as at 5 June 2023	-	-	-	-
Loss for the period	-	(0.09)	-	(0.09)
Total comprehensive income for the period	-	(0.09)	-	(0.09)
Balance as at 31 March 2024	-	(0.09)	-	(0.09)
Additions on account of Scheme*	2,605.30	-	-	2,605.30
Profit for the year	-	1,186.25	-	1,186.25
Other comprehensive income for the year (net of tax)	-	21.59	0.79	22.38
Total comprehensive income for the year	2,605.30	1,207.84	0.79	3,813.93
Balance as at 31 March 2025	2,605.30	1,207.75	0.79	3,813.84

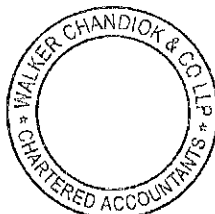
* Refer note no 48

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

As per our report of even date attached.

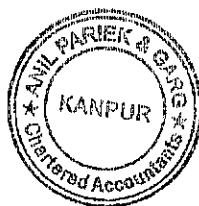
For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013

Tarun
Tarun Gupta
Partner
Membership No.: 507892
Place: Kanpur
Date: 18 June 2025



For Anil Parlek & Garg
Chartered Accountants
Firm's Registration No.: 016762

H.K. Parlek
Partner
Membership No.: 070250
Place: Kanpur
Date: 18 June 2025



For and on behalf of the Board of Directors of
Lohia Corp Limited

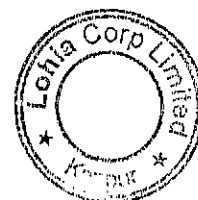
Raj Kumar Lohia
Managing Director
DIN: 00203659

Shikha
Shikha Srivastava
Company Secretary
Membership No 22406

Place: Kanpur
Date: 18 June 2025

Rajendra Kumar Arya
Director
DIN: 09658071

Anupam Agarwal
Chief Financial Officer
PAN: ACFPA5533R



1. Corporate information

Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited) referred to as “the Company” is a public limited company domiciled in India incorporated on 5 June 2023 with its registered office located at D-3/A, Panki Industrial Estate, Kanpur. The Company is a manufacturer of complete range of machines required by HDPE /PP woven fabric industry (for plastic woven sacks, FIBC, tarpaulins etc.)

The Company has four manufacturing units situated in at:

- D-3/A, Panki Industrial Estate, Kanpur
- Lohia Industrial Complex Chaubepur, Kanpur
- C-3 & C-4, Site 1, Panki Industrial Area, Kanpur and
- 486, C1, Peenya Industrial Area, 14th Cross, Peenya IV Phase, Bangalore

Pursuant to the Scheme of Arrangement (the ‘Scheme’) between the Company and Lohia Trade Services Limited (formerly known as Lohia Corp Limited) (‘LTSL’) as approved by Hon’ble National Company Law Tribunal (NCLT), Allahabad Bench vide their order dated 16 April 2024, the Technical Textile Machinery Business (‘Demerged Undertaking’) of LTSL was demerged and transferred to the Company with effect from the Appointed date of the Scheme being 01 April 2024.

The name of the Company has been changed from Kanpur Packaging Machines Limited to Lohia Corp Limited (‘LCL’) vide revised ‘Certificate of Incorporation pursuant to change of name’ dated 06 June 2024 as issued by Ministry of Corporate Affairs (‘MCA’).

The financial statement has been authorized for issue by the Board of Directors on 18 June 2025.

1.01 Basis of preparation and presentation

(i) Compliance with Ind AS

The standalone financial statements (financial statements) comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical cost convention

The standalone financial statements have been prepared on the historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities (including derivatives instruments) at fair value, if any.
- Defined benefit liabilities are measured at present value of defined benefit obligation.
- Certain financial assets and liabilities at amortised cost.

(iii) Functional and presentation currency

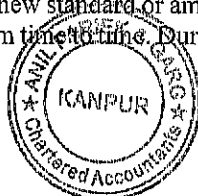
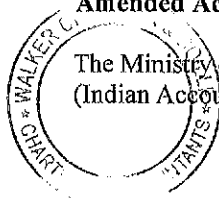
The management has determined the currency of the primary economic environment in which the Company operates, i.e., the functional currency, to be Indian Rupees (₹). The financial statements are presented in Indian Rupees, which is the Company’s functional and presentation currency. All amounts have been rounded to the nearest millions up to two decimal places, unless otherwise stated. Consequent to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute amounts.

(iv) Going concern

Going concern basis of accounting used for preparation of the accompanying standalone financial statements is appropriate with no material uncertainty.

Amended Accounting Standards (Ind AS) and interpretations effective during the year

The Ministry of Corporate Affairs (‘MCA’) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. During the year ended 31 March 2025, MCA has notified



following new standards or amendments to the existing standards applicable to the Company:

Lack of exchangeability - Amendments to Ind AS 21: The amendments to Ind AS 21 The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 April 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments will not have a material impact on the Company's standalone financial statements.

New and amended standard adopted by the Company

The Ministry of Corporate Affairs notified new standards or amendment to existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. The Company applied following amendments for the first-time during the current year which are effective from 1 April 2024.

- Lease liability in a sale and leaseback (amendments to Ind AS 116): The amendments require an entity to recognise lease liability including variable lease payments which are not linked to index or a rate in a way it does not result into gain on Right-of-use assets it retains.
- Introduction of Ind AS 117 MCA notified Ind AS 117, a comprehensive standard that prescribe, recognition, measurement and disclosure requirements, to avoid diversities in practice for accounting insurance contracts and it applies to all companies i.e., to all "insurance contracts" regardless of the issuer. However, Ind AS 117 is not applicable to the entities which are insurance companies registered with IRDAI.

The Company has reviewed the new pronouncements and based on its evaluation has determined that these amendments do not have impact on these financial statements.

1.02 Material accounting policy information

1.03 Critical accounting judgements, estimates and assumptions

The preparation of the Company's financial statements in conformity with the Indian Accounting Standards requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures (including contingent liabilities). The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

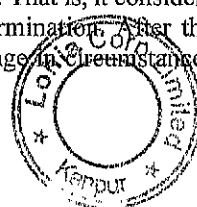
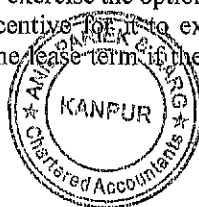
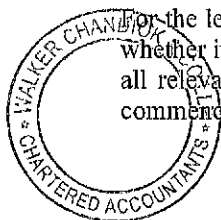
In the process of applying the Company's accounting policies, management has made the following judgements, which have the most critical effect on the amounts recognised in the financial statements.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

For the lease contracts that includes extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances



that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

Leases - estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

b) Provisions & contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates.

The Company uses critical judgements to assess contingent liabilities. Contingent liabilities are recognised when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

c) Allowance for expected credit loss

The allowance for expected credit loss reflects management's estimate of losses inherent in its credit portfolio. This allowance is based on Company's estimate of the losses to be incurred, which derives from past experience with similar receivables, current and historical past due amounts, write-offs and collections, the careful monitoring of portfolio credit quality and current and projected economic and market conditions. Should the present economic and financial situation persist or even worsen, there could be a further deterioration in the financial situation of the Company's debtors compared to that already taken into consideration in calculating the allowances recognised in the financial statements.

Refer note 12 for methodology to estimate allowance for expected credit losses in respect of Company's trade receivables.

d) Allowance for obsolete and slow-moving inventory

The allowance for obsolete and slow-moving inventory reflects management's estimate of the expected loss in value and has been determined on the basis of past experience and historical and expected future trends. A worsening of the economic and financial situation could cause a further deterioration in conditions compared to that taken into consideration in calculating the allowances recognised in the financial statements.

Refer note 11 for disclosure of such allowance.

e) Useful lives of property, plant and equipment and intangible assets

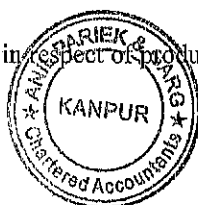
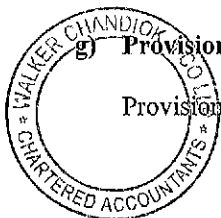
Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain plant and equipments.

f) Defined benefit obligations (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses. Refer note 38 for key assumptions used in developing estimate of DBO.

g) Provision for warranties

Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of



the reporting period. These claims are expected to be settled in the next financial year. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

h) Impairment of financial and non-financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use and its fair value less costs to sell. 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 or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ('CGU'). Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

1.04 Current/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 business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- 1) It is expected to be realised in, or is intended to be sold or consumed in, the Company's normal operating cycle;
- 2) It is held primarily for the purpose of being traded;
- 3) It is expected to be realised within twelve months after the reporting date; or
- 4) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

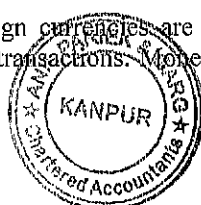
- 1) It is expected to be settled in the Company's normal operating cycle;
- 2) It is held primarily for the purpose of being traded;
- 3) It is due to be settled within twelve months after the reporting date; or
- 4) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

1.05 Foreign currency transactions and translations

Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Company at the exchange rates at the date of the transactions. Monetary foreign currency assets and liabilities remaining



unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains / (losses) arising on account of realization /settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the Statement of profit and loss. Financial instruments designated as hedge instruments are mark to market using the valuation given by the bank on the reporting date. Exchange differences arising on settlement of monetary items on actual payments / realisations and year end translations including on forward contracts are dealt with in the statement of profit and loss.

1.06 Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment loss, if any. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use including borrowing cost and incidental expenditure during construction incurred upto the date when the assets are ready to use. Capital work in progress includes cost of assets at sites, construction expenditure and interest on the funds deployed less any impairment loss, if any. At the point, when asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other cost directly attributable to bringing the item to working condition for its intended use.

The cost of improvements to leasehold premises, if recognition criteria are met, are capitalised and disclosed separately under leasehold improvement.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as a separate items (major components) of property, plant and equipment. As per the assessment made by the management, property plant and equipment does not comprises any significant components with different useful life.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of property, plant and equipment (calculated as the difference between the net disposal proceeds and the carrying amount of property, plant and equipment) is included in the Statement of profit and loss when such asset is derecognised.

Subsequent measurement

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with expenditure will flow to the Company and the cost of the item can be measured reliably. All other subsequent cost are charged to the Statement of profit and loss at the time of incurrence.

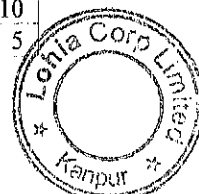
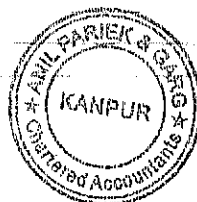
Depreciation

Depreciation on property, plant and equipment is provided on the straight-line method over their estimated useful lives, as determined by the management. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year.

Based on technical assessment made by technical expert and management estimate, the Company have assessed the estimated useful lives of certain property, plant and equipment that are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The estimated useful lives of items of property, plant and equipment are as follows:

Asset category	Management estimate of useful life	Useful life as per Schedule II
Buildings	30	30
Plant & equipments	5 to 15	5 to 15
Furniture and fixtures	5	10
Vehicles	5	6 to 10
Office equipments	5	5



Computers	5	3
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Freehold land is not depreciated.

Depreciation on additions to or on disposal of assets is calculated on pro-rata basis. Leasehold land is being amortised over the period of lease tenure. Depreciation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively.

1.07 Intangible assets

Intangible assets that are acquired are recognised only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of assets can be measured reliably. The intangible assets are recorded at cost of acquisition including incidental costs related to acquisition and installation and are carried at cost less accumulated amortisation and impairment losses, if any.

De-recognition

Gain or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and are recognised in the Statement of profit and loss when the asset is derecognised.

Subsequent cost

Subsequent costs are capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All the subsequent expenditure on intangible assets is recognized in Statement of profit and loss, as incurred.

Amortisation

Amortisation of intangible asset is calculated over their estimated useful lives as stated below using straight-line method. Amortisation is calculated on a pro-rata basis for assets purchased /disposed during the year. Amortisation has been charged based on the following useful lives;

Asset category	Useful life (in years)
Technical knowhow	4
Patents	4
Softwares	5

Amortisation method, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

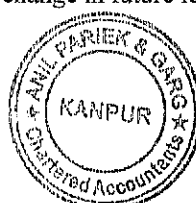
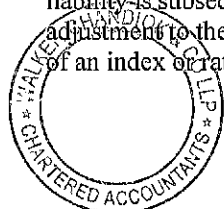
1.08 Leases

The Company assesses if a contract is or contains a lease at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the commencement date, except for short-term leases of twelve months or less and leases for which the underlying asset is of low value, which are expensed in the statement of operations on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or, if not readily determinable, the incremental borrowing rate specific to the country, term and currency of the contract.

Lease payments can include fixed payments, variable payments that depend on an index or rate known at the commencement date, as well as any extension or purchase options, if the Company is reasonably certain to exercise these options. The lease liability is subsequently measured at amortized cost using the effective interest method and remeasured with a corresponding adjustment to the related right-of-use asset when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessments of options.



The right-of-use asset comprises, at inception, the initial lease liability, any initial direct costs and, when applicable, the obligations to refurbish the asset, less any incentives granted by the lessors. The right-of-use asset is subsequently depreciated, on a straight-line basis, over the lease term, if the lessor transfers the ownership of the underlying asset to the Company at the end of the lease term or, if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, over the estimated useful life of the underlying asset. Right-of-use assets are also subject to testing for impairment if there is an indicator for impairment. Variable lease payments not included in the measurement of the lease liabilities are expensed to the statement of operations in the period in which the events or conditions which trigger those payments occur.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

1.09 Impairment of non-financial assets

The Company, at each balance sheet date, reviews carrying values of its non-financial assets and assesses whether there is an indication that an asset may be impaired. If any indication exists, the recoverable amount, being higher of fair value less costs of disposal and value in use of the assets, is estimated to determine the impairment losses and are recognised in the statement of profit and loss. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs unless either the asset's fair value less costs of disposal is higher than its carrying amount; or the asset's value in use can be estimated to be close to its fair value less costs of disposal and fair value less costs of disposal can be measured.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators. For assets, an assessment is made at each balance sheet date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

1.10 Employee benefits

Short term employee benefits

Liabilities for wages and salaries, including non-monetary 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 recognised 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 benefit obligations in the balance sheet.

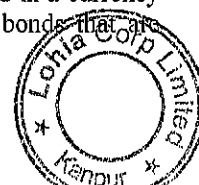
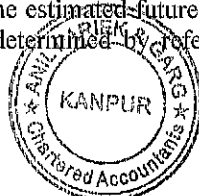
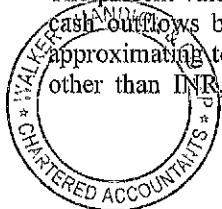
Defined contribution plans

The Company pays contribution under provident fund scheme, employee state insurance to Government administered schemes, superannuation scheme and part of the pension fund scheme for eligible employees. The Company recognises contribution payable to the respective employee benefit fund scheme as an expenditure, as and when they are due. The Company has no obligations other than to make the specified contributions.

