



# अंत्रा इंडिया लिमिटेड ANTRA INDIA LIMITED

(A GOVERNMENT OF INDIA ENTERPRISE, MINISTRY OF DEFENCE)

**COMMITTED TO INDIGENIZATION**



**4<sup>TH</sup>**  
**ANNUAL REPORT**  
**2024 - 2025**

सशस्त्र सेनाओं का सशक्तिकरण



EMPOWERING THE ARMED FORCES



आत्मनिर्भर भारत





## **OUR INSPIRATION**



**Shri Narendra Modi**  
**Hon'ble Prime Minister of India**

"After Independence, we needed to upgrade these factories, adopt new-age technology. But it was not given much attention. Over time, India became dependent on foreign countries for its strategic needs. These new seven defence companies will play a big role in bringing change in this situation,"

"In the 21<sup>st</sup> century, whether a country or a company, its growth and brand value is determined by its research and innovation. From software to the space sector, India's growth, India's new identity is the biggest example of this,"

"Therefore, I also make a special request to all the seven companies that research and innovation should be a part of your work culture....You not only have to match the world's biggest companies, but also take the lead in future technology,"

**- Prime Minister Shri Narendra Modi**

**FLAG**





## LOGO

सशस्त्र सेनाओं का सशक्तिकरण



EMPOWERING THE ARMED FORCES

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## FROM THE DIR/OPERATIONS & CMD (OFFICIATING) DESK

Dear Shareholders,

It is with great pride that I present the Annual Report for our company for the fiscal year 2024-25. Our journey of three and half years, since our incorporation in October 2021, has been a journey defined by perseverance, resilience, resolve and steady progress.

### **Financial and Operational Highlights**

From the initial challenges of our inception, including a loss in our first half-year, we have successfully transitioned to a trajectory of sustained growth and profitability. This year, we achieved an all-time high turnover of ₹3,108 crores, a 10% growth over the previous year. Our Profit Before Tax (PBT) impressively rose by 19.7% to ₹509 crores from ₹425 crores. Exports also saw a remarkable increase of 50%, reaching ₹324 crores compared to ₹218 crores in FY 2023-24.

The year also witnessed an unprecedented surge in demand for our flagship product, the 155 mm Artillery Shells, in both domestic and international markets. Through strategic resource planning and technological upgrades, we enhanced output by nearly 80% over the previous year, successfully meeting the increased demand. Further investments have been made to augment our forging and machining capacities, with results expected to be reflected in the coming year. These milestones reaffirm our commitment to delivering sustained value to all stakeholders through operational excellence, quality, timely delivery, and financial prudence.



## **Strategic Growth and Self-Reliance**

Despite fluctuating geopolitical scenarios and global supply chain disruptions, our focus on Atmanirbharta (self-reliance) has successfully shielded us from volatility. We remain committed to advancing self-reliance, with planned investments in Aluminium Extrusions and Railway Axles, further strengthening our contribution to India's defence and aerospace sectors.

We are also at the forefront of adopting Industry 4.0 and QA 4.0 practices. Significant investments have been made to align our plants and machinery with these advanced standards. Innovation remains a central pillar of our growth, with R&D expenditure rising by nearly 200% in FY 2024—25. We have successfully developed and testfired Guided Pinaka Rockets in association with ARDE, which are soon expected to be inducted in the Indian Army. We have also successfully developed the 155mm/52 calibre barrels for the Indian Army's Advanced Towed Artillery Gun System (ATAGS), for which there have been enquiries from domestic as well as foreign private parties.

Recognizing the transformative potential of emerging technologies such as Artificial Intelligence (AI) and Machine Learning (ML), we are prioritizing their adoption and integration into our operations.

## **Sustainability and Corporate Governance**

Sustainability and social responsibility are integral to our vision. We continue to enhance energy efficiency, resource conservation, and green practices across all our facilities. We have set an ambitious goal to increase the share of renewable energy to 50% of our total consumption by FY 2025—26. As a responsible corporate citizen, we remain committed to community welfare initiatives in education, healthcare, and skill development.

We are steadfast in our commitment to integrity, ethics, and transparency. By embedding strong corporate governance practices in both letter and spirit, as mandated under the Companies Act, we ensure fairness, accountability, and responsibility in all aspects of our business.

## **Cyber security**

In today's world of targeted phishing and hacking of sensitive defence-related information, cyber threats have become a major risk. In line with the directives of DDP and CIRA, YIL has invested heavily in cyber security equipment and software to ensure data security. All the internet facing PCs have been loaded with MAYA OS and connected to the Central endpoint Chakravyuh server which continuously monitors the internet traffic for Malware and phishing attacks. This is the need of the hour to safeguard against the perils of data breaches and re-assure the customer of YIL's supply chain.

## **Acknowledgements**

None of these achievements would have been possible without the dedication of our talented workforce, whose passion and resilience have been the cornerstone of our success. I want to place on record my deep appreciation for their invaluable contribution.

I also extend my sincere gratitude to the Department of Defence Production, Department of Ordnance (C & S) New Defence Companies Division, Defence Finance, our esteemed customers—including the Indian Army, Navy, Air Force, Defence PSUs, and Indian Railways—as well as our channel partners and private industry. My heartfelt thanks also go to the DGQA, DGNAI, DGAQA, CEMILAC, Principal Controller of Defence Accounts, Principal Director of Commercial Audit, C&AG, auditors, bankers, legal advisors, collaborators, suppliers, and all supporting agencies for their invaluable contributions. I also wish to thank the Board of Directors of YIL for their guidance and support in charting our course forward.

## **Conclusion**

Our high customer retention rates and ever increasing customer base are a testament to the trust and confidence reposed by them in us. The future is ours to build and we shall build them on these strong foundations. As we continue our journey into the current FY 2025-26, we are more committed than ever to accelerating growth, fueling innovation, and contributing meaningfully to further enhance the Stake holders confidence.

Thank you, from the bottom of our hearts, for your unwavering support and guidance.

**SHRI VIJAYKUMAR IYER**

**DIRECTOR (OPERATIONS)  
& CMD (ADDL. CHARGE)  
YANTRA INDIA LIMITED  
AMBAJHARI, NAGPUR**



## **BOARD OF DIRECTORS**



**SHRI VIJAYKUMAR IYER**  
DIRECTOR (OPERATIONS) & CMD (ADDL. CHARGE)



**SHRI RAJEEV KALRA**  
DIRECTOR (FINANCE) & DIRECTOR (HR) (ADDL. CHARGE)



**Ms MANISHA CHANDRA**  
GOVERNMENT NOMINEE DIRECTOR





## VISION

To Become a Market Leader, Supplying Highest quality Hardware/ Components to other Defence PSUs that is ultimately used for manufacture of the state-of-the art Ammunition and battlefield equipments for Armed Forces. To promote Export and emerge as a prominent international player in Defence and Aerospace Industry.

## MISSION

- To equip our Armed Forces with modern "Defence and Battlefield Equipment"
- To be a prominent patron of Atma-Nirbhar Bharat Abhiyan in the Defence and Aerospace Sector
- To equip ourselves with technologies through Acquisition, Synergy and In-house R & D.
- To continuously improve Quality.
- To improve Operational efficiency by continuously modernising our production facilities & by Training and Motivating our workforce through extensive use of Information Technology.
- To strengthen brand "YANTRA" by providing quality and value for money, increasing customer base in Defence, Non-defence and Export markets and establishing global presence.



## **CORPORATE INFORMATION**

### **BOARD OF DIRECTORS**

|                             |          |                                                              |
|-----------------------------|----------|--------------------------------------------------------------|
| <b>Shri Vijaykumar Iyer</b> | <b>:</b> | <b>Director (Operations) &amp; CMD (Addl. Charge)</b>        |
| <b>Shri Rajeev Kalra</b>    | <b>:</b> | <b>Director (Finance) &amp; Director (HR) (Addl. Charge)</b> |
| <b>Ms. Manisha Chandra</b>  | <b>:</b> | <b>Government Nominee Director</b>                           |

**CORPORATE IDENTITY NUMBER : U35303MH2021GOI365890**

### **VIGILANCE OFFICER :**

**Shri Sajid Farid Shapoo (IPS) : Chief Vigilance Officer**

### **REGISTERED OFFICE :**

**YANTRA INDIA LIMITED**

Amravati Road, Nagpur-440021  
Maharashtra.

**Phone :** 0712 - 2391090

**Fax :** 07104 - 246681

**E-mail :** cmdsecretariat.yilhq@yantraindia.co.in

hr.hq@yantraindia.co.in

opr.hq@yantraindia.co.in

fin.hq@yantraindia.co.in

**Website :** www.yantraindia.co.in

### **UNITS OF THE COMPANY**

Ordnance Factory Ambajhari

Ordnance Factory Ambarnath

Ordnance Factory Bhusawal

Metal and Steel Factory Ishapore

Ordnance Factory Dumdum

Ordnance Factory Muradnagar

Ordnance Factory Katni

Ordnance Factory Jabalpur

Yantra Institute of Technology & Management, Ambajhari



## **STATUTORY AUDITORS**

**M/s DEMBLE RAMANI & CO.**

Chartered Accountant

(Firm Registration No : 102259W)

## **SECRETARIAL AUDITORS**

**M/s V K JUDGE & ASSOCIATE**

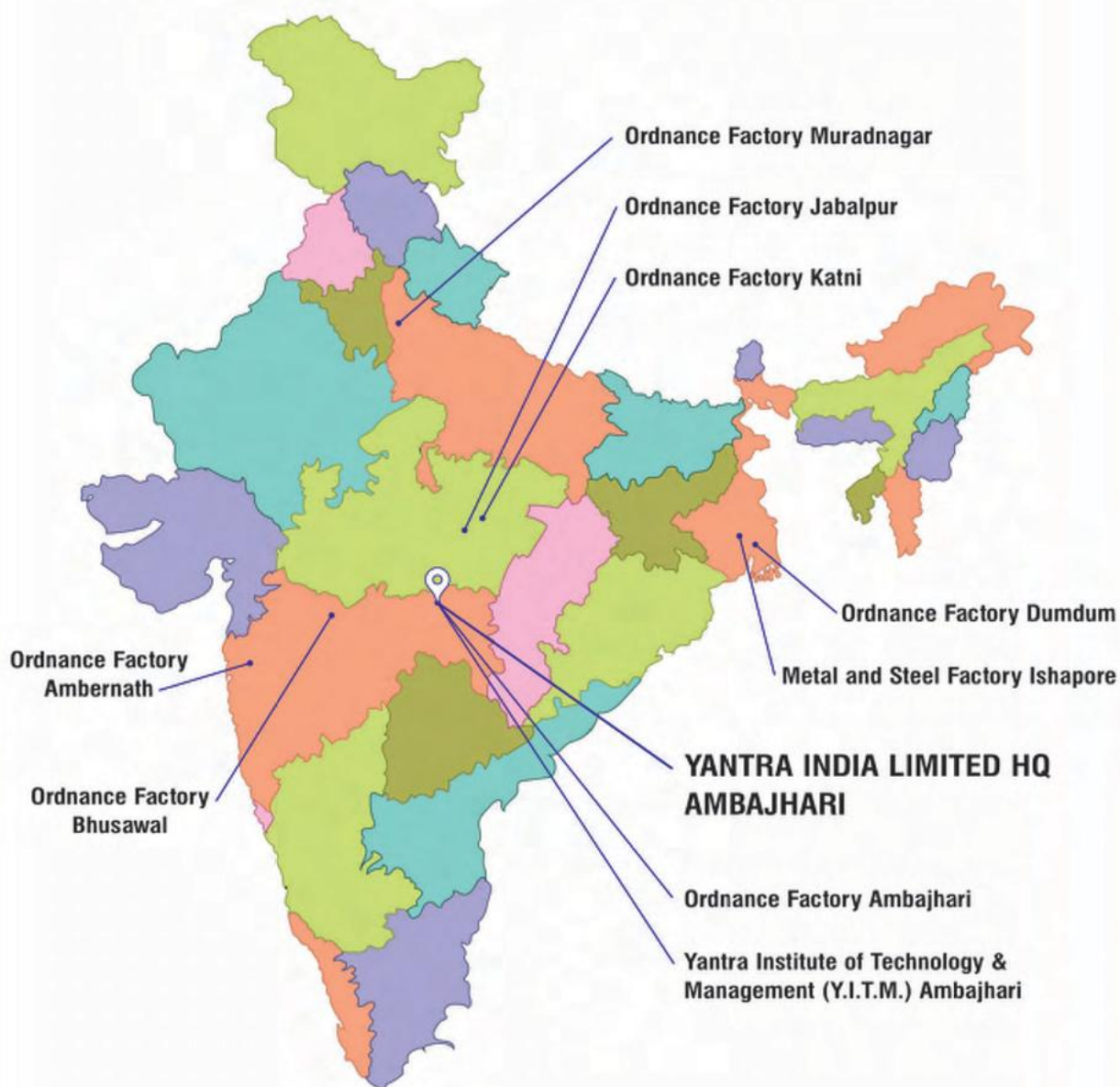
Company Secretaries

## **BRANCH AUDITORS**

1. **M/s DEMBLE RAMANI & CO.**  
Chartered Accountant (YILHQ, YITM & OFAJ)
2. **M/s SHWETA JAIN & CO**  
Chartered Accountant (OFA)
3. **M/S. MANISH N JAIN & CO**  
Chartered Accountant (OFJ)
4. **M/S NRIPENDRA & CO.**  
Chartered Accountant (OFKAT)
5. **M/s V SAHAI TRIPATHI & CO.**  
Chartered Accountant (OFM)
6. **M/s J B S & COMPANY**  
Chartered Accountant (OFDC)
7. **M/s ARUP DASGUPTA & ASSOCIATES**  
Chartered Accountant (MSF)
8. **M/s S S DHAMNE & CO.**  
Chartered Accountant (OFBH)



## YIL FOOTPRINTS



## ORDNANCE FACTORY, AMBAJHARI PRODUCTS



- SHELL 155 MM HEER
- SHELL 125 MM HE
- SHELL 155 ERFB (BB/BT)
- SHELL 130 MM HE

VARIOUS TYPE OF FUZE



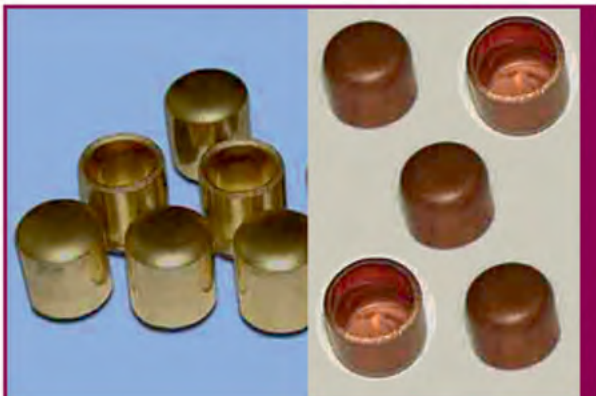
AERO ROCKET

ASSAULT BRIDGE





## ORDNANCE FACTORY, AMBERNATH PRODUCTS



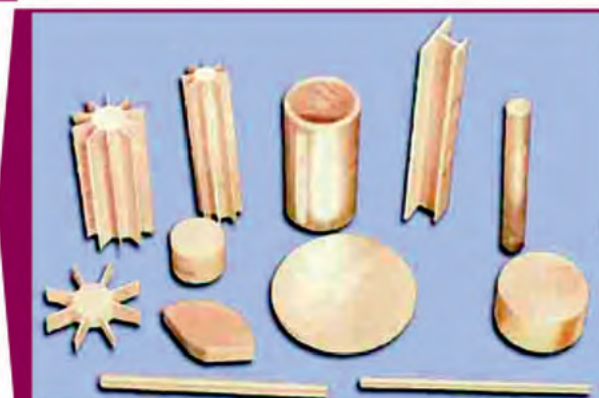
- BRASS CUPS
- GM CUPS

- CARTRIDGE CASE 105 MM IFG
- CARTRIDGE CASE SRGM
- SHEATH CC 148A1



- BRASS COIL
- 30MM SARATH CARTIDGE CASE

ALUMINIUM ALLOY  
EXTRUDED PROFILE





## ORDNANCE FACTORY, BHUSAWAL PRODUCTS



PINAKA POD  
ASSEMBLY

120 MM FSAPDS



AMMUNITION  
PACKING BOXES

CARRIER  
FOR PACKING OF BOMB



## **METAL & STEEL FACTORY, ISHAPORE PRODUCTS**



**RAILWAY LHB AXLE**

**HIGH TO MEDIUM  
CALIBRE BARREL**



**30 MM CARTRIDGE CASE**

**DIFFERENT DIA BRASS RODS**





## ORDNANCE FACTORY, DUM DUM PRODUCTS



- FUZE 162 MK-8
- FUZE DA - 5A

- STABILIZER ASSEMBLY 125 MM HEAT
- TAIL UNIT 8A WITH CAP



- MAGAZINE 20 RDS ASSEMBLY
- BALLISTIC TAIL UNIT TB 450

BALLISTIC TAIL UNIT





## ORDNANCE FACTORY, MURADNAGAR PRODUCTS



CASTING FOR  
ARJUN TANK

AERIAL BOMB 1000 LBS



AERIAL BOMB 250 KG

81 MM HE (PWP)



## ORDNANCE FACTORY, KATNI PRODUCTS



BRASS CUP  
5.56 MM

BRASS COILS



GM TUBES

CARTRIDGE CASE  
105 MM





## ORDNANCE FACTORY, JABALPUR PRODUCTS



CLUTCH SLEEVE

AUTOMOBILE CASTING



HAND GRENADE AND LIFTING PLUG

UP-GUNNING OF  
130 MM TO 155 MM SARANG GUN



## **FACILITIES AVAILABLE METAL CUTTING & FORMING MACHINE**



**VERTICAL  
MILLING CENTRE**

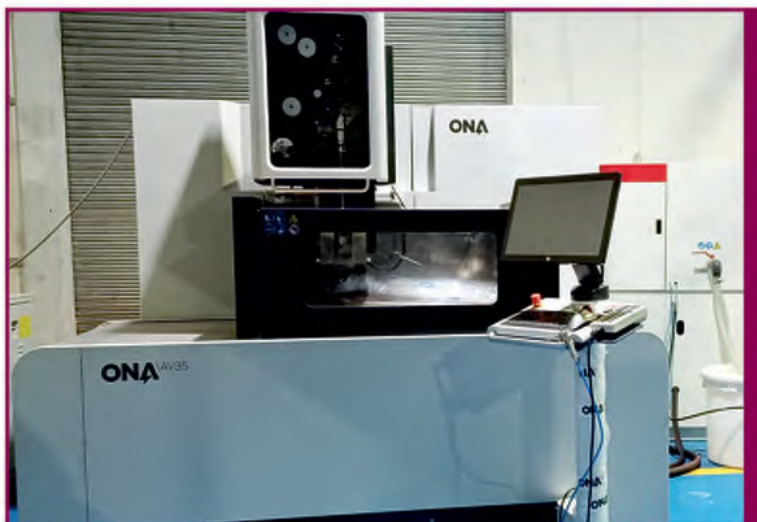
**RADIAL  
FORGING PLANT**



**VMC 1050 APC**



## **FACILITIES AVAILABLE METAL CUTTING & FORMING MACHINE**



**CNC WIRE CUT  
EDM MACHINE**



**CNC SLIDING HEAD  
STOCK MACHINE**



**HORIZONTAL BORING  
AND  
MILLING MACHINE**

## **FACILITIES AVAILABLE METAL CUTTING & FORMING MACHINE**



**CNC TURNING CENTRE  
(BED LENGTH 5 M)**

**MULTI AXIS  
CNC MACHINE  
WITH AUTO LOADING  
& GAUGING**



**MULTI AXIS  
MULTI SPINDLE  
CNC MACHINE**



## **FACILITIES AVAILABLE METAL CUTTING & FORMING MACHINE**



**ROBOTIC FORGING PLANT  
FOR HIGH CALIBER SHELL**

**FLOW FORMING  
MACHINE**



**ROBOTIC  
NUB WELDING**



## **FACILITIES AVAILABLE MECHANICAL / HYDRAULIC PRESSES**



**4x4  
HOT FORGING PRESS**

**HOT FORGING PRESS**



**2000+500 TON  
EXTRUSION PRESS**

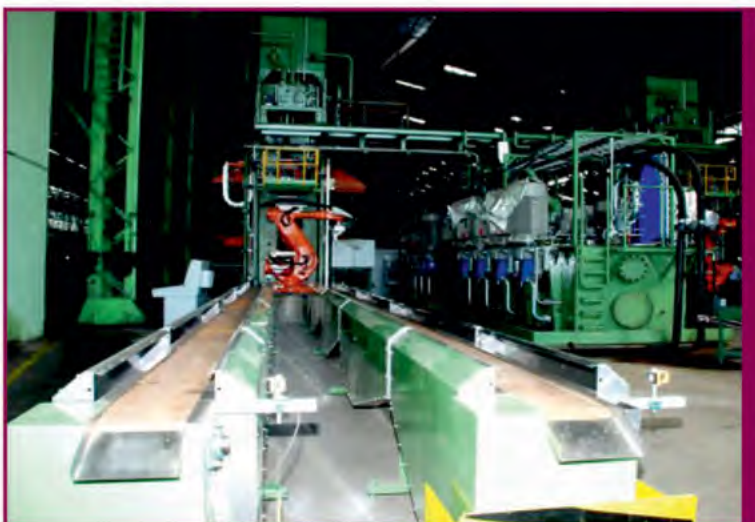


## **FACILITIES AVAILABLE MECHANICAL / HYDRAULIC PRESSES**



**ROBOTIC  
NOSING PRESS**

**6500 TON  
EXTRUSION PRESS**



**AUTOMATIC  
ROBOTIC FORGING  
PLANT**



## **FACILITIES AVAILABLE MELTING / HEAT TREATMENT**



**20 MT ELECTRIC ARC  
FURNACE - USED FOR  
INGOT CASTING**



**20 MT LADLE FURNACE &  
VACUUM DEGASING - USED  
FOR SECONDARY REFINING**



**BARREL HEAT  
TREATMENT FURNACES  
USED FOR  
HEAT TREATMENT OF  
BARRELS**



## **FACILITIES AVAILABLE MELTING / HEAT TREATMENT**



**10 TON  
ESR PLANT**



**12 TON  
ESR PLANT**



**CONTINUOUS HARDENING  
& TEMPERING FURNACE**



## DIRECTORS' REPORT

Dear Shareholders,

Your directors have pleasure in presenting the 4th Director's Report and the Company's Audited Financial Statements for the financial year ended on 31st March, 2025 along with annexure thereto and Report of Auditors thereon.

### 1. PERFORMANCE HIGHLIGHTS :

In compliance with the provisions of Section 133 of the Companies Act, 2013 and the Rules made thereunder, your Company has prepared its financial statement as per the Indian Accounting Standards ('Ind AS') for the FY 2024-25.

#### STANDALONE FINANCIAL RESULTS :

The Company's Standalone financial performance for the year ended 31st March 2025 is summarized below :-

| (In Crores)                                        |                |                |
|----------------------------------------------------|----------------|----------------|
| Particulars                                        | 2024-25        | 2023-24        |
| Revenue from Operations (I)                        | 3108.79        | 2820.73        |
| Other incomes (II)                                 | 202.53         | 206.64         |
| <b>Total Income (III = I + II)</b>                 | <b>3311.31</b> | <b>3027.37</b> |
| Total Expenditure (IV)                             | 2816.81        | 2600.83        |
| <b>Net Profit/(Loss) Before Tax (V = III - IV)</b> | <b>509.00</b>  | <b>425.58</b>  |
| Total Tax Expense                                  | 215.57         | -              |
| <b>Net Profit/(Loss) After Tax</b>                 | <b>293.43</b>  | <b>425.58</b>  |
| <b>Earnings per share (Basic and Diluted)</b>      | <b>0.22</b>    | <b>0.32</b>    |

### 2. PERFORMANCE & STATE OF AFFAIRS OF THE COMPANY :

Yantra India Limited has been incorporated as Government Company (wholly owned by Government of India) with Limited liability of shares under the Companies Act - 2013 with Registered and Corporate Office at Ordnance Factory Ambajhari, Amravati Road, Nagpur, Maharashtra, India - 440021. The Corporate Identity Number (CIN) of Yantra India Limited is U35303MH2021GOI365890. Yantra India Limited was incorporated on 14th August, 2021 and commenced its business w.e.f. 1st October, 2021.





**YANTRA INDIA LIMITED** : Yantra India Limited (YIL), one of the 7 new DPSUs, was incorporated on 14.08.2021, consisting of 8 Ordnance Factories and a Training Institute. YIL not only aims to bolster Nation's Defence preparedness, but also lend muscle to the operational readiness of the Armed Forces. YIL envisions itself as the vanguard, promoting "*Atmanirbharta*" in the sphere of India's Defence Manufacturing Industry.

YIL has established itself as the market leader in the domain of military grade components & ancillary products, aluminium alloys, components for small arms and artillery ammunitions, artillery guns, main battle tanks etc, not only in the domestic market but also Globally. The Cumulative Export Sales has touched ₹577.69 crore since inception, thereby make its contribution of Foreign exchange earning to the state Exchequer's revenue. What propels YIL as an indispensable cog in the process of ensuring India's war-readiness is its role as the supreme supplier of critical components for small arms and artillery ammunitions.

Endowed with the state-of-the art technology, YIL boasts itself of having latest machineries, vast infrastructure and an eminently skilled and dedicated workforce meeting the stringent international standards. YIL is also actively pursuing adoption of Artificial Intelligence to automate manufacturing tasks, accelerate quality inspection and Human resource Management.

Yantra India Limited can be termed as an agile and ambitious behemoth with the drive, passion and potential to emerge as the most competitive force in the field of global Defence Manufacturing. Presently, YIL occupies the position of niche player and is determined to advance to the forefront of Defence Manufacturing Universe.

Yantra India Limited with its Headquarter at Nagpur, having eight production units(Factories), one Training Institute (YITM) and 01 Non-Production Unit (corporate Headquarter) located in different States of India. Brief description for each unit is appended below: -

Yantra India Limited headquarter is situated at Nagpur which is the Registered office of the Company and comprises of CMD Office, Office of the Directors and offices of other divisions, the total strength of the company is 10361.

## **1. ORDNANCE FACTORY, AMBAJHARI**

Ordnance Factory Ambajhari is situated in the outskirts of Nagpur city, at a distance of 16 kms from Nagpur Railway Station, on Nagpur-Amravati Road (National Highway No.- 6).

### **Main Capabilities :**

- Shell Forging (84 to 155 mm)
- Flow Forming - Pinaka Rocket Tubes, 84 m, Cu Liners
- Machining - Shells, Fuzes, Rockets (Pinaka) Components
- Melting and Heat Treatment- Al Billets
- Aluminum Extrusion (6500 Ton)
- Robotic Welding, Electron Beam Welding
- Automatic Surface Treatment
- Modern Testing Equipment

**Major Products :**

- Artillery / Tank Ammunition Hardware
- Rockets (Pinaka), Fuzes, Cartridge Cases
- Aluminium Alloy Rods, Profiles, Flats & Tubes of Aerospace Grade
- Assault Bridges

**Customers : ARMY, NAVY, AIRFORCE, Munitions India Limited (MIL), Advanced Weapons and Equipment India Limited (AWEIL), Hindustan Aeronautics Limited (HAL), Bharat Dynamics Limited (BDL), Exports.**

**2. ORDNANCE FACTORY, AMBARNATH**

Ordnance Factory Ambarnath is situated in Thane District of Maharashtra.

**Main Capabilities :**

- Melting & Casting (Non- Ferrous)
- Hot & Cold Rolling
- Blanking and Cupping
- Deep Draw- Medium and High Calibre Cartridge Cases
- Extrusion (2500 Ton) Aluminium Alloy

**Major Product :**

- Steel and Brass Cartridge Cases (30 to 130 mm)
- Brass Cups for Small Arms Ammunition (SAA)
- Brass Coils for SAA
- Aluminum Castings and Extrusions
- Aluminum Cartridge case 26 mm IR Flare
- Medak profile Arm MC/ARM/25
- SHEATH Cartridge Case 148 A1 for 105mm Ammunition
- Zn-Al-Cu Alloy Chilled Cast Cylinder

**Customers : MIL, Civil Trade, Exports.**

**3. METAL AND STEEL FACTORY, ISHAPORE**

Metal & Steel Factory, Ishapore is situated in West Bengal on the Eastern Bank of River Hooghly (Ganga) at a distance of 28 kms from Kolkata.

**Main Capabilities :**

- Melting - 20 Ton Arc Furnace
- ESR Melting
- Radial Forging
- Open Die Forging
- Heat Treatment of Barrels & other components
- Machining
- Testing Facilities



**Major Products:**

- Artillery / Tank Gun PYT forgings (Medium and Large Calibre), Barrels, Breech Ring, Breech Block etc.
- Track Assembly Components for Tanks
- Steel Cone, Ballistic Caps
- Brass Rods
- Steel Cartridge Cases
- Forgings for Pinaka
- Railway Axles

**Customers : AWEIL, MIL, AVNL, Railways, MIDHANI, NFC, Exports.**

**4. ORDNANCE FACTORY, BHUSAWAL**

Ordnance Factory Bhusawal is situated in Jalgoan district of Maharashtra.

**Capabilities :**

- Fabrication of Engineering Items
- State of Art Coating Facilities
- Machining
- Welding

**Major Products :**

- Rocket Pinaka Pod
- Ammunition Packing Boxes
- Fabricated and Machined Components
- Unit Load for Shell 155mm EPRB BB/BT
- Cont. for Akash Sustainer
- Steel Crate for 155mm BMCS

**Customers : MIL, Armoured Vehicles Nigam Limited (AVNL)**

**5. ORDNANCE FACTORY, MURADNAGAR**

Ordnance Factory, Muradnagar (UP) is a Metallurgical unit of Yantra India Limited, engaged in the production of Steel Castings to meet the requirement of Sister Ordnance Factories.

**Main Capabilities :**

- Melting
- Foundry & Casting
- Heat Treatment
- Welding
- Machining
- Testing Facilities - Radiography, Fatigue etc.

**Major Products :**

- Aerial Bombs Hardware
- Track Assembly for Armoured Vehicles
- Special Alloy Steel Castings
- Armoured Steel Casting for T-72, T-90 Tanks
- Castings of Dhanush and Sharang Guns

**Customers : MIL, AWEIL, AVNL, Exports.**

**6. ORDNANCE FACTORY, KATNI**

Ordnance Factory, Katni is situated in Katni district of Madhya Pradesh.

**Main Capabilities :**

- Melting & Casting (Non - Ferrous)
- Hot & Cold Rolling
- Blanking and Cupping
- Deep Draw - Medium and High Caliber Cartridge Cases
- Extrusion (2500 Ton) Copper Alloy
- Die Casting

**Major Products :**

- Brass Cartridge Cases (105 & 130 mm)
- Brass and Gilding Metal Cups for Small Arms Ammunitions (SAA)
- Brass Slabs & Coils
- Copper Alloy Extruded Products
- Zinc Based Die Cast Products

**Customers : MIL, AWEIL, Civil Trade.**

**7. ORDNANCE FACTORY, DUMDUM**

Ordnance Factory Dum Dum (OFDC) is located at Jessore Road, Kolkata about 2-km south of Netaji Subhas Chandra Bose International Airport, Kolkata.

**Main Capabilities :**

- Machining
- Fabrication
- Laser Cutting
- Welding
- Surface Treatment
- Injection Moulding
- Testing



**Major Products :**

- Tail Units for Various Bombs
- Stabilizers 125 mm - Tank Ammunition
- Magazines- 20 & 30 Rds
- Fuzes
- Steel Cup
- 120 mm Ammunition
- Depth Charge MK-11
- TAR Polymer Based Components

**Customers : MIL, AVNL, IAF, Navy, Exports.**

**8. ORDNANCE FACTORY, JABALPUR**

This factory is situated in Jabalpur district of Madhya Pradesh.

**Main Capabilities:**

- Melting (3 Ton)
- Foundry & Casting
- Heat Treatment
- Welding
- Machining
- Testing Facilities

**Major Products :**

- Air Bombs
- Hand Grenade
- Castings of Dhanush Gun System
- Up gunning of 155/45 mm Sharang Gun.
- Fabrication of Hull of Mine Protection Vehicle.

**Customers : MIL, AVNL, AWEIL, Army.**

**9. YANTRA INSTITUTE OF TECHNOLOGY & MANAGEMENT, AMBAJHARI**

Yantra Institute of Technology & Management, Ambajhari (YITM) is located at a distance of 16 KMs from Nagpur Railway Station, on Nagpur-Amravati Road (National Highway No.6) besides YIL Head Quarter.

This Institute was established in 1996 for development of Human resource of Gr-B and Gr-C categories of employees of erstwhile Ordnance Factory Board and Allied establishments viz DGQA, SQAE, CDA, AQAW, DRDO, ARDE, MES, DONA to enable the trainees to perform their duties effectively and meet professional challenges by enhancing their Knowledge, Skill and Attitude.



**The Core Competence areas of this Institute are -**

- i) Electrical Engineering & PLC (Programmable Logic Controllers)
- ii) Fire Fighting

**THE INSTITUTE ALSO ORGANIZING AND CONDUCTS FOLLOWING TRAINING COURSES FOR THE EMPLOYEES OF YIL AS WELL FOR ALL OTHER DPSUS AND ALLIED ESTABLISHMENT AND PVT. INSTITUTES :**

- i. Administration & Human Resource Management
- ii. New Age Technologies such as IT, Industry 4.0, AI, IoT, SCADA etc.
- iii. ISO Management System (QMS, EnMS, EMS, OHSMS)
- iv. Quality Control related Courses (SPC, SQC, 7QC Tools, Six Sigma)
- v. Induction Courses for JWM(T) Chargeman(T) and NIEs
- vi. Industrial Safety, Electrical Safety.
- vii. Metallurgical courses like-UT, DT/NDT, Foundry Technology and Heat Treatment etc.
- viii. Community Development Programmes
- ix. Customized courses as per the requirement of end-user
- x. Finance and Accounting, Tally
- xi. CNC Maintenance & Programming
- xii. Planning and Procurement Procedure applicable to YIL group.

Emphasis has been laid on skill development of existing employees and bridge the skill gaps with a view to enhance the level of expertise which can meet present day challenges such as promote R&D, Innovation and taking up new product development for YIL. Yantra Institute of Technology and Management is committed to become a Centre of Excellence (CoE). The Institute is affiliated with MSBTE (Maharashtra State Board of Technical Education) for 'Diploma in Fire Service Engineer' and conducted 1st batch with 10 nos of students for the session 2023-2025. Also 2nd batch with 33 nos of students for the session 2024-2026 is going on. Institute has been imparting training to private industries on Fire Safety and conducting courses in New Age Technology in association with MoU partner.

During FY 2024-25 the institute conducted 67 nos of courses with total 1125 nos of participants.

**3. CHANGE IN THE NATURE OF BUSINESS, IF ANY :**

Your Company has not changed the nature of Business during the financial year under review.