Gratuity

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans are 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 by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR 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 estimated future payments which are denominated in a currency other than INR, are discounted using market yields determined by reference to high-quality corporate bonds that are



denominated in the currency in which the benefits will be paid, and 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 benefit expense in the statement of profit and loss. The gratuity plan is a funded plan and the Company makes contributions to Group Gratuity Trust cum Life Assurance Schemes administered by the LIC of India.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Compensated absences

The liabilities for compensated absences that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The Compensated absences is a funded plan and the Company makes contributions to Group Leave Encashment Schemes administered by the LIC of India.

1.11 Revenue recognition

Sale of goods

Sales are recognised when control of the products is transferred, which happens when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the acceptance of the products by the customer.

Revenue is recognised based on the price specified in the contract, net of the estimated volume discounts and incentive schemes and the revenue is only recognised to the extent that it is highly probable that a significant reversal in the revenue will not occur. Revenue is net of sales returns. The validity of assumptions used to estimate variable consideration and expected return of products is reassessed annually.

A receivable is recognised when the goods are delivered as this is the point in time when the consideration is unconditional because only passage of time is required before the payment is due.

Service revenue

Service income is recognised on accrual basis in the accounting period in which the services are rendered as per the contractual terms with the customers.

Sale of scrap

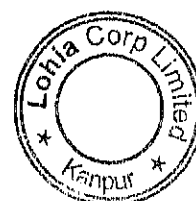
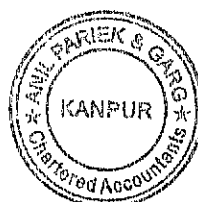
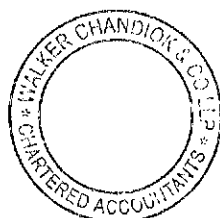
Sale of scrap is recognised upon transfer of control of products to the customers which coincides with their delivery to customer.

Interest income

Interest income is recognized on time proportion basis using the effective interest rate method.

Export incentive

Export incentive is recognized when it is reasonably certain that the collection will be made.



1.12 Government grants

Government grant is recognized only when there is a reasonable assurance that the entity will comply with the conditions attached to them and the grants will be received. Subsidy related to assets is recognized as deferred income which is recognized in the standalone statement of profit and loss on systematic basis over the useful life of the assets. Grants related to income are treated as other operating income in standalone statement of profit and loss subject to due disclosure about the nature of grant.

1.13 Inventories

Raw materials and stores, work in progress, stock-in-trade and finished goods

Raw materials and stores, work in progress, stock-in-trade and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and stock-in-trade comprises cost of purchases and also include all other costs incurred in bringing the inventories to their present location and condition. Cost is ascertained on a weighted average basis. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Spare parts including other items are carried on weighted average basis.

1.14 Provisions, contingent assets and liabilities

Provisions

Provisions for legal claims and warranties are recognised when the Company has a present legal or constructive obligation as a result of a past events, 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 current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Contingent assets

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

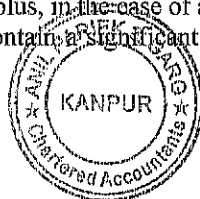
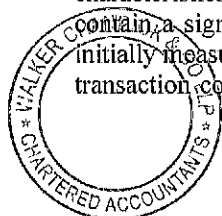
1.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has



applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

I. Financial assets carried at amortised cost – a financial asset is measured at the amortised cost, if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

II. Investments in mutual funds and other investments – Investments in mutual funds and other investments are subsequently measured at fair value through profit and loss (FVTPL).

III. Investments in equity instruments of subsidiaries, joint ventures and associates - Investments in equity instruments of subsidiaries, joint ventures and associates are accounted for at cost in accordance with Ind AS 27 Separate Financial Statements.

IV. Trade receivables - Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects the Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance. For trade receivables, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

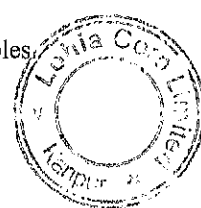
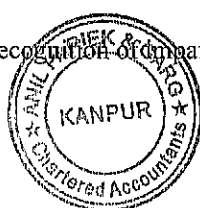
V. Cash and cash equivalents - Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purposes of the cash flow statement, cash and cash equivalents is as defined above.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets are measured at amortised cost e.g., loans, deposits and trade receivables
- Trade receivables under Ind-AS 115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.



The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss.

For financial assets measured as at amortised cost, ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's standalone balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

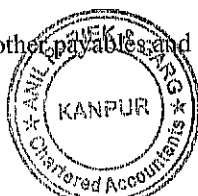
Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.



Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to the statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid as per the payment cycle of the Company. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

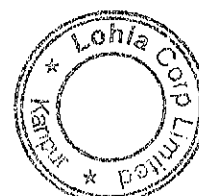
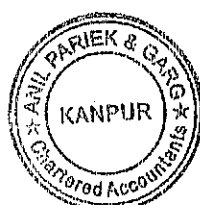
A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such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

Re-classification of financial assets and financial liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

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



In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

Assets and liabilities are to be measured based on the following valuation techniques:

- a) Market approach – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.
- b) Income approach – Converting the future amounts based on market expectations to its present value using the discounting methodology.
- c) Cost approach – Replacement cost method.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- b) 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).
- c) 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 categorised 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 recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

1.17 Income taxes

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in Equity or in Other Comprehensive Income.

a) 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 in India, at the balance sheet date.

Current tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity). 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.

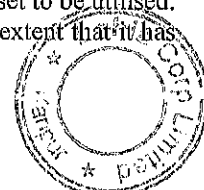
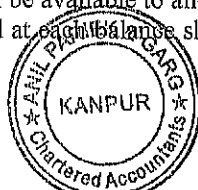
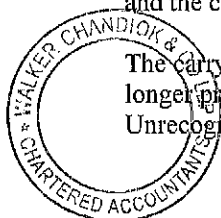
Current tax assets are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

b) Deferred tax:

Deferred tax is provided using the balance sheet liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the balance sheet date.

Deferred tax liabilities are generally recognised for all the temporary differences. On the contrary, deferred tax assets are recognised for deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, 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 utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet 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 utilised. Unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has



become probable that future taxable profits will allow the deferred tax asset to be recovered.

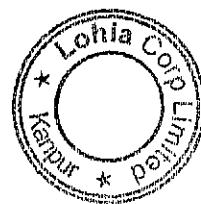
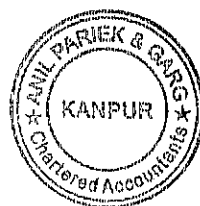
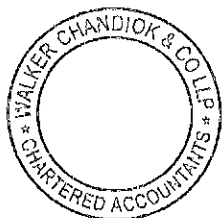
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.18 Investment in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of these investments, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.



2 Property, plant and equipment

Particulars	Land freehold	Buildings	Plant and equipments	Furniture and fixtures	Vehicles	Office equipments	Computers	Total
Gross carrying amount								
Balance as at 05 June 2023	-	-	-	-	-	-	-	-
Additions for the period	-	-	-	-	-	-	-	-
Disposals for the period	-	-	-	-	-	-	-	-
Balance as at 01 April 2024	-	-	-	-	-	-	-	-
Transfer on account of Scheme*	140.03	933.57	5,149.90	155.66	148.04	163.07	190.03	6,880.30
Additions for the year	-	6.65	79.70	1.52	10.66	6.22	12.45	117.20
Disposals for the year	-	-	(104.00)	(1.93)	(19.49)	(3.60)	(1.03)	(135.10)
Balance as at 31 March 2025	140.03	940.22	5,125.60	155.25	139.21	160.69	201.45	6,862.40
Accumulated depreciation								
Balance as at 05 June 2023	-	-	-	-	-	-	-	-
Additions for the period	-	-	-	-	-	-	-	-
Disposals for the period	-	-	-	-	-	-	-	-
Balance as at 01 April 2024	-	-	-	-	-	-	-	-
Transfer on account of Scheme*	-	340.82	2,545.00	109.31	100.00	109.81	106.76	3,311.70
Depreciation charge for the year	-	30.32	309.13	17.76	16.88	17.66	36.07	427.82
Disposals for the year	-	-	(71.49)	(1.91)	(14.73)	(8.13)	(0.82)	(97.08)
Balance as at 31 March 2025	-	371.14	2,782.64	125.16	102.15	119.34	142.01	3,642.44
Net carrying amount as at 31 March 2025	140.03	569.08	2,342.96	30.09	37.06	41.35	59.44	3,219.96
Net carrying amount as at 31 March 2024	-	-	-	-	-	-	-	-

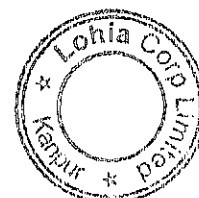
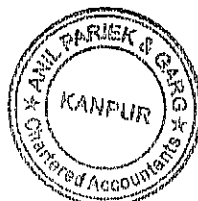
(i) See note 43 for information on Property, plant and equipment pledged as security by the Company.

(ii) See note 35(e.) for disclosure of contractual commitment for the acquisition of Property, plant and equipments.

(iii) Title deeds of all the immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) held by the Company are in the name of the Company, except for the following properties for which the Company's management is in the process of getting the registration in the name of the Company.

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Land freehold	117.08	Lohia Trade Services Limited (formerly known as Lohia Corp Limited)	No	01 April 2024	The Technical Textile Machinery Business (‘Demerged Undertaking’) of Lohia Trade Services Limited was demerged and transferred to the Company. The Company is in the process of getting this transferred in its own name.

(iv) * Refer note no 48



3(a) Right-of-use assets

Particulars	Land [^]	Buildings	Total
Gross carrying amount			
Balance as at 05 June 2023	-	-	-
Additions for the period	-	-	-
Disposals for the period	-	-	-
Balance as at 01 April 2024	-	-	-
Transfer on account of Scheme*	344.23	158.11	502.34
Additions for the year	-	111.81	111.81
Disposals for the year	-	(54.67)	(54.67)
Balance as at 31 March 2025	344.23	215.25	559.48
Accumulated depreciation			
Balance as at 05 June 2023	-	-	-
Additions for the period	-	-	-
Disposals for the period	-	-	-
Balance as at 01 April 2024	-	-	-
Transfer on account of Scheme*	38.44	100.90	139.34
Amortisation for the year	7.54	40.17	47.71
Disposal for the year	-	(54.67)	(54.67)
Balance as at 31 March 2025	45.98	86.40	132.38
Net carrying amount as at 31 March 2025	298.25	128.85	427.10
Net carrying amount as at 31 March 2024	-	-	-

*Refer note no 48

[^] Includes land specifically pledged for the borrowings taken for Lohia Packaging Solutions division, refer note 43 for details.

3(b) Lease liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current	124.03	-
Current	38.13	-
Total	162.16	-

The movement in Lease liabilities (non-current and current) are as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Balance as at beginning of the year/ period	-	-
Add: Transfer on account of demerger*	61.65	-
Add: Addition for the year/ period	139.80	-
Add: Interest expense on lease liabilities	8.95	-
Less: Rent expense (total cash outflow)	(48.24)	-
Balance as at the end of the year/ period	162.16	-

*Refer note no 48

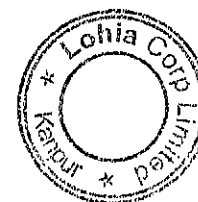
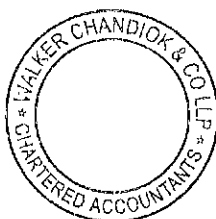
Disclosure of lease

The Company has leases for land and buildings. With the exception of short-term leases and leases with variable lease payments, each lease is reflected on the balance sheet as a right-of use asset and a lease liabilities.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right-of-use asset (ROU) can only be used by the Company. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security against the Company's other debts and liabilities. For leases over buildings, the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company must ensure items of property, plant and equipment and incur maintenance fees on such items in accordance with the lease contracts.

i) The following are amounts recognised in statement of profit and loss:

Particulars	Year ended 31 March 2025	For the period from June 5 2023 to 31 March 2024
Amortisation on right-of-use assets	47.71	-
Interest expense on lease liabilities	8.95	-
	56.66	-



ii) **Lease payments not recognised as a liabilities**

Particulars	Year ended 31 March 2025	For the period from June 5 2023 to 31 March 2024
Expenses relating to short term leases (included in other expenses)*	37.04	-
	37.04	-

*The Company has elected not to recognise a lease liabilities for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. The Company does not have any liability to make variable lease payments for the right-to-use the underlying asset recognised in the financials.

The expense relating to payments not included in the measurement of the lease liability for short term leases is ₹ 37.04 (31 March 2024: Nil)

iii) **The table below provides details regarding the contractual maturities of lease liabilities**

Particulars	As at 31 March 2025	As at 31 March 2024
Less than one years	38.13	-
One to five years	112.99	-
More than five years	11.04	-
	162.16	-

iv) **The lease table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:**

Right-of-use asset	Number of ROU assets leased	Range of remaining term (in years)	Average remaining lease term	Number of leases with extension options	Number of leases with termination options
31 March 2025					
Buildings	9	3-6	3	9	9
Land leasehold	11	15-48	30	-	-

v) **Extension and termination options**

Extension and termination options are included in a number of properties leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

vi) **No residual value guarantees in the lease contracts.**

3(c) **Net investment in sublease of right of use assets**

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current	29.05	-
Current	4.03	-
	33.08	-

Disclosure of sub lease

i) **The following is the movement in the net investment in sublease in ROU asset:**

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year/ period	-	-
Add: Transfer on account of Scheme*	4.03	-
Addition during the year/ period	33.99	-
Interest income accrued during the year/ period	0.88	-
Lease receipts	(5.82)	-
Balance at the end of the year/ period	33.08	-

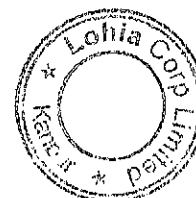
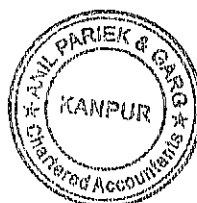
*Refer note no 48

ii) **The following are amounts recognised in statement of profit and loss:**

Particulars	Year ended 31 March 2025	For the period from June 5 2023 to 31 March 2024
Finance income from sub lease	0.88	-
	0.88	-

iii) **The table below provides details regarding the contractual maturities of net investment in sublease of ROU asset:**

Particulars	As at 31 March 2025	As at 31 March 2024
Less than one years	4.03	-
One to five years	29.05	-
More than five years	-	-
Total	33.08	-



Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited)
Corporate Identification No.: U28261UP2023PLC183476
Notes to the standalone financial statements for the year ended 31 March 2025
(All amount are in ₹ millions unless otherwise stated)

3(d) Net investment in lease of property, plant and equipment

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current	-	-
Current	-	-

Disclosure of lease

i) The following is the movement in the net investment in lease in property, plant and equipment:

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year/ period	-	-
Add: Transfer on account of Scheme*	6.09	-
Interest income accrued during the year/ period	0.41	-
Lease receipts	(1.35)	-
Less: Disposal during the year/ period	(5.15)	-
Balance at the end of the year/ period	-	-

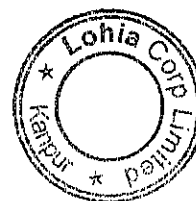
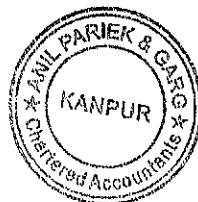
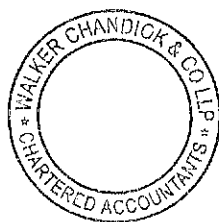
*Refer note no 48

ii) The following are amounts recognised in statement of profit and loss:

Particulars	Year ended 31 March 2025	For the period from June 5 2023 to 31 March 2024
Finance income from lease	0.41	-
	0.41	-

iii) The table below provides details regarding the contractual maturities of net investment in lease of property, plant and equipment:

Particulars	As at 31 March 2025	As at 31 March 2024
Less than one years	-	-
One to five years	-	-
More than five years	-	-
Total	-	-



4 Capital work-in-progress

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year/ period	-	-
Add: Transfer on account of Scheme*	15.36	-
Additions during the year/ period	170.59	-
Capitalisation during the year/ period	(59.23)	-
Total	126.72	-

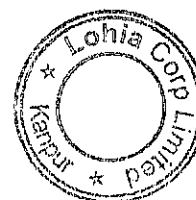
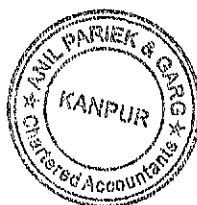
Notes:

- (i) Capital work-in-progress mainly comprises of plant and equipments as not yet installed (i.e. cost of assets not ready for use at year end).
(ii) There are no such project under capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan as of 31 March 2025 and 31 March 2024.
(iii) *Refer note no 48

Ageing for capital work-in-progress as at 31 March 2025

Project in process	Amount in capital work-in-progress for				Total [^]
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
31 March 2025	126.14	0.58	-	-	126.72
31 March 2024	-	-	-	-	-

[^]Pursuant to schema between the Company and the Lohia Trade Services Limited (LTSL) the Technical Textile Machinery Business ('Demerged Undertaking') of LTSL was demerged and transferred to the Company with effect from the Appointed date of the Scheme being 01 April 2024, for detail refer note no 48.



5 Intangible assets

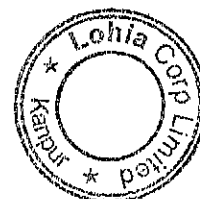
Particulars	Technical knowhow	Patents	Software	Total	Intangible assets under development
Gross carrying amount					
Balance as at 05 June 2023	-	-	-	-	-
Additions for the period	-	-	-	-	-
Disposals for the period	-	-	-	-	-
Balance as at 01 April 2024	-	-	-	-	-
Add: Transfer on account of Scheme*	59.65	10.87	99.75	170.27	-
Additions for the year	-	-	1.49	1.49	4.51
Disposals for the year	-	-	-	-	-
Balance as at 31 March 2025	59.65	10.87	101.24	171.76	4.51
Accumulated amortisation					
Balance as at 05 June 2023	-	-	-	-	-
Amortisation during the period	-	-	-	-	-
Disposals for the year period	-	-	-	-	-
Balance as at 01 April 2024	-	-	-	-	-
Add: Transfer on account of Scheme*	58.03	10.87	85.51	154.41	-
Amortisation during the year	0.44	-	6.17	6.61	-
Disposals for the year	-	-	-	-	-
Balance as at 31 March 2025	58.47	10.87	91.68	161.02	-
Net carrying amount as at 31 March 2024	-	-	-	-	-
Net carrying amount as at 31 March 2025	1.18	-	9.56	10.74	4.51

*Refer note no 48

Ageing for Intangible assets under development as at 31 March 2025

Intangible assets under development	Amount in intangible assets under development for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
31 March 2025	4.51	-	-	-	4.51
31 March 2024	-	-	-	-	-

Note: There is no project whose completion is overdue or has exceeded its cost compared to its original plan.



6 Non current investments

Name of the Company	Principal place of business	Proportion of ownership	Face value (₹, unless otherwise stated)	As at		As at	
				31 March 2025	31 March 2024	31 March 2025	31 March 2024
				Number of shares		Amount	

(i) Investment in equity instruments (fully paid-up, unquoted- at cost)

Investment in subsidiaries companies[^]

Leesona Corp, USA	USA	100%	\$1	15,000,000	-	104.27	-
Lohia Global Solutions FZE, UAE	Dubai	100%	AED 1000	500	-	9.99	-
LDB Importacao E Exportacao Ltda, Brazil	Brazil	100%	R\$ 1	2,000,000	-	17.56	-
Sundaram Industries Private Limited	India	80%	10	80,000	-	0.80	-
OMGM Extrusionechnik SRL, Italy	Italy	60%	EUR 1	501,000	-	44.87	-
Leesona Machinery Private Limited	India	100%	₹ 10	1,000	-	0.10	-
Less: Impairment loss in value of investments in subsidiaries [^]						(1.40)	-
						176.19	-

[^]Refer note no 48

[^]Pertains to LDB Importacao E Exportacao Ltda, Brazil

Total non-current investments						177.59	-
Less: Impairment loss in value of investments in subsidiaries						1.40	-
Total non-current investments (net of provision for diminution in value of investments)						176.19	-

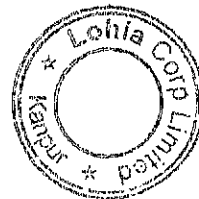
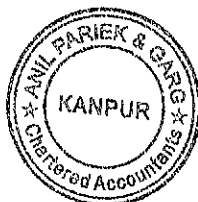
Aggregate amount of unquoted investments						177.59	-
Aggregate amount of impairment in value of investments						(1.40)	-

Provision for impairment loss in value of investments in subsidiaries

Opening Provision as at the beginning of the year/ period						-	-
Add: Transfer on account of scheme [^]						9.29	-
Add: Addition during the year/ period						-	-
Less: Provision reversed/ actualised during the year/ period [*]						7.89	-
Closing provision at the end of the year/ period						1.40	-

[^]Refer note no 48

^{*} As per the Scheme of arrangement between Lohia Trade Services Limited and the Company, the Company received a control over subsidiary namely "Lohia Global Solutions S.A., Panama" which has been dissolved during the year, therefore the provision related to the same has been written off.



	As at 31 March 2025		As at 31 March 2024	
7 Loans				
(Unsecured, considered good unless otherwise stated)	Non-current	Current	Non-current	Current
Loans to related parties (refer note 39)	-	178.50	-	-
Loans to employees*	4.76	6.68	-	-
Credit impaired				
Loans to related parties (refer note 39)	97.28	13.08	-	-
Less: Impairment on loan	(97.28)	(13.08)	-	-
	4.76	185.18	-	-

*These loans given to employees are as per terms specified in policies of the Company.

There are no debts due by directors or other officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

Breakup for loan receivable:

Loans receivables considered good - unsecured;	4.76	185.18	-	-
Loans receivables which have significant increase in credit risk;	-	-	-	-
Loans receivables - credit impaired	97.28	13.08	-	-
Less: Impairment on loan	(97.28)	(13.08)	-	-
	4.76	185.18	-	-

Note:

Loans are granted to promoter, directors, KMP's and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other persons, that are repayable on demand.

31 March 2025^

Type of borrower	Amount of loan outstanding	Percentage to the total loans
Promoter	-	-
Directors	-	-
KMP's	-	-
Related parties	191.58	66.32%

31 March 2024^

Type of borrower	Amount of loan outstanding	Percentage to the total loans
Promoter	-	-
Directors	-	-
KMP's	-	-
Related parties	-	-

Terms of loans receivable as on 31 March 2025^

S no.	Name of the parties	Nature	Interest rate	Tenure of repayment	Purpose	Non-current	Current
1	Lohia Global Solutions FZE, UAE	Related party	7.50%	Repayable in FY 2027-2028	To meet operating expenditure requirements	97.28	-
2	LDB Importacao E Exportacao Ltda, Brazil	Related party	7.50%	Repayable on demand	To meet operating expenditure requirements	-	13.08
3	Sundarlam Industries Private Limited	Related party	10.00%	Repayable on demand	To meet the working capital requirements	-	178.50
						97.28	191.58

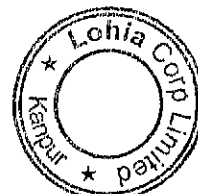
^ Amounts are before impairment for loan

	As at 31 March 2025		As at 31 March 2024	
8 Other financial assets	Non-current	Current	Non-current	Current
(Unsecured, considered good unless otherwise stated)				
At amortised cost				
Security deposits	47.42	2.77	-	0.01
Bank deposits with more than twelve months maturity	0.66	-	-	-
Bank deposits with remaining maturity of less than 12 months (including interest accrued thereon)	-	4.95	-	-
Net investment in sublease of right of use assets (refer note 3(c))	29.05	4.03	-	-
Export incentives recoverable	-	299.39	-	-
Less: Loss allowance	-	(3.89)	-	-
Others*	-	14.03	-	-
	77.13	321.28	-	0.01

*Receivable from related party ₹ 10.39 (31 March 2024: Nil), refer note no. 39

	As at 31 March 2025		As at 31 March 2024	
9 Tax assets	Non-current	Current	Non-current	Current
Income tax (net of provision)*	8.48	123.26	-	-
	8.48	123.26	-	-

* Includes ₹ 124.65 receivables from Lohia Trade Services Limited, pursuant to hon'ble NCLT order dated 16 April 2024 (further refer note no. 48 for details).



10 Other assets (Unsecured, considered good unless otherwise stated)	As at 31 March 2025		As at 31 March 2024	
	Non-current	Current	Non-current	Current
Capital advances	26.30	-	-	-
Less: Provision for doubtful advances	(2.60)	-	-	-
Advance to trade suppliers	-	212.50	-	0.00
Less: Provision for doubtful advances	-	(27.20)	-	-
Advances to employees	-	10.59	-	-
Prepaid expenses	2.53	86.11	-	0.01
Balances with government authorities	-	198.05	-	0.00
Others	-	15.95	-	-
	26.23	496.00	-	0.01

11 Inventories (valued at lower of cost or net realisable value, unless otherwise stated)	As at 31 March 2025		As at 31 March 2024	
Raw materials		1,163.80		-
Work-in-progress		699.55		-
Finished goods		277.82		-
Stock-in-trade		10.36		-
Stores and spares		100.44		-
Goods in transit				-
Raw materials		167.17		-
Finished goods		180.18		-
		2,599.32		-

Includes provision for slow and non moving inventory ₹ 125.00 (31 March 2024: Nil), these were recognised as an expense during the year and included under 'cost of material consumed' in standalone statement of profit and loss.

Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

Note: Inventory is pledged as security (Refer note no 43)

12 Trade receivables	As at 31 March 2025		As at 31 March 2024	
	Non current	Current	Non current	Current
(a) Trade receivables considered good - secured;	-	-	-	-
(b) Trade receivables considered good - unsecured;	-	1,225.17	-	-
(c) Trade receivables which have significant increase in credit risk;	-	-	-	-
(d) Trade receivables - credit impaired.	-	87.35	-	-
Less: Allowance for expected credit losses	-	(87.35)	-	-
	-	1,225.17	-	-

Note: Trade receivables includes receivables from related parties (Refer note 39).

Ageing for trade receivable - outstanding as at 31 March 2025

Particulars	Outstanding for following periods from due date						Total*
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
Considered good	281.31	692.10	95.91	155.85	-	-	1,225.17
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	54.97	0.46	15.45	6.09	10.38	87.35
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Total trade receivables	281.31	747.07	96.37	171.30	6.09	10.38	1,312.52
Less: Allowance for expected credit losses							(87.35)
							1,225.17

*Pursuant to scheme between the Company and the Lohia Trade Services Limited (LTSL) the Technical Textile Machinery Business ('Demerged Undertaking') of LTSL was demerged and transferred to the Company with effect from the Appointed date of the Scheme being 01 April 2024, for detail refer note no 48.

Note: There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

Ageing for trade receivable - outstanding as at 31 March 2024

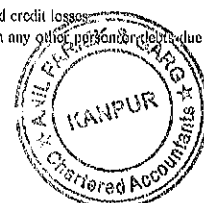
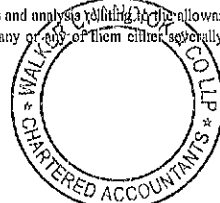
Particulars	Outstanding for following periods from due date						Total
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Total trade receivables	-	-	-	-	-	-	-
Less: Allowance for expected credit losses							-
							-

The net carrying value of trade receivables is considered a reasonable approximation of fair value.

The credit period given to the customer ranges from 30 to 90 days.

Note no. 41 includes disclosures relating to the credit risk exposures and analysis relating to the allowance for expected credit losses.

There are no debts due by directors or other officers of the Company or any of them either severally or jointly with any other persons or debts due by firms or private companies respectively in which any director is a partner or a director or a member.



	As at 31 March 2025	As at 31 March 2024
13 Cash and cash equivalents		
Balances with banks*		
-On current accounts	216.94	0.00
-On DBFC accounts	14.61	-
Balances in deposits with original maturity of less than three months	10.50	-
Cash on hand	1.55	-
	<u>243.60</u>	<u>0.00</u>

*Includes ₹ 15.23 that are still appearing in the name of Lohia Trade Services Limited. However, this balance has been controlled and operated by the Company pursuant to the Hon'ble NCLT order dated 16 April 2024, refer note no. 48 for detail.

14 Equity share capital

The authorised, issued, subscribed and fully paid-up share capital comprises of equity shares having a par value of ₹ 1 each as follows :

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
Authorised share capital				
At the beginning of the year/ period	1,000,000	1.00	-	-
Add: Increase in authorised share capital	-	-	1,000,000	1.00
Add: Increase in authorised share capital*	250,000,000	250.00	-	-
Outstanding at the end of the year/ period	251,000,000	251.00	1,000,000	1.00
Issued, subscribed and fully paid				
At the beginning of the year/ period	100,000	0.10	-	-
Add: Equity shares issued/(bought back) during the period	-	-	100,000	0.10
Add: Increase in the equity share capital during the year/ period^	105,650,000	105.65	-	-
Less : Cancellation of the initial equity share capital during the year/ period^	(100,000)	(0.10)	-	-
Outstanding at the end of the year/ period	105,650,000	105.65	100,000	0.10

a. Reconciliation of equity capital outstanding at the beginning and at the end of the reporting period :

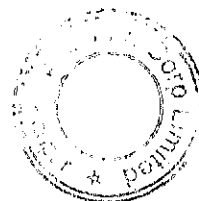
Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of Shares	Amount	Number of Shares	Amount
At the beginning of the year/ period	100,000	0.10	-	-
Add: Equity shares issued/(bought back) during the period	-	-	100,000	0.10
Add: Increase in the equity share capital during the year/ period^	105,650,000	105.65	-	-
Less : Cancellation of the initial equity share capital during the year/ period^	(100,000)	(0.10)	-	-
Outstanding at the end of the year/ period	105,650,000	105.65	100,000	0.10

* Pursuant to the resolutions passed at extra ordinary general meeting held on 15 May 2024, authorised share capital of the Company has been increased by 125,000,000 equity shares having face value of ₹ 1 each and further increase by 125,000,000 equity shares having face value of ₹ 1 each pursuant to resolution passed at extra ordinary general meeting held on 31 March 2025.