**4. SHARE CAPITAL AS ON 31 MARCH, 2025 :**

- The Board of Directors of the Company at the 28th Board meeting held on 19.11.2024 have resolved to issue 12,81,50,000 (Twelve Crores Eighty-One Lakhs Fifty Thousand) Equity Shares of Rs. 10/- each on right basis to the Hon'ble President of India, New Delhi through the JS/LS, DDP/MoD, Government of India, Ministry of Defence (Department of Defence Production).
- The Board of Directors of the Company at the 28th Board meeting held on 19.11.2024 have resolved to issue 10,00,00,000 (Ten Crores) Equity Shares of face value Rs. 10/- each on right basis to the Hon'ble President of India, New Delhi, through JS, DDP/MoD, Government of India, Ministry of Defence (Department of Defence Production).





Summary of Authorised, Issued, Subscribed, & Paid-up Share Capital as on 31st March, 2025 is as follows :

**Authorised Share Capital :** (Value In ₹ Crores)

|                                                |             |
|------------------------------------------------|-------------|
| <b>Equity Shares:</b>                          |             |
| 15,50,00,00,000 Equity shares of INR 10/- each | 15,500.00/- |

**Issued, Subscribed, & Paid-up Share Capital :** (Value In ₹ Crores)

|                                          |             |
|------------------------------------------|-------------|
| <b>Equity Shares:</b>                    |             |
| 13,35,73,00,117 shares of INR 10/- each. | 13,357.30/- |

**5. RESERVES :**

During the financial year, the Company has not transferred any amount to the reserves.

**6. DIVIDEND :**

The Committee for Monitoring of Capital Management and Dividend in CPSEs (CMCDC) decided to grant exemption to the company from payment of dividend for FY 2024-25 vide letter no. F. No. 5/1/2026-DIPM-IIAVOLIII-Part(1) dated 19th November, 2024 issued by Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, Government of India.

**7. AUDITORS :**

**A. STATUTORY AUDITOR :**

Pursuant to the provisions of Section 139 of the Companies Act, 2013, M/s Demble Ramani & Co., Chartered Accountants, (Firm Registration No. 102259W) were appointed as the Statutory Auditors of the Company by Comptroller and Auditor General of India (C & AG) vide letter dated 21.09.2024 for conducting the statutory audit for the financial year 2024-25.

**B. SECRETARIAL AUDITOR :**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. V K Judge & Associates, Practicing Company Secretaries, were appointed as the Secretarial Auditors of the Company at the Board meeting held on 30.06.2025 for conducting the secretarial audit for the financial year 2024-25.

**C. COST AUDITOR :**

Pursuant to the provision of 148 of the Companies Act, 2013 and Cost Records and Audit Rules, 2014 Board of Directors appointed M/s Somya Sahu & Co as the Cost Auditors of the Company for conducting the cost audit for the financial year 2024-25.





## **8. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITOR UNDER SECTION 143(12) :**

During the year under review, there were no frauds reported by the Auditors as provided under Section 143(12) of the Companies Act, 2013.

## **9. EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY STATUTORY AUDITOR AND SECRETARIAL AUDITOR**

### **A. STATUTORY AUDITOR :**

The Auditor's submitted their Report in respect of the Financial Statement of the Company for the Financial Year ended March 31, 2025, which is annexed to the Directors Report and forms part of this Report.

### **MANAGEMENT'S EXPLANATIONS/COMMENTS ON QUALIFICATIONS ETC. OF STATUTORY AUDITOR ON STANDALONE AND CONSOLIDATED FINANCIAL STATEMENTS FOR FY 2024-25**

With regard to observations on Fair Market Value of Land, we submit that Yantra India Limited was newly formed entity to take over the business of arms and ammunitions from the erstwhile OFB. The Company therefore did not meet the definition of business at the time of re-organisation. Accordingly, the transaction is not construed as a business combination under common control, rather as a capital re-organisation. However, since the business has remained under common control (i.e. by the Government of India), before and after the re-organisation, the management has determined that it is appropriate to apply provisions of Appendix C to Ind AS 103 that deals with business combinations under common control, as per the policy choice provided by Ind AS 8. Accordingly, the Company has accounted for the assets and liabilities of the business transferred at their existing carrying values adjusted for the effect of harmonising the accounting policies with those followed by the Company, by following the provisions under Appendix C to Ind AS 103. The erstwhile OFB accounted for the business as per the General Financial Rules applicable to the government departments. The Company has voluntarily adopted Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013. The Management has determined that the General Financial Rules is the previous GAAP followed by the business before its transfer to the Company. The financial statements for the period ending March 31, 2022 are the first financial statements of the Company. Since the Company was newly incorporated, it did not have any assets or liabilities as at its earliest date i.e., date of incorporation. However, since the businesses of the certain units of OFB were transferred to YIL, the Management, considering the concept of prudence, determined that the Company can be a first-time adopter in respect of the businesses transferred.

Accordingly, the management concluded that the exemptions and exceptions available under the provisions of Ind AS 101 should be applied to the carrying value assets and liabilities and then transferred to YIL. The Company applied deemed cost to the carrying value of property, plant and equipment and intangible assets as the date of transfer. The same has been mentioned in the notes to account of Financial Statement of FY 2021-22 and onwards including FY 2024-25.





With regard to confirmation of balances from Trade Receivables/Payables, the communication was sent to all the parties seeking confirmation of balances. Further, it is pertinent to mention that the major customers of YIL are Central Government Organisations, CPSEs and DPSUs. As such, provision for ECL is also not warranted.

As regards to depreciation of building and roads, the Material Accounting policy in respect of depreciation of building and roads is proposed to be reviewed in FY 2025-26.

With regard to provision for retirement benefits for employees, the employees of the YIL are currently on deemed deputation and the retirement benefits to such employees is on the Government and not on the Company vide the Ministry of Defence's Office Memorandum (OM) No. 1(5)/2021/OF/DP(Plg- V)/02 dated September 24, 2021.

As regards valuation of Inventory of Finished Goods and its provision, the same has been carried out as per the company's accounting policy i.e., at cost or Net Realizable Value (NRV), whichever is lower and accordingly, necessary provisions are created on case to case basis, if required. With regard to provision for slow/non-moving inventory, the same will be reviewed during FY 2025-26. Further, physical verification for inventory is currently under way. Proper documentation and verification reports will be maintained for future reference and audit requirements.

With reference to the other audit qualifications/adverse remarks, the management will be addressing the same in FY 2025-26.

#### **B. COMPTROLLER & AUDITOR GENERAL AUDIT :**

The Comptroller & Auditor General of India, conducted a supplementary audit of the financial statements for financial year 2024-25 of Yantra India Limited under Section 143 (6) (a) of the Companies Act, 2013 which annexed and forms part of this Report.

#### **C. SECRETARIAL AUDITOR :**

The Auditors submitted their report. The Secretarial Audit Report for the Financial Year ended 31st March, 2025 annexed to the Directors Report and forms part of this Report.

#### **MANAGEMENT'S EXPLANATION ON SECRETARIAL AUDITOR'S OBSERVATION:**

With reference to the observation regarding non-appointment of Independent Directors and Woman Director on the Board during the Financial Year ended 31st March, 2025, it is submitted that the matter of filling up the vacancies of Independent Directors and Woman Director was under consideration of the Government of India. However, during the Financial Year 2025-26, a women director has been appointed as Nominee Director.

#### **D. COST AUDIT :**

The Cost Audit Report for the financial year 2024-25 is in the process of finalization and company will be filing the Cost audit report as per scheduled date of filing.



#### **10. COMPLIANCE TO SECRETARIAL STANDARDS:**

Pursuant to the provisions of Section 118 of the Companies Act, 2013, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs, GOI.

#### **11. INFORMATION UNDER SECTION 148 (1) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 (5) (IX) OF COMPANIES (ACCOUNTS) RULES, 2014 REGARDING MAINTENANCE OF COST RECORD AS SPECIFIED BY THE CENTRAL GOVERNMENT**

In terms of Section 148 of the Act, the Company is required to maintain cost records and have the audit of its cost records conducted by a Cost Accountant. Cost records are prepared and maintained by the Company as required under Section 148(1) of the Act.

#### **12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 :**

Details of the investments are attached and form part of the financial statements annexed to this report.

#### **13. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

No material changes and commitments affecting the financial position of the company occurred between the end of the financial year to which this financial statement relates and the date of this report.

#### **14. THE WEB ADDRESS WHERE ANNUAL RETURN REFERRED TO IN SUB-SECTION (3) OF SECTION 92 HAS BEEN PLACED :**

[www.yantraindia.co.in](http://www.yantraindia.co.in)

#### **15. EXTRA-ORDINARY GENERAL MEETING :**

During the Financial year 2024-25, no Extra-Ordinary Meeting of the Members of the Company was held.

#### **16. ANNUAL GENERAL MEETING :**

During the Financial year 2024-25, the Company has held Annual General Meeting on :

|         |            |
|---------|------------|
| 3rd AGM | 18.09.2024 |
|---------|------------|





#### **17. DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has adopted zero tolerance for sexual harassment at workplace and has formulated a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder for prevention and redressal of complaints of sexual harassment at workplace. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The following is a summary of sexual harassment complaints received and disposed off during the year:

| <b>S. No</b> | <b>Name</b>                                        | <b>No.</b> |
|--------------|----------------------------------------------------|------------|
| 01           | Number of complaints on sexual harassment received | 04         |
| 02           | Number of complaints disposed off during the year  | 02         |
| 03           | Number of cases pending for more than 90 days      | NIL        |
| 04           | Number of cases pending as on 31.03.2025           | 02         |

#### **18. VIGIL MECHANISM / WHISTLE BLOWER POLICY :**

The Company adopted Vigil Mechanism Policy for all its directors, officers, employees, agents, representative, and other associate persons of the Company (which may include consultants, advisors and temporary employees) (hereinafter referred to as "Covered persons") to report concerns about unethical behaviour, actual or suspected fraud, or violation of Company's Policies, or Code of Conduct and Ethics.

Covered persons have numerous ways to voice their concerns and are encouraged to report the same internally for resolution.

During the financial year under review, as per the records available with the HR Division, one report was received under the Public Interest Disclosure and Protection of Informers (PIDPI) mechanism. An inquiry was conducted in this regard, and the report has been submitted to the concerned authorities in New Delhi.

#### **19. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENT :**

Necessary disclosure in respect of Internal Control Systems and their adequacy made in Independent Auditors' Report which is annexed to the Independent Audit Report and forms part of this Report.

The Board is of opinion that the scope for improvement exist in internal Financials Control during FY 2024-25.





## **20. PARTICULARS OF EMPLOYEES :**

As per provisions of section 197 of the Companies Act, 2013 read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, It is required to disclose the details of the remuneration of the Directors etc. in the Board's report. However, as per Notification No. GSR 463(E) dated June 5, 2015 issued by the Ministry of Corporate Affairs, Government Companies are exempted from complying with provisions of section 197 of the Companies Act, 2013. YIL being a Government Company, such particulars are not included as part of the Board's Report.

## **21. DIRECTORS' RESPONSIBILITY STATEMENT :**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the Internal, Statutory and Secretarial Auditors and External Consultants, including the audit of Internal Financial Controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant Board Committees, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during FY 2024-25.

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that :

- a) In the preparation of the accounts for the financial year ended 31st March 2025, the applicable accounting standards have been followed and that there are no material departures;
- b) The Directors had selected such accounting policies and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for the period;
- c) The Directors had taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis; and
- e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **22. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.**

The Company has not made any application nor any petition and no proceeding are pending under the Insolvency and Bankruptcy Code, 2016 (31 OF 2016) at the end of financial year 2024-25.





**23. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

The Company has not made any one-time settlements during the financial year 2024-25.

**24. GENERAL DISCLOSURES :**

Your directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review :

- Issue of equity shares with differential rights as to dividend, voting or otherwise;
- Issue of sweat equity shares;
- Your Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees;
- There was no revision in the Financial Statement of the Company.

**25. DEPOSITS FROM PUBLIC :**

Your Company has not accepted any deposits from public during the financial year as per Section 73 of the Companies Act, 2013 and the Rules made thereunder and no amount of principal or interest is outstanding at the end of the financial year 2024-25.

**26. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS:**

During the year under review, there were no significant material orders passed by the Regulators, Courts and Tribunals.

**27. CORPORATE GOVERNANCE :**

Corporate governance is the system by which companies are directed and controlled. Our company is committed to adhering to the highest standards of corporate governance to ensure transparency, accountability, and long-term sustainability. YIL believe that good corporate governance is essential for maintaining investor trust, achieving operational excellence, and ensuring the company's long-term success.

The Company has a well-defined policy framework consisting code of conduct for directors and senior management personnel.

During the financial year ended 31st March 2025, the company has continued to uphold strong governance practices.

As a matter of best practices of Corporate Governance and in compliance of the guidelines of DPE, the following disclosures are made:





## 27.1 DIRECTORS AND KEY MANAGERIAL PERSONNEL :

The members of the Company's Board are eminent persons of proven competence and integrity. Besides experience, strong financial acumen, strategic astuteness and leadership qualities, they have a significant degree of commitment towards the Company and they devote adequate time to the meetings. The Board meets at regular intervals to discuss and decide on Company's business policy and strategy apart from other Board business items. As on 31st March 2025, the Board & Key Managerial Personnel of your Company comprised of the following:

| S. NO | NAME                       | DESIGNATION                                                        | DIN      |
|-------|----------------------------|--------------------------------------------------------------------|----------|
| 01    | Shri. Gurudutta Ray        | Director (HR) and (Chairman & Managing Director) Additional Charge | 09282323 |
| 02    | Shri. Rakesh Singh Lal     | Director (Finance)                                                 | 09622284 |
| 03    | Shri. Vijaykumar Iyer      | Director (Operations)                                              | 11030387 |
| 04    | Shri. Koottil Variam Ajith | Nominee Director (GOI)                                             | 10813731 |
| 05    | Mrs. Vaishali Bhagwatkar   | Company Secretary                                                  |          |

The details relating to Directors and Key Managerial Personnel (KMPs) and the changes during the financial year are mentioned herein below :

- Shri. Koottil Variam Ajith was appointed as Govt. Nominee Director of the Company in place of Shri. Jayant Kumar w.e.f. 10.10.2024.
- Shri. Vijaykumar Iyer was appointed as Director (Operations) w.e.f. 14.03.2025.
- Shri Gurudutta Ray, Director (HR) was entrusted with the additional charge of the post of Director (Operation) w.e.f. 01.04.2024 till 13.03.2025.

Post the closure of the financial year ended 31.03.2025 the following changes took place in Board of Directors and Key Managerial personnel :

- Shri Rajeev Kalra was appointed as Director (Finance) w.e.f. 10.06.2025.
- Shri Rakesh Singh Lal stood relieved from the charge of Director (Finance) on appointment of Shri Rajeev Kalra as Director (Finance) with effect from 10.06.2025.
- Shri Gurudutta Ray, Director (HR) and CMD (Addl charge) ceased to be a Director upon attaining the age of superannuation on 30.06.2025.
- Ms. Manisha Chandra was appointed as Govt. Nominee Director w.e.f. 14.07.2025.
- Shri Koottil Variam Ajith, Govt. Nominee Director ceased to be a Director on appointment of Ms. Manisha Chandra as Govt. Nominee Director w.e.f. 14.07.2025.





- The additional charge for the post of CMD was entrusted to Shri Vijaykumar Iyer, Director (Operations) w.e.f. 01.07.2025.
- The additional charge for the post of Director (HR) was entrusted to Shri Rajeev Kalra, Director (Finance) w.e.f. 01.07.2025.

As on the date of signing this report, the Board & Key Managerial Personnel of your Company comprised of the following :

| S. NO | NAME                     | DESIGNATION                                                                | DIN       |
|-------|--------------------------|----------------------------------------------------------------------------|-----------|
| 01    | Shri. Vijaykumar Iyer    | Director (Operations) and (Chairman & Managing Director) Additional Charge | 11030387  |
| 02    | Shri. Rajeev Kalra       | Director (Finance) and DIR/HR Additional Charge                            | 11111337  |
| 03    | Ms. Manisha Chandra      | Nominee Director (GOI)                                                     | 075557312 |
| 04    | Mrs. Vaishali Bhagwatkar | Company Secretary                                                          | 10813731  |

## 27.2 APPOINTMENT AND STATEMENT OF DECLARATION FROM INDEPENDENT DIRECTORS :

According to Section 149(4) of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and qualifications of Directors) Rules, 2014 there is a requirement of appointment of at least two Independent Directors on the Board of the Company.

The appointment of Independent and Woman Directors was under process at the end of Govt. of India.

However, during the Financial Year 2025-26, a women director has been appointed as Nominee Director.

## 27.3 NUMBER OF BOARD MEETINGS :

The Board meetings were held at regular intervals to discuss and decide on strategies apart from other regular Board related items. However, in case of a special and urgent business need, the Board's approval was taken by passing resolutions through circulation, as permitted by law, which were noted in the subsequent Board meetings.

The intervening gap between any two Board Meetings is within the period prescribed by the Companies Act, 2013.

The Meetings of the Board of directors were held Nine (09) times during the year on the following dates:



| S. No | Date of Meeting | Board Strength | No of Directors Attended |
|-------|-----------------|----------------|--------------------------|
| 01    | 15.04.2024      | 3              | 3                        |
| 02    | 24.05.2024      | 3              | 3                        |
| 03    | 11.06.2024      | 3              | 3                        |
| 04    | 07.08.2024      | 3              | 3                        |
| 05    | 02.09.2024      | 3              | 3                        |
| 06    | 08.10.2024      | 2              | 2                        |
| 07    | 19.11.2024      | 3              | 3                        |
| 08    | 02.01.2025      | 3              | 3                        |
| 09    | 19.03.2025      | 4              | 4                        |

#### 27.4 COMPLIANCE OF DPE GUIDELINES ON CORPORATE GOVERNANCE :

A certificate from the Practicing Company Secretary with regard to compliance of Corporate Governance is annexed to this report as Annexure - I.

Further, Quarterly & Annual Compliance Report on Corporate Governance in the prescribed format had been regularly sent to the Ministry within stipulated time along with online submission at DPE Portal maintained for the same.

#### 27.5 MEANS OF COMMUNICATION :

Annual Report of the Company and other important events are uploaded on the website of the Company i.e. [www.yantraindia.co.in](http://www.yantraindia.co.in) Information, latest updates and announcements can be accessed through the website of the Company.

#### 27.6 CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL :

The Board of Directors has approved a Code of Business Conduct and Ethics for the Board members and Senior Management.

#### 27.7 TRAINING OF BOARD MEMBERS :

In accordance with DPE guidelines and with the aim of equipping Directors with the necessary tools for effective performance of their statutory responsibilities, YIL's Board has approved a comprehensive Training Policy for Directors. This policy is designed to: (a) provide insights into relevant guidelines and procedures, (b) enhance understanding of the business environment to help envisage the future & shape strategic direction, and (c) offer need-based training tailored to the specific requirements of the Board members. The policy encompasses both general training and specialized programs focused on company specific areas.





## **27.8 COMMITTEES :**

### **1. AUDIT COMMITTEE :**

Since the appointment of Independent Directors at YIL is currently underway, the Committees have been constituted with the available Directors, without the inclusion of Independent Directors at this stage. The Committees will be reconstituted appropriately upon the appointment of Independent Directors, in compliance with the applicable provisions.

### **2. NOMINATION AND REMUNERATION COMMITTEE ("NRC") :**

Since the appointment of Independent Directors at YIL is currently underway, the Committees have been constituted with the available Directors, without the inclusion of Independent Directors at this stage. The Committees will be reconstituted appropriately upon the appointment of Independent Directors, in compliance with the applicable provisions.

### **3. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE :**

Since the appointment of Independent Directors at YIL is currently underway, the Committees have been constituted with the available Directors, without the inclusion of Independent Directors at this stage. The Committees will be reconstituted appropriately upon the appointment of Independent Directors, in compliance with the applicable provisions.

## **27.9 DETAILS OF SUBSIDIARIES / JOINT VENTURES / ASSOCIATE COMPANIES :**

As per the provisions of Section 129 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the financial statements of the associate Company in Form AOC-1 is enclosed as Annexure- I to this Report.

The Company does not have any Subsidiary and Joint Venture Company.

## **27.10 MATERIAL SIGNIFICANT RELATED PARTY TRANSACTIONS :**

The disclosure with respect to the Related Party Transactions in the Form AOC - 2 in terms of Section 134 of the Companies Act, 2013 is annexed to the Board's Report (Annexure -II).

## **27.11 PREPARATION OF FINANCIAL STATEMENTS :**

The financial statements are prepared in accordance with applicable mandatory Indian Accounting Standards ('Ind AS') and relevant presentational requirement of the Companies Act, 2013.



#### **27.12 REMUNERATION TO DIRECTORS :**

Details of the remuneration paid to the directors are attached and form part of the financial statements annexed to this report.

#### **27.13 ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS :**

As per Ministry of Corporate Affairs notification no. G.S.R. 463 (E) dated 05th June, 2015 provision of clause (p) of Sub-section (3) of Section 134 with respect to annual evaluation of the Boards, its Committees and Individual Directors, shall not apply to the Government Companies, in case the Directors are evaluated by the Ministry or Department of the Central Government which is administratively in charge of the company, or, as the case may be, the State Government, as per its own evaluation methodology.

#### **27.14 INTERNAL FINANCIAL CONTROL SYSTEM :**

The Company has in place internal financial controls with reference to financial statements.

#### **27.15 CONSOLIDATED FINANCIAL STATEMENTS :**

We have, in accordance with Section 129(3) of the Act prepared Consolidated Financial Statements of the Company and its associate which form part of the Integrated Report.

#### **27.16 DETAILS OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR ALONG WITH REASONS THERE FOR :**

The Company does not have any Subsidiary Company or Joint Venture Company during the year. Hence, it is not applicable to the company.

In case of associate company, details are enclosed in Form AOC-I.

### **28. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO UNDER SECTION 134 (3) (M) OF THE COMPANIES ACT, 2013**

The disclosures required under Section 134 (3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 for the year ended 31st March, 2025 are as follows :

#### **A. CONSERVATION OF ENERGY :**

Company's operations require electric energy for its industrial use, computer systems, air conditioners and offices equipment etc. However, adequate measures have been taken to reduce energy consumption, wherever possible.





|                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|--------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Steps Taken on Conservation of Energy and their impact thereof:</p>   | <ul style="list-style-type: none"> <li>a) Maintaining power factor near unity- Rebate on energy bill.</li> <li>b) Revision of Contract Demand at optimised level - Saving electricity bill.</li> <li>c) Conservation of fuel/oil- recycling of oil by filtration, arresting leakages.</li> <li>e) Adopting Energy Efficient Modular units- For cooling &amp; compressed air.</li> <li>f) Rain water harvesting capacity augmentation - for recharging of ground water.</li> <li>g) Moving towards Green Building Green- Installation of transparent sheets and turbo ventilators for efficient use of sunlight &amp; air in shop floor.</li> <li>h) Cutting down wastage/losses - Arresting water and air leakage.</li> </ul> |
| <p>Steps taken by the YIL for Utilizing Alternate Sources of Energy:</p> | <p>Maximum utilization of green energy sources like Solar energy :</p> <ul style="list-style-type: none"> <li>a) Grid connected Solar Plants (Ground &amp; Roof mounted)-Installed in all production units. Total capacity of Solar Plants installed is around 16.99 MW.</li> <li>b) Oil fired furnace -modified with PNG fired furnaces to reduce fuel cost as well as Carbon Emission.</li> </ul>                                                                                                                                                                                                                                                                                                                           |
| <p>Capital Investment on Energy Conservation Equipment:</p>              | <p>Rs. 94.36 Crore</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |



## B. TECHNOLOGY ABSORPTION :

|    |                                                                                                                                                           |                                                                                                                                                       |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|
| 01 | Efforts made towards technology absorption and the benefits derived like product improvement, cost reduction, product development or import substitution. | YIL is constantly working towards leveraging technology for digital transformation and automation to ensure minimal paper work and seamless services. |
| 02 | In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -                                 | NA                                                                                                                                                    |
| 03 | The details of technology imported;                                                                                                                       | NA                                                                                                                                                    |
| 04 | Whether the technology been fully absorbed;                                                                                                               | NA                                                                                                                                                    |
| 05 | If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and                                                           | NA                                                                                                                                                    |
| 06 | R&D Expenditure                                                                                                                                           | Rs 15.03 Crores                                                                                                                                       |

## C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

During the year the Company has the following Foreign Exchange Earnings & Outgo :

(In INR Crore)

| S. No | Particulars               | FY 2024-25 |
|-------|---------------------------|------------|
| 01    | Foreign Exchange Earnings | 321.77     |
| 02    | Foreign Exchange Outgo    | 6.23       |

## 29. A STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY INCLUDING IDENTIFICATION THEREIN OF ELEMENTS OF RISK, IF ANY, WHICH IN THE OPINION OF THE BOARD MAY THREATEN THE EXISTENCE OF THE COMPANY;

The Board periodically reviews the risks/concerns associated with the Company and devises measures to resolve/mitigate such concerns/risks.

However, Company has not come across any element of risk which may threaten the existence of the Company.





### **30. CORPORATE SOCIAL RESPONSIBILITY (CSR) :**

The Company was required to spend ₹2.45 Cr on CSR activities; company has spent ₹2.36 Cr and ₹ 0.09 Cr on administrative overheads. A report on Corporate Social Responsibility as Per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed to this Board's Report (Annexure -I).

### **31. COMPLIANCE WITH THE REQUIREMENTS OF DPE GUIDELINES ON CORPORATE GOVERNANCE, COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY CORPORATE GOVERNANCE REQUIREMENTS OF LISTING REGULATIONS**

All mandatory requirements of the DPE Guidelines on Corporate Governance for CPSEs have been duly complied with by the Company as on March 31, 2025 except appointment of Independent and Women Directors. However, a Woman Director was appointed on the Board of YIL w.e.f. 14.07.2025.

No expenditure has been debited in books of accounts which is not for the purpose of business and no expenses incurred and accounted which are personal in nature and incurred for the Board of Directors & Top Management.

The other expenses (including administrative, and other miscellaneous expenses) as a % age of total expenses is 7.28% for the year 2024-25.

### **32. PRESIDENTIAL DIRECTIVES :**

No Presidential Directive was received during the last three years i.e. FY 2022-23, FY 2023-24 and FY 2024-25.

### **33. LIST OF ANNEXURES :**

The following reports are annexed :

- i. Annual Report on Corporate Social Responsibility (CSR) Activities (Pursuant to Rule 8 of Companies (Accounts) (Corporate Social Responsibility Policy) Rules, 2014) For the Financial Year 31st March, 2025, in Annexure- I.
- ii. Related party transactions, pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014, in Form AOC-II as Annexure-II.
- iii. Statement containing salient features of the financial statement of Associate Company in Form AOC-I as Annexure- III.
- iv. The Secretarial Audit Report for the financial year ended 31st March, 2025 from Practicing Company Secretary.



- v. Corporate Governance Certificate, in compliance of conditions of Corporate Governance, from Practicing Company Secretary.
- vi. Comments of the Comptroller & Auditor General (CAG) of India under section 143(6) of the Companies Act, 2013 and Management Replies thereto.

#### **34. ACKNOWLEDGEMENT :**

Your Directors wish to place on record their appreciation to employees at all levels for their hard work, dedication and commitment. The Board also desires to place on record its sincere appreciation for the support and co-operation that the Company received from the customers, strategic partners, bankers, auditors, consultants and all others associated with the Company.

**FOR AND ON BEHALF OF THE BOARD OF YANTRA INDIA LIMITED**

- sd -

**Date : 04.09.2025**

**Place : NAGPUR**

**VIJAYKUMAR IYER**  
DIRECTOR (OPERATIONS)  
&  
CMD (Addl. Charge)  
DIN: 11030387

- sd -

**RAJEEV KALRA**  
DIRECTOR (FINANCE)  
&  
DIRECTOR (HR) (Addl. Charge)  
DIN: 11111337





## ANNEXURE-I

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES (PURSUANT TO RULE 8 OF COMPANIES (ACCOUNTS) (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014) FOR THE FINANCIAL YEAR 31ST MARCH, 2025.

#### 1. BRIEF OUTLINE OF THE CSR POLICY OF THE COMPANY

##### • OBJECTIVES OF THE POLICY :

- To define CSR projects or programs which YIL plans to undertake and which fall within the purview of the Companies Act 2013, the Companies (CSR Policy) Rules, 2014 and the prevailing DPE Guidelines.
- Modalities of execution of such CSR projects or programs.
- Monitoring process of such CSR projects or programs.
- To work keeping in mind the larger objective of sustainable development in conduct of business and in pursuit of CSR agenda.

##### • SALIENT FEATURES OF THE POLICY :

- It covers the requirements stated in the Companies Act, 2013, the Companies (CSR Policy) Rules, 2014 and DPE Guidelines on CSR & Sustainability;
- It defines the thrust areas for CSR activities, which are based on the activities mentioned in Schedule VII of the Companies Act, 2013.
- It specifies that 2% of average net profit during the three immediately preceding financial years will be allocated for CSR activities.

#### 2. COMPOSITION OF CSR COMMITTEE:

The function of Corporate Social Responsibility Committee discharged by the following Board of Director of the Company.

| S. NO | NAME OF DIRECTOR              | DESIGNATION/NATURE OF DIRECTORSHIP |
|-------|-------------------------------|------------------------------------|
| 01    | Shri. Gurudutta Ray, I.O.F.S. | Director HR and CMD (Addl. Charge) |
| 02    | Shri. Rakesh Singh Lal        | Director Finance and CFO           |

3. Provide the web-link(s) where Composition of CSR Committee and CSR Policy approved by the board are disclosed on the website of the company :

##### CSR Committee-

<https://www.yantraindia.co.in/public/upload/websitelogo/1742817749.pdf>



### CSR Policy -

<https://www.yantraindia.co.in/public/upload/websitelogo/1742817624.pdf>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: - **Not applicable for the financial Year 2024-25.**

5.

|   |                                                                                                      |             |
|---|------------------------------------------------------------------------------------------------------|-------------|
| a | Average net profit of the company as per sub-section (5) of section 135.                             | ₹ 122.73 Cr |
| b | Two percent of average net profit of the Company as per sub-section (5) of section 135.              | ₹ 2.45 Cr   |
| c | Surplus arising out of the CSR projects or programmes or activities of the previous financial years. | NIL         |
| d | Amount required to be set off for the financial year, if any                                         | NIL         |
| e | Total CSR obligation for the financial year [(b) + (c) - (d)]                                        | ₹ 2.45 Cr   |

6.

- a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **₹2.36 Cr**  
b) Amount spent in Administrative overheads : **₹0.09 Cr**  
c) Amount spent on Impact Assessment, if applicable. : **NA**  
d) Total amount spent for the Financial Year [(a) + (b) + (c)] : **₹ 2.45 Cr**  
e) CSR amount spent or unspent for the Financial Year : **NA**

| Total Amount Spent for the Financial Year in ₹ | Amount Unspent (in Rs.)                                                                |                  |                                                                                                                      |        |                  |
|------------------------------------------------|----------------------------------------------------------------------------------------|------------------|----------------------------------------------------------------------------------------------------------------------|--------|------------------|
| 2024 - 2025                                    | Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135. |                  | Amount transferred to any fund specified under schedule VII as per second proviso to sub-section (5) of section 135. |        |                  |
|                                                | Amount                                                                                 | Date of Transfer | Name of The Fund                                                                                                     | Amount | Date of Transfer |
| 2.45 Cr.                                       | N.A.                                                                                   | N.A.             | N.A.                                                                                                                 | N.A.   | N.A.             |





f) Excess amount for set-off, if any: **NA**

| S. No | Particulars                                                                                                 | Amount (in Cr) |
|-------|-------------------------------------------------------------------------------------------------------------|----------------|
| i     | Two percent of average net profit of the company as per sub-section (5) of section 135                      | 2.45           |
| e     | Total amount spent for the Financial Year                                                                   | 2.45           |
| e     | Excess amount spent for the financial year [(ii)-(i)]                                                       | NIL            |
| b     | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | NIL            |
| d     | Amount available for set off in succeeding financial years [(iii)-(iv)]                                     | NIL            |

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years :

| S. No. | Preceding Financial Years | Amount transferred to Unspent CSR Account under sub-section 6 of section 135 (in Rs. Cr.) | Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.) | Amount spent in the Financial Year (in Rs. Cr.) | Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any |                  | Amount remaining to be spent in succeeding Financial Years (in Rs) | Deficiency, if any |
|--------|---------------------------|-------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|------------------|--------------------------------------------------------------------|--------------------|
|        |                           |                                                                                           |                                                                                     |                                                 | Amount (in Rs. Cr.)                                                                                                          | Date of transfer |                                                                    |                    |
| 1.     | 2021-22                   | NA                                                                                        | NIL                                                                                 | NIL                                             | NIL                                                                                                                          | NIL              | NIL                                                                | NIL                |
| 2.     | 2022-23                   | NA                                                                                        | NIL                                                                                 | NIL                                             | NIL                                                                                                                          | NIL              | NIL                                                                | NIL                |
| 3.     | 2023-24                   | NA                                                                                        | NIL                                                                                 | NIL                                             | NIL                                                                                                                          | NIL              | NIL                                                                | NIL                |



8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year : **NA**
9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.- **NA**

**FOR AND ON BEHALF OF THE BOARD OF YANTRA INDIA LIMITED**

- sd -

**Date : 04.09.2025**

**Place : NAGPUR**

**VIJAYKUMAR IYER**

DIRECTOR (OPERATIONS)

&

CMD (Addl. Charge)

DIN: 11030387

- sd -

**RAJEEV KALRA**

DIRECTOR (FINANCE)

&

DIRECTOR (HR) (Addl. Charge)

DIN: 11111337





## Annexure-II

### Form AOC-II

**(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

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

#### 1. Details of contracts and arrangements or transactions not at arm's length basis.

|   |                                                                                                             |     |
|---|-------------------------------------------------------------------------------------------------------------|-----|
| 1 | Name(s) of the related party and nature of relationship :                                                   | NIL |
| 2 | Nature of contracts/arrangements/transactions                                                               | NIL |
| 3 | Duration of the contracts / arrangements/transactions                                                       | NIL |
| 4 | Salient terms of the contracts or arrangements or transactions including the value, if any                  | NIL |
| 5 | Justification for entering into such contracts or arrangements or transactions                              | NIL |
| 6 | Date(s) of approval by the Board                                                                            | NIL |
| 7 | Amount paid as advances, if any                                                                             | NIL |
| 8 | Date on which the special resolution was passed in general meeting as required under proviso to section 188 | NIL |

#### 2. Details of material contracts and arrangements or transactions at arm's length basis:

|   |                                                                                                             |     |
|---|-------------------------------------------------------------------------------------------------------------|-----|
| 1 | Name(s) of the related party and nature of relationship :                                                   | NIL |
| 2 | Nature of contracts/arrangements/transactions                                                               | NIL |
| 3 | Duration of the contracts / arrangements/transactions                                                       | NIL |
| 4 | Salient terms of the contracts or arrangements or transactions including the value, if any                  | NIL |
| 5 | Date(s) of approval by the Board                                                                            | NIL |
| 6 | Amount paid as advances, if any                                                                             | NIL |
| 7 | Date on which the special resolution was passed in general meeting as required under proviso to section 188 | NIL |

**FOR AND ON BEHALF OF THE BOARD OF YANTRA INDIA LIMITED**

- sd -

**Date : 04.09.2025**

**Place : NAGPUR**

**VIJAYKUMAR IYER**

DIRECTOR (OPERATIONS)  
& CMD (Addl. Charge)  
DIN: 11030387

- sd -

**RAJEEV KALRA**

DIRECTOR (FINANCE)  
& DIRECTOR (HR) (Addl. Charge)  
DIN: 11111337



### Annexure-III

#### Form AOC – I

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

#### Statement containing salient features of the financial statements of Subsidiaries/ Associate Companies/ Joint Ventures

##### Part "A": Subsidiaries

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

|    |                                                                                                                             |                   |
|----|-----------------------------------------------------------------------------------------------------------------------------|-------------------|
| 1  | SL. No                                                                                                                      | NOT<br>APPLICABLE |
| 2  | Name of the subsidiary                                                                                                      |                   |
| 3  | The date since when subsidiary was acquired                                                                                 |                   |
| 4  | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     |                   |
| 5  | Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries |                   |
| 6  | Share capital                                                                                                               |                   |
| 7  | Reserves & surplus                                                                                                          |                   |
| 8  | Total assets                                                                                                                |                   |
| 9  | Total Liabilities                                                                                                           |                   |
| 10 | Investments                                                                                                                 |                   |
| 11 | Turnover                                                                                                                    |                   |
| 12 | Profit before taxation                                                                                                      |                   |
| 13 | Provision for taxation                                                                                                      |                   |
| 14 | Profit after taxation                                                                                                       |                   |
| 15 | Proposed Dividend                                                                                                           |                   |
| 16 | % of Shareholding                                                                                                           |                   |

|   |                                                                          |     |
|---|--------------------------------------------------------------------------|-----|
| 1 | Names of Subsidiaries which are yet to commence operation                | NIL |
| 2 | Names of subsidiaries which have been liquidated or sold during the year | NIL |





**Part "B": Associates and Joint Ventures**

**Statement pursuant to Section 129 (3) of the Companies Act, 2013  
related to Associate Companies and Joint Ventures**

(Rs. in Crore)

|   | <b>Name of Associate</b>                                                   | <b>Advance Material Defence<br/>Testing Foundation</b> |
|---|----------------------------------------------------------------------------|--------------------------------------------------------|
| 1 | Latest Audited Balance Sheet Date                                          | 31.03.2025                                             |
| 2 | Date on which Associate was associated                                     | 04.06.2024                                             |
| 3 | Shares of Associate held by YIL on the year end                            |                                                        |
|   | No.                                                                        | 27320                                                  |
|   | Amount of investment                                                       | 2.73                                                   |
|   | Extent of Holding%                                                         | 20%                                                    |
| 4 | Description of how there is significant influence                          | Jointly controlled entities                            |
| 5 | Reason why the Associate is not consolidated                               | N.A                                                    |
| 6 | Net worth attributable to Shareholding as per latest audited Balance Sheet | 2.77                                                   |
| 7 | Profit / Loss for the year                                                 | As per equity method                                   |
|   | i) Considered in Consolidation                                             | 3.68                                                   |
|   | ii) Not considered in Consolidation                                        |                                                        |

- sd -

**VAISHALI BHAGWATKAR**  
COMPANY SECRETARY

- sd -

**RAJEEV KALRA**  
DIRECTOR (FINANCE)  
& DIRECTOR (HR) (Addl. Charge)  
DIN: 11111337

- sd -

**VIJAYKUMAR IYER**  
DIRECTOR (OPERATIONS)  
& CMD (Addl. Charge)  
DIN: 11030387

**Date : 04.09.2025**

**Place : NAGPUR**



## V K JUDGE & ASSOCIATES

### COMPANY SECRETARIES

☎ 9604620018    ✉ judge.vk@gmail.com, csvkjudge@gmail.com

FORM NO. MR-3

#### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2025

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

To,  
**The Members,**  
**YANTRA INDIA LIMITED**  
**(CIN: U35303MH2021GOI365890)**  
C/o The General Manager Ordnance Factory Ambajhari,  
Amravati Road, Ambajhari Nagpur, Maharashtra-440021 India.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Yantra India Limited (CIN: U35303MH2021GOI365890)** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the course of Secretarial Audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on 31<sup>st</sup> March, 2025 ("Audit Period") complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter;

I further reported that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management and Company, my responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon.