^ Refer note no 48

b. The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital

The Company has one class of equity shares having a par value of ₹1 each. Each shareholder is eligible for one vote per share held. The Company declares and pays dividend in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.



Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited)
Corporate Identification No.: U28261UP2023PLC183476
Notes to the standalone financial statements for the year ended 31 March 2025
(All amount are in ₹ millions unless otherwise stated)

c. Numbers of shares held by each shareholder holding more than 5% shares in the Company	As at 31 March 2025		As at 31 March 2024	
	% of share	Number of Shares	% of share	Number of Shares
Mr Raj Kumar Lohia	55.47%	58,602,705	-	-
Mr Gaurav Lohia	9.64%	10,185,000	-	-
Mr Amit Kumar Lohia	9.58%	10,117,375	-	-
Lohia Trade Services Limited	7.21%	7,613,422	100.00%	100,000
	81.89%	105,460,000	100.00%	100,000

d. Disclosure of shareholding of promoters

Promoter Name	Shares held by promoters				
	As at 31 March 2025		As at 31 March 2024		% change during the year
	No. of Shares	% Holding	No. of Shares	% Holding	
Mr. Raj Kumar Lohia	58,602,705	55.47%	-	0.00%	55.47%
Mr. Amit Kumar Lohia	10,117,375	9.58%	-	0.00%	9.58%
Ms. Neel Lohia	1,025,000	0.97%	-	0.00%	0.97%
Ms. Ritu Lohia	3,342,500	3.16%	-	0.00%	3.16%
Mr. Gaurav Lohia	10,185,000	9.64%	-	0.00%	9.64%
Lohia Trade Services Limited	-	-	100,000	100.00%	-100.00%
	83,272,580	78.82%	-	0.00%	78.82%

- e. No shares have been issued as bonus shares or issued for consideration other than cash or bought back during the current and period of immediately preceding the reporting date other than as disclosed in point f below.
- f. Pursuant to the Scheme of arrangement between the Company and Lohia Trade Services Limited "LTSL", the Company has issued equity shares in lieu of assets and liabilities transferred from Demerged Undertaking of LTSL. Refer note no 48.

15 Other equity	As at 31 March 2025	As at 31 March 2024
Capital reserve	2,605.30	-
Retained earnings	1,207.75	(0.09)
Cash flow hedging reserve	0.79	-
	3,813.84	(0.09)
a. Capital reserve		
Balance at the beginning of the year/ period	-	-
Add: Transfer on account of Scheme*	2,605.30	-
Balance at the end of the year/ period	2,605.30	-
b. Retained earnings		
Balance at the beginning of the year/ period	(0.09)	-
Add:- Profit for the year/ period	1,186.25	(0.09)
Add:- Other comprehensive income for the year (net of tax)	21.59	-
Balance at the end of the year/ period	1,207.75	(0.09)
c. Cash flow hedging reserve		
Balance at the beginning of the year/ period	-	-
(Loss) / add : Movement during the year/ period	1.06	-
Income tax related to above	(0.27)	-
Balance at the end of the year/ period	0.79	-
Total	3,813.84	(0.09)

*Refer note no 48

Description of reserves:

Capital reserve

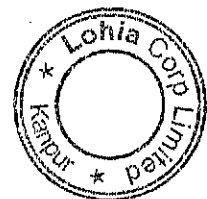
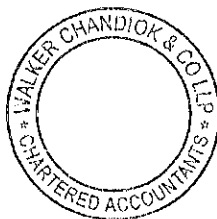
Capital reserve represents reserve created on consequent to the Scheme of arrangement with Lohia Trade Services Limited (formerly known as Lohia Corp Limited), refer note 48

Retained earnings

All the profits or losses made by the Company are transferred to retained earnings from standalone statement of profit and loss.

Cash flow hedging reserve

The cash flow hedging reserve is used to recognise the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges, as described in note 1.17. Amounts are subsequently reclassified to profit or loss.



	As at 31 March 2025	As at 31 March 2024
16 Borrowings		
At amortised cost		
Secured		
Term loans from bank	1,556.50	-
Less: Current maturities of long term debts (refer note 19)	(693.60)	-
	862.90	-

Refer note 41 for disclosure of fair analysis of their maturity profiles.

The Company has not defaulted in repayment of interest during the current year. Further, there have been no default in repayment of loan and no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

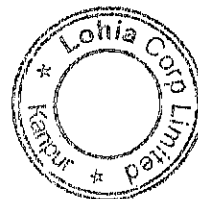
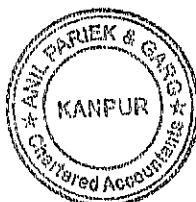
There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

The borrowings obtained by the Company from banks have been applied for the purposes for which such loans were taken.

Refer note 34 for net debt reconciliation.

Terms of borrowings

S no.	Nature of loan and securities	Terms of repayment
1	Foreign currency term loan from Federal Bank of US\$ 6.25 million (Equivalent ₹ 530.05) (availed amount 10.00 Million) secured by specific plant & machineries.	Principal amount being repayable in 24 quarterly installments of US\$ 0.42 Million each starting from 23 March 2023. Rate of interest at 2.65% p.a. payable monthly.
2	Project term loan of ₹ 65.58 (availed amount ₹ 299.00 against sanctioned amount of ₹ 450.00 and it was taken in two tranches of ₹250.00 and ₹49.00) from HDFC Bank for 31 March 2025. Further repayable in equal 5 quarterly installments of ₹9.30 each from 30 June 2025. financing of project for manufacturing of plastic woven fabrics/bags situated at C-3 & C-4 Paniki Industrial Estate, Kanpur. Secured by exclusive charge on immovable and movable fixed assets and current assets of the project Lohia Packaging Solutions situated at C-3 & C-4 Paniki Industrial Estate, Kanpur.	a) Principal amount is repayable in 16 quarterly installments of ₹ 12.71 each from 30 September 2021 to 30 September 2025. Rate of interest at 1 year MCLR + 30 bps currently being 7.95% p.a. (reset every year). b) Principal amount is repayable in 24 quarterly installments of ₹ 2.00 each from 30 September 2021 to 30 September 2025. Rate of interest at 1 year MCLR + 30 bps currently being 7.95% p.a. (reset every year).
3	Term loan of ₹ 290.55 (availed amount ₹ 1100.00) from HDFC Bank taken in 2 tranches a) Principal amount of ₹ 850.00 has been repaid in 16 quarterly installments amounting to ₹ 638.50 of ₹ 850.00 and ₹ 250.00. Secured by hypothecation of specific plant & machinery plus extension of charge of immovable assets.	b) Term loan of ₹ 250.00 has been repaid in 11 quarterly installments amounting to ₹ 171.90 with remaining amount being repayable in 5 quarterly installments of ₹ 15.63 each. Rate of interest rate at 6.90% p.a. and 6.75% p.a. payable monthly. Term loans have been swapped into EURO through a INR to EURO currency swap at fixed EURIBOR of 1.2% p.a. & 1.35% p.a. respectively.
4	Term loan of ₹ 450.32 (availed amount ₹ 663.00 against sanctioned amount of ₹ 750.00) Tranche 1: Principal amount being repayable in 20 quarterly installments of ₹ 16.00 each starting from 15 June 2023, from HDFC bank taken in 3 tranches of ₹320.00, ₹200.00 and ₹ 143.00 secured by specific plant & machineries.	Rate of interest at 6.25% p.a. payable monthly. Tranche 2: Principal amount being repayable in 19 quarterly installments of ₹ 10.52 each starting from 30 September 2023. Rate of interest at 3 month T Bill + 120 Bps Currently being 7.67%. Tranche 3: Principal amount being repayable in 13 quarterly installments of ₹ 11.00 each starting from 31 March 2023. Rate of interest at 3 month T Bill + 120 Bps Currently being 7.67%.
5	Term loan from Axis Bank of ₹ 220.00 (availed amount ₹ 400.00) secured by specific plant & machineries.	Principal amount being repayable in 20 quarterly installments of ₹ 20.00. Rate of interest at 6% p.a. payable monthly. Term loans have been swapped into USD through a INR to USD currency swap at fixed USDIBOR of 2.1% p.a.



	As at 31 March 2025		As at 31 March 2024	
18 Other liabilities	Non Current	Current	Non Current	Current
Deferred income - government grant*	67.38	34.41	-	-
Revenue received in advance**	191.16	1,554.82	-	-
Statutory liabilities	-	57.09	-	-
	<u>258.54</u>	<u>1,646.32</u>	<u>-</u>	<u>-</u>

*The Company has recognised grant in respect of duty saved on procurement of capital goods under EPCG scheme of central Government. Under EPCG Scheme the Company has an export obligation equivalent to 6 times of duties, taxes and cess saved on capital goods procured, to be fulfilled in 6 years reckoned from date of authorisation. The expected export obligations required to be fulfilled in future years as at 31 March 2025 is ₹ 215.09 (31 March 2024: Nil)

**The revenue received in advance represents contract liability balance outstanding as at the respective dates. The revenue received in advance outstanding as at 1 April 2024 were recognised to the extent of revenue satisfaction of the associated performance obligations during the period ended 31 March 2025.

	As at 31 March 2025	As at 31 March 2024
19 Borrowings		
At amortised cost		
Secured		
Short term borrowings from banks	156.38	-
Bank overdraft (Cash credit facility)	97.03	-
Current maturities of long term borrowings from bank*	<u>693.60</u>	<u>-</u>
	<u>947.01</u>	<u>-</u>

*Refer note 16 for details.

Refer note 41 for disclosure of fair analysis of their maturity profiles.

The Company has not defaulted in repayment of interest during the current year. Further, there have been no default in repayment of loan and no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

The borrowings obtained by the Company from banks have been applied for the purposes for which such loans were taken.

Refer note 34 for net debt reconciliation.

Terms of borrowings

S no.	Nature of loan and securities	Terms of repayment	31 March 2025	31 March 2024
1	Short term borrowing from State Bank of India in form of Export Packing Credit. Secured by entire current assets of the Company (both present & future) excluding investment in Mutual Funds and other financial securities.	At fixed rate of interest of 7.9%	156.38	-
2	Short term borrowing from State Bank of India in form of Cash Credit. Secured by entire current assets of the Company (both present & future).	Repayable on demand. Rate of interest at 15 basis points above 3 month MCLR, applicable rate being 8.70% p.a. as on 31 March 2025 (31 March 2024: Nil)	97.03	-
			<u>253.41</u>	<u>-</u>

	As at 31 March 2025	As at 31 March 2024
20 Trade payables		
(a) Total outstanding dues of micro and small enterprises;	251.79	-
(b) Total outstanding dues of other than (a) above	<u>809.14</u>	<u>0.01</u>
	<u>1,060.93</u>	<u>0.01</u>

Trade payables includes payables to related parties amounting ₹ 107.34 (refer note 39D)

All amounts are short-term. The carrying values of trade payables are considered to be a reasonable approximation of fair value.

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 30-60 days terms.
- For information on financial risk objectives and policies, Refer Note 41.

Ageing for trade payable - outstanding as at 31 March 2025 is as follows:

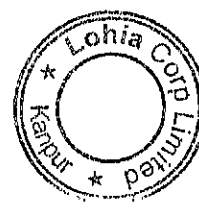
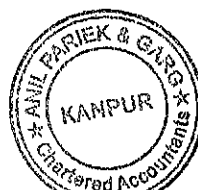
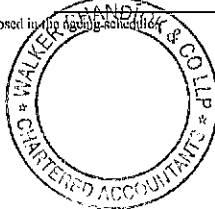
Particulars	Outstanding for following periods from due date						Total*
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Outstanding due to micro enterprises and small enterprises	-	232.84	17.9	0.57	0.45	0.03	251.79
Others	163.19	517.78	115.76	3.26	5.59	3.56	809.14
Disputed trade payables							
Outstanding due to micro enterprises and small enterprises	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
	<u>163.19</u>	<u>750.62</u>	<u>133.66</u>	<u>3.83</u>	<u>6.04</u>	<u>3.59</u>	<u>1,060.93</u>

*Pursuant to scheme between the Company and the Lohia Trade Services Limited (LTSL) the Technical Textile Machinery Business ("Demerged Undertaking") of LTSL was demerged and transferred to the Company with effect from the Appointed date of the Scheme being 01 April 2024, for detail refer note no 48.

Ageing for trade payable - outstanding as at 31 March 2024 is as follows:

Particulars	Outstanding for following periods from due date					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
Outstanding due to micro enterprises and small enterprises	-	0.01	-	-	-	0.01
Others	-	-	-	-	-	-
Disputed trade payables						
Outstanding due to micro enterprises and small enterprises	-	-	-	-	-	-
Others	-	-	-	-	-	-
	-	<u>0.01</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.01</u>

Note: There are no unbilled trade payables, hence the same is not disclosed in the ageing schedule.



The following disclosures are required under Section 22 of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

	As at 31 March 2025	As at 31 March 2024
(n) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
(i) Principal amount*	260.71	-
(ii) Interest due on above	1.00	-
(b) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	1.00	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	1.00	-

*includes Capital creditors of ₹ 8.92 (31 March 2024: ₹ Nil)

Note: The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

	As at 31 March 2025	As at 31 March 2024
21 Other financial liabilities		
Employee benefits payables	180.44	-
Derivative liabilities (net)	39.05	-
Capital creditors*	14.87	-
	<u>234.36</u>	<u>-</u>

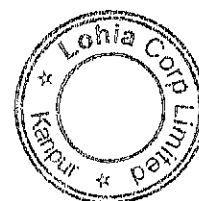
*includes dues to micro and small enterprises of ₹ 8.92 (31 March 2024: ₹ Nil)

Note: There are no amounts due for payment to the Investor Education and Protection Fund (IEPF) under section 125 of the Companies Act, 2013 as at the period end.

	As at 31 March 2025	As at 31 March 2024
22 Provisions		
Provision for warranties (refer note 37)	89.63	-
	<u>89.63</u>	<u>-</u>

Warranty provisions relate to claims by customers for which customers are covered for the cost of repairs. These claims are expected to be settled in the next financial year. Management estimates the provision based on historical warranty claim information of the Demerged Undertaking and any recent trends that may suggest future claims could differ from historical amounts.

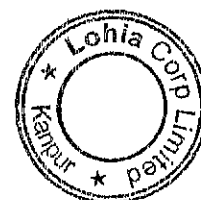
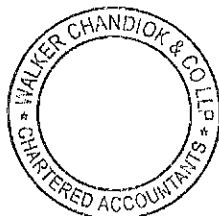
	As at 31 March 2025	As at 31 March 2024
23 Current tax liabilities		
Provision for income tax	24.94	-
	<u>24.94</u>	<u>-</u>



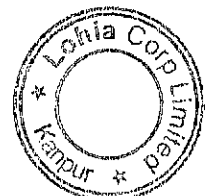
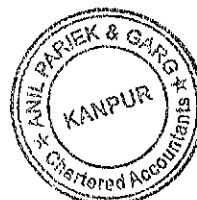
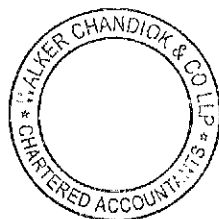
Particulars	As at 31 March 2025	As at 31 March 2024
17 Deferred tax		
Deferred tax liabilities	197.88	-
Deferred tax assets	128.53	-
	69.35	-
Deferred tax liabilities (net)		
a Recognition of deferred tax assets and liabilities		
Deferred tax liabilities		
Property, plant and equipment	164.95	-
Right-of-use assets	32.43	-
Cash flow hedge	0.27	-
Others	0.23	-
Total deferred liabilities	197.88	-
Deferred tax assets		
Provision for doubtful debts and advances	57.58	-
Impairment losses on non-current investment	0.32	-
Provision for warranties	22.56	-
Lease liabilities	40.81	-
Provision for employee benefits	7.26	-
Total deferred tax assets	128.53	-
Net deferred tax liabilities	69.35	-

Particulars	As at 31 March 2024	Transfer on account of Scheme*	Recognised in profit and loss	Recognised in other comprehensive income	Tax pertaining to earlier years	As at 31 March 2025
b Movement in deferred tax balances						
Deferred tax assets						
Provision for doubtful debts and advances	-	25.57	32.01	-	-	57.58
Impairment losses on non-current investment	-	2.13	(1.81)	-	-	0.32
Provision for warranties	-	20.13	2.43	-	-	22.56
Lease liabilities	-	15.51	25.30	-	-	40.81
Provision for employee benefits	-	4.94	9.58	(7.26)	-	7.26
Sub total (a)	-	68.28	67.51	(7.26)	-	128.53
Deferred tax liabilities						
Property, plant and equipment	-	162.19	2.76	-	-	164.95
Right-of-use assets	-	14.40	18.03	-	-	32.43
Cash flow hedge	-	-	-	0.27	-	0.27
Others	-	0.36	(0.13)	-	-	0.23
Sub total (b)	-	176.95	20.66	0.27	-	197.88
Net deferred tax liabilities (b)-(a)	-	108.67	(46.85)	7.53	-	69.35

*Refer note 16-18



	Year ended 31st March 2025	For the period from 5 June 2023 to 31 March 2024
24 Revenue from operations		
Revenue from contracts with customers*		
Sale of manufacturing goods	11,903.09	-
Sale of traded goods	882.31	-
Sale of services	36.93	-
Other operating revenues	278.71	-
	13,101.04	-
*Refer note no 36 for the breakup of domestic and overseas revenue.		
a. Details of performance obligation associated with revenue recognition		
Satisfaction of performance obligations		
The Company's revenue is derived from the single performance obligation to transfer products. Revenue from sale of products is recognised when control of the products has transferred, being when the goods are made available to the carrier or the buyer has taken the possession of the goods, depending on the delivery terms, the risk of loss has been transferred and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.		
b. Variable considerations associated with such sales		
The customer incentive is recognised based on purchases made by the customers and contractors in line with ongoing schemes and incentive programmes rolled out by the Company. Revenue are net of incentives to customers and contractors amounting to ₹ 58.00 (31 March 2024: Nil)		
i Reconciliation of revenue recognised with contract price		
Contract price	12,898.62	-
Adjustments:		
Sales return	(18.29)	-
Robates & discounts	(58.00)	-
Revenue from operations	12,822.33	-
ii Contract balances		
Trade receivables (Refer note no 12)	1,225.17	-
Revenue received in advance (Refer note no 18)	1,745.98	-
iii Revenue recognised in relation to contract liabilities^a		
a. Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period ^a	1,253.71	-
b. Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous period	-	-
c. Revenue expected to be recognised in the next year that is included in the contract liability balance at the end of the year.	1,554.82	-
^a The significant increase in contract liabilities in current year is mainly due to advances received during the year, for which orders has been received during the year.		
*Refer note no. 48		
c. Breakup of other operating revenues		
Scrap sales	106.60	-
Export Incentives	163.07	-
Others	9.04	-
	278.71	-
d. There is no significant estimate involved in the recognition of revenue from contract.		
25 Other income		
Interest income from financial assets carried at amortised cost	27.91	-
Gain on foreign currency (net)	11.81	-
Net gain on sale of current investments	10.19	-
Income from government grants	57.58	-
Liabilities/provisions no longer required written back	18.77	-
Miscellaneous income	1.48	-
	127.74	-
Interest income comprises of :-		
Interest on bank deposits	0.37	-
Interest on loans	21.72	-
Finance income from Lease/sub lease	1.29	-
Interest income from financial asset other than above	4.53	-
	27.91	-
26 Cost of materials consumed		
Raw material at the beginning of the year/ period	-	-
Add: Transfer on account of Scheme*	1,284.60	-
Add: Purchases during the year/ period	6,449.86	-
Less: Raw material at the end of the year/ period	(1,330.97)	-
Total cost of materials consumed	6,403.49	-
*Refer note 48		



Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited)
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27 Changes in inventories of finished goods, work in progress and stock-in-trade

Closing stock:		
Work in progress	699.53	-
Finished goods	458.00	-
Stock-in-trade	10.36	-
	<u>1,167.91</u>	<u>-</u>
Opening stock:		
Transfer on account of Scheme*		
Work in progress	774.13	-
Finished goods	491.76	-
Stock-in-trade	-	-
	<u>1,265.89</u>	<u>-</u>
	<u>97.98</u>	<u>-</u>

*Refer note 48

	Year ended 31st March 2025	For the period from 5 June 2023 to 31 March 2024
28 Employee benefits expenses		
Salaries and wages	1,352.78	-
Contributions to provident and other funds (Refer note 38)	152.40	-
Staff welfare expenses	54.00	-
	<u>1,559.18</u>	<u>-</u>
29 Finance costs		
Interest expenses on borrowings	116.73	-
Interest on lease liability	8.95	-
Interest on delayed payment of income tax	8.53	-
Interest on others	0.53	-
	<u>134.74</u>	<u>-</u>
30 Depreciation and amortisation expenses		
Depreciation on property, plant and equipment	427.82	-
Amortisation of right-of-use assets	47.71	-
Amortisation of intangible assets	6.61	-
	<u>482.14</u>	<u>-</u>
31 Other expenses		
Consumption of stores and spares	129.24	-
Power and fuel	212.87	-
Repairs and maintenance to -		-
Plant and equipments	69.50	-
Buildings	20.31	-
Others	81.86	-
Telecommunication expenses	14.34	-
IT support and maintenance	119.27	-
Rent charges	37.04	-
Rates and taxes	16.85	-
Legal and professional charges	221.32	0.01
Travelling and conveyance	153.50	-
Insurance	18.05	-
Commission on sales	222.77	-
Freight and forwarding expenses	329.93	-
Warranty expenses (refer note 37)	79.02	-
Provision for doubtful loans and advances*	112.28	-
Provision for expected credit loss on trade receivables	17.72	-
Bad debts written off	11.65	-
Payment to auditors (refer note 31(a))	9.05	0.01
Vehicle running and maintenance	66.96	-
Advertisement and marketing expenses	67.42	-
Bank charges	15.40	-
Net loss on disposal of property, plant and equipment	3.81	-
Miscellaneous expenses**	101.14	0.07
	<u>2,131.30</u>	<u>0.09</u>

*Excluding Non-current investment written off amounting to ₹ 7.09 (31 March 24: Nil).

**Miscellaneous expenses include ₹ 0.70 (31 March 24: Nil) paid to non executive directors for sitting fees and commission.

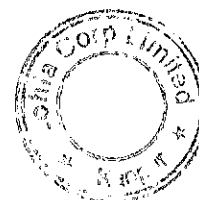
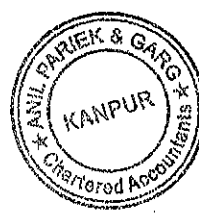
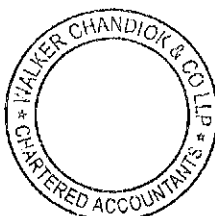
31 (n) Payment to auditors (excluding goods and service tax)

As auditors:		
Statutory audit	4.70	0.01
For taxation matters	0.50	-
Certification and other services	3.63	-
Out of pocket expenses	0.22	-
	<u>9.05</u>	<u>0.01</u>

31 (b) Expenditure incurred on corporate social responsibilities

As per Section 135 of the Companies Act, 2013, Every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year shall spend in every financial year, at least two percent of the average net profits of the company made during the three immediately preceding financial years.

Since, the Company was incorporated on 05 June 2023 and has no operation in previous period, hence, the Company does not meet either of the criteria as provided in the section 135 of the Companies Act, 2013. Thus, the liability as provided under section 135 is not applicable.



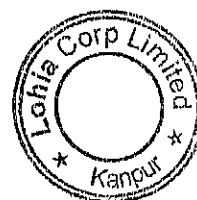
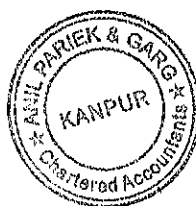
	Year ended 31st March 2025	For the period from 5 June 2023 to 31 March 2024
32 A- Income tax recognised in statement of profit and loss		
Current tax		
Current tax on profits for the year/ period	444.77	-
Total current tax expense	<u>444.77</u>	<u>-</u>
Deferred tax		
Increase in deferred tax assets	(67.51)	-
Increase in deferred tax liabilities	20.66	-
Total deferred tax benefit	<u>(46.85)</u>	<u>-</u>
Income tax expense	<u>397.92</u>	<u>-</u>
B. Reconciliation of tax		
Profit/(loss) before tax	1,584.17	(0.09)
Effective tax rate	25.168%	25.168%
Current tax expense on profit before tax at the effective income tax rate in India	<u>398.70</u>	<u>(0.02)</u>
Others	<u>(0.78)</u>	<u>0.02</u>
	<u>397.92</u>	<u>(0.00)</u>

33 Earnings per share

The Company's earnings per share is determined based on the net profit attributable to the shareholders of the Company. Basic earnings per share is computed using the weighted average number of shares outstanding during the period. Diluted earnings/(loss) per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the period, except where the result would be anti-dilutive.

Net profit attributable to the equity shareholders	1,186.25	(0.09)
Number of equity shares at the beginning of the year/ period (absolute)	100,000	-
Total number of shares outstanding at the end of the year/ period (absolute)*	105,650,000	100,000
Weighted average number of shares used in basic earning per share (absolute)	85,985,890	100,000
Weighted average number of shares used in diluted earning per share (absolute)	85,985,890	100,000
Basic earning per share (₹)	13.80	(0.90)
Diluted earning per share (₹)	13.80	(0.90)
Nominal value of equity share (₹)	1.00	10

*Refer note no. 48



Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited)
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(All amount are in ₹ millions unless otherwise stated)

34 Net debt reconciliation

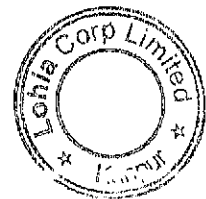
Particulars	As at 31 March 2025	As at 31 March 2024
Borrowings	1,809.91	-
Lease liabilities	162.16	-
Cash and cash equivalents	243.60	0.00
Net debt	1,728.47	(0.00)

Particulars	Cash and cash equivalents	Liabilities from financing activities			Total
		Non current borrowings*	Current borrowings	Lease liabilities	
Net debt as at 01 April 2024	-	-	-	-	-
Transferred on account of Scheme^	98.11	2,105.62	573.57	61.65	2,642.73
Cash flows (net)	144.24	(693.38)	(417.19)	(48.24)	(1,303.05)
Addition	-	143.00	97.03	139.80	379.83
Non cash movement	1.25	1.26	-	8.95	8.96
Net debt as at 31 March 2025	243.60	1,556.50	253.41	162.16	1,728.47

Particulars	Cash and cash equivalents	Liabilities from financing activities			Total
		Non current borrowings	Current borrowings	Lease liabilities	
Net debt as at 05 June 2023	-	-	-	-	-
Cash flows (net)	0.00	-	-	-	(0.00)
Addition	-	-	-	-	-
Interest expenses	-	-	-	-	-
Non cash movement	-	-	-	-	-
Net debt as at 31 March 2024	0.00	-	-	-	(0.00)

*Non-current borrowings includes current maturity of ₹ 693.60 (31 March 2024: Nil) and interest accrued.

^ Refer note no 48



	As at 31 March 2025	As at 31 March 2024
--	------------------------	------------------------

35 Contingent liabilities, contingent assets and commitments :

a. Claims against the Company not acknowledged as debts[^]	46.62	-
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The Company is contesting certain claims filed against the Company by past employees and external parties in various forums. Based on the available documentation and expert views, the Company has created provisions wherever required and for balance matters, it believes that more likely than not, these disputes would not result in additional outflow of resources.

[^]Includes cases which was transferred to the Company pursuant to hon'ble NCLT order dated 16 April 2024, refer note no 48.

b. Contingent liability of direct and indirect tax[^]		
(i) GST matters (Refer note 'a' below)	17.12	-
(ii) Income tax (Refer note 'b' below)	0.17	-

a) The Company has received Show cause cum Demand notice received from DGGI (Directorate General of GST Intelligence) – Mumbai Zonal Unit on 31 March 2023, against which Company has filed reply on 28 April 2023. The order dated 31 January 2025 has confirmed the penalty of ₹17.12, the Company is contesting the case and has filed an appeal with the appellate authority. Based on the available documentation and tax experts view, the Company believes that more likely than not, these disputes would not result in additional outflow of resources.

b) The Company has received order u/s 144C(1) of the Income tax act, 1961 amounting to ₹0.67 against which the Company has filed an objection before Hon'ble Dispute Resolution Panel on 19 January 2024. Based on the available documentation and tax experts view, the Company believes that more likely than not, these disputes would not result in additional outflow of resources.

[^]Includes cases which was transferred to the Company pursuant to hon'ble NCLT order dated 16 April 2024, refer note no 48.

c. Capital and other commitments		
Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for	54.23	-

d. Corporate guarantees given[^]		
The Company has issued corporate guarantee aggregating to ₹ 413.00 (31 March 2024: Nil) on behalf of its subsidiary company Loosona Corp, USA to HSBC bank for the purpose of credit facility taken by the subsidiary.		

[^]Includes guarantee which was transferred to the Company pursuant to hon'ble NCLT order dated 16 April 2024, refer note no 48.

e. There are no contingent assets as at 31 March 2025 and 31 March 2024.		
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36 Segment reporting :

a. General information

The Company's primary business segment is reflected based on principal business activities carried on by the Company. Chairman and Managing Director has been identified as being the Chief Operating Decision Maker ('CODM') and evaluates the Company's performance and allocates resources based on analysis of the various performance indicators of the Company as a single unit. As per Indian Accounting Standard 108, Operating Segments, as notified under the Companies (Indian Accounting Standards) Rules 2015, the Company operates in one reportable business segment i.e., manufacturing of range of machines required by hdpe/pp woven fabric industry (for plastic woven sacks, FIBC, tarpaulins etc.)

b. Entity wide disclosures

	Year Ended 31 March 2025	For the period from June 5 2023 to 31 March 2024
Revenue from operations		
Domestic	5,740.38	-
Overseas	7,360.66	-
Total	13,101.04	-

	As at 31 March 2025	As at 31 March 2024
Non current segment assets		
Domestic*	3,815.26	-
Overseas	-	-
Total	3,815.26	-

*excluding deferred tax, income tax assets and financial assets

Break up of non current assets are as follows:

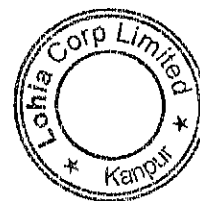
	As at 31 March 2025	As at 31 March 2024
Non current segment assets		
Property, plant and equipment	3,219.96	-
Right-of-use assets	427.10	-
Capital work-in-progress	126.72	-
Intangible assets	10.74	-
Intangible assets under development	4.51	-
Other non current assets	26.23	-
Total	3,815.26	-

c. Information about major customers		
No external customer individually accounted for more than 10% of the revenues during the year ended 31 March 2025 and previous period from 5 June 2023 to 31 March 2024.		