📍 Block No. 6, Mezzanine Floor, Mangalwari Complex (JB Wing), Sadar, Nagpur - 440 013.





I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2025 according to the provisions of;

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under; **Not Applicable**
- iii. The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder; **Not Applicable**
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not Applicable**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act'); **Not Applicable**
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **Not Applicable**
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Guidelines, 2014; **Not Applicable**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfers Agents) Regulations, 1993; **Not Applicable**
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable**





(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable**

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **Not Applicable**

- vi. Other Laws applicable to the Company;
- a. DPE Guidelines on Corporate Governance;

Further, the Company has complied with below mentioned all other laws as specifically applicable to it:

- The Contract Labour (Regulation & Abolition) Act, 1970 and Rules.
- The Factories Act, 1948
- The Air (Prevention and Control of pollution) Act, 1981
- The Employees Provident Fund and Miscellaneous Provisions Act 1952
- Payment of Wages Act, 1936
- Minimum Wages Act, 1948
- The Industrial Disputes Act, 1947
- The Equal Remuneration Act, 1976
- The Trade Unions Act, 1926
- The Maternity Benefit Act, 1961
- The Employees State Insurance Act 1948
- The Environment Protection Act, 1986
- The Hazardous Waste (Management and Handling) Rules, 1989
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

I have also examined the compliance with the applicable clause of following;

- I. Secretarial Standards I and II issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with all the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:







1. *No Independent Directors appointed on the Board of Company as required under Section 149 (4) of the Companies Act, 2013 read with relevant rules framed thereunder. Since, no Independent Directors appointed on the Board, no Meeting of Independent Directors held during the period under review as required under Section 149 (8) read with Schedule IV of the Companies Act, 2013. As reported by the management, the company has requested the central government for appointment of Independent Directors as covered under the provisions of Companies Act, 2013. The matter of filling up of these vacancies is under process at the end of Government of India.*
2. *Due to the non-appointment of Independent Directors on the Board, the composition of following committees is not in compliance with the provisions of the Companies Act, 2013 and the Guidelines issued by the Department of Public Enterprises (DPE), which mandate the inclusion of Independent Directors in such committees:*
  - *Audit Committee*
  - *Remuneration Committee*
  - *Corporate Social Responsibility (CSR) Committee.*
3. *No Woman Director appointed on the Board of Company as required under Section 149 (1) of the Companies Act, 2013 read with relevant rules framed thereunder. As reported by the management, the company has requested the central government for appointment of Woman Director as covered under the provisions of Companies Act, 2013. The matter of filling up of these vacancies is under process at the end of Government of India.*

**I further report that: -**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, **however there are neither Independent Directors nor Woman Director on the Board of Company.** Further, in my opinion adequate system, process and control exist in the Company to monitor and ensure compliances with the following other applicable laws such as;





Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes inspected, the decisions were generally taken unanimously.

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

Further, I am of the view that, there was no instances of:

- 1) Redemption/ buy-back of securities.
- 2) Public/ debentures/sweat equity, etc.
- 3) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- 4) Merger/ amalgamation/ reconstruction, etc.
- 5) Foreign technical collaborations.

**For V K Judge & Associates**  
Practicing Company Secretaries



**CS Vijenderpal Singh Judge**

Proprietor

FCS No.: 11913

COP No.: 23822

UDIN: F011913G000804760

Peer Reviewed Certificate No: 3407/2023

**Date:** 17/07/2025

**Place:** Nagpur





## V K JUDGE & ASSOCIATES

### COMPANY SECRETARIES

☎ 9604620018    ✉ judge.vk@gmail.com, csvkjjudge@gmail.com  
"ANNEXURE A"

To,  
**The Members,**  
**YANTRA INDIA LIMITED**  
**(CIN: U35303MH2021GOI365890)**  
C/o The General Manager Ordnance Factory Ambajhari,  
Amravati Road, Ambajhari Nagpur, Maharashtra-440021 India

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

#### **Management's Responsibility:**

1. Maintenance of Secretarial records is the responsibility of management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.

#### **Auditor's Responsibility:**

3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.



📍 Block No. 6, Mezzanine Floor, Mangalwari Complex (JB Wing), Sadar, Nagpur - 440 013.



### **Disclaimer**

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For V K Judge & Associates**  
Practicing Company Secretaries



**CS Vijenderpal Singh Judge**  
Proprietor  
FCS No.: 11913  
COP No.: 23822  
UDIN: F011913G000804760  
Peer Reviewed Certificate No: 3407/2023

**Date:** 17/07/2025

**Place:** Nagpur





**Avinash Gandhewar  
& Associates**  
Practicing Company Secretary

### CORPORATE GOVERNANCE CERTIFICATE

To,

The Members,

**Yantra India Limited**

(CIN: U35303MH2021GOI365890)

C/o The General Manager, Ordnance Factory Ambajhari,  
Amravati Road, Ambajhari, Nagpur, Maharashtra, India, 440021.

I have examined the compliance of conditions of Corporate Governance by **Yantra India Limited** (CIN: U35303MH2021GOI365890) for the year ended on March 31, 2025 as stipulated in guidelines on the Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises, Govt. of India.

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

The Board has laid down the code of conduct for all the Directors and senior management of the Company.

In my opinion and to the best of my information and according to the explanations given to me and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the guidelines on the Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises, Govt. of India except to the extent as mentioned below;

- As required under Paragraph 3.1.4 of the DPE Guidelines on Corporate Governance for CPSEs, 2010 issued by the Department of Public Enterprises (DPE) at least one-third of the Board Members should be Independent Directors but the company does not have any Independent Directors on the Board of Company. As reported by the management, the company has requested the central government for appointment of Independent Directors as covered under the provisions of Companies Act, 2013. The matter of filling up of these vacancies is under process at the end of Government of India.*



Jagat Housing Society, Sundaram Apartments,  
Flat No: C-104, Near Wonderland School,  
Opp. ICAD, Byramji Town, Nagpur - 440013

+91 9860765203

gpassociates.ngp@gmail.com



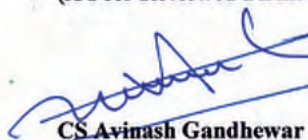
2. *Due to the non-appointment of Independent Directors on the Board, the composition of the Audit Committee was not in compliance with Paragraph 4.1.1 of the DPE Guidelines on Corporate Governance for CPSEs, 2010, which mandate the inclusion of Independent Directors in such committee. Furthermore, as per Paragraph 4.4 of the said Guidelines, the Audit Committee is required to meet at least four times a year with a minimum quorum including two Independent Directors. However, during the year under review, the Audit Committee met only twice, and the required quorum could not be fulfilled due to the absence of Independent Directors.*
3. *The composition of Remuneration Committee is not in compliance with 5.1 of the DPE Guidelines on Corporate Governance for CPSEs, 2010 issued by the Department of Public Enterprises (DPE), which mandate Remuneration Committee comprising of at least three Directors, all of whom should be part-time Directors (i.e. Nominee Directors or Independent Directors). However, the company has constituted the committee with Functional Directors.*

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

**For M/s Avinash Gandhewar & Associates**

**Practicing Company Secretaries**

**(A Peer Reviewed Firm: Certificate No.: 2718/2022)**

  
**CS Avinash Gandhewar**

**Proprietor**

**F.No. 11197**

**COP No.: 16490**

**UDIN: F011197G000855249**

**Place: Nagpur**

**Date: 24/07/2025**







## YIL's CONTRIBUTION TOWARDS ATMANIRBHAR BHARAT AND EXPORT INITIATIVE

Yantra India Limited (YIL), a leading Defence Public Sector Undertaking under the Ministry of Defence, achieved a landmark FY 2024-25 with record-breaking performance in defence exports, product diversification, and strategic global outreach. In line with the Atmanirbhar Bharat (*Self-Reliant India*) initiative in the area of Exports and Domestic market, YIL has established itself as a rising force not only in domestic market as import substitution of railway axles but also major international Defence manufacturer in international defence market.

### Domestic Market :

YIL's foray into railway axle manufacturing is a significant step in India's journey under the Atmanirbhar Bharat (Self-Reliant India) initiative. This further strengthens YIL's contribution in increasing railway infrastructure, complementing national initiatives to strengthen domestic production. YIL has significantly excelled in the manufacturing of LHB Axles, Box N Axles and K Class Axles and has so far bagged orders for 1,12,187 Nos. (upto 2024-2025) of railway axles out of which YIL has supplied 72,183 Nos. YIL's progress underlines the fact that a whopping 30,547 Nos. of railway axles has been supplied in single FY 2045-25 itself.

### Yearwise Domestic Sales Growth :

| Metrics        | FY 2021-22<br>(Oct 2021 to Mar 2022) | FY 2022-23     | FY 2023-24     | FY 2024-25     | Growth from<br>2023-24 to<br>2024-25 |
|----------------|--------------------------------------|----------------|----------------|----------------|--------------------------------------|
| Domestic Sales | ₹ 56.48 crore                        | ₹ 217.33 crore | ₹ 332.79 crore | ₹ 418.23 crore | +25.68%                              |

### Global Expansion and Strategic Export Drive :

Since its inception on 1st October 2021, YIL has steadily expanded its presence in the international market. During FY 2024-25, the company made significant inroads into the European defence ecosystem, gaining export traction from global defence giants in Italy, Czech Republic, Slovakia, Spain, Brazil, Israel, and Turkiye.

These milestones reflect YIL's emergence as a serious player in the global defence supply chain, showcasing its manufacturing prowess, product quality, and competitiveness.

### Defence Exports : At a Glance

#### Surge in Export Orders :

- **Total Export Orders Received in FY 2024-25 : ₹1,255.10 crore**
- Up from ₹546.62 crore in FY 2023-24 – a 129% growth
- Driven by proactive engagement with global clients, competitive pricing, and adherence to timely deliveries.

#### Record Export Growth :

- **FY 2024-25 Export Value: ₹323.08 crore**
- Growth: 47.8% increase over previous year's ₹218.68 crore
- This sharp rise highlights YIL's continual investment in export-oriented products and market outreach.





### Yearwise Export Growth :

| Metrics                                                        | FY 2021-22<br>(Oct 2021 to<br>Mar 2022) | FY 2022-23    | FY 2023-24     | FY 2024-25     | Growth from<br>2023-24 to<br>2024-25 |
|----------------------------------------------------------------|-----------------------------------------|---------------|----------------|----------------|--------------------------------------|
| Export Sales as per Audited Financial Statement (Rs. in Crore) |                                         |               |                |                |                                      |
| Export Sales                                                   | NIL                                     | ₹ 37.85 crore | ₹ 218.07 crore | ₹ 321.77 crore | +47.55%                              |

### Global Footprint & Key Markets

YIL's exports reached new geographical frontiers in FY 2024-25, with a focus on high-value, high-volume defence articles.

#### Key Export Destinations

- **Europe** : Italy, Spain, Czech Republic, Slovakia
- **Middle East** : Israel
- **South America** : Brazil

#### Notable Deliveries

- **155mm Artillery Shells** : L15A1 & M-107 variants
- **Cartridge Cases** : 105mm 148L and 148A1 (tailor-made as per buyer specifications)
- **Tailor made Mortar Tail Units** : 60mm, 81mm, 120mm

### Major Achievements

YIL's progress in 2024-25 is marked by a series of accomplishments that validate its operational scale, product maturity, and international credibility:

- Order Book Growth** : Reached ₹1,965.62 crore, reflecting robust business health.
- Cumulative Export Sales** : Touched ₹607.48 crore since inception.
- New Product Development** :
  - ID 84 Bomb (for FY 2025-26 deliveries)
  - Tail Units for 60mm Mortars
  - Cartridge Cases 105mm
- Product Diversity** : Exported new variants including 105mm Cartridge Cases and 40L70 to European clients.
- Strategic Manufacturing** : Focus on adaptability and meeting bespoke requirements of international partners.

### Export Ambition :

- To achieve ₹ 350 Crore in annual defence exports by March 2026

These goals affirm YIL's intent to become a trusted global partner in defence manufacturing, emphasizing innovation, reliability, and strategic collaboration.

YIL's dynamic export initiative in FY 2024-25 signifies a strong leap toward global relevance. Its growing order book, expanding international footprint, and consistent financial performance reflect a DPSU that is not just keeping pace with India's defence transformation but actively shaping it.

By aligning with national priorities and maintaining a sharp global outlook, YIL is well on its way to becoming a key pillar in India's journey toward defence self-reliance and global supply chain leadership.





## EXECUTIVE SUMMARY OF HUMAN RESOURCE (HR) FOR THE FY 2024-25

### I. WORKFORCE DEMOGRAPHICS OF YANTRA INDIA LTD

The true strength of Yantra India Limited lies in the rich diversity of its workforce. Our human resources represent a wide spectrum of skills, trades, educational backgrounds, home states, religions and languages, reflecting the inclusive ethos of our organisation.

We are committed to fostering a work environment that is free from any form of discrimination- be it in training, employee benefits, or workplace practices. This includes ensuring equal opportunity and fair treatment regardless of caste, religion, disability, gender, sexual orientation, race, colour, ancestry, marital status, or any other identity. All benefits and entitlements are extended to employees equally, in accordance with the prevailing rules and policies.

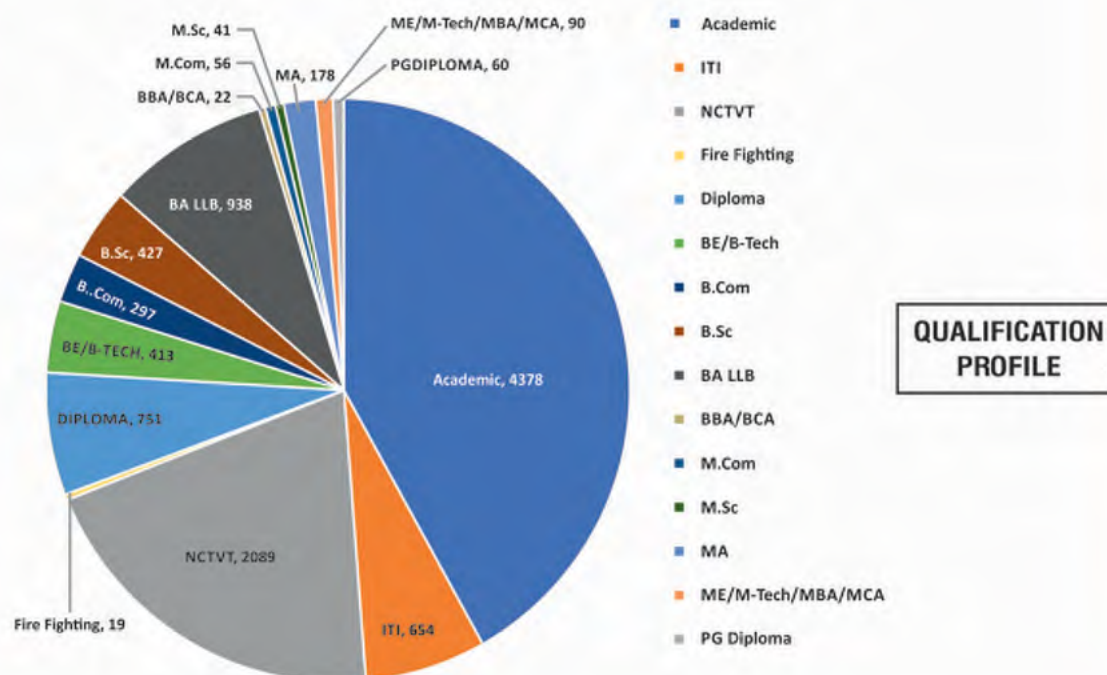
As on 31st March 2025, the total employee strength of Yantra India Limited stood at 10,361.

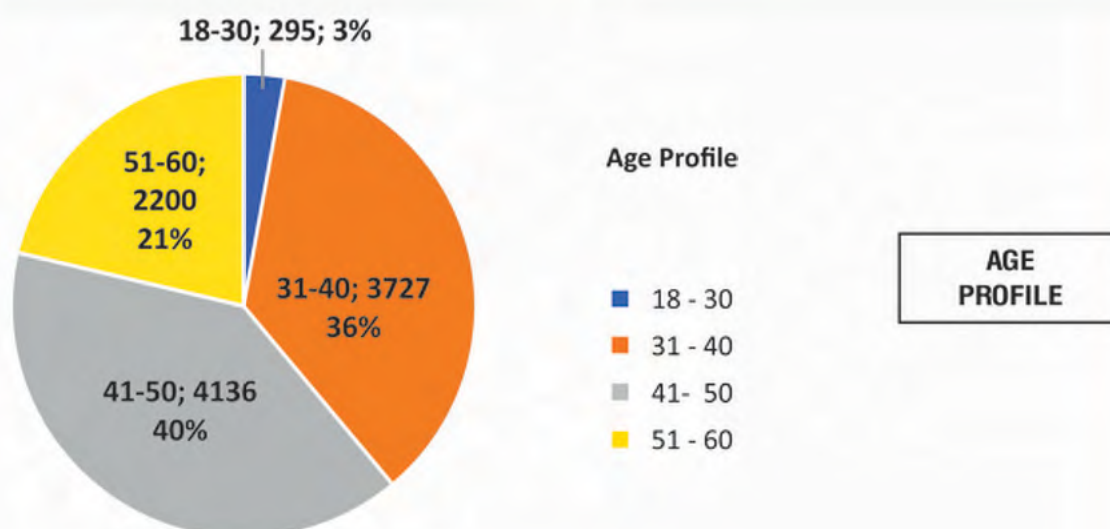
The manpower strength of the company as on 1.04.2025 against the previous year was as under :-

| YEAR       | EXECUTIVE | NON-EXECUTIVE | TOTAL |
|------------|-----------|---------------|-------|
| 01.04.2024 | 2287      | 8389          | 10676 |
| 01.04.2025 | 2290      | 8048          | 10338 |

The manpower strength has come down by 338.

### PIE CHART OF QUALIFICATION PROFILE AND AGE PROFILE OF THE EMPLOYEES OF YANTRA INDIA LTD –





## II. POLICIES DRAFTED IN THE YEAR 2024-25

Policies play a vital role in the effective functioning of the organization. They serve as structured guidelines that ensure compliance with regulations enhance operational efficiency, and support informed decision-making. By establishing a consistent framework, policies help in managing risks, streamlining processes and aligning actions with organizational objectives.

Moreover, well-defined policies contribute to fostering a fair, transparent, and positive work environment. They set clear expectations, encourage accountability, and promote ethical conduct across all levels of the organisation.

### DETAIL OF POLICIES FRAMED DURING THE YEAR-2024-25 :

- Training Policy
- Corporate Social Responsibility Policy
- Land Lease Policy
- Safety Policy
- Recognition & Reward Policy
- Transfer Policy
- Cyber Security Policy
- Quarter Allotment Policy
- Sports Policy
- Policy for Engagement of Professionals on Tenure Basis

Apart from the above, in its journey towards operational excellence and organizational transformation post-corporatization, Yantra India Limited (YIL) has institutionalized a series of best practices.





## **BRIEF OVERVIEW OF BEST PRACTICES ADOPTED IN YIL ARE AS UNDER:**

### **1. SAMVAD INITIATIVE - PROMOTING PARTICIPATIVE MANAGEMENT :**

Recognizing the importance of continuous dialogue and participative management, YIL launched the 'Samvad' initiative. This platform fosters direct interaction between the Board of Directors, apex level officers, and employees across all levels, including shop floor workers and union representatives. Since inception, a total of 394 Samvads have been organized, with 128 taking place in 2024 alone. The initiative has helped build trust by clearing misconceptions during periods of change, uncertainty and transformation, significantly boosting employee morale.

### **2. COMPREHENSIVE TRAINING AND UPSKILLING :**

YIL gives a emphasis on training and skill development for organizational growth. Employees, especially middle and senior executives, are provided upskilling opportunities by sponsoring them to attend management programs offered by internationally recognized institutes such as IIMs and ISB. An amount of 64.26 lakhs was invested in this initiative.

Additionally, internal training needs are met through the Yantra Institute of Technology and Management (YITM), where 52 courses were conducted during 2024-25 at an expenditure of 17.05 lakhs.

### **3. ALLOTMENT OF ACCOMMODATION TO CONTRACTUAL EMPLOYEES :**

To preserve and maintain its residential quarters and assets in the estate and prevent the deterioration of its residential quarters, YIL initiated the allotment of vacant quarters to contractual employees and officials from institutions like schools, post offices, and banks. This initiative has generated additional revenue, productive utilization of ideal assets while providing essential housing solutions to the employee community attached directly with YIL units.

### **4. GREEN INITIATIVE - COMMITMENT TO SUSTAINABILITY :**

YIL demonstrated its deep commitment to environmental conservation through an extensive tree plantation drive across all its units. More than 76,000 trees were planted during the year with active participation from employees, their families, local communities, school teachers, and students.

### **5. SPORTS PROMOTION AND EMPLOYEE ENGAGEMENT :**

Recognizing the critical role of physical and mental well-being, YIL actively promotes sports among its employees. An inter-factory cricket tournament was organized from 9th to 12th January 2025, with OFAJ emerging victorious and OFM as the runner-up. Badminton Tournament was also organised at Ordnance Factory Ambarnath from 11.04.2025 to 13.04.2025 and YIL has planned to have more such sports events through out the year involving all the employees from across all the units of YIL.

## **III BRIEF HIGHLIGHTING OF OTHER PERFORMANCE INDICATORS :**

Since its inception, this DPSU has been focusing on the all-round development of the company and its employees, hence by now, a robust mechanism is in place to deal with the challenges faced in achieving smooth output in various areas of human resources. Some of them are mentioned below:





## 1. GRIEVANCE REDRESSAL MECHANISM :

Grievances of the employees has been positively and timely redressed from the various portals :

|                                                                                                                                                                                                                                 |                                               |                                                   |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|---------------------------------------------------|
| a. MP/VIP References                                                                                                                                                                                                            | b. CPGRAMS Portal                             | c. IR Mechanism Meeting                           |
| d. SC/ST Cell                                                                                                                                                                                                                   | e. ICC                                        | f. Meeting with Union rep.                        |
| g. Review of CMD with EDs                                                                                                                                                                                                       | h. Grievance received through any other mode. | i. Grievance Day in a week by Executive Directors |
| j. <b>Internal Grievance Committee at Hqtr Level</b> - This committee is constituted for redressal of grievances and safeguarding interests arising out during administrative process pertaining to Scheduled Castes community. |                                               |                                                   |
| k. <b>RTI &amp; Appeal</b> - As per RTI Act 2005, PIO & CPIO exist in every Unit of YIL for addressing the RTI complaints and Appeal. Our focus is to dispose all the applications & appeals as per RTI act 2005.               |                                               |                                                   |

## BRIEF OUTLINE OF RTI MATTERS : YEAR 2024

| RTI Applications    | Received  | Pending    | Replied   |
|---------------------|-----------|------------|-----------|
| JAN'24 TO MARCH'24  | 8         | NIL        | 8         |
| APRIL'24 TO JUNE'24 | 11        | NIL        | 11        |
| JULY'24 TO SEP'24   | 10        | NIL        | 10        |
| OCT'24 TO DEC'24    | 12        | NIL        | 12        |
| <b>TOTAL</b>        | <b>41</b> | <b>NIL</b> | <b>41</b> |

| APPEAL<br>(JAN'24 TO DEC'24) | Received | Pending | Disposed |
|------------------------------|----------|---------|----------|
|                              | 135      | NIL     | 135      |
| CIC                          | Received | Pending | Disposed |
|                              | 1        | NIL     | 1        |

## 2. INDUSTRIAL RELATION :

From the date of inception, upper management of YIL focused on maintaining harmonial relation with its employees. This requires a great deal of communication and understanding between the management and employees. Since inception, a total of 394 Samvads have been organized, with 128 taking place in 2024 alone. The initiative has helped build trust by clearing misconceptions during periods of change, uncertainty and transformation, significantly boosting employee morale. workplace safety, occupational health etc. Meeting with Union & Association representatives are being conducted regularly to maintaining communication with all levels stake holders. All Units under YIL is having Works Committee and various other committee viz. Central Safety Committee, LPC etc. wherein representatives of Industrial category are nominated as committee members



to understand the ground level difficulties of the employees. Recently, 3rd periodical IR Mechanism Meeting with nominated representatives of all Federations, CDRA and nominated Unit wise representatives of all Unions & Association was successfully conducted at Nagpur, wherein agenda points raised by all Reps of IR Mechanism of YIL, were discussed in detail and suitable action on each has been taken.



### 3. राजभाषा हिंदी का प्रगामी प्रयोग :

गृह मंत्रालय, राजभाषा विभाग के निदेशानुसार, यंत्र इंडिया लिमिटेड राजभाषा अधिनियम, राजभाषा नियम व प्रतिवर्ष जारी वार्षिक राजभाषा कार्यक्रम के अनुसार क्रियाशील है। प्रत्येक तिमाही में हिंदी कार्यशाला, राजभाषा कार्यान्वयन समिति की बैठक तथा तिमाही प्रगति रिपोर्ट यथासमय अग्रेषित/आयोजित की जाती है। कर्मचारियों के मध्य हिंदी के व्यापक प्रचार प्रसार के लिये प्रोत्साहन योजना व प्रतियोगिताएं आयोजित होती हैं।

राजभाषा के क्षेत्र में कुछ विशिष्ट उपलब्धियां :

- यंत्र इंडिया लिमिटेड मुख्यालय ने नराकास, नागपुर की सदस्यता हासिल कर ली है। गत दो वर्षों से नराकास की प्रतियोगिता का आयोजन यंत्र इंडिया लिमिटेड मुख्यालय में किया जा रहा है।
- संसदीय राजभाषा समिति द्वारा आयुध निर्माणी अंबरनाथ, आयुध निर्माणी दमदम, आयुध निर्माणी भुसावल सहित यंत्र इंडिया लिमिटेड मुख्यालय का राजभाषा निरीक्षण किया गया।
- त्रैमासिक पत्रिका यंत्र वाणी, वार्षिक गृह पत्रिका यंत्र धारा का नियमित प्रकाशन किया जाता है।
- प्रतिवर्ष सितंबर माह में हिंदी पखवाड़ा का आयोजित की जाती है जिसमें अधिकारियों, स्टाफ व उनके परिवार के सदस्यों के लिये विविध प्रतियोगिताएं व कार्यक्रम आयोजित किये जाते हैं।
- राजभाषा नियम 10(4) के अंतर्गत यंत्र इंडिया लिमिटेड की 06 निर्माणियां अधिसूचित हैं। जबकि 02 निर्माणियों को अधिसूचित किये जाने की कार्यवाही प्रक्रियाधीन है।
- ऑनलाइन रिपोर्ट प्रेषित किये जाने के संबंध में राजभाषा विभाग पोर्टल पर यंत्र इंडिया लिमिटेड ने रक्षा उपक्रम के रूप में नया पंजीकरण कराया है तथा अधिनस्थ सभी निर्माणियों ने भी 1रक्षा उपक्रम के अधीन अपना पंजीकरण करा लिया है।
- 08 अगस्त, 2024 को यंत्र इंडिया लिमिटेड का प्रथम राजभाषा सम्मेलन आयोजित किया गया जिसमें कुल 09 इकाइयों ने सहभागिता की।
- सोशल मीडिया पर प्रचार प्रसार हेतु विभिन्न आयोजनों व समारोहों के पोस्ट व समाचार राजभाषा हिंदी में किये जाते हैं।





#### 4. EMPLOYEES WELFARE MATTERS :

This Company strive to provide a range of facilities and benefits to create a conducive environment for our employees and their family to thrive personally and professionally viz. residence with all amenities, SPARSH Help Centre, accord permission for conduction of various events like Yoga Shivar, Anand Mela, Medical camps, religious programs, recognize our employees for their extraordinary contributions, allotment of vacant quarters to contractual employees etc. Apart from this, regular monitoring & maintaining cleanliness of the premises & all sections of the Units, Residential colonies are inevitable part of our agenda. Additionally, our company is raising awareness about the importance of trees plantation by involving local communities in conservation efforts by providing saplings to them, and motivate them to plant and take care of it with the name shake of their mother. Engaging employees and their family members in the said drive, is practical action on conservation of forest, which also motivate them for protection of environment.





## 5. WOMEN EMPOWERMENT :

To empower our women employees, who constitute approximately 6.5 percent of our company's workforce, and to promote a respectful and inclusive work environment for them, the company offers benefits such as provision of maternity leave, CCL and creche etc. as per relevant Acts. Secondly, Internal Complaints Committee are operative in all Units to address and resolve issues related to sexual harassment at the workplace. Our company is following gender equality concept in all aspect viz. payment of wages, training, promotions, work allocation etc. To recognize the effort of women force of the company and bring motivation, an International Women's Day was celebrated in all the Units and Headquarter in full swing.



International Women's Day

## 6. GREEN INITIATIVE - COMMITMENT TO SUSTAINABILITY

### • TREE PLANTATION DRIVE

Avenue plantation, plantation inside the Estate and Unit premises are undertaken. YIL has set and achieved the ambitious goal of planting 76000 trees across our units, symbolizing our profound commitment to biodiversity conservation. Tree plantation not only mitigate the effects of greenhouse gas emissions but also serve as vibrant hubs of biodiversity, providing shelter and food to countless species, thus positively impacting the ecosystem

### HERE'S A MORE DETAILED LOOK AT TREE CONSERVATION :

#### A) PROTECTING TREE POPULATIONS :

Planting new trees or restoring degraded forests with the help of Forest Department can help to increase tree populations and forest cover.

#### B) RAISING AWARENESS AND ENGAGING COMMUNITIES :

Educating the employees about the importance of trees and their ecological roles can foster a sense of responsibility.

#### C) COMMUNITY INVOLVEMENT :

Involving local communities, families, schools etc to participate in tree planting activities in the residential localities can motivate them for protection of environment.

#### D) PRACTICAL ACTIONS :

Employees are contributing to tree conservation by planting trees in their own yards or participating in community planting events.



- i. **Reducing paper** consumption in the offices can help conserve trees.
- ii. **Renewable Energy** - YIL is promoting its Units to switch over to the use of sustainable energy by installing solar power plants. This transition to clean, renewable energy sources unlocks new pathways toward a sustainable future powered by clean, green energy or power plants.  
  
Under this aegis, Solar plants having capacity of 16.999 Mega Watt have been installed across all Units of YIL & 8.5% of the total annual consumption of YIL is met through these solar plants.
- iii. **Effluent Treatment Plant** exist in our Units are treating water coming from production shops. This treated water is using for watering plants, maintaining gardens inside the Units.
- iv. **"Polythene Waste Bailing Machine"** has been installed in the premises of Residential Estate of Ambajhari, which is helpful to compress the piles of waste polythene bags, being collected from the resident of the estate, in specific size. It not only helps in its easy disposal, but also prevent soil, water from pollution and moreover, prevent stray animals from eating polythene and resulting death.
- v. The company instituted prestigious new awards such as the '**YIL Earth Care Award**', to inculcate and develop newer values and encourage innovation and more commitment. This Award recognizes innovative, eco-friendly initiatives and was conferred upon Ordnance Factory Ambarnath (OFA) in 2024.

#### • **CLEANLINESS DRIVE :**

Cleanliness and sanitation are a part of our regular activities. Not only residential area but also in Production plant, special attention was given towards special drives to make the area clean and attractive. Swachhata Month was celebrated across the Units from 01st Oct'2024 to 30th Oct'2024. Additionally, Swachhata Pakhwada was organised in all Units from 01st Dec'2024 to 15th Dec'2024. Rs 1348.11 Lakhs expended in the Year 2024-25 under the said campaign.







**TREE PLANTATION DRIVE**

## 8. CSR INITIATIVES

YIL demonstrates its commitment to a cleaner India# SwachhaBharatMission by contributing Rs. 23,614,683 to the Swachh Bharat Kosh as a part of its CSR Initiatives.

## 9. COMPREHENSIVE TRAINING AND UPSKILLING

Training and development are crucial for organizational success, enabling improved employee skills, productivity, and adaptability. They also enhance job satisfaction, retention, and create a culture of continuous learning and growth, ultimately leading to a more competitive and innovative workplace.

YIL gives a emphasis on training and skill development for organizational growth. Employees, especially middle and senior executives, are provided upskilling opportunities by sponsoring them to attend management programs offered by internationally recognized institutes such as IIMs and ISB. This initiative equips participants with modern management knowledge in areas like business management, intellectual property rights, finance, export, and project management, making them globally competitive. An amount of 64.26 lakh was invested in this initiative.

Additionally, internal training needs are met through the Yantra Institute of Technology and Management (YITM), where 67 courses were conducted during 2024-25.



## OTHER ACHIEVEMENTS -

- Total 1567 employees have been registered on iGoT Portal and completed training of 4170 courses.
- Courses on Fire Fighting was conducted to train the employees of Ms Surjagarh Oron Ore Mines, Gadchiroli from 05.08.2024 to 16.08.2024 & from 19.03.2025 to 02.04.2025. Similarly, course on "Basic Fire Fighting & Medical First Aid" was conducted at the premises of Ordnance Factory Bhandara (OFBA) on two occasions i.e from 10.03.2025 to 12.03.2025 & from 21.04.2025 to 25.04.2025.



## 10. SAFETY AT WORK PLACE

### SAFETY POLICY :

- Safety Policy has been formulated for YIL and implemented wef: 11/12/2023. The new YIL Safety Policy 2023 provides detailed guidelines on "Safety Management Structure at Factory/Unit Level, Review Mechanism, Safety Audit System, Safety Measures, Safety and Welfare Committee, Function and duties of the safety committee, Standard Operating Procedure (SOP) for reporting of Major & Fatal accidents and follow-up actions, Action at Site including Security Measures, Reporting of Accidents, Formation of Board of Enquiry, Terms of references for BoE against Fatal & Major Accidents, Compensation and ex-gratia payment, Time Limit for completion of BoE and Role of COS/YIL HQ."
- 3-tier safety Audit is carried out in the units under as under :
  - Safety Audit Level-I (SAL-I) by Auditors nominated by concerned unit once in a month
  - Safety Audit Level-II (SAL-II) by Auditors nominated by YIL HQ from other units, bi-annually
  - Safety Audit Level-III (SAL-III) by Auditors from (COS)/YIL HQ, annually
  - Electrical Inspection by COS/YIL HQ, annually
- In addition to the above audit practices, in future, 3rd party Safety Audit shall be carried out and action for same is already initiated.
- As a result of the new safety policy, the nos. of safety hazards has come down substantially as compared to previous years.
- Regular safety review meeting is being conducted at YIL HQ under the chairmanship of CMD.





#### **LAND & ESTATE :**

- i) Land Lease Policy has been formulated for YIL and implemented wef 11/06/2024. The new Land Lease Policy 2024 provides detailed guidelines to facilitate honoring/extending the already executed land lease/license agreements/contracts with other Govt./Quasi Govt./State Govt./Private agencies and to enter into new land lease/license agreements/contracts with other Govt./Quasi Govt./State Govt./Private agencies and also to enable and strengthen YIL & the units under YIL to generate revenue out of the idle assets.
- ii) The Land Lease Policy also provides guidelines on "Allocation for land/buildings to Educational Institutions, Licensing of Fruits Gardens and Ponds for Fishery Purpose, Renting of Estate Infrastructure like Stadiums, Playground, Community Halls, Auditoriums, Seminar Halls, Party Lawns etc. for the generation of revenue, Regularization of Unauthorized Occupancies, Allotment of land for the Central Govt./State Govt. their Departments and Public Sector Undertakings for facilitating essential services such as Telephone Exchange, Post/Telegraph Office, Electricity Sub-Station, State Transport Authority, Police Post/Police Station etc., Allocation of Surplus Quarters to employees of other Central Govt./Quasi-Govt./State Govt./PSU and fixation of market rent for Quarters, Re-appropriation of Surplus Quarters, Licensing of land/building for Cultural Cooperative Credit, CSD and Thrift and Consumer Societies, Licensing of Shopping Complexes, Licensing of land for agricultural purposes & License of site for retail outlets of Petrol/Diesel/Service Stations/LPG/Kerosene."

#### **11. AWARD & HONOUR :**

- Shri Gurudutta Ray, Director HR & CMD (Addl. Charge), YIL was honoured as Top 50 Most Influential HR Leaders by People Excellence & Leadership Conference & Awards in the Year 2024.
- In the Year-2024, "Excellence in Employee Development" award was given to "YIL" by "People Excellence & Leadership Conferences & Awards"
- Shri Gurudutta Ray, Director HR & CMD (Addl. Charge) was honored as "ICONIC HR Leader in Excellence & Leadership" by DigiOne in the Year-2025.
- Ordnance Factory Bhusawal (a Unit of YIL) has won third prize for adhering and implementing all guidelines depicted in Rajbhasha Act. This award was conferred to Shri Niranjana Lal, Executive Director of OFBH, by Shri Nityanand Rai, Minister of Home (State) & Shri Bhajan Lal Sharma, Chief Minister of Rajasthan, at Regional Rajbhasha Conference held at Jaipur(Rajasthan) on 17/02/2025.
- YIL Cricket Team has won a Trophy as Winner of Inter DPSU Cricket Tournament organised by AVNL (DPSU).
- Employee Recognition Initiatives- Acknowledging and appreciating employee efforts forms a vital part of YIL's HR strategy. Apart from the regular awards presented to the employees at Unit level, in the year 2024, a total of 35 employees of YIL have been honoured with the prestigious YIL Awards by the apex authority of YIL on the occasion of YIL Raising Day celebrations. The company has instituted a set of prestigious new awards to inculcate and develop newer values and encourage innovation and more commitment among the employees of YIL, in the area of production, HR, Finance, environment etc.



## AWARD PHOTO GALLERY



### 12. ONLINE PORTAL & SOCIAL MEDIA

An independent online portal named **DARPAN**, designed in-house at YIL, is used to display orders, circulars, policies, unit wise details of manpower etc., and is accessible to all the employees of YIL. Additionally, all information which are mandate to be shown, are available in the Website of YIL and its Units.

Social media platforms like Twitter, YouTube etc. are the domains where YIL is regularly updating its important events, activities, achievements, awards etc.



@yantraindia.co.in



@FbYantraIndiaLtd



@YantraIndiaLtd.



@officialyil

### V BENIFITS CONFERRED TO THE EMPLOYEES

Yantra India Limited continues to extend welfare benefits to the employees and their dependents in the form of comprehensive medical, facilities, canteen, sports, housing and other facilities. Various other facilities like Training, Leave Travel concession, Children Education Allowance and other allowances are also extended to employees. During the Financial Year 2024-25 total expenditure incurred on the employee's benefit expenses is 1073.17 Cr.





## VI NOTABLE ACTIVITIES & EVENTS OF YIL

- Celebration of Birthday of Dr. Bhimrao Ambedkar, architect of Indian constitution on 14th April 2024.
- Started Tree plantation Drive across the Units under YIL w.e.f 5th June'2024 & onwards. This was further done under the campaign "Ek Ped Maa ke Naam" allocated by MOD. 76000 Trees were planted under this campaign.
- Yoga Shivir organised in all Units on 21st June 2024 (International Yoga Day).
- Independence Day celebrations on 15th Aug'2024.
- CMD Meet hosted by YIL, was successfully organised at Kolkata on 23/24th Aug'2024.
- Rajbhasha Pakhwada was organised in all Units from 14th Sep 2024 to 29th Sep 2024.
- YIL Raising Day-2024 was celebrated on 01st Oct. Prestigious Yantra Awards in various categories were conferred to the employees of YIL for their outstanding contributions.
- Swachhata Month was organised between 01st Oct'2024 to 31st Oct'2024
- Vigilance Week was celebrated on 28thOct to 3rd Nov 2024.
- Celebration of 75 Years of Adoption of Constitution of India started from 26th Nov'2024 onwards.
- Swachhata Pakhwada organised in all Units between 01st Dec'2024 to 15th Dec'2024.
- Republic Day Celebrations on 26th Jan'2025.
- International Women's Day celebrated in all Units on 08th March'2025.
- Release of Magazine :  
Rajbhasha - Quarterly Magazine "Yantra Vani" & 2nd edition of Annual Magazine "Yantra Dhara"  
  
Vigilance - 3rd edition of Vigilance Journal "VIG : Yantra India",  
  
Sport - 1st edition of sports magazine "Khel Yantra".
- **Knowledge & Enrichment** : Finance - Workshop on financial awareness by Rep of IDBI, Axis, ICICI
- **Health** - Lecture of Female Health by Dr. Papiya Bandyopadhyay, Dr. Sunayna Jham.
- **Vigilance** - Lecture on Cyber Hygiene & Security & "Dynamic Digital presence of YIL



## GLIMPSE OF IMPORTANT VISITS AND EVENTS



Visit of Dr. Bhaskar Chatterjee  
Ex. Secretary Gol & Ex-DG & CEO of IICA



Class on "Sahaj Yoga - Stress Management"



Visit of MIL (DPSU) Officials



Visit of Member of Parliament



Visit of CMD/GIL



HR Conclave



- **SPORT ACTIVITY** : An inter-factory cricket tournament was organized from 9th to 12th January 2025, with OFAJ emerging victorious and OFM as the runner-up. Badminton Tournament was also organised at Ordnance Factory Ambernath from 11.04.2025 to 13.04.2025 and YIL has planned to have more such sports events through-out the year involving all the employees from across all the units of YIL.



Cricket Tournament



## VII PERFORMANCE EVALUATION / SCORE OF EMPLOYEES

The Performance Appraisal Report of any employee is an important document. It provides the basic and vital inputs for the further development of an officer. Performance appraisal should be used as a tool for human resource development. The appraisee, the Reporting Authority and the Reviewing Authority & Accepting Authority should, therefore, undertake the duty of filling up the form with a high sense of responsibility. Online appraisal program exist to score / evaluate the performance of the employee at the end of every Financial Year i.e. April to March.



## VIII. CHALLENGES & LESSONS

Main challenges faced by YIL in the Year 2024-25 are as under:

- Business growth of DPSU.
- Manpower Rationalisation
- Framing of HR Policies.
- Focusing on training & skill development
- CSR Related activity

We have learned a lot from the above challenges that came in the way of YIL's growth and have built a strong foundation to overcome them.

## IX. FUTURE OUTLOOKS & PLANS

- We would develop a strategy to evaluate post training evaluation of the participants.
- We are on the way of formulating ESG, Disaster Management, Record Retention and few other Policies.
- This DPSU is planning to work on sustainable environmental practices in the running Year.



## VISIT OF DIGNITARIES



Visit of Rear Admiral Rupak Barua, DG NAI, NHQ on 21.11.2024



Visit of CMD & Director (HR) of MIL on 12.07.2025





**Farewell to Ex Director (Finance) of YIL on Transfer on 10.06.2025**



**Welcome of Shri Rajeev Kalra, Director (Finance) on 10.06.2025**





**Shri Gurudutta Ray, Director (HR) & CMD (Addl. Charge)  
on Superannuation on 30.06.2025**



**Presenting a Memento to Dr. Sajid Farid Shapoo, IPS,  
Chief Vigilance Officer, YIL on 26.05.2025**



## ENVIRONMENT DAY



'Tree Plantation' on the Occasion of Environment Day, 2024

## YOGA DAY





## INDEPENDENCE DAY



Release of Book "The Force" on 15.08.2024



Release of Rajbhasha Patrika "Yantra Vani" on 15.08.2024



## INDEPENDENCE DAY



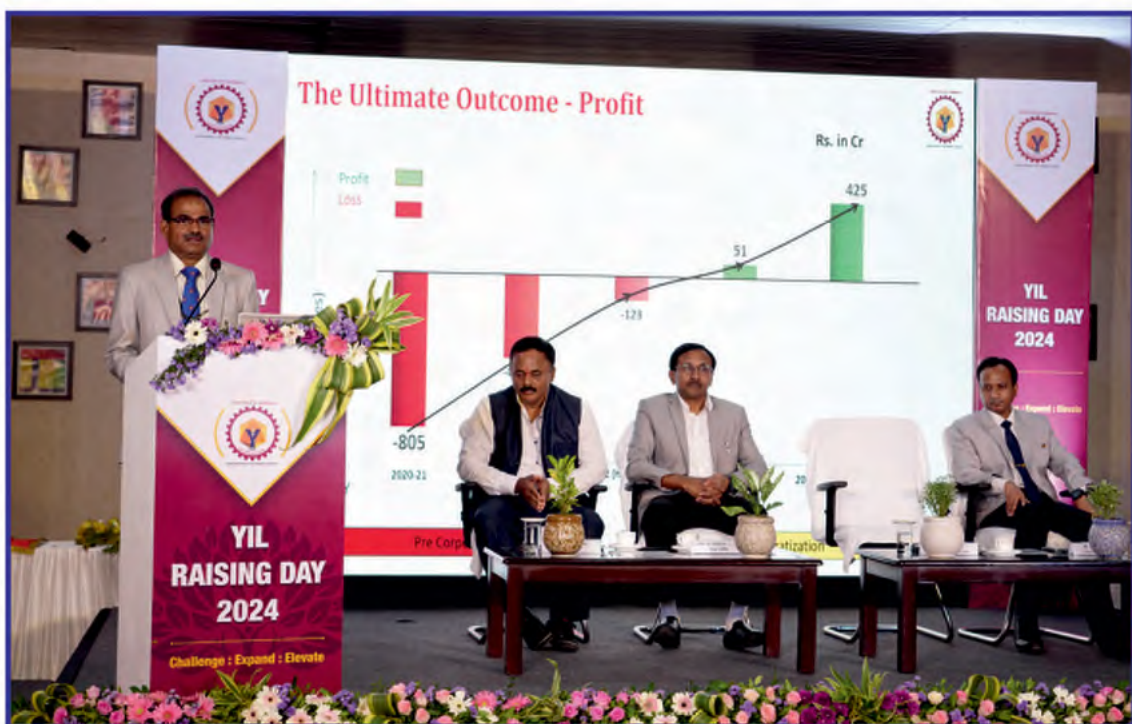


## REPUBLIC DAY





## 3RD YIL DAY CELEBRATION

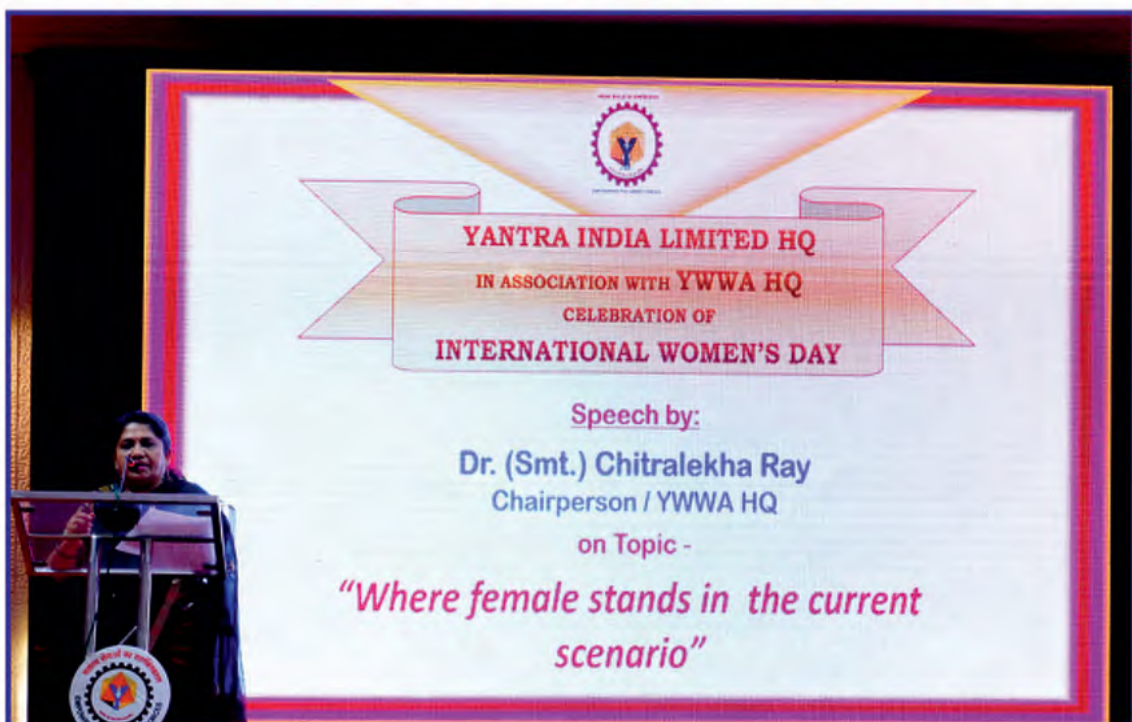






Presenting Certificate of Appreciation to Shri Rajeev Puri, 1st CMD of YIL

## INTERNATIONAL WOMEN'S DAY





**अंत्रा इंडिया लिमिटेड**  
**ANTRA INDIA LIMITED**

भारत सरकार का उद्यम, रक्षा मंत्रालय  
A Govt. of India Enterprise, Ministry of Defence

**INDEPENDENT AUDITOR'S  
REPORT  
(STANDALONE)  
FY 2024-25**





**DEMBLE RAMANI & Co.**  
CHARTERED ACCOUNTANTS



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## INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS, YANTRA INDIA LIMITED (the "Company")**

**REPORT ON THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS**

### I. Qualified Opinion

We have audited the accompanying Standalone Ind AS Financial Statements of **Yantra India Limited** ("the Company" which includes the head office located at Nagpur, Maharashtra and 9 branches), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the year ended 31<sup>st</sup> March 2025 and notes to the financial statements, including a summary of Material Accounting policies and other explanatory information (hereinafter referred to as the "Financial Statements") in which are included the financials of seven branches for the year ended on that date audited by other branch auditors of the company stated as under:

| Sr. No. | Branch Name                                                    | Branch Location            |
|---------|----------------------------------------------------------------|----------------------------|
| 1       | Ordnance Factory Jabalpur (Erstwhile: Grey Iron Foundry) (OFJ) | Jabalpur, Madhya Pradesh.  |
| 2       | Ordnance Factory Muradnagar (OFM)                              | Muradnagar, Uttar Pradesh. |
| 3       | Ordnance Factory Ambarnath (OFA)                               | Ambarnath, Maharashtra.    |
| 4       | Ordnance Factory Dumdum (OFDC)                                 | Kolkata, West Bengal.      |
| 5       | Ordnance Factory Katni (OFKAT)                                 | Katni, Madhya Pradesh.     |
| 6       | Ordnance Factory Bhusawal (OFBH)                               | Bhusawal, Maharashtra.     |
| 7       | Metal and Steel Factory Ishapore (MSF)                         | Ichapore, West Bengal.     |

In our opinion and to the best of our information and according to the explanations given to us, except for the effects / possible effects of the matters described in the "Basis for Qualified Opinion" section of our report, the aforesaid







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IND AS Financial Statements give the information, other than mentioned at of Emphasis of Matters Paragraph & Key Audit Matter, required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India,

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2025; and
- b) In the case of the Statement of Profit and Loss, the profit (including other comprehensive income) for the year ended on 31st March 2025.
- c) In the case of the Statement of Cash Flow, of the cash flows for the year ended on 31st March 2025.
- d) In the case of the Changes in Equity for the year ended 31st March 2025.

## II. Basis for Qualified Opinion

We draw attention to the matters described here below, the quantitative and qualitative effects of which, individually or in aggregate, are, in our view, material to the Financial Statement. Further, there are matters where we and other branch auditors were unable to obtain sufficient and appropriate audit evidence. The effects of matters described below, which could be reasonably determined, are quantified, wherever possible, and given therein:

### 1. Difference in Inter-Unit Balances:

We draw attention to Note No. 4 Current Assets, wherein under Other Current Assets include a sum of Rs. 3.19 crores as difference in Inter Branch Balances. Similar difference in last year inter branch balances amounting to Rs. 174.14 crores was written off through Other Equity (Reserves & Surplus). This can have possible effects such as overstatement/understatement of assets/liabilities or profit and loss of the company. We are unable to comment on such possible impact on standalone financial statements of the company.

### 2. Property Plant and Equipment and Land:

As referred to in Note No.1, "Property Plant & Equipment" of OFAJ of the Financial Statements, the Company has accounted for the Land on the basis of information from the erstwhile Ordnance Factory Board. The Company does not formally hold any registered title deed for such land. While adopting such a value, the exact area of the land representing such value is not ascertained. In terms of the board of officers' proceedings held in July 2022 and the document of handing over of the erstwhile ordnance factory land dated 05.07.2022, forming annexure - B of such proceedings, mentioned the following details in respect of the land:

|    |                                                                        |              |
|----|------------------------------------------------------------------------|--------------|
| a. | Area Reported by the directorate of ordnance (Co-ordination & Service) | 3491.85 Acre |
|----|------------------------------------------------------------------------|--------------|







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|    |                                                            |              |
|----|------------------------------------------------------------|--------------|
| b. | Area as per GLR/MLR Entry of the DEP                       | 3416.77 Acre |
| c. | Area under actual occupation as per the survey done by DEO | 3353.83 Acre |
| d. | Area transferred to (Name of concerned DPSU) i.e, YIL      | 2791.45 Acre |

Further, the mutation as well as the physical land area reconciliation with the State Land Records and Military Land Register is pending. On account of the Pendency of mutation, the burden of local municipal/ gram panchayat / municipal council taxes remains to be assessed.

Any cost that might be incurred for registration/updating in revenue records has not been quantified by the management, and the financial impact of the same on the company cannot be ascertained.

In view of the above, we are unable to state the correctness of the historical value adopted in financial statements.

As explained by the management through representation, the company had issued share capital against the land and other property, plant, equipment items, and therefore, as contended by the management, the handover of the land was not in the form of a grant, and hence, the provision of IND AS 20 is not applicable in the case.

(Similarly observed in case of OFJ, OFKAT, OFA)

Furthermore, the amounts as observed in the respective branch Audit Reports are as follows:

| Branch                       | Amount          |
|------------------------------|-----------------|
| Ordinance Factory, Jabalpur  | Rs. 43,11,320/- |
| Ordinance Factory, Katni     | Rs. 1,18,750/-  |
| Ordinance Factory, Ambarnath | Rs. 10,63,961/- |

We draw attention to Note No 34(viii) of the Financial Statements, where the title deeds related to land are not held in the name of the company.

Moreover, the amount of Property, Plant and Equipment referred to in Note no. 1 of the Financial Statements of Rs. 1874.64 crore out of which Freehold Land is Rs. 5.56 cr. The amount of freehold land does not include the amount of Rs. 9482.38 crore being the difference of Market Value of land (Rs. 9487.94 crore) as per Registered Valuer's Report and value of land booked (Rs. 5.56 crore) by the company. Non-considering the market value of land has resulted in understatement of assets and other equity by Rs. 9482.37 crore.

Furthermore, as per the applicable Indian Accounting Standards, particularly Ind AS 103 - "Business Combinations", the identifiable assets acquired are required to be recognized at their fair value as on the date of transfer, and their carrying amount should be adjusted to reflect fair value and remaining useful life.







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Contrary to these requirements, the Company has continued to recognize the transferred assets at their historical book values as recorded in the books of the erstwhile government entity, without performing a fair valuation or reassessing the useful lives of the assets and other intangible assets.

As a result, the carrying value of Property, Plants and Equipment and Other Intangible Assets as presented in the Financial Statements may not appropriately reflect their fair value, potentially leading to a misstatement in depreciation expense and the overall financial position of the Company.

(Similarly observed in case of OFJ)

### 3. Impairment of Assets:

The company has not carried out impairment exercise/testing in accordance with Ind AS 36 "Impairment of Assets". Furthermore, the company has also not made the necessary disclosures as required by paragraphs 126-136 of the said Ind AS 36. The cumulative impact of the aforesaid non-compliance of the said Ind AS 36 in the Financial Statements of the company is not ascertainable due to non-furnishing of complete information and hence cannot be commented upon.

(Similarly observed in case of OFKAT, OFJ, OFM, OFA)

### 4. Depreciation:

- a. In the case of OFAJ, it is observed that the carrying value on certain fixed has reduced below their estimated residual (salvage) value in the previous financial years, which amounts to approximately Rs. 1.56 Crore, which is not in compliance with the provisions of Schedule II of the Companies Act, 2013. This implies that depreciation has been overcharged in previous years and the assets are under-stated to that extent.
- b. In the case of OFKAT and OFJ, the branches have been charging depreciation on Property, Plant and Equipment (PPE) from the M Voucher Date of the respective item of PPE instead of from the date when the same item is available for use, i.e., date of commissioning. This is in violation of paragraph 55 of Ind AS 16 'Property, Plant and Equipment'. The overall impact of the same 'Loss' as well as non-current assets- 'Property, Plant and Equipment' of the current year, 2024-25 and on the retained earnings as on 31.03.2024 to give effect to the correct amount of depreciation in respect of the previous years, as prior period items, by restatement as per Ind AS 8, is not ascertainable due to non-availability of complete information in respect of aforementioned matters.

Accordingly, we are unable to comment on the accuracy of the depreciation charged and the true and fair presentation of the carrying value of fixed assets, profit for the year, and the impact on the financial position of the Company as at the balance sheet date.







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**5. Trade Receivables:**

The balances of Trade Receivables are subject to confirmations, reconciliation, and review from respective parties. In the absence of such reconciliations and review, a proper basis relating to ageing analysis as disclosed in note no. 3(b) of the Financial Statements cannot be verified. Therefore, pendency of such balance confirmations, reconciliation, basis for age-wise analysis, and non-calculation of provision for ECL, the impact of consequential adjustments, if any, on the Financial Statements cannot be ascertained. Hence, we are unable to comment on completeness, accuracy, and existence of these balances as at March 31, 2025.

It was further noticed that the Company has not ascertained or created any ECL provision on trade receivables in accordance with Ind AS 109.

(Similarly observed in the case of OFBH, OFKAT, OFDC, OFJ, OFA)

**6. Trade Payable:**

Attention is invited to Note No. 7(a) for trade payable for which the balance outstanding and payable is subject to reconciliation, and the same is not done with various DPSUs and other parties and payables for more than 1 year. Without reconciliation, the quantum of exact liability cannot be quantified as year-end balances are not reconciled. Hence, we are unable to comment on completeness, accuracy, and existence of these balances as at March 31, 2025.

(Similarly observed in the case of OFBH, OFJ, OFDC)

**7. GST Input Tax Credit reversible for Trade Payable of more than 180 days:**

The GST input Tax Credit on non-payment of suppliers/trade payables of more than 180 days whose Input Tax Credit on GST has been availed must be reversed as per the applicable GST provisions. We are not in a position to fully verify the amount of tax credit reversible in respect of creditors who are not paid for more than 180 days. Thus, we are unable to quantify the impact of the same on financial liabilities and expenses of the company for the same.

(Similarly observed in the case of OFDC, OFJ, OFM)

In case of the Katni Branch (OFKAT), the input tax credit on GST amounting to Rs. 0.67 crores (i.e. @18% on Rs. 3.73 Crores) already availed and now needs to be reversed in respect of creditors who have not been paid for more than 180 days under the GST laws. Due to this, the 'Loss' as well as financial liabilities- Trade payables as at 31.03.2025 of the Katni Branch each have been understated by the said amount of Rs. 0.67 crores.

**8. Accounting Policy related to the depreciation of buildings and roads:**

The amounts shown under Note No.1 Property, Plant and Equipment under the head buildings also included the value of roads and the depreciation taken; that of building, i.e., 60 years, was made for the value of roads (frequently carpeted). The useful life for carpet roads – RCC must be 10 years and must be classified







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separately. The issue has also been raised by learned C&AG during supplementary audit of FY 2023-24. The Ld. C&AG directed to rework the depreciation separately for roads and buildings and restate the financial statements for the (i) half year ended 31st March 2022, (ii) Financial year ended 31st March 2023, and (iii) Financial Year ended 31st March 2024 to ascertain the actual impact on misclassification of roads as buildings. As per the management's reply there on the accounting policy was to be reviewed in this year. However, the management has not taken any action on this, and the same discrepancy is carried over this year. Therefore, we are unable to comment on the impact of the aforesaid on the depreciation of the Property Plant and Equipment.

**9. MSMEs:**

The company's internal process for identifying suppliers registered under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, and monitoring compliance with the prescribed timelines for payments appears to be inadequate. Consequently, we are unable to comment on the company's compliance with the provisions of the MSMED Act or its disclosure requirements under Schedule III of the Companies Act, 2013. Further, as per the provisions of the MSMED Act, delayed payments to Micro and Small Enterprises attract interest liability. However, no provision for interest payable to such MSME vendors for delays in payment has been recognized in the financial statements for the financial year 2024-25.

(Similarly observed in the case of OFKAT, OFDC, OFBH)

**10. Discrepancies in GST Balances**

The balances pertaining to Goods and Services Tax (GST) as recorded in the books of accounts do not reconcile with the amounts reported in the monthly GST returns (GSTR-1 and GSTR-3B). Further, the balance of input tax credit (ITC) available as per the Electronic Credit Ledger also does not match the ITC reflected in the books of accounts.

The company has not provided reconciliation for these discrepancies. In the absence of such reconciliation, we are unable to ascertain the accuracy and completeness of the GST liabilities and input tax credit entitlements, and therefore cannot determine the potential impact, if any, on the financial statements.

(Similarly observed in case of OFA)

**11. Earnest Money Deposits & Security Deposits - Provision from Suppliers (In OFAJ):**

**a. Security Deposit for Estate Establishment and Residential Quarters:**

Attention is drawn to Note No. 10 of Financial Statement, where for "Other Current Liabilities and Payables" includes Security Deposits taken for establishment and residential quarters of Rs. 0.8428 Cr. The amount as mentioned in the financial statements is not reconciled with the control sheet maintained by the management. Hence, we are unable to comment on the financial obligations and their consequential impact of the same.







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- b. Reference is invited to Note No. 7(b) of the Financial Statements relating to Others and Security Deposits (SD) from customers. As at the balance sheet date of 31st March 2025, the Company has not maintained a control sheet or any detailed reconciliation records to substantiate the closing balances of EMD of Rs. 0.77 Crore and SD reflected in the books of account. In the absence of such reconciliatory documentation, we are unable to ascertain the accuracy, completeness, and correctness of the amounts payable under this head.

Furthermore, the said deposits have not been measured at fair value in accordance with the requirements of **Ind AS 109 – Financial Instruments**. In light of the above, we are unable to determine the possible effects of these matters on the financial position and disclosures of the Company as at 31st March 2025.

#### **12. Committed Liability Payable:**

The management has recognized a provision amounting to Rs. 479.45 crores (refer Note 10) as on 31.03.2025 towards committed liabilities pertaining to the pre-corporatization period. Based on our verification of the documentation made available, we note that there is an absence of specific and adequate documentary evidence to support the quantification of this liability. The provision appears to have been determined on a general basis, without clearly identifying the amount payable or the expected timing of such outflows necessary to assess the financial liability at fair value. Given that this provision represents a significant portion of the total liabilities, and in the absence of sufficient and appropriate management estimates, we are unable to comment on the appropriateness of the carrying value of the said provision and the potential consequential impact, if any, on the accompanying financial statements."

(Similarly observed in the case of OFKAT, OFDC, OFM, OFJ, OFA)

#### **13. Ind AS 19- Employee benefits related obligations**

We draw attention to note no. 16 of the Financial Statements and based on the records and information provided by the management, all personnel working at the company are on deputation to the company but are originally employees of the Central Government. Currently, the company is bearing the cost of short-term employee benefits in accordance with IND AS-19, as observed from the accounts and confirmed by the management. This applies to the aforementioned employees who are on deputation. Regarding short-term paid absences, the management has informed that only benefits up to 10 days of leave earned are allowed and paid, and only when accompanied by an LTC request application. For defined contributions such as Provident Fund and NPS contributions, the company bears these costs and accounts for them till the time employees remain on deputation with the company. No provision has been made in the accounts for post-employment benefits for deputed employees, specifically for gratuity and accumulated leave encashment. It has been stated that the company is not liable for these post-employment benefits, and the liability will be borne by the Central Government. On the basis of information provided by the management,







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there are no employees currently employed by Yantra India Ltd, eliminating the necessity to make any provisions for post-employment benefits related thereto. The Management has represented that the liability to pay the retirement benefits to such employees is of the Government and not of the Company vide the Ministry of Defence's Office Memorandum (OM) No. 1(5)/2021/OF/DP(Pig-V)/02 dated September 24, 2021.

(Similarly observed in case of OFJ, OFKAT, OFM)

#### 14. Valuation of Inventory:

- a. In OFAJ, based on the information and explanations provided to us and our review, we noted that Non-Production Fixed Overheads amounting to Rs. 95.38 crores (Previous Year: Rs. 95.91 crores), which are not directly attributable to bringing inventories to their present location and condition, have been included in the valuation of inventory at OFAJ.

In the absence of adequate information regarding installed or actual production capacity, we are unable to comment on the appropriateness of such allocation and the resultant impact, if any, on the inventory valuation and reported profitability.

- b. In OFAJ, as stated by the management, the closing inventory (total amount of which is ₹279.69 crores of the branch) as at 31st March 2025 includes (a) non-moving inventory amounting to ₹26.57 crores, (b) blocked inventory of ₹0.04 crores, and (c) disposable inventory of ₹14.78 crores, which, although identified as disposable, has not yet been provided for by the branch.

Accordingly, we are unable to quantify the potential impact of any misstatements, if any, on the total inventory reported in the financial statements, and consequently, on the profit or loss for the year and the financial position as at the balance sheet date.

- c. In OFJ, Significant discrepancies were observed between physical stock and inventory records during sample verification, indicating that records are not accurately or consistently maintained.

Weaknesses in inventory management were noted, including a lack of timely reconciliations, inadequate documentation of material movement, and inconsistencies in recording receipts and issues, reflecting inadequate internal controls.

The company's policy to value finished goods and WIP at cost using PPC software lacks consistency and reliability in ensuring accurate inventory valuation.

- d. In OFKAT, Inventories of Rs. 65.85 crores include 'Work in Progress' of Rs. 1.38 crores, 'Finished Components' of Rs. 0.52 crores, both of which are valued at weighted average cost, and 'Finished Goods' of Rs. 2.95 crores, valued at cost using the weighted average method or net realisable value. However, due to the absence of adequate documentation supporting overhead allocations, we are unable to verify compliance with Ind AS 2 regarding the valuation of these inventory categories.

Additionally, Discrepancies were noted between the inventory classification and actual movement history of items, indicating non-compliance with Ind AS 2 and Ind AS 37. The financial impact could not be quantified due to a lack of reliable data.