37 Provision for warranties

	As at 31 March 2025	As at 31 March 2024
Opening balance		
Transfer on account of Scheme [^]	80.00	-
Add: Amount provided during the year/ period	79.02	-
Less: Amount utilised against provision	(69.39)	-
Closing balance	89.63	-

[^]Refer note no 48



38 Employee benefits:

(i) Defined contribution plans:

Defined contribution plans are provident fund scheme, employee state insurance to Government administered schemes, superannuation scheme and part of the pension fund scheme for eligible employees. The Company recognises contribution payable to the respective employee benefit fund scheme as an expenditure, as and when they are due. The Company has no obligations other than to make the specified contributions.

Particulars	Year ended 31 March 2025	For the period from 5 June 2023 to 31 March 2024
Contribution to Government Provident Fund and Family Pension Fund	76.67	-
Contribution to Employee State Insurance	3.77	-
Contribution to National Pension Scheme	17.00	-
	<u>97.44</u>	<u>-</u>

(ii) Defined benefit plans

Gratuity

The Company provides for gratuity for employees in India 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 is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to Group Gratuity Trust cum Life Assurance Schemes administered by the LIC of India.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2025. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the projected unit credit method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the Gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

Net assets/ (liability) as at year/ period end:

Particulars	As at 31 March 2025	As at 31 March 2024
-------------	------------------------	------------------------

A. I. Change in defined benefit obligation during the year/ period

Present value of obligations at the beginning of the year/ period

Transfer on account of Scheme* 353.85 -

Included in statement of profit and loss:

Current service cost 32.20 -

Interest cost 23.88 -

Past service cost - -

Included in other comprehensive income:

Actuarial losses/ (gains) arising from:

Experience adjustments (36.96) -

Financial assumptions 11.29 -

Others

Benefits paid (44.04) -

Present value of obligation at the end of the year/ period 340.22 -

II. Change in fair value of plan assets during the year/ period

Plan assets at the beginning of the year/ period -

Transfer on account of Scheme* 355.87 -

Included in statement of profit and loss:

Expected return on plan assets 23.11 -

Included in other comprehensive income:

Actuarial gains/(losses) on plan assets 3.17 -

Others:

Employer's contribution 0.42 -

Benefits paid (27.49) -

Plan assets at the end of the year/ period as per actuary 355.08 -

Benefits pending reimbursement from LIC (10.39) -

Plan assets at the end of the year/ period 344.69 -

*Refer note 48

Particulars	As at 31 March 2025	As at 31 March 2024
-------------	------------------------	------------------------

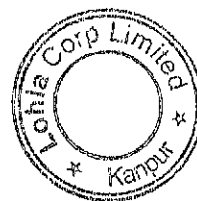
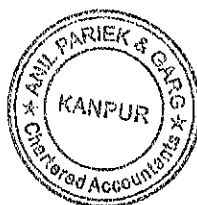
III. Reconciliation of present value of defined benefit obligation and fair value of plan assets

1. Present Value of obligation as at year/ period end (340.22) -

2. Fair Value of plan assets at year/ period end 344.69 -

3. Funded status (Surplus/(deficit)) 4.47 -

Net asset 4.47 -



IV. Expenses recognised in the statement of profit and loss	Year Ended 31 March 2025	For the period from 5 June 2023 to 31 March 2024
1. Current service cost	32.20	-
2. Interest cost	23.88	-
3. Expected return on plan assets	(23.11)	-
Total expense	32.97	-

V. Expenses recognised in the statement of other comprehensive income	Year Ended 31 March 2025	For the period from 5 June 2023 to 31 March 2024
1. Net actuarial (gain)/loss	(25.68)	-
2. Expected return on plan assets excluding interest income	(3.17)	-
	(28.85)	-

B. Major category of plan assets

Particulars	As at 31 March 2025	As at 31 March 2024
	% Amount	% Amount
Funds managed by Life Insurance Corporation of India	100% 344.69	- -

C. Actuarial assumptions:

Particulars	As at 31 March 2025	As at 31 March 2024
1. Discount rate	6.75%	-
2. Expected rate of return on plan assets	6.75%	-
3. Expected rate of salary increase	7.00%	-
4. Attrition rate	3% to 1%	-
5. Mortality rate	Indian Assured Lives Mortality (2012-14) Ult. (IALM 2012-14)	-
6. Retirement age*	60	-

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

*except in case of few employees

D. Present benefit obligation at the end of the year/ period as per schedule III to the Companies Act, 2013

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current liability (amount due over one year)	-	-
Current liability (amount due within one year)	-	-

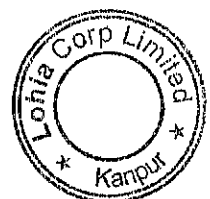
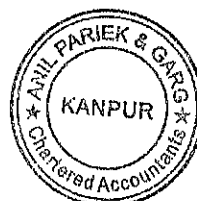
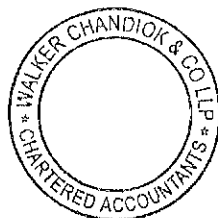
Note:- As at 31 March 2025, fair value of plan assets exceeds present value of obligations, the same has been disclosed under other current assets.

E. Sensitivity analysis

Particulars	As at 31 March 2025	As at 31 March 2024
	Increase Decrease	Increase Decrease
Gratuity fund		
Discount rate (1% movement)	(15.97) 48.36	- -
Expected rate of future salary increase (1% movement)	48.05 (16.26)	- -
Withdrawal rate (1% movement)	13.86 13.36	- -

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The method and type of assumptions used in preparing the sensitivity analysis did not change as compared to previous period.

F. Expected contributions to defined benefit plans for the year ending 31 March 2025 is ₹ 19.81 (31 March 2024 Nil).



G. Expected maturity analysis of undiscounted defined benefit plans

Particulars	As at 31 March 2025	As at 31 March 2024
Year 1	19.81	-
Year 2	19.06	-
Year 3	24.50	-
Year 4	25.13	-
Year 5	31.25	-
Year 6 to Year 10	151.58	-
	271.33	-

Description of risk exposures:

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

- Asset volatility :** The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a return lesser than the yield. Most of the plan asset investments are in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk to minimise risk to an acceptable level.
- Interest rate risk:** The defined benefit obligation calculated uses a discount rate based on government bonds. If the bond yield falls, the defined benefits obligation will tend to increase.
- Salary risk:** Higher than expected increase in salary will increase the defined benefit obligation.
- Demographic risk:** This is the risk of variability of results due to unsystematic nature of decrements that includes mortality, withdrawals, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends on the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

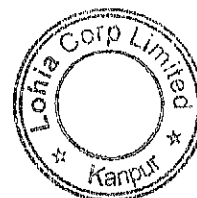
H. The impact on employee benefit obligations pursuant to change in actuarial assumptions is taken to other comprehensive income.

I. Significant estimates :

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making appropriate 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.

(iii) Other long-term employee benefits

An amount of ₹ 21.98 (31 March 2024 : Nil) pertains to expense towards compensated absences.



39 Disclosure in respect of related parties pursuant to IndAS 24:

A Related party and their relationship.

(a) Subsidiaries

Domestic:

Wholly owned subsidiaries

Leesona Machinery Private Limited (w.e.f 03 December 2024)

Other subsidiaries

Sundaram Industries Private Limited^

Foreign:

Wholly owned subsidiaries

Leesona Corp, USA^

Ldb Importacao E Exportacao Ltda, Brazil^

Lohia Global Solutions FZE, UAE^

Lohia Global Solutions S.A., Panama^ (liquidated w.e.f. 31 December 2023)

Other subsidiaries

OMGM Extrusio ntechnik S.R.L, Italy (w.e.f 30 May 2024)

^Pertains to transfer on account of Scheme, refer note 48

(c) Other enterprises over which key management personnel/relative/director exercise significant influence /control.

Lohia Trade Services Limited
Lohia Filament Machines Limited
Lohia Global Solutions Private Limited
Sarjna Capfin Private Limited
United Trade,Net India Private Limited
Sparetex Private Limited
Saumya Real Estates Private Limited
Vivsun Engineering Industries Private Limited
Blackwatermelon Private Limited
Murli Manohar Real Estates LLP

(d) Key management personnel and relatives

Key management personnel

Mr. Raj Kumar Lohia (Director till 30 April,2024; Managing Director w.e.f 01 May 2024)
Mr. Gaurav Lohia (Chief Operating Officer w.e.f. 01 May 2024)
Mr. Amit Kumar Lohia (Chief Strategy & Planning Officer w.e.f. 01 May 2024)
Mr. KG Gupta (Chief Financial Officer w.e.f. 01 May 2024 till 24 April 2025)
Mr. P.K Mulherjee (Whole Time Director w.e.f. 01.05.2024)
Mr. Ujjal De (Whole Time Director w.e.f 01 May 2024 till 29 June 2024; Non-Executive Director w.e.f. 30 June 2024)
Mr. Naresh Kumar Gupta (Director w.e.f. 21 September 2024)
Mr. Dinesh Kumar Mittal (Director w.e.f. 21 September 2024)
Ms. Keith Reddy Padmaja Reddy (Director w.e.f. 21 September 2024)
Mr. Gaurav Swarup (Director w.e.f. 21 September 2024)
Mr. Basant Seth (Director w.e.f. 21 September 2024)
Mr. Rajendra Kumar Arya (Director w.e.f. 01 May 2024)
Ms. Shikha Srivastava (Company Secretary w.e.f. 01 May 2024)
Mr. Anupam Agarwal (Director till 24 June 2024; Chief Financial Officer w.e.f. 25 April 2025)
Mr. Kamal Kumar Kejriwal (Director till 24 June 2024)
Mr. Alok Saxena (Director till 24 June 2024)

(e) Relatives of key management personnel

Ms. Neela Lohia
Ms. Mansi Lohia

(f) Post employment benefit plans

Lohia Corp Limited Employees Group Gratuity Trust



B Transactions with related parties

Total related party transactions and significant related party transactions (by entity) for the year ended 31 March 2025 and for the period from 5 June 2023 to 31 March 2024:

S.No.	Particulars	Year Ended 31 March 2025	For the period from 5 June 2023 to 31 March 2024
		Total	Total
1	Sale of manufacturing goods*	292.83	-
	Lohia Global Solutions FZE, UAE	162.95	-
	Leesona Corp, USA	43.03	-
	Sundaram Industries Private Limited	54.62	-
	Ldb Importacao E Exportacao Ltda, Brazil	9.37	-
	Sparetex Private Limited	19.29	-
	Vivsun Engineering Industries Private Limited	3.57	-
2	Other operating revenue*	10.99	-
	Sundaram Industries Private Limited	7.11	-
	OMGM Extrusionstechnik S.R.L., Italy	3.88	-
3	Other miscellaneous income	7.68	-
	Leesona Corp, USA	2.61	-
	United Trade Net India Private Limited	0.18	-
	Lohia Trade Services Limited	4.89	-
4	Purchase of goods and services*	893.22	-
	Sundaram Industries Private Limited	275.73	-
	Lohia Global Solutions FZE, UAE	29.19	-
	Lohia Global Solutions S.A., Panama	11.76	-
	Lohia Trade Services Limited	468.96	-
	Lohia Filament Machines Limited	6.36	-
	Blackwatermelon Private Limited	0.12	-
	Vivsun Engineering Industries Private Limited	28.56	-
	Ldb Importacao E Exportacao Ltda, Brazil	4.05	-
	United Trade Net India Private Limited	53.49	-
	Murl Manohar Real Estates LLP	6.00	-
	Saunya Real Estates Private Limited	9.00	-
5	Employee benefit expenses*	85.40	-
	Short-term employee benefits	80.26	-
	Other long-term benefits	2.64	-
	Termination benefits	2.50	-
6	Director sitting fees and commission	0.70	-
	Mr. Ujjal De	0.10	-
	Mr. Naresh Kumar Gupta	0.10	-
	Ms. Keith Reddy Padmaja Reddy	0.10	-
	Mr. Basant Seth	0.20	-
	Mr. Dinesh Kumar Mittal	0.10	-
	Mr. Gaurav Swarup	0.10	-
7	Contribution in employees group gratuity	2.00	-
	Lohia Corp Limited Employees Group Gratuity Trust	2.00	-
8	Loans given	352.25	-
	Sundaram Industries Private Limited	352.25	-
9	Interest income from financial assets	20.98	-
	Lohia Global Solutions FZE, UAE	6.70	-
	Sundaram Industries Private Limited	14.28	-
10	Receipts towards loan / interest repayment and adjustments	293.92	-
	Sundaram Industries Private Limited	289.43	-
	Ldb Importacao E Exportacao Ltda, Brazil	4.49	-
11	Borrowings taken	1,277.20	-
	Sarjna Capfin Private Limited	1,277.20	-
12	Finance costs	7.12	-
	Sarjna Capfin Private Limited	7.12	-
13	Repayment of borrowings	1,284.32	-
	Sarjna Capfin Private Limited	1,284.32	-



Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited)
Corporate Identification No.: U28261UP2023PLC183476
Notes to the standalone financial statements for the year ended 31 March 2025
(All amount are in ₹ millions unless otherwise stated)

S.No.	Particulars	Year Ended 31 March 2025	For the period from 5 June 2023 to 31 March 2024
		Total	Total
14	Investments		
	(a) Purchases / investment in share capital	61.13	-
	Ldb Importacao E Exportacao Ltda, Brazil	16.16	-
	OMGM Extrusioeschnik S.R.L, Italy	44.87	-
	Leosona Machinery Private Limited	0.10	-

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

S.No.	Particulars	As at 31 March 2025	As at 31 March 2024
		Total	Total
15	Recovered/recoverable from Trust	10.39	-
	Lohia Corp Limited Employees Group Gratuity Trust	10.39	-
16	Loans	268.86	-
	Sundaram Industries Private Limited	178.50	-
	Lohia Global Solutions FZE, UAE	97.28	-
	Ldb Importacao E Exportacao Ltda, Brazil	13.08	-
17	Corporate guarantee	413.00	-
	Leosona Corp, USA	413.00	-
18	Trade and other payables	107.34	-
	Lohia Global Solutions Private Limited	26.99	-
	Sundaram Industries Private Limited	80.35	-
19	Trade and other receivables	478.04	-
	Lohia Global Solutions FZE, UAE	156.57	-
	Leosona Corp, USA	55.90	-
	OMGM Extrusioeschnik SRL, Italy	3.96	-
	Ldb Importacao E Exportacao Ltda, Brazil	11.95	-
	Leosona Machinery Private Limited	0.01	-
	Lohia Trade Services Limited	249.30	-
	Vivanti Engineering Industries Private Limited	0.35	-

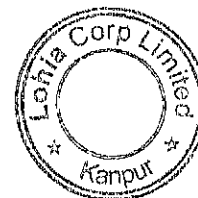
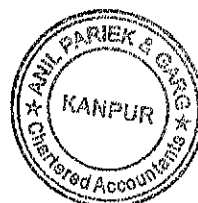
Note: Disclosure of entity wise transactions are given for material transactions within each category.