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**15. Other Significant Matters for Basis of Qualified Opinion of Other Branch Auditors**

**a. By Branch auditors of Ordnance Factory Jabalpur (OFJ)**

**i. Other Miscellaneous Observations:**

- a. MSTC Limited operates as an e-auction service provider, acting solely as an intermediary in the facilitation of sales transactions between sellers and buyers. It does not, in substance, act as the principal in the underlying supply of goods or services. However, it has been observed that in the books of accounts of Ordnance Factory, Jabalpur (OFJ), an outstanding balance continues to be reflected under the ledger account of MSTC Limited, despite the fact that the actual supplies have been made directly to third-party buyers.

OFJ has not obtained balance confirmations from the respective recipient entities, nor has it undertaken appropriate accounting adjustments to reclassify or transfer the balances to the correct parties. This indicates a lapse in proper reconciliation and revenue recognition practices and results in material misstatements in the financial records, specifically with respect to receivables and related party balances.

The failure to appropriately identify and classify these balances is not in compliance with the principles of "faithful representation" and "completeness" as per the Indian Accounting Standards (Ind AS), and may affect the accuracy and reliability of the Financial Statements.

- b. Security Deposits:** An amount of Rs. 1.53 Crore has been reported under the head Security Deposits.

Out of this, an amount of Rs. 0.99 Crore pertains to periods prior to the financial year 2014-15, i.e., before the incorporation of the Branch under the Company, as informed by the Company's management. The management has not provided adequate supporting documentation or third-party confirmations in respect of these balances and has stated that the relevant records are held by the erstwhile Ordnance Factory Board. These deposits are not traceable, and based on the information made available, they do not appear to be recoverable.

**b. By Branch Auditors of Ordnance Factory Muradnagar (OFM):**

- i. We have observed that the following incomes have not been recognized on an accrual basis, which is in contravention of Ind AS 1, "Presentation of Financial Statements" issued by The Institute of Chartered Accountants of India.







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- a. Interest income on the security deposit with UPPCL is recognized on a receipt basis, at the time UPPCL adjusts the interest against the electricity bill payable by OFM.
- b. In relation to rental income from shops, no party-wise reconciliation of rentals with the books of accounts is available to verify whether rental income for the full year has been recognized on an accrual basis or if the OFM is recognizing it on a receipt basis.

**c. By Branch Auditors of Ordinance Factory Katni (OFKAT):**

- i. A. The Katni Unit has prescribed system of monthly review and identification of slow-moving / non-moving items of stores (slow moving items are those which have not been drawn for a continuous period of one year from the date of its last receipt while non-moving items are those which have not been drawn for a period of three years or more from the date of its last receipt), grouped under the sub-head 'Raw materials & Packing Material' which stood at Rs.54.73 crores as at 31.03.2025, though no documentary evidence of the said monthly review and identification of slow-moving/non-moving items of stores has been furnished to us. As on 31.03.2025, the Katni Unit has identified slow-moving items to the tune of Rs.2.80 crores and NIL non-moving items. The Katni Unit is found to have not disclosed about these slow-moving and non-moving items in its Ind AS financial statements nor the Katni Unit is found to have any policy towards making provision against these slow-moving and/or non-moving items, if any.

Further, during the course of our checking on test checks basis, in this area, discrepancies have been observed, the details of which are as under: -

| Sr. No. | Item code   | Value (Rs in crores) | Date of last receipt / drawn | Identification by the Katni Unit | Correct classification |
|---------|-------------|----------------------|------------------------------|----------------------------------|------------------------|
| 1       | 0799553700  | 2.73                 | 26.03.2018                   | Slow-moving                      | Non-moving             |
| 2       | 70071800100 | 0.21                 | 29.04.2021                   | Active                           | Non-moving             |
| 3       | 2016002471  | 0.01                 | 30.03.2017                   | Active                           | Non-moving             |
| 4       | 7007186011  | 3.63                 | 10.04.2021                   | Active                           | Non-moving             |
| Total   |             | 6.58                 |                              |                                  |                        |

The above discrepancies indicate non-compliance of Ind AS 2 'Inventories' and Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets'. Further the said discrepancies have resulted in overstatement of Inventories and understatement of the loss of the Katni Unit; however, the overall quantification of the said impact could not be computed due to lack of availability of reliable information.

B. Due to lack of documentary evidence of physical verification of inventory by the management, we are unable to form any opinion on the correctness of the figures of Inventories in Ind AS Financial Statements of the Katni Unit.







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In respect of inter-unit inventory, any exercise of identification and accounting towards elimination of unrealized gain / loss of individual inventory has not been found carried out by the Katni Unit during the year, which has resulted in non-compliance with Ind AS — 2 'Inventory'. The impact of the same on the Ind-AS Financial Statements of the Katni Unit is not quantifiable due to lack of availability of complete information.

- ii. The learned office of C&AG, during supplementary audit of the accounts of the Katni Branch for the F.Y.2023-2024 has pointed out that the Katni Branch has not accounted for the previously un-usable inventory of Rs. 16.60 crores (i.e. out of the inventory / raw materials/components worth Rs.39.47 crores declared as un-usable during the F.Y .2022-2023, such inventory / raw materials/components worth Rs.22.87 were part of the inventories of the Katni Branch during the F. Y.2023-2024) as 'Cost of raw material and components consumed' in Statement of Profit and Loss of the Katni Branch for the F.Y.2023-2024. Katni Branch has not accounted for the same as a prior period item, which, as per Ind AS 8, needs to be accounted for / rectified by restatement of Ind AS Financial Statements of the Katni Branch as on 31.03.2024. Further, Katni Branch has not ensured that the same type of discrepancy should not have occurred for and during the year under audit also. In the absence of complete details of the aforesaid matters, we are unable to comment upon the impact of the aforesaid non-accounting of 'Cost of raw material and components consumed' during the current year upon the 'Loss' of the Katni Branch.
- iii. We have not been furnished with the following; we could not check and verify the disclosure requirements of these items as prescribed by Ind AS 16 'Property, Plant and Equipment'
  - a. Carrying amount of temporarily idle Property, Plant and Equipment, and
  - b. Gross carrying amount of any fully depreciated Property, Plant and Equipment that is still in use.

We conducted our audit of the Standalone Ind AS Financial Statements in accordance with the Standards on Auditing ("SAs") 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 Ind AS 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 Ind AS Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion on the Standalone Ind AS Financial Statements.







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### III. Emphasis of Matter

We draw attention to the following notes/ matters in the Financial Statements:

#### 1. Insurance of Property, Plant and Equipment :

The Company has not taken any insurance policy on its property, plant & equipment to safeguard it from any perils like natural/man-made disasters.

(Similarly observed in case of OFM, MSF)

2. The pending observations of earlier years' financial statements, which require Financial Statements to be restated due to prior period change, are pending, and the company has not restated the financial statements accordingly in the current year.

#### 3. Defence Security Corp:

We observed a payable balance towards Defence Security Corp, with no payments made against this provision, neither in the current year nor in the previous Financial Year. Given these findings and in the absence of external confirmations and detailed reconciliation of the account, we are unable to determine whether the company is obligated to make payments to the organization concerned or if there are any reasons for withholding payment. Although company officials have represented that the dues are legitimate and remain payable, and that the settlement process is currently underway, no concrete evidence has been provided to substantiate the timing or certainty of the obligation.

(Similarly observed in the case of OFDC, OFM, OFA)

4. The company has recognized prior period income of Rs. 14.50 Cr in the current year's Statement of Profit and Loss, without appropriate disclosures in accordance with Ind AS - 8. We are unable to comment whether the financial statements need to be restated in absence of information.

Our Opinion is not modified in respect of the above matters.

### IV. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind As financial statements for the financial year ended 31st March 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion on these matters, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the financial statements section.







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of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

| Key audit matters                                                                                                                                                                                                                                                                                                                  | How the key audit Matter was addressed in our audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>IT Systems and Controls:</b><br>The Company uses Information Technology (IT) application for financial accounts and reporting process. Any gap in the financial accounting and reporting process may result in a misstatement, hence we have identified IT systems and controls over financial reporting as a Key Audit Matter. | Understood the IT systems and controls over key financial accounting and reporting systems. <ul style="list-style-type: none"> <li>• Tested the general IT controls for design and operating effectiveness.</li> <li>• Understood the changes made in the IT environment during the year and ascertained their effect on the Ind AS financial statements, controls, and accounts.</li> <li>• We also assessed, through sample tests, the information generated from these systems, which were relied upon for our audit.</li> </ul> |

#### V. Other Matter:

We did not audit the financial statements/information of 7 branches included in the standalone financial statement of the company, whose financial statement / financial information reflect total assets of Rs. 2518.65 Cr. (PY Rs. 2433.03 Cr.) as at 31st March, 2025 and total revenue (gross income) of Rs. 1864.79 Cr. (PY Rs. 1910.29 Cr.) for the year ended on that date as considered in the standalone financial statements. The financial statements/ information of these branches have been audited by the branch auditors, whose reports have been furnished to us, and our opinion is so far as it relates to the amounts and disclosure included in respect of branches, is based solely on the report of such branch auditors. Also, observation as reported by branch auditors in their report has been reproduced as it is in relevance to our report wherever applicable:

Further, we have communicated to branch auditors on certain matters wherever considered necessary which may have material impact on the Standalone Financial Statements.

Our opinion is not modified in respect of the above matter.







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## **VI. Information Other than the Ind AS Financial Statements and Auditor's Report Thereon**

1. The Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholders' Information, but does not include the consolidated financial statements, Financial Statements, and our auditor's report thereon.
2. Our opinion on the Financial Statements does not cover the other information, and we do not express any form of assurance conclusion thereon.
3. In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
4. 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.

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

1. The Management is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind As Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, and cash flows in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets 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.
2. In preparing the Financial Statements, management and Board of Directors is responsible for assessing 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.
3. The Head Office is also responsible for overseeing the Branch's financial reporting process.







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### **VIII. Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

1. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards, and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.
2. Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.
3. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
  - Obtain an understanding of internal financial 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 the management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure, and content of the Financial Statements, including the disclosures, and whether the Financial







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Statements are the underlying transactions and events in a manner that achieves fair presentation.

4. Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.
5. 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 financial controls that we identify during our audit.
6. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
7. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### IX. Report on Other Legal and Regulatory Requirements

1. As required under Section 143 (5) of the Companies Act, 2013, we give in the "**Annexure - A**", a statement on the Directions issued by the Comptroller and Auditor General of India after complying with their suggested methodology of audit, the action taken thereon and its impact on the accounts and Financial Statements of the Company;
2. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure - B**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable;
3. Further to our comments in the annexure referred to in the paragraph above, as required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit of the aforesaid Financial Statements except for the matters stated in the Basis for Qualified Opinion Paragraph;
  - b) In our opinion, except for the matters stated in the Basis for Qualified Opinion Paragraph, 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;







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- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of accounts;
  - d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time except for the effect /possible effects of the matters described in basis for qualified opinion paragraph.
  - e) In terms of Notification no. G.S.R. 463 (E) dated 5<sup>th</sup> June 2015 issued by the Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualifications of the Directors, are not applicable as it is a Government Company;
  - f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure – C.**"
4. As per notification number G.S.R. 463 (E) dated 5<sup>th</sup> June, 2015 issued by the Ministry of Corporate Affairs, section 197 of the Act as regards managerial remuneration is not applicable to the Company, since it is a Government Company.
5. 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:
- a. The company has disclosed impact of pending litigations on its financial position in its financial statements – Refer Note 21 to the Financial Statements.
  - b. According to information and explanations provided to us by the management, there are no long-term contracts which require provision for material foreseeable losses.
  - c. There has been no requirement to transfer any amount to the Investor Education and Protection Fund by the Company.
  - d. (a) The Management has represented that, to the best of its knowledge and belief other than as disclosed in Notes to the financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The Management has represented, that, to the best of its knowledge and belief other than as disclosed in Notes to the financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the







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Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

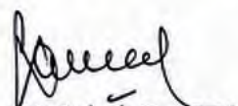
e. The Company has not declared or paid any dividend during the current financial year.

f. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility, and the same has operated throughout the year for all relevant transactions recorded in the software. Further, the transaction recorded in accounting software, viz. Tally Prime Edit Log is used only for compilation of accounts and the maintenance of Internal Data for overall business transaction being processing production records, Supply of goods- Invoicing, Inventory valuation and management of Inventory, requisition and transfer, Pay rolls and salary, computation are maintained by the company through their erstwhile software PPC software which does not have facility for maintenance of edit log facility. However, the company has given assurance that any changes made in the PPC software are only done with prior approval of ED through proper channels, and IT section of the factory makes changes in the system based only on approval of ED. Proper record file is being maintained for the changes carried out in the system. Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2025.

**For DEMBLE RAMANI & CO.**  
**Chartered Accountants**  
**FRN:102259W**



  
**CA Ashok Ramani**  
**Partner**

**Place: Nagpur**

**Date: 23/07/2025**

**Mem No.: 030537**  
**UDIN: 25030537BMMLZS2119**





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### Annexure "A" To Independent Auditor's Report

(Referred to in paragraph 1 under 'VIII. Report on Other Legal and Regulatory Requirements section of our report)

### Report on Directions & Additional Directions under section 143(5) of Companies Act 2013

#### Directions under section 143(5) of the Companies Act, 2013

| Sr No. | Details/Directions                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Auditor's Reply                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.     | Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for post-retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements. | The Company has not made any investments directly or through Trusts for post-retirement benefit obligations of employees. In light of the above, the requirement to assess the fair valuation of investments towards post-retirement benefits does not arise for the current financial year.                                                                                                                                                                                                             |
| 2.     | Whether the company has a system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.                                                                                                                                                                                                | Yes, the company has implemented Tally software at the company for processing all the accounting transactions through an IT based system. Additionally, the company operates a separate PPC software for managing its sales, quality control, and store - related activities etc.<br><br>However, the Tally and PPC systems are not integrated, as a whole, and as a result, the Company relies on the manual extraction and transfer of data from the PPC system to record corresponding entries in the |







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|    |                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    |                                                                                                                                                                                                                                                                                                                                                                                                                                        | Tally. This lack of integration, increases the dependency on manual processes and introduces the risk of delays, errors, or omissions in the financial reporting.                                                                                                                                                                                                                                                                                                                                                |
| 3. | Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for as per the applicable accounting standards or norms and whether the funds received were utilized as per its terms and conditions? Whether accounting for interest earned on grants received has been done as per terms and conditions of the Grant. List the case of deviation. | The Company has not received any funds(grants/subsidies) for specific schemes from the Central/State Government or its agencies except for a few aces namely, The OFJ and MSF, wherein their respective Auditors have reported that the said grants/ subsidies had been appropriately accounted for in the Financial Statements in accordance with the requirements of Ind AS 20- "Accounting for Government Grants and Disclosure of Government Assistance", as well as other applicable accounting principles. |
| 4. | Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks?<br>If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? (b) whether the Company has identified its data assets and whether it has been valued appropriately?                                                                    | The Company has initiated steps to identify risks primarily relating to inter-branch coordination, investment oversight, compliance, and financial reporting. The Head Office has communicated that it is in the process of identifying its key financial and statutory data assets, while operational risks and data remain managed at the branch level.                                                                                                                                                        |
| 5. | Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015,                                                                                                                                                                                                                                                                            | The Company is a government company and is not a listed entity; therefore, the provisions of the SEBI (Listing Obligations and                                                                                                                                                                                                                                                                                                                                                                                   |







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|  |                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payment Corporation of India wherever applicable? If not, the cases of deviation may be highlighted. | Disclosure Requirements) Regulations, 2015 do not apply. Additionally, The Company is subject to various regulatory requirements issued by authorities. The management has communicated that the company is exempted from obligations of DIPAM. As regards to Ministry of Corporate affairs compliance, the company has a secretarial audit in place and the report of secretarial auditor may be referred to for non-compliances. As informed by management, the company has complied with DPE and RBI, TRAI, CERT-IN, MeitY, and NPCI are not applicable to YIL. Additionally, no material instances of non-compliance have been reported as of the reporting date. |
|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**Additional Directions under section 143(5) of the Companies Act, 2013**

| Sr No. | Details/Directions                                                                                                                                                                                                                                                                                                            | Auditor's Reply                                                                                                                            |
|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
| 1.     | Whether the migration of assets and liabilities on the date of transfer (appointed date) from erstwhile OFB which remained incomplete as of 31 March 2024 has been completed during financial year 2024-25? If there is any deviation; the reasons, nature of deviation and its impact on financial statements may be stated. | Migrated in earlier years, the impact of the same cannot be quantified at this stage in the absence of related records with the companies. |
| 2.     | Whether the Company carried out a reconciliation exercise pertaining to inter-company/intra-company balances at the year end? Whether the confirmations have been                                                                                                                                                             | The Company has not done reconciliation of Intra-company/Inter-Company Balances and DPSU balances as at the year end. As                   |





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|    |                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    | obtained from other DPSUs for balances due to/due from them at the year-end? The reason for unreconciled balances, if any, along with the unreconciled amount, may be stated.        | referred to in Point 1 of Basis of Qualified Opinion Paragraph, there is difference in intra branch balances amounting to Rs. 3.19 cr shown under other current assets.                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 3. | Whether the Company or its units possess clear title and possession of the land stated in the Financial Statements? State the area of land under encroachment and/or dispute if any. | The title deeds of immovable property are not held in the name of the company as referred in Point 2 of Basis of Qualified Opinion Paragraph. Hence the area of land under encroachment/dispute could be identified.                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 4. | Whether the Company's pricing policy absorbs all fixed and variable cost of production as well as the allocation of overheads?                                                       | The Company, in accordance with its established pricing policy, ensures that all fixed and variable costs of production, along with the allocation of applicable production overheads, are appropriately absorbed in the determination of product pricing. However, certain non-production related overheads, which do not contribute to bringing the inventories to their present location and condition, have also been considered in the valuation of inventory. This treatment is not in compliance with the principles laid down under Ind AS 2 – Inventories, which requires exclusion of such costs from inventory valuation. |
| 5. | What is the system of by-products and finished products? List out the case of deviation from its declared policy?                                                                    | The Company does not generate any by-products in the course of its production process. However, certain scrap material arises incidentally during the manufacturing activities. Such scrap is disposed of through E-Auction conducted by MSTC                                                                                                                                                                                                                                                                                                                                                                                        |







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|    |                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                          |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    |                                                                                                                                                                                                                       | Ltd., in accordance with the Company's established procedure. There are no instances of deviation observed from the declared policy in this regard.                                                                                                                                                                                                                                                      |
| 6. | Whether the company has effective system for physical verification, valuation of stock/inventories, treatment of non-moving items and accounting the effect of shortage/excess noticed during physical verification.? | According to the information provided, the Company has performed section-wise verification of the inventories during the year. However, it was noted that the internal inventory records/registers were not integrated with the inventory stated in the accounting software. Further, the physical verification process designed by the Company does not cover all the items within a reasonable period. |
| 7. | Whether the Company has obtained title (Share Certificate) in respect of all investments- in subsidiaries/joint ventures/SPV etc. if any.                                                                             | The Company has made investments during the year in 'Advance Material (Defence) Testing Foundation' and 'UAS Testing Foundation', and has duly obtained the documentary evidence in support of such investments which were produced before us for verification and have been found to be in order.                                                                                                       |

**For DEMBLE RAMANI & CO.**  
**Chartered Accountants**  
**FRN:102259W**



*(Signature)*

**CA Ashok Ramani**  
**Partner**

**Mem No.: 030537**

**UDIN: 25030537BMMLZS2119**

**Place: Nagpur**

**Date: 23/07/2025**



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**Annexure 'B' To 'The Independent Auditor's Report'**

(Referred to in paragraph 2 under 'VIII. Report on Other Legal and Regulatory Requirements section of our report to the Members of Yantra India Limited ("the Company") of even date

To the best of our information and according to the explanations provided to us by the company and the books of account and records examined by us in the normal course of audit, we state that:

**1) In respect of the Company's property, plant and equipment, right-of-use assets, and intangible assets:**

- a. (i) According to the information and explanation given to us and based on the records and Audit Report of the Branch Auditors, we report that, except in respect of 3 branches as under, proper records showing full particulars, including quantitative details and the situation of Property, Plant and equipment have been maintained by the company:

| Name of Branch | Comments by respective Branch auditor                                                                                                                                                                                                                                                                                                                                                   |
|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| OFDC           | The branch has not maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.                                                                                                                                                                                                                                    |
| OFKAT          | In the absence of updated records containing full particulars viz year of purchase, distinctive numbers, useful life, residual value and particulars regarding impairment of the Property, Plant and Equipment (PPE), including quantitative details and situation of PPE, in our opinion, the Katni Branch has not maintained proper records relating to Property. Plant and Equipment |
| OFM            | The OFM has not maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.                                                                                                                                                                                                                                       |

- ii) According to the information and explanation given to us and based on the records and Audit Report of the Branch Auditors, we report that, except in respect of 3 branches as under, proper records showing full particulars of Intangible Assets have been maintained by the company:







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| Name of Branch | Comments by respective Branch auditor                                                                                                                                          |
|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| OFDC           | The branch has not maintained proper records showing full particulars including quantitative details and situation of the Intangible Assets .                                  |
| OFJ            | The branch has not maintained proper records showing full particulars of Intangible Assets.                                                                                    |
| OFKAT          | In absence of updated records showing full particulars of Intangible assets, the Katni Branch has not maintained proper records showing full particulars of Intangible Assets. |

b. According to the information and explanation given to us and based on the records and Audit Report of the Branch Auditors, we report that, the company has performed section-wise physical verification of the property, plant and equipment (PPE) during the reporting period. However, we noted that internal PPE records register were not mapped with the PPE stated at the Financial Statements. Hence, we cannot comment on the veracity of the records maintained. Further, the physical verification process designed by the Company does not cover all the items within a reasonable period. Moreover, such physical verification process does not cover the aspect of co-relating the cost/value of each such item of PPE stated in the accounts. In view of this fact, we are not assured as to whether all the physically identified items of PPE are stated in the accounts.

The comments regarding branches is as below:

| Name of Branch | Comments by respective Branch auditor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| OFDC           | The Property, Plant and Equipment of the company are not physically verified by the management at reasonable intervals. In our opinion the physical verification of the above assets should be carried out once in a year.                                                                                                                                                                                                                                                                                                                                                                                                     |
| OFJ            | During the reporting period, the Branch has not performed physical verification of property, plants and equipment and capital work-in-progress. In the absence of such physical verification of the property, plants and equipment, we are not in position to comment upon the material discrepancies on the same, if any, exist. However, we further noted that, internal property, plants and equipment record register as maintained by the Branch were not mapped with the property, plants and equipment stated in the Financial Statements. Hence, we can't comment on the veracity of records maintained by the Branch. |







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|       |                                                                                                                                                                                                                                                                                                                                                              |
|-------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| OFBH  | As per information provided before us, All the Property, Plant and Equipment have not been physically verified by the management during the year. Due to the non-conduct of a physical verification exercise during the year, we are unable to comment on whether there are any material discrepancies between the physical assets and the books of account. |
| OFKAT | Due to lack of documentary evidence of physical verification of property, plant and equipment at reasonable intervals by the management, we are unable to comment regarding discrepancies, if any observed and it's adjustments in the books of accounts                                                                                                     |

c. According to the information and explanation given to us and based on the records and audit reports of branch auditors, we report that, the title deeds of all the immovable properties (other than the properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are not held in the name of the company. The details are provided below:

**Table 1- Information provided by the branch auditor in their report:-**

| Name of the branch | Description of property | Gross carrying value of asset (Rs. In Crores) | Held in the name of     | Whether promoter, director or their relative or employee | Period held (Indicate range, where appropriate) | Reason for not being held in the name of the Branch                               |
|--------------------|-------------------------|-----------------------------------------------|-------------------------|----------------------------------------------------------|-------------------------------------------------|-----------------------------------------------------------------------------------|
| OFKAT              | Freehold land           | 0.01                                          | The Government of India | Promoters and 100% Shareholders of the Company           | Not available                                   | Land Transfer formality in the name of the Katni Branch/company is in process     |
|                    | Building                | 18.68                                         | The Government of India | Promoters and 100% Shareholders of the Company           | Not available                                   | Building Transfer formality in the name of the Katni Branch/company is in process |







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|      |          |       |                         |    |   |                                                                                                                                                                                                                                                                                                                                                      |
|------|----------|-------|-------------------------|----|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| OFDC | Land     | 4.51  | The Government of India | No | - | The Land of Ordnance Factory Dumdum are handed over by the Directorate of Ordnance (Coordination & Services), Kolkata and taken over by Yantra India Limited Vide Government Order Authority Gol, Mod Om No. 1(5)/2021/OF/DP(Plg-V)01 dated 24.09.2021, as informed the said Title Deed of the assets are not transferred in the name of the company |
|      | Building | 17.76 | The Government of India | No | - |                                                                                                                                                                                                                                                                                                                                                      |

**Table 2- Comments provided by the respective branch auditors in their report where the data is not provided in the prescribed format of the report:**

| Name of Branch              | Comments by respective Branch auditor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>YITM and Head Office</b> | As per the Information obtained and on the basis of examination of records, the branch/Head Office did not own any immovable property in its individual capacity.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>OFAJ</b>                 | As per the information obtained and on the basis of examination of records pertaining to handing and taking over the documents between the Ordnance Factory Board and the company, all the immovable properties are handed over by the Directorate of Ordnance to the branch in accordance with the Office Memorandum. However, as observed from the records and explanation information provided, no formal registered transfer deed has been executed for transfer of such immovable assets in favor of the company/ branch. The format as envisaged in this order would include entire immovable property as disclosed in the financial statements of this branch, the gross carrying value of the immovable property comprising of land and |





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|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             | buildings as at the year-end was Rs. 276.10 Cr. (Net Value Rs. 269.12 Cr.) after depreciation). The property is still held in the name of erstwhile Ordnance Factory Board "Ordnance Factory Ambajhari". The property is not held in name of any director, promoter or their relative or employee of the company. The company/branch is in possession of the property since its inception. The mutation process is still in progress with Revenue Authorities on the basis of Office Memorandum dated 24-09-2021 and other relevant documents, particularly in case of the quantum of the land handed over to the company/branch. The matter is elaborated at paragraph I of our main report. |
| <b>OFJ</b>  | On the basis of the information obtained and explanations given to us, all the immovable properties are handed over by the Directorate of Ordnance to the Branch in accordance with the Office Memorandum. However, as observed from the records and on the basis of information and explanation provided, no formal registered transfer deed has been executed for the transfer of such immovable assets in favor of the Branch. The immovable property is still held in the name of Erstwhile Ordnance Factory Board (Grey Iron Foundry), which was merged into Yantra India Limited under a Government of India order.                                                                     |
| <b>OFA</b>  | According to the information and explanations given by the management, the title deeds of all the immovable properties in respect of Land to be registered in favor of the Company is under Process (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee).                                                                                                                                                                                                                                                                                                                                                                |
| <b>OFBH</b> | According to the information and explanation given to us, the title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company as per the Order No. 1(5)/2021/OF/DP(Plg-V)/01 of Government of India, dated 24th September, 2021. However, the Head Office has not transferred the assets to particular branches.                                                                                                                                                                                                                                       |







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d. According to the information and explanations given to us by the management and based on the records and audit reports of branch auditors, we report that, no revaluation of Plant, Property and Equipment or intangibles was done by the Company during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Companies (Auditor's Report) Order, 2020 ("The Order") are not applicable to the Company.

e. According to the information and explanations given to us by the management and based on the records and audit reports of branch auditors, we report that, there are no proceedings that 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 in 2016) and rules made thereunder. Hence reporting under clause 3(i)(e) of the order is not applicable.

## 2. In respect of Inventories

- a. According to the information and explanations given to us by the management and based on the records and audit reports of branch auditors, we report that, except in case of Head Office and 5 branches as under, physical verification of inventory has been conducted at reasonable intervals by the management and 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. However, it was noticed that the internal inventory record/registers were not mapped with the inventory stated in the financial statements. Hence, we cannot comment on the veracity of records maintained.

The comments regarding branch is as below:

| Name of Branch       | Comments by respective Branch auditor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| OFJ                  | According to information and explanations given to us and on the basis of the records of the Branch, no physical verification has been conducted by the Branch's management. In the absence of such physical verification, we are not in the position to comment upon the discrepancies, if any, stated in the Financial Statements. It was further noted that the internal inventory records / register was not mapped with the inventory stated in the Financial Statements. Hence, we cannot comment on the authenticity of the records maintained. |
| YITM and Head Office | According to the information provided, the branch/Head Office did not own any inventories during the year.                                                                                                                                                                                                                                                                                                                                                                                                                                             |







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|              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>OFKAT</b> | Due to lack of documentary evidence of physical verification of inventory at reasonable intervals by the management, we are unable to report under values 3(ii)(a) of the said Order.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>OFAJ</b>  | According to the information provided, the branch has performed section-wise verification of the inventories during the year. However, it was noted that the internal inventory records/registers were not mapped with the inventory stated in the financial statements. Hence, we cannot comment on the veracity of the records maintained. Further, the physical verification process designed by the branch does not cover all the items within a reasonable period.                                                                                                                                                                                                                                                                               |
| <b>OFM</b>   | The procedures designed by the management for physical verification of inventories and its reconciliation with books of accounts need to be improved considering the size of the OFM and the nature of its business. As per the information and explanations given to us, the management has physically verified the inventories and as represented to us, no discrepancies were identified on such verification of inventories for the year ending March 31, 2025. However, no physical verification report of inventory and its reconciliation with books of accounts are made available to us. Accordingly, we are unable to determine the impact of material discrepancies, if any, on recording of inventory for the year ending March 31, 2025. |

- b. According to the information and explanations given to us by the management and based on the records and audit reports of branch auditors, we report that, there is no sanctioned working capital limits in excess of five crore rupees in aggregate, from banks or financial institutions on the basis of security of current assets. Hence reporting under clause 3(ii)(b) of the order is not applicable.
3. The Company has made investments during the year by acquiring shares in Advance Material (Defence) Testing Foundation and UAS Testing Foundation, both being Public Sector Undertakings. These investments were made in line with Government guidelines and with requisite approvals, are strategic in nature, and







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have been recorded at cost, but has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

4. According to the information and explanations given to us by the management and based on the records and audit reports of branch auditors, the Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
5. According to the information and explanations given to us by the management and based on the records and audit reports of branch auditors, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
6. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. Based on records, information and explanation provided to us by the Management, proper Cost records specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 are maintained by the Company.

#### 7. In Respect of Statutory Dues:-

a) According to the information and explanations given to us by the management and based on the records and audit reports of branch auditors, we report that, the Company is generally regular in depositing undisputed statutory dues, including Goods and Service Tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. There are no arrears of statutory dues outstanding as at March 31, 2025, for a period of more than six months from the date they became payable except in case of 1 branch, The details of which are given below:

| Name of the Branch | Name of the Statutes | Nature of the Dues | Amount (Rs. in Crores) | Period to which amount relates | Due date/Date of payment |
|--------------------|----------------------|--------------------|------------------------|--------------------------------|--------------------------|
| OFKAT              | Income Tax Act, 1961 | TDS                | 0.0004                 | F.Y. 2023-2024                 | Not Available            |
| OFKAT              | Income Tax Act, 1961 | TDS                | 0.0014                 | F.Y. 2022-2023                 | Not Available            |





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b) According to the information and explanations given to us and the records of the Company examined by branch auditors, the particulars of statutory dues referred to in sub-clause (a) which have not been deposited on account of a dispute as reported by the branch auditor except in case of 5 branches, are as follows:

| Name of the Branch | Name of the Statutes             | Nature of the Dues                                                                                                       | Forum where dispute is pending                                 | Period to which amount relates | Amount (Rs. in Crores) |
|--------------------|----------------------------------|--------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|--------------------------------|------------------------|
| OFM                | UP GST                           | Demand Notice                                                                                                            | GST Department Ghaziabad                                       | 2018-19                        | 0.082                  |
|                    | UP GST                           | Demand Notice                                                                                                            | GST Department Ghaziabad                                       | 2019-20                        | 2.15                   |
| OFBH               | -                                | GST                                                                                                                      | Central Goods and Service Tax Department, Jalgaon              | 2023-24                        | 3.05                   |
| OFJ                | Goods And Service tax Act, 2017  | Tax and Penalty                                                                                                          | Office of Commissioner (Appeals) CGST & Central Excise, Bhopal | 2017-18                        | 0.72                   |
|                    | Income Tax Act, 1961             | Tax Deducted at Source (TDS)                                                                                             | Central Processing Centre (CPC), Income Tax                    | 2024-25                        | 0.2                    |
| OFAJ               | Goods and Services Tax Act, 2017 | Mismatch in turnover of GSTR 8                                                                                           | GST Office of Deputy Commissioner of State Tax                 | 2021-22                        | 0.660                  |
|                    | Goods and Services Tax Act, 2017 | Excess ITC Claimed in GSTR-3B which is not confirmed in GSTR – 2A / Less Turnover shown in GSTR – 1 compared to GSTR – 8 | GST Office of Deputy Commissioner of State Tax                 | 2022-23                        | 8.098                  |







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|      |                                  |                                             |                                                |                      |       |
|------|----------------------------------|---------------------------------------------|------------------------------------------------|----------------------|-------|
|      | Goods and Services Tax Act, 2017 | ITC Mismatch                                | GST Office of Deputy Commissioner of State Tax | -                    | 2.412 |
|      | Goods and Services Tax Act, 2017 | ITC Mismatch                                | GST Office of Deputy Commissioner of State Tax | -                    | 6.223 |
|      | Goods and Services Tax Act, 2017 | ITC Mismatch                                | GST Office of Deputy Commissioner of State Tax | -                    | 3.065 |
|      | Goods and Services Tax Act, 2017 | ITC Mismatch                                | GST Office of Deputy Commissioner of State Tax | -                    | 4.415 |
|      | Goods and Services Tax Act, 2017 | ITC Mismatch                                | GST Office of Deputy Commissioner of State Tax | -                    | 4.474 |
|      | Goods and Services Tax Act, 2017 | ITC Mismatch                                | GST Office of Deputy Commissioner of State Tax | -                    | 7.087 |
|      | Goods and Services Tax Act, 2017 | ITC Mismatch                                | GST Office of Deputy Commissioner of State Tax | -                    | 2.412 |
|      | Income Tax Act, 1961             | Prior period related demands                | -                                              | 2012 to 2021         | 0.080 |
|      | Income Tax Act, 1961             | Short Deduction of TDS and Interest Thereon | -                                              | 2021-22              | 0.012 |
|      | Income Tax Act, 1961             | Short Deduction of TDS and Interest Thereon | -                                              | 2023-24              | 0.017 |
| OFDC | Income Tax Act, 1961             | Income Tax TDS                              | Assessing officer                              | Pre-corporation year | 0.280 |

8. In terms of the information and explanation given to us and the books of account and records examined by us, the Company has not surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, reporting under clause 3(viii) of the Order is not applicable to the Company.





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**9. In Respect of Repayment of Dues: -**

(a) According to the information and explanations given to us and based on the records and audit reports of branch auditors, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of branch auditors report, the Company has not been declared willful defaulter by any bank or financial institution or other lender. Accordingly, reporting under clause 3(ix)(b) of the Order is not applicable to the Company.

(c) According to the information and explanations given to us and on the basis of the branch auditors report, the Company has not availed any term loan. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us and on the basis of the branch auditors report, the Company has not raised any funds on short term basis which have been utilized for long term basis. Accordingly, reporting under clause 3(ix)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its associate. The company does not have any subsidiary. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The company has not raised loans during the year on the pledge of securities held in its associate. The Company does not have any subsidiaries. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

**10. (a) The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) during the year. Accordingly, the provisions of Clause 3(x)(a) of the Order are not applicable to the Company.**

(b) The Company has, however, issued equity shares through a rights issue to the Government of India (President of India). Based on our examination of the relevant records and according to the information and explanations given to us, the issue has been made in compliance with the provisions of Section 62 of the Companies Act, 2013 and have been used for the purpose they were raised.

**11. (a) According to the information and explanations given to us and based on branch auditors' reports submitted to us, we, along with branch auditors, have**







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not noticed any instance of fraud by the Company or on the Company during the year, nor have we been informed of any such case by the Management. Accordingly, reporting under clause 3(xi)(a) of the order is not applicable.

(b) According to the information and explanations given to us, report in the form ADT-4 as specified under sub-section (12) of section 143 of the Companies Act has not been filed. Accordingly, reporting under clause 3(xi)(b) of the order is not applicable.

(c) According to the information and explanations given to us and as represented to us by the management, there are no whistleblower complaints received by the company during the year. Accordingly, reporting under clause 3(xi)(c) of the order is not applicable.

12. In our opinion, the Company is not a Nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.

13. 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 Company has availed exemption from detailed disclosures required under IND AS 24 with respect to related party transactions with government and government-related entities as per Notification No. G.S.R 463 [E], dated 5<sup>th</sup> June 2015, issued by Ministry of Corporate Affairs.

14. (a) According to the information and explanations given to us and based on observations made by the branch auditors, we report that The company has an Internal Audit System in place and is not commensurate with the size and nature of business of the Company, which further needs to be strengthened.

b) Based on the Information provided to us, all the Internal Audit Reports for the period under Audit were considered, except for OFJ branch where the Internal Audit Report for the period under audit was not provided to the auditor.

15. According to information and explanations given to us, audit procedures carried out by us and based on the branch auditors report, the Company has not entered into any non-cash transactions with its directors or persons connected with them. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

16. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and procedures performed by us, we report that the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Therefore, reporting under clause 3(xvi)(b) of the order is not applicable.







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(c) According to the information and explanations given to us and procedures performed by us, the Company is not Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, hence reporting under clause 3(xvi)(c) of the order is not applicable.

(d) Based on information and explanation given to us, the Company is not Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India; hence, reporting under clause 3(xvi)(d) of the order is not applicable.

17. The company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding.

18. Being a Public Sector Undertaking, appointment of auditor is made by C&AG in terms of the relevant provisions of the Companies Act 2013. Thus, there has been no resignation by statutory auditors during the year hence, reporting under clause 3(xviii) of the order is not applicable.

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

20. The Company has, during the year, correctly incurred and accounted for Corporate Social Responsibility (CSR) expenditure amounting to Rs. 2.45 crore in accordance with the provisions of Section 135 of the Companies Act, 2013, read with Schedule VII thereto. Based on our examination of the relevant records and information provided, the expenditure has been appropriately recognized in the books of account and relates to eligible CSR activities as specified under the Act.

It is further stated that there is no unspent CSR amount pursuant to any ongoing projects. Hence, Section 135(6) is not applicable to the company.







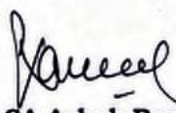
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21. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report

For DEMBLE RAMANI & CO.  
Chartered Accountants  
FRN:102259W



  
CA Ashok Ramani  
Partner

Place: Nagpur  
Date: 23/07/2025

Mem No.: 030537  
FRN:102259W  
UDIN: 25030537BMMLZS2119



DEMBLE RAMANI & CO.

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### **Annexure "C" To the Independent Auditor's Report**

(Referred to paragraph 3 (I) under 'VIII. Report on Other Legal and Regulatory Requirements' section of our report to the Members of Yantra India Limited (the "Company") of even date

#### **Report on Internal Financial Controls with reference to Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")**

We have audited the internal financial controls with reference to Financial Statements of YANTRA INDIA LIMITED (the "Company") as of March 31, 2025, in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

#### **i. Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls with reference to Financial Statements based on the internal control over financial reporting criteria established by the Branch considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **ii. Auditor's Responsibility**

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 Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Financial Statements. 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.

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 included obtaining an







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understanding of internal financial controls with reference to Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**iii. Meaning of Internal Financial Controls with reference to Financial Statements**

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

**iv. Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Financial Statements to future periods are subject to the risk that the internal financial control 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.

**v. Qualified Opinion**







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In our opinion, the company does not have adequate internal financial controls system over financial reporting as at March 31<sup>st</sup> 2025, based on the internal financial controls over financial reporting criteria established by the company considering the components of internal controls stated in the guidance note on Audit of Internal Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

According to the information and explanations given to us and based on our audit & issues reported in Basis of qualified opinion, the following material weaknesses have been identified as at March 31, 2025:

- a. Inadequate segregation of duties within a significant account or process underscores critical deficiencies. Moreover, the absence of an accurate maker or checker concept during transaction recording further highlights the laxity in internal controls. Additionally, the deficient implementation of the financial statement closing process compounds these issues, revealing systemic vulnerabilities that require attention.
- b. There is no appropriate internal control system for inventory as there is no integration between the financial accounting module and inventory module. Further, the internal control system for identification and allocation of overheads to inventory was also not adequate. This could potentially result in material misstatements in the company's consumption, inventory, and expense account balances.
- c. In our audit of the entity, we have noted a significant concern regarding the lack of integration between the PPC (Data Collection tool) with the Financial Accounting software, specifically Tally. This disconnect raises potential risks of errors and omissions in the accounting data and the preparation of financial statements. While manual controls, checks, and balances are currently in place to mitigate these risks, the impact on the accuracy of the financial statements remains uncertain.  
Given the size and nature of operations of the entity, it is imperative to strengthen internal controls. We recommend integrating the application software (PPC) with the financial reporting software (Tally) to enhance the reliability and consistency of financial data processing. This integration will not only mitigate the risk of errors but also streamline reporting processes, ensuring that financial statements accurately reflect the entity's financial position and performance. Taking this step will contribute significantly to the overall effectiveness of the company's internal control environment.
- d. Books of accounts are not being maintained in all completeness on a day-to-day basis, as evidenced from the accounting entries being posted upon conclusion of the transactions, and the required changes suggested by us on our preliminary checking are also not adopted and changed.
- e. The inadequate design of general and application controls hinders the information system from delivering complete and accurate information aligned with financial reporting objectives and current requirements. Furthermore, the company lacks established procedures or guidelines







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for identifying bills related to services provided, which are essential for creating necessary provisions.

- f. In our assessment of internal control over financial reporting, we have identified a critical area of concern regarding employee training. It has become evident that employees across various functions lack sufficient training to effectively fulfill their assigned responsibilities. Particularly concerning is the observation that the individual responsible for accounting shows deficiencies in understanding and recording complex transactions. This gap in knowledge raises significant risks related to the accuracy and reliability of our financial reporting. Addressing this issue promptly through targeted training initiatives and enhanced oversight is crucial to strengthen our internal controls and uphold the integrity of our financial statements.
- g. The company did not have adequate appropriate internal controls for obtaining year-end balance confirmation certificates in respect of trade receivables, trade payables, vendor advances, advance from customers, other advances and acceptance of security deposits earnest money deposits from vendors and other parties as to inadequate internal controls in place for the reconciliation of Receivables/ Payables As a result, there was a failure to identify GST credits/ Income Tax TDS credits as the accounting for Income Tax TDS Credits are done on the basis of form 26AS the management accounts the credit if its available in 26 AS in the books of HO and Branches fail to account for the same, this on the other hand leads to wrong credit balance in the names of vendors from whom credit of TDS is available, This may lead to unnecessary cash outflow. This could potentially result in a material weakness in the financial reporting process of debtors, creditors, and other parties.
- h. The company does not have internal financial control with regard to compliance with the applicable Indian Accounting Standards and evaluation of carrying values of assets and Liabilities and other matters, as fully explained in basis of our Qualified Opinion paragraph of our main report, resulting in the Company not providing for adjustments, which are required to be made, to the financial Statements.
- i. The company did not have an appropriate internal control system to ascertain the realizable value of Inventory, fair valuation of various financial assets and liabilities, so as to present the financial statements on fair value.
- j. The company did not have adequate internal control for ascertaining Tax assets/liabilities and payments of statutory dues including Income Tax and Goods and Service Tax and other relevant Tax and other pending litigations and to ascertain corresponding financial impact to report on the contingent liability, estimating provisions with respect to outstanding litigations, this could result in an inappropriate assessment of the accuracy and completeness of provisions and contingent liabilities, which is not in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.







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- k. The Company did not have appropriate internal control system to ascertain the net realizable value of financial assets/financial liability as entity level controls as well as financial closure processes with regard to reconciliations of various accounts carrying old credit/ debit balances and the system for conducting impairment testing or its effect to give if any to ascertain the actual value of the asset and liabilities to be carried in the books of accounts.
- l. The company does not have an appropriate internal control system for ensuring capitalization of Property, plant, and Equipment as soon as the same is ready for use or put to use, due to delayed issue of "M" Voucher (capitalization certificate). Hence, the date of capitalization is not reliable. This could potentially result in delayed capitalization and corresponding impact on the operational results due to lower charge of depreciation charges. Additionally, the company does not have an appropriate internal control system for ensuring decommissioning and de-capitalization of Property, Plant and Equipment in respect of assets which are no longer in use and held for disposal as scrap. This could potentially result in overstatement of Gross block and corresponding impact on the operational result due to higher charge of depreciation and lower provisions for Impairment of Assets.
- m. The company lacks sufficient internal controls regarding the deduction of Tax at Source (TDS) under the Income Tax Act, 1961. The company deducts TDS only when making payments to vendors and not at the time of credit to Vendor Ledger. This may lead to non-compliance with the provisions of the Act.

A material weakness is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2025, based on the internal control over financial reporting criteria existing in the Company and updated during the period of our audit, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2025, standalone financial statements of the Company, and these material weaknesses do not affect our opinion on the standalone Ind AS financial statements of the Company.







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**Other Significant Matters for Basis of Qualified Opinion of Other Branch Auditors**

**a. By Branch Auditors of OFA**

- ii. The Company has prepared incomplete Risk Control Matrix (RCM), The RCM provided does not cover the areas of Property, Plant and Equipment, Cash and Bank Balances, Sundry Debtors, Sundry Creditors, Other current assets, other current Liabilities etc. as per the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

**b. By Branch Auditors of OFKAT**

- a. The Company / Katni Branch does not have a written/documented framework for internal financial control over financial reporting.
- b. (i) Inadequate design of internal control over a significant account or process. The Katni Branch does not have a proper system of identifying the items of furniture & fixtures, office equipment, etc, meeting the definition of Property, plant and equipment (PPE) as per Ind AS 16, due to which some of these items are expensed off instead of being capitalized.  
(ii) Non-preparation of M Vouchers for assets purchased on the basis of orders from other than the engineering department and consequently not making entries in Fixed Asset Register.  
(iii) Capitalization of assets on the date of settlement of account with the respective supplier and preparation of M voucher rather than from the date of commissioning of the assets.  
(iv) No program for physical verification of PP, resulting in non-adjustments of material deviations, if any
- c. No proper follow-up action in imprest accounts outstanding in the name of employees.
- d. Making provisions for travelling/ medical and other bills on the basis of outstanding in the account of respective employee rather than on the basis of actual bills.
- e. Weak system of proper identification of creditors under the MSME Act 2006, of provision of interest towards interest payable to them.

**c. By Branch Auditors of OFDC**

- i. The recognition of revenue in the Financial Statements is not in line with the Accounting Policy of the Company and relevant Ind AS in this regard.
- ii. The Company does not have a system of acknowledgement of receipt of goods by the customer in respect of sale of goods. The internal control system concerning the delivery of goods and the recognition of revenue has been found to be ineffective.







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- iii. A reconciliation of the Purchase Register with financial ledger was not available. In the absence of the same, the completeness of Purchase as per the Financial Statements could not be ensured.
- iv. Reconciliation of Carriage Outward with the Sales Register is not available. In the absence of the same, completeness of accounting and provisioning of expense for the same could not be ensured.

**d. By Branch Auditors of OFJ**

- i. During the course of our audit of internal financial controls over financial reporting, we observed that the Branch does not have an adequate internal control system in place for the timely and accurate reconciliation of Input Tax Credit (ITC) as per the books of accounts with the data available on the GST portal, particularly the GSTR-2B reports. Further, we noted the absence of a defined process or control mechanism for the identification and accounting of ineligible or mismatched credits. This control deficiency increases the risk of incorrect availment or non-availment of ITC in the Financial Statements, which may lead to overstatement or understatement of tax assets and related expenses or liabilities. In our view, the lack of such reconciliations and control procedures represents a weakness in the internal financial controls over financial reporting, particularly in the area of indirect tax compliance. Strengthening the controls around GST reconciliation and periodic review of ineligible credits is essential to ensure accuracy, completeness, and compliance with applicable laws and regulations.
- ii. During the course of our audit of internal financial controls over financial reporting, we observed that the Branch does not have adequate internal controls in place for the timely and accurate reconciliation of intra-group transactions, including those with other branches and the head office. We noted significant mismatches between the balances recorded by this Branch and the corresponding balances reflected in the books of other intra-group entities or the head office. The absence of a defined and systematic reconciliation process for inter-unit and intra-group transactions impairs the reliability of financial reporting and may result in persistent accounting discrepancies. This control deficiency increases the risk of material misstatements or omissions in the standalone and consolidated financial statements and undermines the accuracy and completeness of related-party and intra-group disclosures. In our view, the Branch should establish a formalized reconciliation mechanism, supported by appropriate review controls, to ensure accurate recording, timely resolution of mismatches, and reliable financial reporting.
- iii. During our audit of internal financial controls over financial reporting, we observed that the Branch does not maintain its books of account in a complete and timely manner. Accounting entries are often recorded after the underlying transactions have taken place, rather than on a real-time







**DEMBLE RAMANI & CO.**

**CONTD.....**

or daily basis, which compromises the accuracy and reliability of financial reporting.

Additionally, key control activities such as supervisory reviews, approvals, and periodic reconciliations are not being performed consistently. These weaknesses increase the risk of errors, omissions, and potential misstatements in the Financial Statements.

In our view, these issues reflect deficiencies in the internal financial controls over financial reporting. The branch should implement robust procedures to ensure timely recording of transactions, consistent supervisory oversight, and systematic reconciliation between the financial accounting system and the operational system.

**Other Matters**

Our aforesaid reports under Section 143(3)(1) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 7 Areas (Branches), which are Areas (Branches) of the Company, is based on the corresponding reports of the Area (Branch) auditors.

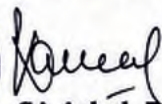
Our opinion is not modified in respect of the above matter.

**For DEMBLE RAMANI & CO.**

**Chartered Accountants**

**FRN:102259W**



  
**CA Ashok Ramani**  
**Partner**

**Mem No.: 030537**

**FRN:102259W**

**UDIN: 25030537BMMLZS2119**

**Place: Nagpur**

**Date: 23/07/2025**



**अंत्रा इंडिया लिमिटेड**  
**ANTRA INDIA LIMITED**

भारत सरकार का उद्यम, रक्षा मंत्रालय  
A Govt. of India Enterprise, Ministry of Defence

# **FINANCIAL STATEMENTS**

## **(STANDALONE)**

### **FOR**

### **FY 2024-25**





YANTRA INDIA LIMITED  
CIN :- U35303MH2021GOI165890  
Balance Sheet as on March, 2025

₹ in Crores

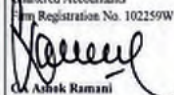
| Particulars                                                                 | Notes           | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------------------------------------------------------------------|-----------------|-------------------------|-------------------------|
| <b>ASSETS</b>                                                               |                 |                         |                         |
| <b>I. Non-current assets</b>                                                |                 |                         |                         |
| (a) Property, Plant and Equipment                                           | 1               | 1,874.64                | 1,893.48                |
| (b) Capital work-in-progress                                                | 1               | 169.96                  | 162.21                  |
| (c) Investment properties                                                   | -               | -                       | -                       |
| (d) Intangible assets                                                       | 2               | 1.16                    | 1.02                    |
| (e) Intangible assets under development                                     | 2               | 8.82                    | 3.97                    |
| (f) Right Of Use Assets                                                     | -               | -                       | -                       |
| (g) Financial assets                                                        | -               | -                       | -                       |
| (i) Investments                                                             | 3 (g) Financial | 4.23                    | -                       |
| (ii) Loans                                                                  | 3 (c)           | -                       | -                       |
| (iii) Other financial assets                                                | 3 (f)           | 8.58                    | 7.53                    |
| (h) Other non-current assets                                                | 4               | 16.62                   | 9.29                    |
| <b>Total non-current assets (A)</b>                                         |                 | <b>2,084.01</b>         | <b>2,077.50</b>         |
| <b>II. Current assets</b>                                                   |                 |                         |                         |
| (a) Inventories                                                             | 5               | 684.00                  | 732.49                  |
| (b) Financial assets                                                        | -               | -                       | -                       |
| (i) Trade receivables                                                       | 3 (b)           | 1,590.88                | 975.78                  |
| (ii) Cash and cash equivalents                                              | 3 (d)           | 22.28                   | 607.96                  |
| (iii) Bank balance other than (ii) above                                    | 3 (e)           | 2,148.97                | 1,280.07                |
| (iv) Loans                                                                  | 3 (c)           | 1.85                    | 2.10                    |
| (v) Other financial assets                                                  | 3 (f)           | 31.96                   | 0.34                    |
| (c) Assets held for sale                                                    | -               | -                       | -                       |
| (d) Other current assets                                                    | 4               | 456.23                  | 457.56                  |
| <b>Total current assets (B)</b>                                             |                 | <b>4,936.18</b>         | <b>4,056.29</b>         |
| <b>Total Assets (A+B+C)</b>                                                 |                 | <b>7,020.19</b>         | <b>6,133.79</b>         |
| <b>EQUITY AND LIABILITIES</b>                                               |                 |                         |                         |
| <b>Equity</b>                                                               |                 |                         |                         |
| (a) Equity share capital                                                    | 6A              | 13,357.30               | 13,129.15               |
| (b) Other equity                                                            | 6B              | 8,360.56                | 9,105.60                |
| <b>Total equity (A)</b>                                                     |                 | <b>4,996.74</b>         | <b>4,023.55</b>         |
| <b>LIABILITIES</b>                                                          |                 |                         |                         |
| <b>Non-current liabilities</b>                                              |                 |                         |                         |
| (a) Financial liabilities                                                   | -               | -                       | -                       |
| (i) Borrowings                                                              | -               | -                       | -                       |
| (ii) Lease Liabilities                                                      | -               | -                       | -                       |
| (iii) Other financial liabilities                                           | 7 (b)           | -                       | -                       |
| (b) Long-term provisions                                                    | 8               | -                       | -                       |
| (c) Deferred tax liabilities (net)                                          | 20              | 143.53                  | -                       |
| (d) Government grants                                                       | 9               | 45.00                   | -                       |
| <b>Total non-current liabilities (B)</b>                                    |                 | <b>188.53</b>           | <b>-</b>                |
| <b>Current liabilities</b>                                                  |                 |                         |                         |
| (a) Financial liabilities                                                   | -               | -                       | -                       |
| (i) Borrowings                                                              | -               | -                       | -                       |
| (ii) Lease Liabilities                                                      | -               | -                       | -                       |
| (iii) Trade payables                                                        | 7 (A)           | -                       | -                       |
| - Total Outstanding dues of Micro Enterprises and Small Enterprises         |                 | 62.53                   | 21.17                   |
| - Total Outstanding dues other than Micro Enterprises and Small Enterprises |                 | 450.04                  | 385.37                  |
| (iv) Other financial liabilities                                            | 7 (b)           | 29.90                   | 68.66                   |
| (b) Short-term provisions                                                   | 8               | 216.73                  | 200.26                  |
| (c) Current Tax Liabilities                                                 | 11              | -                       | -                       |
| provision                                                                   |                 | -                       | -                       |
| (d) Government grants                                                       | 9               | 2.59                    | 5.17                    |
| (e) Other current liabilities                                               | 10              | 1,073.12                | 1,429.61                |
| <b>Total current liabilities (C)</b>                                        |                 | <b>1,834.91</b>         | <b>2,110.24</b>         |
| <b>Total Liabilities</b>                                                    |                 | <b>2,023.45</b>         | <b>2,110.24</b>         |
| <b>Total Equity and Liabilities (A+B+C)</b>                                 |                 | <b>7,020.19</b>         | <b>6,133.79</b>         |

The notes referred to above form an integral part of financial statements  
The accompanying notes are an integral part of these Standalone Financial Statements.

1 to 43

In terms of our report attached

For Dimple Ramani & Co.  
Chartered Accountants  
Firm Registration No. 102259W

  
CA Ashok Ramani  
Partner

Membership No. 030537  
UDIN : 25030537BMMMLZS2119

Place: Nagpur  
Date: 23/07/2025



For and on behalf of the board of directors of  
Yantra India Limited

  
Vijay Kumar Iyer  
Director (Operations) &  
CMD (Additional charge)  
DIN No. 11030387

  
Vaishali Bhargwatar  
Company Secretary

  
Rajeev Kalra  
Director Finance &  
HR (Additional Charge) and CFO  
DIN No. 11111337





**YANTRA INDIA LIMITED**  
CIN :- U35303MH2021GOI365890

Statement of Profit and Loss as on March, 2025

₹ in Crores

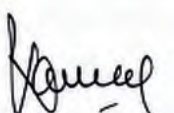
| Particulars                                                                                                                                          | Notes | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------------------------------------------------------------------------------------------------------------------------------|-------|-------------------------|-------------------------|
| <b>I. Income</b>                                                                                                                                     |       |                         |                         |
| (a) Revenue from operations                                                                                                                          | 12    | 3,108.79                | 2,820.73                |
| (b) Other income                                                                                                                                     | 13    | 202.53                  | 206.64                  |
| <b>Total income (I)</b>                                                                                                                              |       | <b>3,311.31</b>         | <b>3,027.37</b>         |
| <b>II. Expenses</b>                                                                                                                                  |       |                         |                         |
| (a) Cost of raw materials and components consumed                                                                                                    | 14    | 1,183.15                | 1,118.93                |
| (b) Changes in inventories of finished goods and work-in-progress                                                                                    | 15    | 22.78                   | (11.83)                 |
| (c) Employee benefits expense                                                                                                                        | 16    | 1,073.17                | 1,049.67                |
| (d) Finance costs                                                                                                                                    | 17    | 15.65                   | 5.00                    |
| (e) Depreciation and amortisation expense                                                                                                            | 18    | 120.40                  | 108.67                  |
| (f) Other expenses                                                                                                                                   | 19    | 401.66                  | 330.40                  |
| <b>Total expenses (II)</b>                                                                                                                           |       | <b>2,816.81</b>         | <b>2,600.83</b>         |
| <b>III. Profit before Exceptional/Extra Ordinary items and Tax (I-II)</b>                                                                            |       | <b>494.50</b>           | <b>426.53</b>           |
| <b>IV. Prior Period Income</b>                                                                                                                       |       | <b>14.50</b>            | <b>0.96</b>             |
| <b>V. Profit/(Loss) Before Tax (III-IV)</b>                                                                                                          |       | <b>509.00</b>           | <b>425.57</b>           |
| <b>VI. Tax expense</b>                                                                                                                               |       |                         |                         |
| (a) Current tax                                                                                                                                      | 20    | 72.03                   | 74.36                   |
| (b) Previous year tax                                                                                                                                |       |                         |                         |
| (c) Deferred tax                                                                                                                                     |       | 143.53                  |                         |
| (d) MAT Credit entitlement                                                                                                                           |       |                         | (74.36)                 |
| <b>Total tax expense (VI)</b>                                                                                                                        |       | <b>215.57</b>           | <b>-</b>                |
| <b>VII. Profit/(Loss) for the period From Continuing Operations (V-VI)</b>                                                                           |       | <b>293.43</b>           | <b>-</b>                |
| <b>VIII. Tax Expenses of Discontinued Operations</b>                                                                                                 |       |                         |                         |
| <b>IX. Profit/(Loss) From Discontinued Operations (after Tax)</b>                                                                                    |       |                         |                         |
| <b>X. Profit/Loss after Tax for the Period</b>                                                                                                       |       | <b>293.43</b>           | <b>425.57</b>           |
| <b>XI. Other comprehensive income/(Loss)</b>                                                                                                         |       |                         |                         |
| (i) Items that will not be reclassified to Profit & Loss                                                                                             |       | -                       | -                       |
| (ii) Income tax relating to Items that will not be reclassified to Profit & Loss                                                                     |       |                         |                         |
| (iii) Items that will be reclassified to Profit & Loss                                                                                               |       |                         |                         |
| (iv) Income tax relating to Items that will be reclassified to Profit & Loss                                                                         |       |                         |                         |
| <b>XII. Total other comprehensive income/(Loss)</b>                                                                                                  |       | <b>-</b>                | <b>-</b>                |
| <b>XIII. Total comprehensive income for the period (Comprehensive profit/(loss) and other comprehensive income/ (loss) for the period (VII+XII))</b> |       | <b>293.43</b>           | <b>-</b>                |
| <b>XIV. Profit (Loss) for the period</b>                                                                                                             |       | <b>293.43</b>           | <b>425.57</b>           |
| <b>XV. Earning per equity share (for Continuing Operations)</b>                                                                                      |       |                         |                         |
| (1) Basic                                                                                                                                            |       | 0.22                    | 0.32                    |
| (2) Diluted                                                                                                                                          | 26    | 0.22                    | 0.32                    |

The accompanying notes are an integral part of these Standalone Financial Statements.

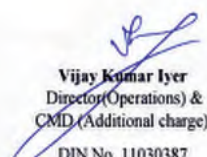
In terms of our report attached

For and on behalf of the board of directors of  
**Yantra India Limited**

For Demble Ramani & Co.  
Chartered Accountants  
Firm Registration No. 102259W



**CA Ashok Ramani**  
Partner  
Membership No. 030537  
UDIN : 25030537BMMLZS2119

  
**Vijay Kumar Iyer**  
Director (Operations) &  
CMD (Additional charge)  
DIN No. 11030387

  
**Rajeev Kalra**  
Director Finance &  
HR (Additional Charge) and CFO  
DIN No. 11111337

Place: Nagpur  
Date: 23/07/2025



  
**Vaishali Bhagwatkar**  
Company Secretary







YANTRA INDIA LIMITED  
CIN : U35303MH2021GD165896  
Statement of cash flows for the period ended on March 31, 2025

₹ in Crores

| Particulars                                                                                          | Period ended March 31, 2025 |            | Period ended March 31, 2024 |        |
|------------------------------------------------------------------------------------------------------|-----------------------------|------------|-----------------------------|--------|
| <b>A Cash Flow from Operating activities</b>                                                         |                             |            |                             |        |
| Profit Before taxation                                                                               |                             | 509.00     |                             | 425.58 |
| Adjustments to reconcile profit after tax to net cash flows:                                         |                             |            |                             |        |
| Add :-                                                                                               |                             |            |                             |        |
| Depreciation and Amortization expense                                                                | 120.40                      |            | 118.67                      |        |
| Finance Cost                                                                                         | 15.65                       |            | 5.00                        |        |
| Change in reserve                                                                                    | 236.04                      |            | -                           |        |
| Less :-                                                                                              |                             |            |                             |        |
| Provision write back                                                                                 |                             |            |                             |        |
| Government Grant                                                                                     | (2.59)                      |            |                             |        |
| Profit on Sale of Property, plant and equipment                                                      |                             |            | -5.57                       |        |
| Interest on Deposits                                                                                 | 157.46                      |            | -134.90                     |        |
| Adjustments through Reserves and Surplus                                                             |                             |            | -371.55                     |        |
| <b>Operating Profit before Working Capital Changes</b>                                               |                             | 1,035.97   |                             | 27.22  |
| Adjustments for changes in working capital :                                                         |                             |            |                             |        |
| Changes in Inventories                                                                               | 48.49                       |            | -28.81                      |        |
| Changes in trade and other receivables                                                               | -615.10                     |            | -416.20                     |        |
| Changes in non-current assets                                                                        | -7.34                       |            | 113.46                      |        |
| Changes in other current Assets                                                                      | 1.33                        |            | -258.19                     |        |
| Changes in other financial assets - current                                                          | -21.63                      |            |                             |        |
| Changes in trade and other payables                                                                  | 106.03                      |            | 77.87                       |        |
| Changes in other non current liabilities (Government grants)                                         | 45.00                       |            | -47.59                      |        |
| Changes in other current liabilities                                                                 | -356.49                     |            | -473.61                     |        |
| Changes in Loans and advances                                                                        | 0.25                        |            | 0.33                        |        |
| Changes in provisions                                                                                | 16.47                       |            | 99.51                       |        |
| Changes in other financial liabilities                                                               | (38.76)                     |            |                             |        |
| Changes in Deferred tax liabilities                                                                  | 143.53                      |            |                             |        |
| <b>Net Changes in Working Capital</b>                                                                |                             | (688.23)   |                             | 13.99  |
| <b>Net Cash Generated from Operations</b>                                                            |                             | 347.76     |                             | 41.21  |
| Direct Taxes (Paid)/Refund (Net)                                                                     |                             |            |                             |        |
| <b>Net Cash Flow Generated from Operating Activities (A)</b>                                         |                             | 347.76     |                             | 41.21  |
| <b>B Cash Flow from Investing Activities</b>                                                         |                             |            |                             |        |
| Purchase of Property, plant and equipment and intangible assets                                      | (114.29)                    |            | -155.50                     |        |
| Proceeds from Sale of Property, plant and equipment and intangible assets including capital advances |                             |            | 20.19                       |        |
| Changes in other bank balances not considered as cash and cash equivalents                           |                             |            | -                           |        |
| Profit on Sale of Property, plant and equipment                                                      |                             |            | 1.83                        |        |
| Changes in investments - Non current                                                                 | (4.23)                      |            |                             |        |
| Changes in other financial assets - Non current                                                      | (1.05)                      |            |                             |        |
| Changes in other bank balances not considered as cash and cash equivalent                            | (668.90)                    |            | 192.95                      |        |
| Interest Received                                                                                    | -157.46                     |            | 134.90                      |        |
| <b>Net Cash Flow used in Investing Activities (B)</b>                                                |                             | (1,145.93) |                             | 192.54 |
| <b>C Cash Flow from Financing Activities</b>                                                         |                             |            |                             |        |
| Proceeds from Issue of Share Capital                                                                 | 228.15                      |            | 200                         |        |
| Interest paid on loan                                                                                | (15.65)                     |            | -5                          |        |
| Changes in Reserves                                                                                  |                             |            | 4.43                        |        |
| <b>Net Cash Flow used in Financing Activities (C)</b>                                                |                             | 212.50     |                             | 204.43 |
| <b>Net Increase/(Decrease) in cash and cash equivalents (A)+(B)+(C)</b>                              |                             | (585.67)   |                             | 438.07 |
| <b>Opening Cash and Cash equivalents</b>                                                             |                             | 607.96     |                             | 169.89 |
| <b>Closing Cash and Cash equivalents</b>                                                             |                             | 22.28      |                             | 607.96 |
| <b>Reconciliation of cash and cash equivalents</b>                                                   |                             |            |                             |        |
| Particulars                                                                                          | Year ended March 31, 2025   |            | Year ended March 31, 2024   |        |
| Cash and cash equivalents comprise of: (Refer Note 3(d))                                             |                             |            |                             |        |
| Cash on Hand                                                                                         | 20.77                       |            | 2.94                        |        |
| Cheques on hand                                                                                      |                             |            | -                           |        |
| Balances with Banks                                                                                  | 1.51                        |            | 605.02                      |        |
| <b>Cash and cash equivalents</b>                                                                     | 22.28                       |            | 607.96                      |        |

**Reconciliation of Cash Flows from Financial Activities (Ind AS-7)**

| Particulars               | Long Term Borrowings | Short Term Borrowings |
|---------------------------|----------------------|-----------------------|
| Balance as on 01 Apr 24   |                      |                       |
| Add : Cash inflow         |                      |                       |
| Less : Cash outflow       |                      |                       |
| Add : Non - Cash inflow   |                      |                       |
| Less : Non - Cash outflow |                      |                       |
| Balance as on 31 March 25 | -                    | -                     |

1. The standalone cash flow statement has been prepared under the "Indirect method" as set out in Indian Accounting Standard (Ind AS 7)

"Statement of Cash Flows".

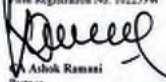
\* Disclosures, together with a commentary by management, of the amount of significant cash and cash equivalent balances held by the entity that are not available for use by the group.

The accompanying notes are an integral part of these Standalone Financial Statements.

In terms of our report attached

For and on behalf of the board of directors of  
Yantra India Limited

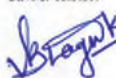
For Dimple Ramani & Co.  
Chartered Accountants  
Firm Registration No. 102259W

  
Ashok Ramani  
Partner  
Membership No. 030537  
UDIN : 25030537BMMMLZS2119

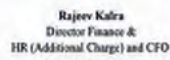
Place: Nagpur  
Date: 23/07/2025



Vijay Kumar Iyer  
Director (Operations) &  
CMD (Additional charge)  
DIN No. 11030387

  
Vaishali Bhagwatkar  
Company Secretary



  
Rajeev Kalra  
Director Finance &  
HR (Additional Charge) and CFO  
DIN No. 11111337



YANTRA INDIA LIMITED  
CIN :- U35303MH2021GOI166899  
Statement of changes in equity as on March 31, 2025

**A. Equity share capital**

**(1) Current reporting period**

₹ in Crores

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|----------------------------------------------------------|------------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------|----------------------------------------------------|
| 13,129.15                                                | -                                                          | 13,129.15                                                         | 228.15                                                  | 13,357.30                                          |

**(2) Previous reporting period**

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|----------------------------------------------------------|------------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------|----------------------------------------------------|
| 12,929.15                                                | -                                                          | 12,929.15                                                         | 200.00                                                  | 13,129.15                                          |

| Particulars                                            | No of Shares         | Amount    |
|--------------------------------------------------------|----------------------|-----------|
| Opening Balance                                        | 1,28,39,46,01,168.00 | 12,929.15 |
| Changes due to Prior period errors                     |                      |           |
| Restated balance as at 1 Mar 2023                      | 12,83,94,60,117.00   | 12,929.15 |
| Issue/(Reduction) ,if any during the year              | 28,96,90,000.00      | 200.00    |
| Share application money received pending for allotment | -                    | -         |
| As at 31 March 2024                                    | 13,12,91,50,117.00   | 13,129.15 |
| Changes due to Prior period errors                     |                      |           |
| Restated balance as at 1 April 2024                    | 13,12,91,50,117.00   | 13,129.15 |
| Issue/(Reduction) ,if any during the year              | 22,81,50,000.00      | 228.15    |
| Share application money received pending for allotment | -                    | -         |
| As at 31 March, 2025                                   | 13,35,73,00,117.00   | 13,357.30 |

**Notes:**

- In OFDC Rs. 0.17 Crore from pre corporatization period i.e. before 01/10/2021, received from M/s SQAE(A) & LPR Khannaria is adjusted in Reserve & Surplus. Rs. 1.61 Crore lying as "Advance for Share" under Loan & Advances (Assets) and Rs. 0.21 crore lying as Advance from Customer under "Other Current Liabilities" in the books of accounts relating to pre-corporatization, now adjusted in Reserve & Surplus.
- In MSF, Amount has been transferred from Other Current Liabilities in the Current FY, as per the directive dated 22/10/2024 from Head Office.