*Excluding goods & service tax.

^ Employment benefits comprising gratuity and compensated absences are not disclosed as these are determined for the Company as a whole.

Terms and conditions of transactions with related parties

The transactions with related parties are made in the ordinary business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.



Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited)
Corporate Identification No.: U28261UP2023PLC183476
Notes to the standalone financial statements for the year ended 31 March 2025
(All amount are in ₹ millions unless otherwise stated)

40 Fair value measurements

The fair values of the financial assets and financial liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sales.

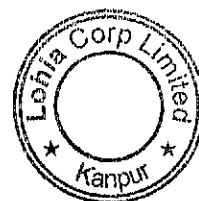
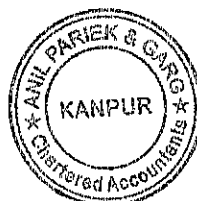
A. Accounting classifications and fair values

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

As at 31 March 2025	Carrying value				Fair value hierarchy		
	FVTPL	FVOCI	Amortized cost	Total	Level 1	Level 2	Level 3
Financial assets							
Trade receivables	-	-	1,225.17	1,225.17	-	-	NA
Cash and cash equivalents	-	-	243.60	243.60	-	-	NA
Loans	-	-	189.94	189.94	-	-	189.94
Other financial assets	-	-	398.41	398.41	-	-	NA
Financial assets at cost							
Non-current investments#	-	-	-	-	-	-	NA
Total	-	-	2,057.12	2,057.12	-	-	189.94
Financial liabilities							
Borrowings	-	-	1,809.91	1,809.91	-	-	1,809.91
Trade payables	-	-	1,060.93	1,060.93	-	-	NA
Other financial liabilities	-	-	234.36	234.36	-	-	NA
Derivative Liabilities	40.11	(1.06)	-	39.05	-	39.05	-
Lease liabilities	-	-	162.16	162.16	-	-	NA
Total	40.11	(1.06)	3,267.36	3,306.41	-	39.05	1,809.91

#Investment in equity shares of subsidiaries carried at cost have not been disclosed in the statement above.

As at 31 March 2024	Carrying value				Fair value hierarchy		
	FVTPL	FVOCI	Amortized cost	Total	Level 1	Level 2	Level 3
Financial assets							
Cash and cash equivalents	-	-	0.00	0.00	-	-	NA
Other financial assets	-	-	0.01	0.01	-	-	NA
Total	-	-	0.01	0.01	-	-	-
Financial liabilities							
Trade payables	-	-	0.01	0.01	-	-	NA
Total	-	-	0.01	0.01	-	-	-



Notes:

The carrying amounts of trade receivables, other financial assets, trade payables and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

Loans given by the Company are linked to market rate of interest and hence, carrying value best estimate of fair value.

The fair values for security deposits are calculated based on cash flows discounted using a current lending rate. The fair values of non-current borrowings are based on discounted cash flows using current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

The fair values of financial assets and financial liabilities recorded in the balance sheet in respect of which quoted prices in active markets are available are measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Level 1 Hierarchy includes financial instruments measured using quoted prices. There is no financial assets and liabilities which qualify for level 1 hierarchy.

Level 2 Hierarchy includes the fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined using valuation techniques which maximise 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. This includes foreign exchange forward contracts.

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3. There are no transfers between levels 1 and 2 during the year. The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Valuation techniques used to determine fair values

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values:

Other non-current financial assets and liabilities: Fair value is calculated using a discounted cash flow model with market assumptions, unless the carrying value is considered to approximate the fair value.

Derivative financial assets/liabilities: The Company enters into derivative contracts with various counterparties, principally financial institutions with investment grade credit ratings. Forward foreign currency contracts are determined using forward exchange rates at the balance sheet date.

Trade receivables, cash and cash equivalents, loans, other current financial assets, trade payables and other current financial liabilities: Approximate their carrying amounts largely due to the short-term maturities of these instruments.

Investments traded in active markets are determined by reference to quotes from the financial institutions:- Net asset value (NAV) for investments in mutual funds declared by mutual fund house, quoted price of equity shares in the stock exchange etc.

Valuation processes

Fair value of derivatives using dealer quotes for similar instruments (on marked to market value as on balancesheet date of such derivative transaction).

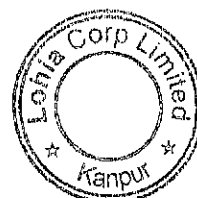
The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team performs valuation either internally or externally through valuers and reports directly to the senior management. Discussions on valuation and results are held between the senior management and valuation team on annual basis.

The main level 3 inputs for unlisted equity securities, used by the Company are derived and evaluated as follows:

The use of quoted market prices / dealer quotes / profit earning (PE) for similar instruments

Risk adjustments specific to the counterparties (including assumptions about credit default rates) are derived from credit risk grading determined by the Company's internal credit risk management.

Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.



41 Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk- interest rate and foreign currency

(i) Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's risk committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers.

A default on a financial asset is when the counterparty fails to make contractual payments as per agreed terms. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

Trade receivables

Credit risk refers to the risk of default on its obligation by the counterparty resulting in financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivable amounting to ₹ 1225.17 (net of loss allowance) (31 March 2024: Nil). The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Company has a credit risk management policy in place to limit credit losses due to non-performance of financial counterparties and customers. The Company monitors its exposure to credit risk on an ongoing basis at various levels. Outstanding customer receivables are regularly monitored. The Company closely monitors the acceptable financial counterparty credit limits and revise where required in line with the market circumstances. Due to the geographical spread and the diversity of the Company's customers, the Company is not subject to any significant concentration of credit risks at balance sheet date. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are combined into homogenous entities and assessed for impairment collectively. The calculation is based on credit losses historical data. The Company has evaluated that the concentration of risk with respect to trade receivables to be low. Trade and other receivables are written off when there is no reasonable expectation of recovery post identification on case to case basis. On account of adoption of IndAS 109, the Company uses a simplified approach (lifetime expected credit loss model) for the purpose of computation of expected credit loss for trade receivables. Specific case to case provision is made in respect of credit impaired customers.

A summary of the Company's exposure to credit risk for trade receivables based on the ageing are as follows:

Ageing of Receivables	As at 31 March 2025		As at 31 March 2024	
	Gross carrying amount	Expected credit loss	Gross carrying amount	Expected credit loss
Less than 180 days	1,028.38	54.97	-	-
More than 180 days	284.14	32.38	-	-
Total	1,312.52	87.35	-	-

The movement in the allowance for impairment in respect of trade receivables is as follows:

	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year/ period	-	-
Transferred on account of Scheme*	69.63	-
Bad debt written off	(11.65)	-
Expected credit loss during the year/ period	29.37	-
Balance at the end of the year/ period	87.35	-

Expected credit loss for trade receivable as at 31 March 2025

Particulars	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Gross carrying amount -Trade receivables	281.31	747.07	96.37	171.30	6.09	10.38	1,312.52
Expected credit loss rate (%)	0.00%	7.36%	0.48%	9.02%	100.00%	100.00%	6.66%
Expected credit losses (Loss allowance provision)	-	54.97	0.46	15.45	6.09	10.38	87.35
Total							1,225.17

Expected credit loss for trade receivable as at 31 March 2024

Particulars	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Gross carrying amount -Trade receivables	-	-	-	-	-	-	-
Expected credit loss rate (%)	-	-	-	-	-	-	-
Expected credit losses (Loss allowance provision)	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

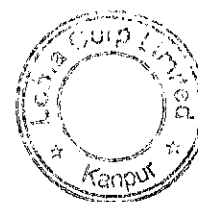
Significant estimates: The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting year. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, "Financial Instruments", which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Cash and cash equivalents and derivatives

For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by international credit-rating agencies.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.



Details of undrawn facilities of the Company from bank (fund based as well as non fund based):

Particular	As at 31 March 2025	As at 31 March 2024
Expiring within one year (bank overdraft and other facilities)	1,531.62	-
Total	1,531.62	-

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted:

As at 31 March 2025	On demand	Less than 1 year	1- 5 years	More than 5 years	Total
Borrowings*	253.41	693.60	862.90	-	1,809.91
Trade payables	-	1,060.93	-	-	1,060.93
Other financial liabilities	-	234.36	-	-	234.36
Lease liabilities	-	49.79	138.46	11.57	199.82
Total	253.41	2,038.68	1,001.36	11.57	3,305.02

As at 31 March 2024	On demand	Less than 1 year	1- 5 years	More than 5 years	Total
Trade payables	-	0.01	-	-	0.01
Total	-	0.01	-	-	0.01

*including contractual interest payable at prevalent/agreed rate of interest.

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

The Company has secured bank loans that contains certain loan covenants. A future breach of covenant may require the Company to repay the loan earlier than indicated in the above table. Covenants are monitored on regular basis by the treasury department and regularly reported to management to ensure compliance with the agreement. Further, there have been no default in repayment of loan and no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year and previous period.

(iv) Market risk

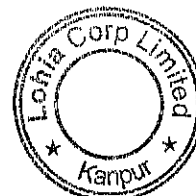
Market risk is the risk that arises from changes in market prices such as foreign exchange rates. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Company is exposed to market risk primarily related to foreign exchange rate risk and the market value of the investments. Thus, the Company's exposure to market risk is a function of investing and revenue generating and operating activities. The objective of market risk management is to avoid excessive exposure in financial assets and unhedged foreign currency, revenues and costs.

Currency risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US dollar and EURO. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency (₹) of the Company. The risk is measured through a forecast of highly probable foreign currency cash flows. The risk is hedged with the objective of minimising the volatility of the ₹ cash flows of highly probable forecast transactions.

The Company uses foreign currency forwards to hedge its exposure to foreign currency risk. The Company's policy is to hedge the risk of changes in foreign currency. The Company uses forward contracts (derivative instruments) to hedge its exposure in foreign currency risk. The Company designate both change in spot and forward element of forward contracts to hedge exposure in foreign currency risk on highly probable forecast sales.

The Company also entered into foreign currency principal and interest swap which have not been designated in a hedging relationship. Such instruments are subject to the same risk management policies as all other derivative contracts.



Exposure to currency risk

The currency profile of financial assets and financial liabilities (other than Indian Rupees) as at 31 March 2025 and 31 March 2024 are reinstated in millions Indian Rupees which is stated below :

Foreign currency risk exposure:

As at 31 March 2025

Particulars	USD	EURO	Others
Financial assets			
Trade receivables	840.16	150.06	108.55
Cash and cash equivalents	6.62	0.45	7.58
Loans	13.08	-	96.18
Derivative assets (forward contracts)	1.06	-	-
	860.92	150.51	212.31
Financial liabilities			
Trade payables	77.55	17.75	5.98
Borrowings	794.07	305.36	-
	871.62	323.11	5.98
	(10.70)	(172.60)	206.32

As at 31 March 2024

Particulars	USD	EURO	Others
Financial assets			
Trade receivables	-	-	-
Cash and cash equivalents	-	-	-
Loans	-	-	-
Financial liabilities			
Trade Payables	-	-	-
Borrowings	-	-	-
	-	-	-

Sensitivity analysis foreign currency

The sensitivity analysis given in the table below is based on the Company's foreign currency financial instruments held at each reporting date and the impact on other components of equity arises from foreign forward exchange contracts designated as cash flow hedges. The table illustrates the impact of sensitivity over profit/loss and equity in regards to the Company's financial assets and financial liabilities and the movement of exchange rates of respective foreign currencies against INR, assuming 'all other variables being constant'.

		Year ended 31 March 2025		For the period from June 5 2023 to 31 March 2024	
USD	10% movement	0.80	(0.80)	-	-
Euro	10% movement	12.92	(12.92)	-	-
Others	10% movement	15.44	(15.44)	-	-

These percentages have been determined based on the average market volatility in exchange rates during the respective years.

Impact of hedging activities

(a) Disclosure of effects of hedge accounting on financial position (assets)

Type of hedge and risks	Nominal value	Carrying amount of hedging instrument	Maturity dates	Hedge ratio	Average strike price	Change in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
As at 31 March 2025							
Cash flow hedge							
Foreign currency risk							
(i) Foreign exchange forward contracts	406.27	407.33	30 Jun 2025 to 30 Jul 2025	1:1	USD: ₹85.83	1.06	1.06

As at 31 March 2024

Cash flow hedge							
Foreign currency risk							
(i) Foreign exchange forward contracts	-	-	-	-	-	-	-

(b) Disclosure of effects of hedge accounting on financial performance

Type of hedge and risks	Change in the value of hedging instrument in other comprehensive income	Hedge ineffectiveness recognised in profit or loss	Amount reclassified from cash flow hedging reserve to profit or loss	Line item affected in statement of profit and loss because of reclassification and hedge ineffectiveness
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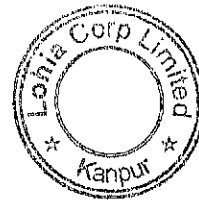
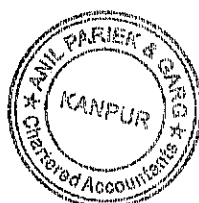
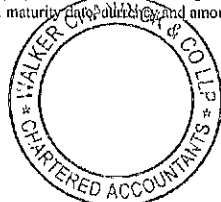
As at 31 March 2025

Cash flow hedge				
Foreign currency risk				
(i) Foreign exchange forward contracts	1.06	-	-	Revenue from operations and net foreign exchange

As at 31 March 2024

Cash flow hedge				
Foreign currency risk				
(i) Foreign exchange forward contracts	-	-	-	Revenue from operations and net foreign exchange

The Company's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through year prospective effectiveness assessment to ensure that an economic relationship exists between the hedged item and hedging instrument. For forward contracts, hedge effectiveness is measured using hypothetical derivative method. Ineffectiveness is measured by comparing the change in the fair value of the actual derivative i.e. forward contracts designated as the hedging instrument and the change in the fair value of a hypothetical derivative representing the hedged item i.e. highly probable forecast sales. Hypothetical derivative matches the critical terms i.e. maturity date, notional and amount of highly probable forecast sales.



(c) Movements in cash flow hedging reserve

Particulars	As at 31 March 2025	As at 31 March 2024
Opening balance	-	-
Add: Changes in fair value of forward contracts	1.06	-
Less: Deferred tax relating to above (net)	(0.27)	-
Closing balance	0.79	-

Interest rate risk

Interest rate risk is the risk that the 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 borrowings with floating interest rates.

i) Interest rate risk exposure - liabilities

The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting year are as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Variable rate borrowings	834.71	-
Fixed rate borrowings	975.20	-
Total borrowings	1,809.91	-

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	As at 31 March 2025	As at 31 March 2024
Interest sensitivity*		
Variable rate borrowings		
Interest rates – increase by 100 basis points	6.25	-
Interest rates – decrease by 100 basis points	(6.25)	-
* Holding all other variables constant		

ii) Assets

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

Interest rate risk exposure - assets

Below is the overall exposure of the deposits:

Particulars	As at 31 March 2025	As at 31 March 2024
Balances in deposits with original maturity of more than three months but less than twelve months	10.50	-
Bank deposits with more than twelve months maturity	0.66	-
Loans	189.94	-
Total	201.10	-

The Company is exposed to interest rate risk on account of variable rate borrowings. The Company's risk management policy is to mitigate its interest rate exposure in accordance with the exposure limits advised from time to time. The Company has used interest rate swaps to mitigate its interest rate risk arising from certain transactions, these are recognised as derivatives.