**B. Other equity**

₹ in Crores

**(1) Current reporting period**

|                                                               | Reserve and Surplus |                                  | Revaluation Reserve | Total     |
|---------------------------------------------------------------|---------------------|----------------------------------|---------------------|-----------|
|                                                               | Retained Earning    | General Reserve / Capital Outlay |                     |           |
| Balance at the beginning of Current reporting year            | 487.42              | -9,609.99                        | 16.97               | -9,105.60 |
| Adjustment                                                    | -                   | -                                | -                   | -         |
| Changes in accounting policy or Prior period errors           | -                   | -1.12                            | -                   | -         |
| Restated balance at the beginning of current reporting period | 487.42              | -9,611.11                        | 16.97               | -9,105.60 |
| Total Comprehensive income for the current reporting year     | 293.43              | -                                | -                   | -         |
| Dividends                                                     | -                   | -                                | -                   | -         |
| Inter Unit transfer                                           | -                   | -                                | -                   | -         |
| Current year transfer                                         | 452.72              | -                                | -                   | -         |
| Transfer to retained earning                                  | -                   | -                                | -                   | -         |
| Balance at the close of Current reporting year                | 1,233.57            | -9,611.11                        | 16.97               | -8,360.56 |

**(2) Previous reporting period**

|                                                           | Reserve and Surplus |                                  | Revaluation Reserve | Total     |
|-----------------------------------------------------------|---------------------|----------------------------------|---------------------|-----------|
|                                                           | Retained Earning    | General Reserve / Capital Outlay |                     |           |
| Balance at the beging of reporting year                   | 61.84               | -9,247.75                        | 16.97               | -9,168.94 |
| Adjustment                                                | -                   | 0.28                             | -                   | 0.28      |
| Changes in accounting policy or Prior period errors       | -                   | 9.31                             | -                   | 9.31      |
| Restated balance at the beginning of reporting period     | 61.84               | -9,238.44                        | 16.97               | -9,159.63 |
| Total Comprehensive income for the current reporting year | 425.58              | -                                | -                   | 425.58    |
| Dividends                                                 | -                   | -                                | -                   | -         |
| Inter Unit transfer                                       | -                   | -544.21                          | -                   | -544.21   |
| Reporting year transfer                                   | -                   | 172.66                           | -                   | 172.66    |
| Transfer to retained earning                              | -                   | -                                | -                   | -         |
| Balance at the close of Current reporting year            | 487.42              | -9,609.99                        | 16.97               | -9,105.60 |

The accompanying notes are an integral part of these Consolidated Financial Statements.

In terms of our report attached

For and on behalf of the board of directors of  
Yantra India Limited

For Dimple Ramani & Co.  
Chartered Accountants  
Firm Registration No. 102259W

*(Signature)*  
CA Ashok Ramani  
Partner  
Membership No. 030537  
UDIN : 25030537BMDLZS2119

Place: Nagpur  
Date: 23/07/2025



*(Signature)*  
Vijay Kumar Iyer  
Director(Operations) &  
CMD (Additional charge)  
DIN No. 11010187

*(Signature)*  
Vaishali Bhagwanekar  
Company Secretary

*(Signature)*  
Rajeev Kalra  
Director Finance &  
HR (Additional Charge) and CFO  
DIN No. 11111337





**YANTRA INDIA LIMITED**

CIN :- U38300MH2021G01365890

Notes to the Financial Statements as on March 31, 2025

**Note 1 : Property, Plant and Equipment**

₹ in Crores

| Particulars                                          | Freehold land | Building | Plant & Machinery | Furniture & fixture | Office Equipment | Vehicles | Computers, Servers and Network | Total    | CWIP    |
|------------------------------------------------------|---------------|----------|-------------------|---------------------|------------------|----------|--------------------------------|----------|---------|
| Closing balance as at March 31, 2024 (Refer Note 32) | 5.56          | 657.50   | 1,427.16          | 4.52                | 2.98             | 23.82    | 9.73                           | 2,331.26 | 164.07  |
| Additions                                            | -             | 11.42    | 88.05             | 0.49                | 0.46             | 1.55     | 1.70                           | 103.68   | 128.22  |
| Assets retired from active use                       | -             | -        | -0.33             | -                   | -                | -0.76    | -0.10                          | -1.19    | -       |
| Deductions                                           | -             | -0.09    | -0.67             | -                   | -0.00            | -0.06    | -0.07                          | -0.89    | -122.34 |
| As at Mar 31, 2025                                   | 5.56          | 668.83   | 1,514.20          | 5.01                | 3.43             | 24.55    | 11.26                          | 2,332.85 | 169.96  |
| Accumulated Depreciation and Impairment              | -             | -        | -                 | -                   | -                | -        | -                              | -        | -       |
| Accumulated Depreciation as at Apr 1, 2024           | -             | 36.76    | 185.33            | 0.45                | 0.93             | 12.34    | 3.40                           | 239.21   | -       |
| Depreciation for the year                            | -             | 16.89    | 98.17             | 0.67                | 0.60             | 2.38     | 1.35                           | 120.06   | -       |
| Depreciation on Assets retired from Active use       | -             | -        | -0.33             | -                   | -                | -0.73    | -0.00                          | -1.06    | -       |
| As at Mar 31, 2025                                   | -             | 53.66    | 183.17            | 1.12                | 1.53             | 13.98    | 4.74                           | 358.21   | -       |
| Net Carrying Amount                                  | -             | -        | -                 | -                   | -                | -        | -                              | -        | -       |
| As at Mar 31, 2025                                   | 5.56          | 615.17   | 1,331.03          | 3.89                | 1.90             | 10.57    | 6.52                           | 1,874.64 | 169.96  |
| As at Mar 31, 2024                                   | 5.56          | 620.73   | 1,241.82          | 4.06                | 2.04             | 11.49    | 6.33                           | 1,892.05 | 164.07  |

**As on March 31, 2024**

| Particulars                                          | Freehold land | Building | Plant & Machinery | Furniture & fixture | Office Equipment | Vehicles | Computers, Servers and Network | Total    | CWIP    |
|------------------------------------------------------|---------------|----------|-------------------|---------------------|------------------|----------|--------------------------------|----------|---------|
| Closing balance as at March 31, 2023 (Refer Note 32) | 5.56          | 596.97   | 1,404.15          | 4.57                | 1.52             | 16.83    | 6.59                           | 2,046.19 | 213.83  |
| Additions                                            | -             | 74.14    | 122.93            | 0.65                | 1.04             | 1.96     | 3.57                           | 204.30   | 116.88  |
| Assets retired from active use                       | -             | 0.05     | 0.01              | -                   | -                | 6.03     | -                              | 6.09     | -24.40  |
| Deductions                                           | -             | -0.03    | -11.57            | -0.00               | 0.48             | -0.00    | 0.04                           | -11.07   | -144.09 |
| As at Mar 31, 2024                                   | 5.56          | 671.14   | 1,515.53          | 5.22                | 3.04             | 18.82    | 10.21                          | 2,239.52 | 162.21  |
| Accumulated Depreciation and Impairment              | -             | -        | -                 | -                   | -                | -        | -                              | -        | -       |
| Accumulated Depreciation as at Apr 1, 2023           | -             | 35.65    | 182.50            | 0.50                | 0.65             | 11.48    | 2.64                           | 233.82   | -       |
| Depreciation for the year                            | -             | 13.47    | 90.22             | 0.69                | 0.35             | 2.63     | 1.30                           | 108.67   | -       |
| Depreciation on Assets retired from Active use       | -             | -0.00    | 0.59              | -                   | 0.04             | 3.23     | -0.32                          | 3.54     | -       |
| As at Mar 31, 2024                                   | -             | 49.12    | 273.71            | 1.19                | 1.04             | 17.35    | 3.63                           | 346.03   | -       |
| Net Carrying Amount                                  | -             | -        | -                 | -                   | -                | -        | -                              | -        | -       |
| As at Mar 31, 2024                                   | 5.56          | 622.02   | 1,241.82          | 4.03                | 2.00             | 11.47    | 6.58                           | 1,893.45 | 162.21  |
| As at Mar 31, 2023                                   | 5.56          | 561.32   | 1,221.25          | 4.07                | 0.87             | 15.35    | 3.95                           | 1,812.37 | 213.83  |

**Notes:**

- There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988
- Contractual Commitments-Refer Note 22 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- There is no charge or lien on Property, Plant and Equipment.
- The Company has not revalued its property, plant and Equipment and therefore disclosure, whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers)
- Company has opted for exemption under Ind As 101, accordingly carrying value was considered as Deemed Cost on Ind As Transition Date.
- There is no impairment loss during the year.
- During the financial year the company purchased following fixed assets on CIF BASIS along with spare parts (Refer Note: 41)

**Aging of CWIP as on 31st March 2025**

₹ in Crores

|                                | Amount in CWIP for a period of |           |           |                   | Total  |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|--------|
|                                | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years |        |
| Projects in Progress           | 46.18                          | 79.46     | 0.60      | 43.72             | 169.96 |
| Projects temporarily suspended | -                              | -         | -         | -                 | -      |
| Total                          | 46.18                          | 79.46     | 0.60      | 43.72             | 169.96 |

**Aging of CWIP as on 31st March 2024**

₹ in Crores

|                                | Amount in CWIP for a period of |           |           |                   | Total  |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|--------|
|                                | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years |        |
| Projects in Progress           | 82.55                          | 14.46     | 13.72     | 51.48             | 162.21 |
| Projects temporarily suspended | -                              | -         | -         | -                 | -      |
| Total                          | 82.55                          | 14.46     | 13.72     | 51.48             | 162.21 |





# YANTRA INDIA LIMITED

CIN :- U35303MH2021GOI365890

Notes to the Financial Statements as on March 31, 2025

## Note 2 : Intangible assets

₹ in Crores

As at March 31, 2025

| Particulars               | Computer Software | Technical Know How acquired | Drawings and Designs | Technical Know How Internally Generated | Total | Intangible assets under development |
|---------------------------|-------------------|-----------------------------|----------------------|-----------------------------------------|-------|-------------------------------------|
| Gross Carrying Amount     |                   |                             |                      |                                         |       |                                     |
| As at March 31, 2024      | -                 | 0.26                        | -                    | 1.24                                    | 1.49  | 3.98                                |
| Additions                 | 0.02              | -                           | -                    | 0.42                                    | 0.45  | 4.85                                |
| Deductions                | -                 | -                           | -                    | -                                       | -     | -0.01                               |
| As at Mar 31, 2025        | 0.02              | 0.26                        | -                    | 1.66                                    | 1.94  | 8.82                                |
| Accumulated Depreciation  | -                 | -                           | -                    | -                                       | -     | -                                   |
| As at March 31, 2024      | -                 | 0.00                        | -                    | 0.44                                    | 0.44  | 0                                   |
| Amortisation for the year | 0.00              | 0.03                        | -                    | 0.31                                    | 0.34  | -                                   |
| Deductions                | -                 | -                           | -                    | -                                       | -     | -                                   |
| As at Mar 31, 2025        | 0.00              | 0.03                        | -                    | 0.75                                    | 0.78  | -                                   |
| As at Mar 31, 2025        | 0.02              | 0.23                        | -                    | 0.91                                    | 1.16  | 8.82                                |
| As at March 31, 2024      | -                 | 0.26                        | -                    | 0.80                                    | 1.05  | 3.97                                |

₹ in Crores

As at March 31, 2024

| Particulars               | Computer Software | Technical Know How acquired | Drawings and Designs | Technical Know How Internally Generated | Total | Intangible assets under development |
|---------------------------|-------------------|-----------------------------|----------------------|-----------------------------------------|-------|-------------------------------------|
| Gross Carrying Amount     |                   |                             |                      |                                         |       |                                     |
| As at March 31, 2023      | -                 | -                           | -                    | 1.09                                    | 1.09  | 1.45                                |
| Additions                 | -                 | 0.26                        | -                    | 0.11                                    | 0.37  | 2.56                                |
| Deductions                | -                 | -                           | -                    | -                                       | -     | 0.05                                |
| As at Mar 31, 2024        | -                 | 0.26                        | -                    | 1.20                                    | 1.46  | 3.97                                |
| Accumulated Depreciation  |                   |                             |                      |                                         |       |                                     |
| As at March 31, 2023      | -                 | 0.003                       | -                    | 0.25                                    | 0.25  | -                                   |
| Amortisation for the year | -                 | -                           | -                    | 0.18                                    | 0.18  | -                                   |
| Deductions                | -                 | -                           | -                    | -                                       | -     | -                                   |
| As at Mar 31, 2024        | -                 | -                           | -                    | 0.43                                    | 0.43  | -                                   |
| As at Mar 31, 2024        | -                 | 0.26                        | -                    | 0.77                                    | 1.03  | 3.97                                |
| As at March 31, 2023      | -                 | -                           | -                    | 0.84                                    | 0.84  | 1.45                                |

### Intangible assets under development ageing schedule as on 31st March 2025

| Intangible assets under development | Amount in CWIP for a period of |           |           |                   | Total |
|-------------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
|                                     | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years |       |
| Projects in Progress                | 4.83                           | 0.03      | 3.97      | -                 | 8.82  |
| Projects temporarily suspended      | 0                              | 0         | 0         | 0                 | -     |
| Total                               |                                |           |           |                   |       |

### Ageing of CWIP as on 31st March 2024

| Intangible assets under development | Amount in CWIP for a period of |           |           |                   | Total |
|-------------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
|                                     | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years |       |
| Projects in Progress                |                                | 3.97      |           |                   | 3.97  |
| Projects temporarily suspended      |                                |           |           |                   |       |
| Total                               |                                |           |           |                   |       |

1. Company has not revalued its Intangibles assets and therefore disclosure, whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 does not arise.

2. There is no Impairment loss during the year.







**YANTRA INDIA LIMITED**  
CIN :- U35303MH2021G01365890

Notes to the Financial Statements as on March 31, 2025

**Note 3 : Financial assets**

**3 (a) Investments**

| Particulars              | ₹ in Crores             |                         |
|--------------------------|-------------------------|-------------------------|
|                          | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| Non-current investment   |                         |                         |
| Fixed Deposits           | -                       | -                       |
| <b>Total Investments</b> | -                       | -                       |

**3 (b) Trade receivables – Current**

| Particulars                                            | ₹ in Crores     |                |
|--------------------------------------------------------|-----------------|----------------|
|                                                        | March 31, 2025  | March 31, 2024 |
| Trade Receivables - Considered Good - Secured          | 569.61          | 0.01           |
| Trade Receivables - Considered Good - Unsecured-Others | 1,021.27        | 975.77         |
| Trade Receivables - Credit Impaired                    | -               | -              |
| Less: Provision for Doubtful Receivables               | -               | -              |
| <b>Total Trade receivables</b>                         | <b>1,590.88</b> | <b>975.78</b>  |

| Particulars                                                   | Not due | Outstanding for following periods from due date of payment |                   |               |              |             | Total           |
|---------------------------------------------------------------|---------|------------------------------------------------------------|-------------------|---------------|--------------|-------------|-----------------|
|                                                               |         | < 6 months                                                 | 6 months - 1 year | 1-2 years     | 2-3 years    | > 3 years   |                 |
| <b>As at 31 March 25</b>                                      |         |                                                            |                   |               |              |             |                 |
| Undisputed Trade Receivables – Considered good                | -       | 1,210.02                                                   | 187.29            | 133.21        | 31.13        | 0.33        | 1,561.97        |
| Undisputed Trade Receivables – Having significant Credit Risk |         | 19.78                                                      | 3.21              | 5.07          | 0.85         | -           | 28.91           |
| Undisputed Trade Receivables – Credit Impaired                |         |                                                            |                   |               |              |             | -               |
| Disputed Trade Receivables Considered Good                    |         |                                                            |                   |               |              |             | -               |
| Disputed Trade Receivables – Having significant Credit Risk   |         |                                                            |                   |               |              |             | -               |
| Disputed Trade receivables – Credit Impaired                  |         |                                                            |                   |               |              |             | -               |
| <b>Total</b>                                                  | -       | <b>1,229.79</b>                                            | <b>190.49</b>     | <b>138.28</b> | <b>31.98</b> | <b>0.33</b> | <b>1,590.88</b> |

| Particulars                                                   | Not due | Outstanding for following periods from due date of payment |                   |              |             |           | Total         |
|---------------------------------------------------------------|---------|------------------------------------------------------------|-------------------|--------------|-------------|-----------|---------------|
|                                                               |         | < 6 months                                                 | 6 months - 1 year | 1-2 years    | 2-3 years   | > 3 years |               |
| <b>As at 31 Mar 24</b>                                        |         |                                                            |                   |              |             |           |               |
| Undisputed Trade Receivables – Considered good                | -       | 808.77                                                     | 130.21            | 33.65        | 3.15        | -         | 975.78        |
| Undisputed Trade Receivables – Having significant Credit Risk |         |                                                            |                   |              |             |           | -             |
| Undisputed Trade Receivables – Credit Impaired                |         |                                                            |                   |              |             |           | -             |
| Disputed Trade Receivables Considered Good                    |         |                                                            |                   |              |             |           | -             |
| Disputed Trade Receivables – Having significant Credit Risk   |         |                                                            |                   |              |             |           | -             |
| Disputed Trade receivables – Credit Impaired                  |         |                                                            |                   |              |             |           | -             |
| <b>Total</b>                                                  | -       | <b>808.77</b>                                              | <b>130.21</b>     | <b>33.65</b> | <b>3.15</b> | <b>-</b>  | <b>975.78</b> |

**Notes:**

1) No trade receivables are due from directors or other officers of the Company either severally or jointly with any person nor any trade receivables are due from firms or private companies respectively in which any director is a director, a partner or a member.

2) Trade receivables are non-interest bearing and are generally on terms of 7 to 180 days.

3) Trade receivables are subject to reconciliation, confirmation and consequential adjustments if any. Dues outstanding for significant period of time are reviewed and provision made on case to case basis.





# **YANTRA INDIA LIMITED**

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Notes to the Financial Statements as on March 31, 2025

## **3 (c) Loans**

₹ in Crores

| Particulars                                          | March 31, 2025 | March 31, 2024 |
|------------------------------------------------------|----------------|----------------|
| (Unsecured, considered good unless otherwise stated) |                |                |
| <b>Non-current</b>                                   | -              | -              |
| <b>Current</b>                                       |                |                |
| Loans to                                             |                |                |
| - Employees                                          | 1.68           | 1.99           |
| - Suppliers                                          | 0.17           | 0.11           |
|                                                      | <b>1.85</b>    | <b>2.10</b>    |
| <b>Total Loans</b>                                   | <b>1.85</b>    | <b>2.10</b>    |

### **Note:**

1. No Loans are due from Directors or to firm / private company where director is interested
2. No loans or advances in the nature of loans are granted to the promoters, director or Key Managerial Persons and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.

## **3 (d) Cash and cash equivalents**

₹ in Crores

| Particulars                                          | March 31, 2025 | March 31, 2024 |
|------------------------------------------------------|----------------|----------------|
| Cash on hand                                         | 0.00           | -              |
| Balance with Banks                                   | -              |                |
| In Current accounts                                  | 20.77          | 2.94           |
| OD Accounts with debit balances                      | 1.51           | 0.00           |
| Deposit with bank having maturity less than 3 months | 0.00           | 605.02         |
| <b>Total cash and cash equivalents</b>               | <b>22.28</b>   | <b>607.96</b>  |

1. There are no repatriation restrictions with regard to cash and cash equivalents.







YANTRA INDIA LIMITED  
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Notes to the Financial Statements as on March 31, 2025

| 3 (e) Other bank balance                                                      |                 |                 | ₹ in Crores |
|-------------------------------------------------------------------------------|-----------------|-----------------|-------------|
| Particulars                                                                   | March 31, 2025  | March 31, 2024  |             |
| Deposit with bank having maturity more than 3 months and less than 12 months* | 2,148.97        | 1,280.07        |             |
| <b>Total other bank balances</b>                                              | <b>2,148.97</b> | <b>1,280.07</b> |             |

\* Under lien with bank as Security for L/C/OD Facility given by the bankers of Rs.696.75 Crores

\* Bank OD has sanctioned against lien marking on deposits of the company.

| 3 (f) Other financial assets                         |                |                | ₹ in Crores |
|------------------------------------------------------|----------------|----------------|-------------|
| Particulars                                          | March 31, 2025 | March 31, 2024 |             |
| (Unsecured, considered good unless otherwise stated) |                |                |             |
| <b>Non-current</b>                                   |                |                |             |
| Security Deposit                                     | 5.27           | 7.53           |             |
| Others                                               | 3.31           |                |             |
|                                                      | <b>8.58</b>    | <b>7.53</b>    |             |
| <b>Current</b>                                       |                |                |             |
| Security Deposit                                     | -              |                |             |
| Others                                               | 31.96          | 0.34           |             |
|                                                      | <b>31.96</b>   | <b>0.34</b>    |             |
| <b>Total other financial assets</b>                  | <b>40.54</b>   | <b>7.86</b>    |             |

| 3 (g) Financial Instruments by category                     |                |                | ₹ in Crores |
|-------------------------------------------------------------|----------------|----------------|-------------|
| Particulars                                                 | March 31, 2025 | March 31, 2024 |             |
| Investment in Advance Material (Defence) Testing Foundation | 2.73           | -              |             |
| Investment in UAS Testing Foundation                        | 1.50           | -              |             |
| Trade receivables                                           | -              | -              |             |
| Loans                                                       | -              | -              |             |
| Cash and cash equivalents                                   | -              | -              |             |
| Other bank balances                                         | -              | -              |             |
| Other financial assets                                      | -              | -              |             |
| <b>Total Financial assets</b>                               | <b>4.23</b>    |                |             |

| Note 4 : Other assets                                      |                |                | ₹ in Crores |
|------------------------------------------------------------|----------------|----------------|-------------|
| Particulars                                                | March 31, 2025 | March 31, 2024 |             |
| (Unsecured, considered good unless otherwise stated)       |                |                |             |
| <b>Non-current</b>                                         |                |                |             |
| Security deposits                                          | 10.72          | 0.27           |             |
| Other Current Assets                                       | 5.49           | -              |             |
| Capital Advances                                           | 0.41           | 9.02           |             |
| <b>Total Other Assets - Non Current</b>                    | <b>16.62</b>   | <b>9.29</b>    |             |
| <b>Current</b>                                             |                |                |             |
| Deposits                                                   | -              | -              |             |
| MAT Credit entitlement                                     | 83.34          | 74.36          |             |
| Advances to DPSUs against Deemed Contract                  | 191.91         | 3.58           |             |
| Advance Recoverable from Employees                         | 0.34           | 0              |             |
| Committed Liability Receivables                            | 64.79          | 61.27          |             |
| Prepaid Expenses                                           | 0.03           | 0.19           |             |
| Balance with Government Authorities (Refer note (i) below) | 31.26          | 253.70         |             |
| PCFA AO                                                    | -              | -              |             |
| Other Current Assets                                       | 68.24          | 45.52          |             |
| Unreconciled interunit balances                            | 3.19           |                |             |
| Security deposits                                          | 1.09           | 1.09           |             |
| Advances to Supplier                                       | 11.20          | 17.22          |             |
| Advances to Employees                                      | 0.86           | 0.62           |             |
| <b>Total Other Assets- Current</b>                         | <b>456.23</b>  | <b>457.55</b>  |             |
| <b>Total (A) + (B)</b>                                     | <b>472.86</b>  | <b>466.83</b>  |             |

Notes :

(i) Balance with Government Authorities mainly consists of GST Input Tax Credit, TDS / TCS and Payment of Income Tax made as per Section 115JB (MAT) etc

(ii) No advances are due from directors or promoters of the Company either severally or jointly with any person.

(iii) The unreconciled interunit balances are due to pending reconciliation between YIL Headquarters and branches' books of accounts.

| Note 5 : Inventories (At lower of cost and net realisable value) |                |                | ₹ in Crores |
|------------------------------------------------------------------|----------------|----------------|-------------|
| Particulars                                                      | March 31, 2025 | March 31, 2024 |             |
| Raw materials & Packing Material (Store In Hand)                 | 433.83         | 396.32         |             |
| Work-in-progress                                                 | 168.51         | 211.77         |             |
| Finished Components                                              | 14.44          | 40.43          |             |
| Stock Pile                                                       | 8.01           | 34.62          |             |
| Finished Goods                                                   | 41.52          | 19.43          |             |
| Stores In Transit                                                | 12.57          | 24.63          |             |
| Inventory with Job Workers ( Refer Note 40 & 41 )                | 5.11           | 5.29           |             |
| <b>Total</b>                                                     | <b>684.00</b>  | <b>732.49</b>  |             |

1. Please refer note no 7 of Note 43: Additional notes for inventory valuation policy.

2. In compliance with CA&G supplementary audit report dated 09/07/2024 on the accounts of OFKAT (Unit of Yantra India Limited) for the year 2023-24 provision for inventory with Job worker against whom insolvency proceedings are going on, provision amounting to Rs. 4.29 Crores is created during FY 2024-25.

3. In OFAJ, certain unusable Inventory items have been identified which have been used for gainful production activities during the financial year. These items have been valued at Weighted average cost which has been taken as Net Relisable Value (NRV) in the books of accounts.





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Notes to the Financial Statements as on March 31, 2025

**Note 6A : Equity share capital:**

| Particulars                                                                | March 31, 2025         |                  | March 31, 2024         |                  |
|----------------------------------------------------------------------------|------------------------|------------------|------------------------|------------------|
|                                                                            | No. of shares          | Rs. in Crores    | No. of shares          | Rs. in Crores    |
| Authorised share capital<br>Equity shares of ₹ 10 each                     | 15,50,00,00,000        | 15,500.00        | 15,50,00,00,000        | 15,500.00        |
| Issued, subscribed and paid-up share capital<br>Equity shares of ₹ 10 each | 13,35,73,00,117        | 13,357.30        | 13,12,91,50,117        | 13,129.15        |
| <b>Total</b>                                                               | <b>13,35,73,00,117</b> | <b>13,357.30</b> | <b>13,12,91,50,117</b> | <b>13,129.15</b> |

**6.1. Reconciliation of shares outstanding at the beginning and at the end of the Reporting period :**

| Particulars                               | March 31, 2025         |                  | March 31, 2024         |                  |
|-------------------------------------------|------------------------|------------------|------------------------|------------------|
|                                           | No. of shares          | Rs. in Crores    | No. of shares          | Rs. in Crores    |
| At the beginning of the period            | 13,12,91,50,117        | 13,129.15        | 12,83,94,60,117        | 12,839.46        |
| Add: Issue of Share Capital               | 22,81,50,000           | 228.15           | 28,96,90,000           | 289.69           |
| Less: Share Bought back                   |                        |                  |                        |                  |
| <b>Outstanding at the end of the year</b> | <b>13,35,73,00,117</b> | <b>13,357.30</b> | <b>13,12,91,50,117</b> | <b>13,129.15</b> |

**6.2. Rights, Preferences and Restrictions attached to the equity shares :**

The Company has one class of shares having par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held.

**6.3. Number of Shares held by each shareholder holding more than 5% Shares in the Company**

| Name of the Shareholder | March 31, 2025  |                   |
|-------------------------|-----------------|-------------------|
|                         | No. of shares   | % of shareholding |
| President Of India      | 13,35,73,00,117 | 100%              |

**6.4. Shareholding of Promoters**

| Name of the Promoter | March 31, 2024  |                   |
|----------------------|-----------------|-------------------|
|                      | No. of shares   | % of shareholding |
| President Of India   | 13,35,73,00,117 | 100%              |

**6.5. Shares reserved for issue under options and contracts :**

Nil

**6.6. Objective, policy and procedure of capital management:**

Refer Note 36.







# **YANTRA INDIA LIMITED**

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Notes to the Financial Statements as on March 31, 2025

## **Note 7 : Financial liabilities**

### **7 (a) Trade payables**

₹ in Crores

| Particulars                                                                 | March 31, 2025 | March 31, 2024 |
|-----------------------------------------------------------------------------|----------------|----------------|
| <b>Current</b>                                                              |                |                |
| - Total Outstanding dues of Micro Enterprises and Small Enterprises         | 62.53          | 21.17          |
| - Total Outstanding dues other than Micro Enterprises and Small Enterprises | 450.04         | 385.37         |
| <b>Total</b>                                                                | <b>512.57</b>  | <b>406.54</b>  |

₹ in Crores

| Particulars                                        | 31 March 25   | 31 Mar 24     |
|----------------------------------------------------|---------------|---------------|
| Payable to MSME Vendor                             | 62.53         | 21.17         |
| <u>Payable to Creditors other than MSME Vendor</u> |               |               |
| Payable to Related Parties                         |               |               |
| Payable to Others                                  | 450.04        | 385.37        |
| <b>Total</b>                                       | <b>512.57</b> | <b>406.54</b> |

| As at 31 March 25      | Outstanding for following periods from due date of payment |          |           |           |           | ₹ in Crores |
|------------------------|------------------------------------------------------------|----------|-----------|-----------|-----------|-------------|
| Particulars            | Payable - Unbilled                                         | < 1 year | 1-2 years | 2-3 years | > 3 years | TOTAL       |
| MSME                   | -                                                          | 58.37    | 1.17      | 2.71      | 0.28      | 62.53       |
| Others                 | -                                                          | 281.27   | 102.32    | 16.69     | 49.75     | 450.03      |
| Disputed dues - MSME   | -                                                          | 0        | 0         | 0         | 0         | -           |
| Disputed dues - Others | -                                                          | 0        | 0         | 0         | 0         | -           |
| <b>As at 31 Mar 24</b> |                                                            |          |           |           |           |             |
| Particulars            | Payable - Unbilled                                         | < 1 year | 1-2 years | 2-3 years | > 3 years | Total       |
| MSME                   | -                                                          | 16.27    | 0.27      | 1.10      | -         | 17.64       |
| Others                 | -                                                          | 300.21   | 4.27      | 53.77     | -         | 358.25      |
| Disputed dues - MSME   | -                                                          | -        | -         | -         | -         | -           |
| Disputed dues - Others | -                                                          | -        | 0.81      | -         | -         | 0.81        |

#### **Notes :**

(i) Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and Schedule III of the Companies Act, 2013 for the year/period ended March 31, 2025. This information has been determined to extent such parties have been identified on the basis of information available with the company and relied upon by the auditors

(ii) Trade Payables are subject to reconciliation, confirmation and consequential adjustments if any.

₹ in Crores

| Particulars                                                                                                                                                                                                                                  | March 31, 2025 | March 31, 2024 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| (i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)                                                                            |                |                |
| - Principal amount due to micro and small enterprise                                                                                                                                                                                         | 62.53          | 21.17          |
| - Interest due on above                                                                                                                                                                                                                      | -              | -              |
| (ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period              | -              | -              |
| (iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006 | -              | -              |
| (iv) The amount of interest accrued and remaining unpaid at the end of each accounting year                                                                                                                                                  | -              | -              |
| (v) 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 enterprises                                                                              | -              | -              |




**YANTRA INDIA LIMITED**
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**Notes to the Financial Statements as on March 31, 2025**
**7 (b) Other financial liabilities**
**₹ in Crores**

| Particulars                                 | March 31, 2025 | March 31, 2024 |
|---------------------------------------------|----------------|----------------|
| <b>Non-current</b>                          | -              | -              |
| <b>Current</b>                              |                |                |
| OD Accounts with credit balances            | -              | -              |
| Liabilities towards employee benefits       | 27.48          | 67.40          |
| Security Deposits from customers and others | 1.65           | 1.05           |
| Others                                      | 0.77           | 0.21           |
|                                             | <b>29.90</b>   | <b>68.66</b>   |
| <b>Total</b>                                | <b>29.90</b>   | <b>68.66</b>   |

**7 (c) Financial liabilities by category**
**₹ in Crores**

| Particulars                        | March 31, 2025                             |                |               |
|------------------------------------|--------------------------------------------|----------------|---------------|
|                                    | Fair value through Profit and Loss (FVTPL) | Amortised cost | Total         |
| Trade payable                      | -                                          | 512.57         | 512.57        |
| Other Financial Liabilities        | -                                          | 29.90          | 29.90         |
| <b>Total Financial liabilities</b> | <b>-</b>                                   | <b>542.47</b>  | <b>542.47</b> |

**₹ in Crores**

| Particulars                        | March 31, 2024                             |                |               |
|------------------------------------|--------------------------------------------|----------------|---------------|
|                                    | Fair value through Profit and Loss (FVTPL) | Amortised cost | Total         |
| Trade payable                      | -                                          | 406.54         | 406.54        |
| Other Financial Liabilities        | -                                          | 68.66          | 68.66         |
| <b>Total Financial liabilities</b> | <b>-</b>                                   | <b>475.20</b>  | <b>475.20</b> |

1. Financial instruments risk management objectives and policies, refer Note 30(f).
2. Fair value disclosure for financial assets and liabilities and fair value hierarchy, refer Note 29.

**Note 8 : Provisions**
**₹ in Crores**

| Particulars              | March 31, 2025 | March 31, 2024 |
|--------------------------|----------------|----------------|
| <b>Long-term</b>         | -              | -              |
| <b>Short-term</b>        |                |                |
| Provision for Income tax | (14.63)        | 74.36          |
| Provision                | 231.35         | 125.90         |
|                          | <b>216.73</b>  | <b>200.26</b>  |
| <b>Total</b>             | <b>216.73</b>  | <b>200.26</b>  |







# YANTRA INDIA LIMITED

CIN :- U35303MH2021GOI365890

Notes to the Financial Statements as on March 31, 2025

## Note 9 : Government grants

₹ in Crores

| Particulars        | March 31, 2025 | March 31, 2024 |
|--------------------|----------------|----------------|
| <b>Non-current</b> |                |                |
| Deferred income    | 45.00          |                |
|                    | <b>45.00</b>   | <b>-</b>       |
| <b>Current</b>     |                |                |
| Deferred income    | 2.59           | 5.17           |
|                    | <b>2.59</b>    | <b>5.17</b>    |
| <b>Total</b>       | <b>47.59</b>   | <b>5.17</b>    |

## Government grants

₹ in Crores

| Particulars                                              | As at March 31, 2025 | March 31, 2024 |
|----------------------------------------------------------|----------------------|----------------|
| Balance as on October 1, 2021 (Refer Note 37)            |                      |                |
| Released to statement of profit and loss (Refer note 18) |                      |                |
| <b>Total Government Grant</b>                            | <b>-</b>             | <b>-</b>       |

## Note 10 : Other current liabilities

₹ in Crores

| Particulars                                        | March 31, 2025  | March 31, 2024  |
|----------------------------------------------------|-----------------|-----------------|
| Short term Borrowings                              | -               | 36.41           |
| Statutory Dues                                     | 39.58           | 26.48           |
| Recoveries from Employees                          | 3.90            | 22.74           |
| Employee related payables                          | 25.53           | 20.47           |
| Advances from customers                            | 492.94          | 49.87           |
| Committed Liability Payable                        | 479.45          | 433.99          |
| Other Current Liabilities & Payables               | 31.11           | 386.80          |
| Advances received from DPSUs under Deemed Contract | -               | 0.06            |
| Advances received from Parties /NPS trust          | 0.62            | -               |
| Amonut Payable to HQ                               | -               | -               |
| Capital Outlay Account                             | -               | 452.77          |
| <b>Total</b>                                       | <b>1,073.12</b> | <b>1,429.61</b> |

## Note 11 : Current Tax Liability

₹ in Crores

| Particulars                        | March 31, 2025 | March 31, 2024 |
|------------------------------------|----------------|----------------|
| Provision for Tax (Net of Advance) | -              | -              |
| <b>Total</b>                       | <b>-</b>       | <b>-</b>       |





# **YANTRA INDIA LIMITED**

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**Notes to the Financial Statements as on March 31, 2025**

## **Note 12 : Revenue from operations**

₹ in Crores

| Particulars                                          | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------------------------------|-------------------------|-------------------------|
| Sale of Products                                     | 3,031.78                | 2,738.47                |
| Sale of Scrap                                        | 77.00                   | 82.25                   |
| <b>other operating income</b>                        |                         |                         |
| Disposal of Scrap and Surplus / Unserviceable Stores |                         |                         |
| Foreign Exchange Gain                                | -                       |                         |
| <b>Total</b>                                         | <b>3,108.79</b>         | <b>2,820.73</b>         |

## **I. Disaggregation of Revenue from contracts with customers**

### **Revenue based on Geography**

₹ in Crores

| Particulars                    | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------|-------------------------|-------------------------|
| Domestic                       | 2,787.02                | 2,602.65                |
| Export                         | 321.77                  | 218.07                  |
| <b>Revenue from Operations</b> | <b>3,108.79</b>         | <b>2,820.73</b>         |

### **Notes :**

(a) In majority of the contract, performance obligation is satisfied "at a point in time" which is primarily determined on customer obtaining control of the asset. One of the prime indicator considered for this is transfer of significant risk and rewards to the customer based on contract terms. Where a contract involves multiple performance obligation, the criteria specified in Ind AS 115 is applied to determine the point in time when the performance obligation is satisfied.