Price risk

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet either as fair value through OCI or at fair value through profit or loss. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

The Company considers factors such as long term credit rating, tenor of investment, minimum assured return, monetary limits, etc. while investing.

Sensitivity

The table below summarises the impact of increases/decreases of the index on the Company's profit for the year. The analysis is based on the assumption that the equity index had increased by 10% or decreased by 10% with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

Particulars	As at 31 March 2025	As at 31 March 2024
Equity index – increase by 10%	-	-
Equity index – decrease by 10%	-	-

Capital management

The Company's capital management objectives are :

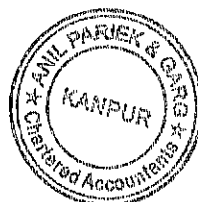
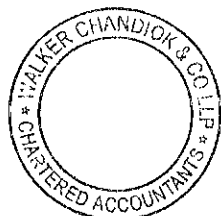
- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company. Net debt includes interest bearing borrowings less cash and cash equivalents and current investments. Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Particulars	As at 31 March 2025	As at 31 March 2024
Borrowings	1,809.91	-
Less: Cash and Cash Equivalents	243.60	0.00
Adjusted Net Debt	1,566.31	(0.00)
Equity	1,314.19	0.01
Adjusted net debt to equity ratio	119.19%	-42.53%

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. Based upon the Company's evaluation, there is no excessive risk concentration.



42 Offsetting of financial assets and liabilities :

Financial assets and liabilities are offset and the net amount reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

The following tables set out the financial assets and liabilities that are offset.

As as 31 March 2025

Particulars	Gross financial assets/ (liabilities)	Financial (liabilities)/ assets offset	Net financial assets/ (liabilities)
Financial assets			
Trade receivables	1,325.82	(100.65)	1,225.17
Financial liabilities			
Trade payables	(1,161.58)	100.65	(1,060.93)

As as 31 March 2024

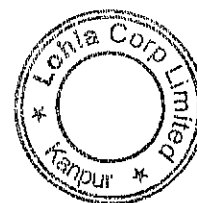
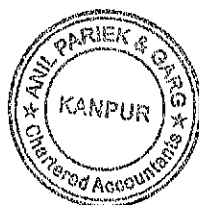
Particulars	Gross financial assets/ (liabilities)	Financial (liabilities)/ assets offset	Net financial assets/ (liabilities)
Financial assets			
Trade receivables	-	-	-
Financial liabilities			
Trade payables	-	-	-

43 Details of assets pledged

The carrying amounts of assets under charge for current and non-current borrowings are:

Particulars	As at 31 March 2025	As at 31 March 2024
Current assets		
Inventories	2,599.32	-
Trade receivables	1,225.17	-
Cash and cash equivalents	243.60	-
Other financial assets	321.28	-
Other current assets	197.39	-
	4,586.76	-
Non current assets		
Property, plant and equipment		
Plant & equipments	1,939.05	-
Land leasehold*	205.35	-
Buildings*	76.88	-
Computer*	0.34	-
Office equipment*	1.95	-
Furniture & fixture*	0.33	-
	2,223.90	-

* These assets are specifically pledged for the borrowings taken for Lohia Packaging Solutions division.



44 Per transfer pricing legislation under section 92-92F of the Income-tax Act 1961, the Company is required to use certain specific methods in computing arm's length price of international transactions with associated enterprises and maintains adequate documentation in this respect. The legislations require that such information and documentation to be contemporaneous in nature. The Company has appointed independent consultants for conducting the Transfer Pricing Study to determine whether the transactions with associated enterprises undertaken during the financial year are on an "arm's length basis". The Company is in the process of conducting a transfer pricing study for the current financial year and expects such records to be in existence latest by the due date as required by law. However, in the opinion of the management the update would not have a material impact on these standalone financial statements. Accordingly, these standalone financial statements do not include any adjustments for the transfer pricing implications, if any.

45 Ratio analysis and its elements¹

a) The following are analytical ratios for the year ended 31 March 2025 and 31 March 2024:

Particulars	Note	As at 31 March 2025	As at 01 April 2024*	Variance
(a) Current ratio	(i)	1.29	1.09	18%
(b) Debt equity ratio	(ii)	1.38	NA	NA ¹
(c) Debt service coverage ratio	(iii)	1.42	NA	NA ¹
(d) Return on equity ratio (%)	(iv)	36.00%	NA	NA ¹
(e) Inventory turnover ratio	(v)	2.80	NA	NA ¹
(f) Trade receivable turnover ratio	(vi)	11.86	NA	NA ¹
(g) Trade payable turnover ratio	(vii)	7.39	NA	NA ¹
(h) Net capital turnover ratio	(viii)	11.37	NA	NA ¹
(i) Net profit ratio (%)	(ix)	9.00%	NA	NA ¹
(j) Return on capital employed ratio (%)	(x)	30.00%	NA	NA ¹
(k) Return on investment (%)	(xi)	12.00%	NA	NA ¹

* Refer note no 48

Reasons for variance

¹ Since there is no equity, earning for debt service, net profit after tax, cost of goods sold or net sales, earning before interest and taxes and income received from investments on the date of transition as at 01 April 2024, therefore the same are not determinable.

Notes :

- (i) Current ratio = Current assets/ current liabilities
- (ii) Debt equity ratio = Total debt/ shareholders equity
- (iii) Debt service coverage ratio = Earnings available for debt service/ debt service (refer point (A) below)
- (iv) Return on equity ratio = Net profits after taxes – preference dividend (if any)/ average shareholder's equity
- (v) Inventory turnover ratio = Cost of goods sold or sales (excluding other operating income) /average inventory
- (vi) Trade receivables turnover ratio = Net credit sales/ avg. accounts receivable
- (vii) Trade payables turnover ratio = Net credit purchases / average trade payables
- (viii) Net capital turnover ratio = Net sales/ working capital
- (ix) Net profit ratio= Net profit/ net sales
- (x) Return on capital employed (ROCE)= Earning before interest and taxes/ capital employed (refer point (B) below)
- (xi) Return on investment= Income received from investments/ average investments

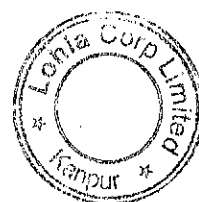
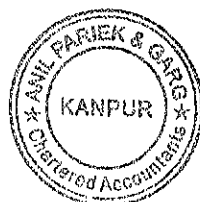
Other explanatory points

(A) Earning for debt service = Net profit after taxes + non-cash operating expenses like depreciation and other amortizations + interest + other adjustments like loss on sale of property, plant & equipment etc.

Debt service = Interest & lease payments + principal repayments

"Net profit after tax" means reported amount of "profit / (loss) for the year" and it does not include items of other comprehensive income.

(B) Capital employed = Tangible net worth + total debt + deferred tax liability (asset)



46 Other statutory information

- (a) The Company do not have any benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (b) The Company do not have any transactions with companies struck off.
- (c) The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- (d) The Company have not traded or invested in Crypto currency or Virtual Currency during the period.
- (e) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (f) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (g) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (h) The Company is not declared wilful defaulter by any bank or financial institution or government or any government authority.
- (i) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (j) The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts.
- (k) The Company has entered into a scheme of arrangement with Lohia Trade Services Limited ('LTSL') the accounting impact on current year is described in note 47 below and the effect of such Scheme of Arrangements have been accounted for in the books of account of the Company 'in accordance with the Scheme' and 'in accordance with accounting standards'.
- (l) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current year.

47 Disclosure required under Sec 186(4) of the Companies Act, 2013

Particulars of loans given, investments made and guarantees provided as required by sub-section (4) of Section 186 of the Companies Act, 2013, have been given under following schedules -

-Loans schedule, refer note 7;

-Non current investments schedule, refer note 6; and

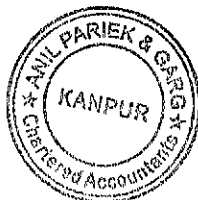
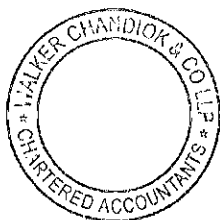
-Corporate guarantee, in case of subsidiary failure to pay the bank the guaranteed amounts immediately but no later than 7 days on a demand being made by the bank, the Company shall be liable to pay interest at a rate per annum as would be payable by the principal under the terms of loan agreement. Refer note no. 35.

48 Scheme of Arrangement

In accordance with the Scheme of Arrangement (the 'Scheme') between the Company and Lohia Trade Services Limited (formerly known as Lohia Corp Limited) ('LTSL') as approved by Hon'ble National Company Law Tribunal (NCLT), Allahabad Bench vide their order dated 16 April 2024, the Technical Textile Machinery Business ('Demerged Undertaking') of LTSL was demerged and transferred to the Company with effect from the Appointed date of the Scheme being 01 April 2024, in consideration of 1 equity share of the Company having face value of Re 1 each fully paid up for every 1 equity share held in LTSL of Re 1 each fully paid up. The NCLT Order sanctioning the Scheme has been filed with the Registrar of Companies on 01 May 2024 being the effective date of the Scheme.

Pursuant to the Scheme, the Authorised Share Capital of the Company was increased from 1,000,000 equity shares having face value of Re. 1 each amounting to ₹1.00 million to 126,000,000 equity shares having face value of Re 1 each amounting to ₹126.00 millions. In discharge of the consideration, the Company allotted 105,650,000 equity shares having face value of Re. 1 each fully paid up to the shareholders of LTSL and the 100,000 equity shares having face value of Re. 1 each fully paid up issued to the existing shareholders of the Company stands cancelled.

As per the provisions of the Scheme, the transfer of the above mentioned Demerged Undertaking into the Company has been given accounting effect in these standalone financial statements in accordance with "pooling of interest" method as per generally accepted accounting principles in India, with effect from Appointed date. Further, as per the terms of the scheme, with effect from the appointed date till the effective date, the Demerged Undertaking was carried on by LTSL for and on account of, and in trust for the Company.



Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited)

Corporate Identification No.: U28261UP2023PLC183476

Notes to the standalone financial statements for the year ended 31 March 2025

(All amount are in ₹ millions unless otherwise stated)

Assets acquired and liabilities assumed as at 01 April 2024 are as follows:

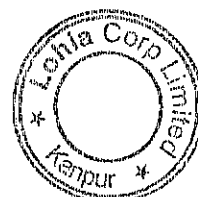
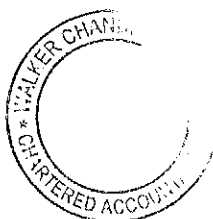
ASSETS	
Non-current assets	
(a) Property, plant and equipment	3568.63
(b) Right-of-use assets	362.99
(c) Capital work-in-progress	15.36
(d) Intangible assets	15.87
(e) Financial assets	
(i) Investments	115.06
(ii) Loans	92.45
(iii) Other financial assets	48.03
(f) Non current tax assets	1.08
(g) Other non current assets	35.27
Total non-current assets	4,254.74
Current assets	
(a) Inventories	2,636.35
(b) Financial assets	
(i) Investments	-
(ii) Trade receivables	984.54
(iii) Cash and cash equivalents	98.11
(iv) Loans	106.79
(v) Other financial assets	187.53
(c) Current tax assets (net)	123.57
(d) Other current assets	294.87
Total current assets	4,431.76
Total assets (A)	8,686.50
Liabilities	
Non-current liabilities	
(a) Financial liabilities	
(i) Borrowings	1,454.89
(ii) Lease liabilities	32.68
(b) Deferred tax liabilities (net)	108.66
(c) Other non current liabilities	298.54
Total non-current liabilities	1,894.77
Current liabilities	
(a) Financial liabilities	
(i) Borrowings	1,224.30
(ii) Lease liabilities	28.97
(iii) Trade payables	
(a) Total outstanding dues of micro and small enterprises;	160.75
(b) Total outstanding dues of other than iii (a) above	728.27
(iv) Other financial liabilities	220.81
(b) Other current liabilities	1,630.09
(c) Provisions	87.69
Total current liabilities	4,080.88
Total liabilities (B)	5,975.65
Value of identified net assets (A-B)	2,710.85
Consideration	105.65
Cancellation of equity shares	(0.10)
Capital reserve	2,605.30

The Demerged Undertaking contributed revenue of ₹ 13,101.04 and profit before tax of ₹ 1,584.17 during the financial year 2024-2025.

49 Subsequent events

a) On 18 June 2025, the Board of Directors of the Company has recommended a final dividend of ₹1.75 per share aggregating to ₹184.89 millions on equity share capital of the Company for the year ended on 31 March 2025 to be paid out of the profits of the Company and the said dividend will be paid after the approval of shareholders at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

b) The Board of Directors of the Company at their meeting held on 18 June 2025, accorded/granted to undertake an initial public offering of an offer for sale of equity shares by existing shareholders of the Company as per SEBI ICDR Regulations.



Lohia Corp Limited (formerly known as Kanpur Packaging Machines Limited)

Corporate Identification No.: U28261UP2023PLC183476

Notes to the standalone financial statements for the year ended 31 March 2025

(All amount are in ₹ millions unless otherwise stated)

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The Ministry of Corporate Affairs (MCA) has prescribed a requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules, 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company has used an accounting which is operated by a third party service provider for maintaining its books of accounts which has a feature of recording audit trail (edit tog) facility. Presently, the log has been activated at the application level. The database of the accounting software is operated by a third-party software service provider and the availability of audit trail (edit logs) are not covered in the 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with ISAE 3402, Assurance Reports on Controls at a Service Organisation) at database level.

As per our report of even date attached.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013

Tarun
Tarun Gupta

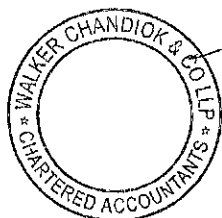
Partner

Membership No.: 507892

Place: Kanpur

Date: 18

June 2025



For Anil Pariek & Garg

Chartered Accountants

Firm's Registration No. 046760

H.K. Pariek
H.K. Pariek

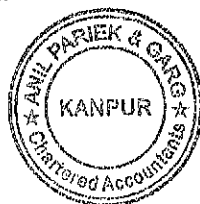
Partner

Membership No.: 070250

Place: Kanpur

Date: 18 June

2025



For and on behalf of the Board of Directors of

Lohia Corp Limited

Raj Kumar Lohia
Raj Kumar Lohia

Managing Director

DIN: 00203659

Rajendra Kumar Arya
Rajendra Kumar Arya

Director

DIN: 09658071

Shikha
Shikha Srivastava
Company Secretary
Membership No 22406

Place: Kanpur
Date:

Anupam Agarwal
Anupam Agarwal
Chief Financial Officer
PAN: ACFPAS533R