(b) Contract with the customer normally do not contain significant financing component and any advance payment received and / or amount retained by customer is with intention of protecting either parties to the contract.

(c) The Company turnover mainly includes supply of defence equipments and systems.

(d) Warranties provided are primarily in the nature of performance warranty. YIL has separate warranty policy. Pursuant to such policy no provision for warranty have been made.

(e) Contracts entered into with the customers typically do not have a return or refund clause.

(f) No non cash considerations has been received or given during the year as well as previous years.

## **Note 13 : Other income**

₹ in Crores

| Particulars                                                    | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|----------------------------------------------------------------|-------------------------|-------------------------|
| Interest income on financial assets measured at amortized cost |                         |                         |
| - Fixed Deposits                                               | 157.05                  | 134.90                  |
| - Security Deposits                                            | 0.41                    | -                       |
| Other Receipts                                                 | 5.93                    | 2.39                    |
| Government Grants                                              | 3.33                    | 10.01                   |
| Rent Income                                                    | 7.97                    | 9.29                    |
| Profit on sale of Property, Plant and Equipment (Net)          | 2.00                    | 5.57                    |
| Liquidity Damage Recovered                                     | 1.24                    | 1.42                    |
| Miscellaneous income                                           | 23.25                   | 36.76                   |
| Balance Written Back                                           | 0.42                    | 4.62                    |
| Interest on Electricity security deposit                       | 0.78                    | 1.67                    |
| Exchange Gain                                                  | 0.15                    | -                       |
| <b>Total</b>                                                   | <b>202.53</b>           | <b>206.64</b>           |







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Notes to the Financial Statements as on March 31, 2025

**Note 14 : Cost of Raw materials and Components**

₹ in Crores

| Particulars                             | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------------------------------|-------------------------|-------------------------|
| Inventories at the opening of the year  | 485.96                  | 469.22                  |
| Add : Purchases during the year         | 1,157.44                | 1,135.92                |
|                                         | 1,643.40                | 1,605.14                |
| Less : Inventory at the end of the year | 460.25                  | 486.21                  |
| <b>Total</b>                            | <b>1,183.15</b>         | <b>1,118.95</b>         |

**Note 15 : Changes in inventories of finished goods and work-in-progress**

₹ in Crores

| Particulars                                       | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------------------------|-------------------------|-------------------------|
| <b>Opening Inventories</b>                        |                         |                         |
| Store in hand                                     | -                       | -                       |
| Work-in progress                                  | 211.55                  | 193.04                  |
| Finished Goods                                    | 23.12                   | 18.69                   |
| Invoice not dispatched                            | -                       | 1.40                    |
| Finished Components                               | 3.97                    | 16.05                   |
| Store In transit                                  | 2.34                    | 5.26                    |
| Inventory with Job Workers                        | 5.54                    | 0.00                    |
|                                                   | <b>246.53</b>           | <b>234.44</b>           |
| <b>Closing Inventories</b>                        |                         |                         |
| Store in hand                                     | -                       | -                       |
| Work-in progress                                  | 168.51                  | 211.77                  |
| Finished Goods                                    | 42.47                   | 22.91                   |
| Finished Components                               | 3.10                    | 3.97                    |
| Store In transit                                  | 4.29                    | 2.34                    |
| Inventory with Job Workers ( Refer Note 40 & 41 ) | 5.37                    | 5.29                    |
|                                                   | <b>223.75</b>           | <b>246.27</b>           |
| <b>(Increase) / Decrease in Inventories</b>       | <b>22.78</b>            | <b>(11.83)</b>          |

**Note 16 : Employee benefits expense**

₹ in Crores

| Particulars                                               | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------------------------------------------------|-------------------------|-------------------------|
| Salaries and Wages                                        | 1,025.03                | 966.61                  |
| Salaries and Wages HQ                                     | 14.03                   | 11.97                   |
| Contribution to provident and other funds (Refer Note 24) | 34.14                   | 68.30                   |
| Reimbursement of NPS to OPS                               | (0.38)                  | -                       |
| Staff welfare and training expenses                       | 0.36                    | 2.80                    |
| <b>Total</b>                                              | <b>1,073.17</b>         | <b>1,049.67</b>         |

**Note**

All employees are on deemed deputation. As per para 5 of department of defense production, ministry of defense, government of India letter number I(5)/2021/OF/DP(Pig-V)/02 Dated 24/09/2021 "Till such time the employee remains on deemed deputation to the new DPSUs they shall continue to be subject to all the extent rules, regulations and orders as are applicable to central government servants including related to their pay scales, allowance, leaves, medical facilities, career progression and other service conditions". Hence, provisions related to retirement and other terminal benefits is not required.

As per Indian Accounting Standard 19 "Employee benefits", the disclosures as defined are given below:

**Defined Contribution Plans**

Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

₹ in Crores

| Particulars                                    | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------------------------|-------------------------|-------------------------|
| Employer's Contribution to Provident Fund      | -                       | -                       |
| Employer's Contribution to Superannuation Fund | -                       | -                       |
| Employer's Contribution to Pension Scheme      | -                       | -                       |
| <b>Total</b>                                   | <b>-</b>                | <b>-</b>                |

**Note 17 : Finance cost**

₹ in Crores

| Particulars      | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------|-------------------------|-------------------------|
| Bank Charges     | 0.01                    | 5.00                    |
| Interest on Loan | 15.64                   | -                       |
| <b>Total</b>     | <b>15.65</b>            | <b>5.00</b>             |

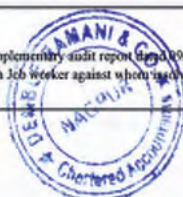
**Note 18 : Depreciation and amortization expense**

₹ in Crores

| Particulars                                   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------------------------------------|-------------------------|-------------------------|
| Depreciation on Property, plant and equipment | 120.06                  | 108.49                  |
| Amortization of Intangible assets             | 0.34                    | 0.18                    |
| <b>Total</b>                                  | <b>120.40</b>           | <b>108.67</b>           |

**Note:**

In compliance with CA&G supplementary audit report dated 09/07/2024 on the accounts of OFKAT (Unit of Yantra India Limited) for the year 2023-24 provision for inventory with Job Worker against whom insolvency proceedings are going on amounting to Rs. 4.29 Crores is created during FY 2024-25.





# **YANTRA INDIA LIMITED**

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Notes to the Financial Statements as on March 31, 2025

## **Note 19 : Other expenses**

₹ in Crores

| Particulars                                         | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------------------------------------------|-------------------------|-------------------------|
| <b>A) Other Direct Expenses</b>                     |                         |                         |
| Expenditure on Electricity & Water (Production)     | 153.90                  | 138.59                  |
| Hiring of Manpower/Contract Labour (Production)     | 31.65                   | 20.71                   |
| Any Other                                           | 7.95                    | -                       |
| Transportation Charges                              | 2.96                    | 2.80                    |
|                                                     | <b>196.47</b>           | <b>162.11</b>           |
| <b>B) Other Indirect Expenses</b>                   |                         |                         |
| Auditor's remuneration (Refer note (i) below)       | 0.19                    | 0.32                    |
| Bank Charges                                        | 0.03                    | 0.21                    |
| Expenditure on Electricity & Water (Non Production) | 31.54                   | 27.02                   |
| Licence Fees                                        | -                       | 1.58                    |
| Foreign Exchange Loss                               | 1.48                    | 0.00                    |
| Printing & Stationary                               | 0.14                    | 1.49                    |
| Hiring of Manpower/Contract Labour (Non Production) | 59.24                   | 49.94                   |
| Subscription Charges                                | -                       | -                       |
| HO Expenses                                         | 4.50                    | 0.00                    |
| Legal and Professional charges                      | 0.07                    | 0.22                    |
| Accounting Charges                                  | -                       | -                       |
| Rates and taxes                                     | 0.95                    | 0.95                    |
| Security Charges                                    | 26.23                   | 26.76                   |
| Postage Expenses                                    | 0.13                    | -                       |
| Telephone & Communication Expenses                  | 0.74                    | 0.59                    |
| Repairs :                                           | -                       | -                       |
| To Building                                         | 3.42                    | 4.31                    |
| To others                                           | 8.46                    | 8.34                    |
| Transportation Charges                              | 22.54                   | 20.23                   |
| Research and Development                            | 7.92                    | 0                       |
| Miscellaneous expenses                              | 37.61                   | 26.33                   |
| <b>Total Other Indirect Expenses</b>                | <b>205.19</b>           | <b>168.29</b>           |
| <b>Total</b>                                        | <b>401.66</b>           | <b>330.40</b>           |

## **Remuneration to Auditors**

₹ in Crores

| Particulars            | 31 March 25 | 31 Mar 24   |
|------------------------|-------------|-------------|
| Statutory Auditors     | 0.05        | 0.15        |
| Tax Auditors           | 0.01        | 0.02        |
| Internal Auditors      | 0.08        | 0.08        |
| Taxation Matters       | -           | 0.04        |
| Other Services         | 0.04        | 0.03        |
| Reimbursement Expenses | -           | -           |
| <b>Total</b>           | <b>0.19</b> | <b>0.32</b> |

## **Corporate Social Responsibility (CSR) expenditure**

As per Section 135 of the Companies Act, 2013, read with the guidelines issued by the Department of Public Enterprises (DPE), the Company is required to spend, in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years, in accordance with its CSR Policy. The Company's liability towards CSR expenditure amounts to INR 2.45 Crores and the Company has spent the whole amount as CSR expenditure. Hence, there is no liability remaining to be recognised as unspent CSR expenditure.

The details of CSR expenditure for the financial year are as under:

₹ in Crores

| Particulars                                    | 31 March 25 | 31 Mar 24 |
|------------------------------------------------|-------------|-----------|
| a. Gross amount spent on CSR                   | 2.45        | -         |
| b. Amount available from previous year         | -           | -         |
| c. Total (A+B)                                 | 2.45        | -         |
| d. Amount approved by the Board for the year   | 2.45        | -         |
| e. Amount actually spent during the year       | -           | -         |
| i. Construction/acquisition of any other asset | -           | -         |
| ii. For purposes other than (i) above          | 2.45        | -         |







# **YANTRA INDIA LIMITED**

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## **Note 20 : Income tax**

The major component of income tax expense for the year/period ended March 31, 2025 is as follows:

| ₹ in Crores                                                                     |                         |                         |
|---------------------------------------------------------------------------------|-------------------------|-------------------------|
| Particulars                                                                     | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| <b>Statement of Profit and Loss</b>                                             |                         |                         |
| -Current Tax                                                                    | 72.03                   | 74.36                   |
| From Continuing Operations                                                      |                         |                         |
| From Discontinued Operations                                                    |                         |                         |
| -Previous Year Tax                                                              |                         |                         |
| -Deferred tax expense                                                           | 143.53                  |                         |
| -MAT Credit entitlement                                                         | -                       | (74.36)                 |
| <b>Income tax expense in the Statement of Profit and Loss</b>                   | <b>215.57</b>           | <b>-</b>                |
| Profit/(Loss) for the period From Continuing Operations                         |                         |                         |
| Profit/(Loss) From Discontinued Operations                                      |                         |                         |
| Profit/(Loss) before Tax from Continuing Operations and Discontinued Operations |                         |                         |
| <b>Statement of Other comprehensive income (OCI)</b>                            |                         |                         |
| -Current Tax                                                                    | -                       | -                       |
| -Deferred tax expense                                                           | -                       | -                       |
| <b>Income tax expense recognised in OCI</b>                                     | <b>-</b>                | <b>-</b>                |

## **Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate:**

| ₹ in Crores                                                                       |                         |                         |
|-----------------------------------------------------------------------------------|-------------------------|-------------------------|
| Particulars                                                                       | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| <b>A. Current tax</b>                                                             |                         |                         |
| Accounting profit before income tax expense                                       | 509.00                  | 425.57                  |
| Tax Rate                                                                          | 34.94%                  | 17.47%                  |
| Current tax expenses on Profit before tax at the enacted income tax rate in India | 72.03                   | 74.36                   |
| <b>Adjustment</b>                                                                 |                         |                         |
| MAT Credit entitlement                                                            |                         | -74.36                  |
| Exempt income/not liable to tax                                                   |                         |                         |
| Difference in Tax Rate                                                            |                         |                         |
| Expenditure not deductible for tax/not liable to tax                              |                         |                         |
| <b>Total income tax expense/(credit)</b>                                          | <b>72.03</b>            | <b>-</b>                |
| Effective tax rate                                                                | 34.94%                  | 17.47%                  |
| Deferred tax liabilities                                                          | 143.53                  |                         |

| ₹ in Crores                                            |               |               |
|--------------------------------------------------------|---------------|---------------|
| Deferred tax expense                                   | March 31,2025 | March 31,2024 |
|                                                        | For the Year  | For the Year  |
| <b>i)Profit &amp; loss</b>                             |               |               |
| Attributable to Previous Year unrecognised tax Lossess |               | -             |
| Attributable to Depreciation                           | 143.53        |               |
| <b>Total</b>                                           | <b>143.53</b> |               |

## **Movement in deferred tax balances.**

| ₹ in Crores                                            |                                 |                                        |
|--------------------------------------------------------|---------------------------------|----------------------------------------|
| Particulars                                            | Net balance as on<br>01/04/2025 | Recognised In Profit & Loss<br>Account |
| Attributable to Previous Year unrecognised tax Lossess | -                               | -                                      |
| Attributable to Depreciation                           | 143.53                          | 143.53                                 |
| <b>Total</b>                                           | <b>143.53</b>                   | <b>143.53</b>                          |





# YANTRA INDIA LIMITED

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Notes to the Financial Statements as on March 31, 2025

## Note 21 : Contingent liabilities

| Particulars                                                  | ₹ in Crores             |                         |
|--------------------------------------------------------------|-------------------------|-------------------------|
|                                                              | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| <b>Contingent liabilities not provided for</b>               |                         |                         |
| (i) Claims against Company not acknowledged as debts         | 5.01                    | 2.31                    |
| (ii) Guarantees given                                        | 0.10                    |                         |
| (iii) Legal and Court cases pending at various Forums/Courts | 22.22                   | 19.98                   |
| (iii) Disputed demands in respect of                         |                         |                         |
| Income Tax                                                   | 0.48                    | 0.10                    |
| Goods and Services tax                                       | 6.22                    | 4.38                    |
| Any other                                                    | 7.84                    |                         |
|                                                              | <b>41.87</b>            | <b>26.77</b>            |

### Notes :

- (a) It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- (b) The Company believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.
- (c) Bharat Electronics Limited (BEL), a Public Sector Undertaking (PSU), had installed a solar power generation facility within the premises of [OFJ – Ordnance Factory Jabalpur] under a mutual understanding for the supply of electricity generated to the state power grid. In connection with the supply of power, BEL raised invoices on OFJ effective from 01st October 2021. Subsequent to the commencement of billing, a dispute arose between OFJ and BEL concerning the applicable tariff/rate for the power supplied. Owing to the unresolved disagreement on the rate, OFJ has withheld payments against the invoices raised by BEL. BEL has initiated legal proceedings in respect of the above matter, and the case is currently sub judice before the appropriate judicial authority. As the outcome of the legal proceedings remains uncertain and is dependent upon the final adjudication, no provision has been made in the books of account in this regard. However, as a matter of prudence and in line with applicable accounting standards and disclosure norms, the potential financial exposure arising from the disputed claim has been disclosed under Contingent Liabilities. The estimated amount of such claim, to the extent ascertainable, is Rs 1,38,71,045.48 , pending final determination by the court.

## Note 22 : Capital commitment and other commitments

### (a) Capital commitments

| Particulars                                                                                                      | ₹ in Crores             |                         |
|------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                                                                  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| <b>(a) Capital commitments</b>                                                                                   |                         |                         |
| Estimated amount of Contracts remaining to be executed on capital account and not provided for (Net of advances) | 719.74                  | 224.50                  |
| <b>(b) Other commitments</b>                                                                                     | -                       |                         |
|                                                                                                                  | <b>719.74</b>           | <b>224.50</b>           |

## Note 23 : Foreign Currency Exposures not hedged

There are no foreign Currency Unhedged Exposures as on 31/03/2025.

### Receivable from debtors

| Nature of exposure      | Currency | ₹ in Crores                      |                                  |
|-------------------------|----------|----------------------------------|----------------------------------|
|                         |          | As at March 31, 2025<br>FC In Mn | As at March 31, 2024<br>FC In Mn |
| Receivable From Debtors | USD      | 0.77                             |                                  |
|                         | EURO     | 0.00                             | 1.04                             |
|                         | SEK      | -                                |                                  |







# YANTRA INDIA LIMITED

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Notes to the Financial Statements as on March 31, 2025

## Note 24 : Disclosure pursuant to Employee benefits

### A. Defined contribution plans:

Defined contribution is recognised as expenses and included in note no.16 "Employee benefit expense".

| ₹ in Crores                                        |                         |                         |
|----------------------------------------------------|-------------------------|-------------------------|
| Particulars                                        | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| Contribution to National Pension Scheme [note (a)] | 52.37                   | 68.30                   |
| Employer's Contribution to Provident Fund          |                         |                         |
| Employer's Contribution to Superannuation Fund     |                         |                         |
| Employer's Contribution to Pension Scheme          |                         |                         |
| <b>Total</b>                                       | <b>52.37</b>            | <b>68.30</b>            |

| ₹ in Crores                                           |                         |                         |
|-------------------------------------------------------|-------------------------|-------------------------|
| Particulars                                           | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| Defined Benefit Obligation at beginning of the period |                         |                         |
| Current Service Cost                                  |                         |                         |
| Interest Cost                                         |                         |                         |
| Actuarial Loss                                        |                         |                         |
| Benefits Paid                                         |                         |                         |
| Liability Transferred In/(Out) (Net)                  |                         |                         |
| Defined Benefit Obligation at end of the period       | -                       | -                       |

### Note

(a) Employees of the Company receive benefits from a new pension scheme, which is a defined contribution plan. The eligible employees and the company make monthly contributions to the new pension scheme equal to a specified percentage of the covered employees' salary along with the Company Contribution. Amounts collected under the scheme are deposited in a government administered pension fund. Such contributions are accounted for as defined contribution plans and are recognised as employee benefits expenses when they are due in the Statement of profit and loss. The Company has no further obligations to the same beyond its contribution.

(b) Employees of the Company have been deputed by the Government of India for two years from the Appointed date i.e. October 01, 2021 vide office memorandum No. 1 (5)/2021/OF/DP (Plg-V)/02 dated September 24, 2021. The same has been extended upto December 31, 2025 via letter dated September 9, 2024.





# YANTRA INDIA LIMITED

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Notes to the Financial Statements as on March 31, 2025

## Note 25 : Related Party Transactions

As per the Indian Accounting Standard on "Related Party Disclosures" (Ind AS 24), the related parties of the company are as follows :

### (a) Name of Related Parties and Nature of Relationship as at March 31, 2025:

| (I) Joint Venture             |                                               |
|-------------------------------|-----------------------------------------------|
| 1                             | Advance Material (Defence) Testing Foundation |
|                               | USA Testing Foundation                        |
| (II) Key Management Personnel |                                               |
|                               | Designation                                   |
| 1                             | Shri Gurudutta Ray                            |
| 2                             | Shri R.S. Lal                                 |
| 3                             | Shri V K Iyer (w.e.f. 14.03.2025)             |
| 4                             | Smt. Vaishali Bhagwatkar (w.e.f. 06.06.2024)  |
|                               | Director/HR & CMD                             |
|                               | Director/Finance                              |
|                               | Director/Operations                           |
|                               | Company Secretary                             |

### (b) Disclosure in respect of Related Party Transactions :

Rs. In Crores

| Sr.  | Particulars                  | Key Management Personnel | Total |
|------|------------------------------|--------------------------|-------|
| (I)  | Transactions during the year | -                        | -     |
|      | Remuneration                 | Shri Gurudutta Ray       | 0.42  |
|      |                              | Shri R.S. Lal            | 0.41  |
|      |                              | Shri V K Iyer            | 0.02  |
|      |                              | Smt. Vaishali Bhagwatkar | 0.08  |
|      |                              |                          | 0.94  |
| (II) | Balances as at year end      |                          |       |
|      | Investments                  | -                        | -     |

### (a) Name of Related Parties and Nature of Relationship as at March 31, 2024:

| (I) Joint Venture             |                                |
|-------------------------------|--------------------------------|
|                               |                                |
| (II) Key Management Personnel |                                |
|                               | Designation                    |
| 1                             | Shri. Rajiv Puri               |
| 2                             | Shri. S. K. Yadav              |
| 3                             | Shri Gurudutta Ray             |
| 4                             | Shri R.S. Lal                  |
|                               | Chairman and Managing Director |
|                               | Director/OPS                   |
|                               | Director/HR                    |
|                               | Director/Finance               |

### (b) Disclosure in respect of Related Party Transactions :

Rs. In Crores

| Sr.  | Particulars                  | Key Management Personnel | Total |
|------|------------------------------|--------------------------|-------|
| (I)  | Transactions during the year | -                        | -     |
|      | Remuneration                 | Shri. Rajiv Puri         | 0.39  |
|      |                              | Shri. S. K. Yadav        | 0.13  |
|      |                              | Shri Gurudutta Ray       | 0.39  |
|      |                              | Shri R.S. Lal            | 0.39  |
|      |                              |                          | 1.30  |
| (II) | Balances as at year end      |                          |       |
|      | Investments                  | -                        | -     |

### (c) Disclosures pursuant to section 186(4) of the Companies Act, 2013.

Loans and Advances in the nature of loans - Rs. Nil

### (d) Terms and conditions of transactions with related parties

Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions.

### (e) Commitments with related parties

The Company has not provided any commitment to the related party .

### (f) Transaction with Government and Government Related Entities

As YIL is a government entity under the control of Ministry of Defence (MoD), the significant transactions are with other PSUs, which are controlled by Government of India, directly or indirectly, the transactions with such entities are normal based on market based on market driven rate at arm's length.





**YANTRA INDIA LIMITED**

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Notes to the Financial Statements as on March 31, 2025

**Note 26 : Earning per share:**

₹ in Crores

| Particulars                                                | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------------------------------------|-------------------------|-------------------------|
| <b>Earning per share (Basic and Diluted)</b>               |                         |                         |
| Profit attributable to ordinary equity holders             | Rs. in Crores 293.43    | 425.58                  |
| Weighted average number of equity shares for basic EPS (a) | No. 13,35,73,00,117     | 13,12,91,50,117         |
| Nominal value of equity shares                             | Rs. 10.00               | 10.00                   |
| Basic and Diluted earning per share                        | Rs. 0.22                | 0.32                    |

**Note 27 : Segment Reporting**

The Ministry of Corporate Affairs vide notification no 1/2/2014-CL-V dated 23rd February 2018 has exempted the Government companies engaged in Defence production to the extent of application of Ind AS 108 on "Operating Segment".

**Note 28 : Leases**

Since there are no lease transaction, there is no reporting on the captioned subject.

**Note 29 : Fair value disclosures for financial assets and financial liabilities:**

As on 31/03/2025, There are no reportable financial assets and liabilities and hence same has not been commented upon.



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Notes to the Financial Statements as on March 31, 2025

**Note 30 : Financial instruments risk management objectives and policies**

The Company's principal financial liabilities comprise trade & other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include Investments, loans given, trade and other receivables and cash & short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk which may impact the fair value of its financial instruments. The Company, based on its business operation, evaluated the following risks:

**a) Foreign currency risk:**

As on 31/03/2025, there are no significant foreign currency exposures and consequently no risk. Hence the same has not been commented upon.

**(b) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, loans & advances, advances given to suppliers (for procurement of goods, services and capital goods), cash & cash equivalents and deposits with banks and financial institutions. The Company for the Financial Year derives its significant amount of total sales from sale: Government and Government related entities. The Company expects to continue to derive most of its sales from the Government and Government related entities under the contracts of the Ministry of Defence (MoD), Government of India (GoI) –the Company's principal shareholder and administrative ministry.





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Notes to the Financial Statements as on March 31, 2025

**c) Provision for expected credit losses:**

As the Company's debtors are predominantly the Government of India (Indian Defence Services, Ministry of Home Affairs), Central Public Sector Undertakings where the counter - parties have sufficient capacity to meet the obligations and where the risk of default is nil / negligible. Accordingly, impairment on account of expected credit losses is being assessed on a case to case basis in respect of dues outstanding for significant period of time as per the accounting policy of the Company. Further, management believes that the unimpaired amounts that are due is collectable in full, based on historical payment behaviour and extensive analysis of customer credit risk.

**d) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that is settled by delivering cash or another financial asset. Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

| Particulars                 | ₹ in Crores      |                |
|-----------------------------|------------------|----------------|
|                             | Less than 1 year | 1 year or more |
| <b>March 31, 2025</b>       |                  |                |
| Trade payables              | 512.57           | 2.20           |
| Other financial liabilities | 29.90            | -              |
| <b>Total</b>                | <b>542.47</b>    | <b>2.20</b>    |
| <b>March 31, 2024</b>       |                  |                |
| Trade payables              | 406.54           | 1.40           |
| Other financial liabilities | 68.66            | -              |
| <b>Total</b>                | <b>475.21</b>    | <b>1.40</b>    |

The Company's standard contract terms provide that, the Company receives advance payments from customers pursuant to the applicable contracts, including the Government of India and the Indian Defence Services at the time of signing of any contract and milestone payments on achievement of physical milestones. These payments are utilized to meet the Company's working capital needs (for the Company required to maintain a high level of working capital because the Company's activities are characterized by long product development periods and production cycles). Further, payments to the Company by the Indian Defence Services are reliant on the continuing availability of budgetary appropriations by Government of India and any disruptions to the availability of such appropriations could adversely affect the Company's cashflows.

**e) Market risk:**

The Ministry of Defence (MoD) and the Government of India (GoI) have continued efforts to reform Defence related policies such as the Defence Acquisition Procedure 2020 ("DAP 2020") to promote private participation, a level playing field and the domestic Defence manufacturing Industry and eco-system. While the MoD has given the highest priority to Indigenously Designed, Developed and Manufactured ("IDDM") products for capital procurement, the Company faces competition to be selected as the Indian production agency for such contracts. These policies have raised the level of market competition in the areas in which the Company operates.

**f) Risk Mitigation Process:**

As a step of institutionalizing the risk management in the Company, an elaborate framework has been developed and the Company's top management has overall responsibility for the establishment and oversight of the Company's risk management framework. An important purpose of the framework is to have a structured and comprehensive risk management system across the Company which ensures that the risks are being properly identified and these risks. The risk management process includes risk identification, risk assessment, risk evaluation, risk mitigation and regular review and monitoring of risks. The Company's risk management policy aims to reduce volatility in financial statements while maintaining balance between providing predictability in the Company's business plan along with reasonable participation in market movement.

**g) Financial Statements of Headquarters:**

Till the financial year 2023-24, standalone financial statements of YIL Headquarters were not audited separately. However, their financial impact was included in the standalone financial statements of YIL. Pursuant to directives issued by the Comptroller and Auditor General (CAG) during FY 2023-24, the financial statements of YIL Headquarters have now been audited as a distinct unit.

**Note 31 : Capital management:**

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

**Gearing ratio**

| Particulars                           | ₹ in Crores          |                      |
|---------------------------------------|----------------------|----------------------|
|                                       | As at March 31, 2025 | As at March 31, 2024 |
| <b>Net debt (a)</b>                   | -                    | -                    |
| <b>Total Equity</b>                   |                      |                      |
| Equity share capital                  | 13,357.30            | 13,129.15            |
| Other equity                          | -8,360.56            | -9,105.60            |
| <b>Total Equity (b)</b>               | <b>4,996.74</b>      | <b>4,023.55</b>      |
| <b>Net Debt to Equity Ratio (a/b)</b> | -                    | -                    |





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Notes to the Financial Statements as on March 31, 2025

**Note 32 : Financial Ratios**

₹ in Crores

| Sr no | Type of Ratio                               | Numerator                                                                                      | Denominator              | 2024-25  | 2023-24  |
|-------|---------------------------------------------|------------------------------------------------------------------------------------------------|--------------------------|----------|----------|
| 1     | Value of Production                         | Sale of goods and services + Closing value of finished goods - Opening value of finished goods |                          | 3,051.13 | 2,742.69 |
| 2     | Current Ratio (In times)                    | Current Assets                                                                                 | Current Liabilities      | 2.69     | 1.92     |
| 3     | Debt-Equity Ratio (In times)                |                                                                                                | NA                       |          |          |
| 4     | Debt Service Coverage Ratio (In times)      |                                                                                                | NA                       |          |          |
| 5     | Return on Net Worth                         | PAT                                                                                            | Average Net Worth        | 6.51%    | 10.93%   |
| 6     | Inventory turnover Ratio (In days)          | Average Inventory ((Op+Cl) / 2)                                                                | Cost of Goods Consumed   | 218.49   | 234.24   |
| 7     | Trade Receivables turnover Ratio (In days)* | Trade Receivables                                                                              | Revenue from operations  | 186.78   | 126.26   |
| 8     | Trade Payables turnover Ratio (In days)*    | Trade Payables                                                                                 | Net Credit Purchases     | 161.64   | 130.63   |
| 9     | Net capital turnover Ratio (In times)       | Net Sales                                                                                      | Avg. Shareholder's fund  | 0.73     | 0.78     |
| 10    | Net profit Ratio (%)                        | Net Profit after Tax                                                                           | Total Revenue            | 9.44%    | 15.09%   |
| 11    | Return on Capital employed (%)*             | Profit before Interest, Exceptional Items and Tax                                              | Average Capital Employed | 11.71%   | 11.02%   |
| 12    | Asset Turnover ratio                        | Total income (from P&L)                                                                        | Total Assets             | 47.17%   | 49.36%   |
| 13    | EBITDA as a percentage of total income      | EBITDA                                                                                         | Total income (from P&L)  | 0.19     | 0.18     |

**NOTE:**

\*Previous Financial Year Ratios have been recalculated to make them comparable with the Current Financial Ratios. Thus the comparative figures have divergent trend.







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**Notes to the Financial Statements as on March 31, 2025**

**Note 33**

**Ind AS optional exemptions**

**1. Deemed cost**

Company has opted for exemption under Ind AS 101, accordingly carrying value as on October 2021 (Formation date of co.), was considered as Deemed Cost on Ind As Transition Date.

**2. Investment in Joint ventures**

The Company has elected the option provided under Ind AS 101 to measure its investment in Joint venture at previous carrying value on the date of transition in its separate financial statement and used that carrying value as the deemed cost of such investment.

**3. Non-current assets held for sale and discontinued operations**

The Company has elected the option provided under Ind AS 101 to measure non-current assets held for sale and discontinued operations at the lower of carrying value and fair value less cost to sell at the date of transition to Ind ASs.

**Ind AS mandatory exceptions**

**1. Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous financial statements, unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2024 and March 31, 2025 are consistent with the estimates as at the same date made in the conformity with previous financial statement.

**2. De-recognition of financial assets and liabilities**

Ind AS 101 requires a first time adopter to apply the de-recognition provision of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from the date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result to past transactions was obtained at the time of initially accounting those transactions.

The Company has elected to apply the de-recognition provision of Ind AS 109 prospectively.





**YANTRA INDIA LIMITED**

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Notes to the Financial Statements as on March 31, 2025

**A. Notes to the reconciliation of equity and total comprehensive income**

**i. Impact of valuation of Property, plant and equipment & Intangible assets**

The Company has elected to measure all of its property, plant and equipment & intangible assets at carrying value as recognised in the previous financial statement on the date of transition to Ind AS and used those carrying value as deemed cost of Property, plant and equipment & Intangible assets since there is no change in the functional currency.

**ii. Impact of valuation of Financial Assets and Liabilities**

The Company has valued its financial assets and liabilities at their realisable value in compliance with Ind AS implementation. There is no difference no adjustment is done in Retained Earnings.

**iii. Impact of valuation of Inventories**

Please refer note no 7 of Note 43: Additional notes for inventory valuation policy.

**iv. Classification & Presentation**

**a. Recognition of certain Government grant as deferred income**

Under Ind AS, Property, Plant and Equipment has been recognised at gross cost and government grant has been recognised as deferred income. The deferred income is recognised as income in the statement of profit and loss on a systematic basis over the useful life of the assets for which it is received.







**VANTRA INDIA LIMITED**  
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Notes to the Financial Statements as on March 31, 2025

**Note 34 : Additional Regulatory Disclosures as per Schedule III of the Companies Act, 2013**

- (i) The Company does not have any benami property held in their name. No proceedings have been initiated on or are pending against the Parent and Indian subsidiaries for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (ii) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- (iii) The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
- (iv) Utilisation of borrowed funds and share premium
  - I. The Company has 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:
    - a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company (Ultimate Beneficiaries) or b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
  - II. The Company has 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:
    - a) 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 b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (v) The Company has not invested or traded in Crypto Currency or Virtual Currency during the year.
- (vi) The Company has no income surrendered or disclosed as income during the year in tax assessments under the Income tax Act, 1961 (such as search or survey), that has not been recorded in
- (vii) The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- (viii) **Title deed of Immovable property not held in the name of the Company**

| Relevant Line item in the Balance sheet | Description of item of property | Gross Carrying Value | Title Deed in the name of | Whether Title deed holder is a promoter/Director/relative of promoter/relative of director/employee of promoter or director | Property held since which date | Reason for not being in the name of company            |
|-----------------------------------------|---------------------------------|----------------------|---------------------------|-----------------------------------------------------------------------------------------------------------------------------|--------------------------------|--------------------------------------------------------|
| Note 1: Property, Plant & Equipment     | Freehold land                   | 0.30                 | Govt. of India            | Promotor & 100 % share holder of the company                                                                                |                                | Land Transfer in the name of the company is in process |
| Note 1: Property, Plant & Equipment     | Freehold land                   | 0.05                 | Govt. of India            | Promotor & 100 % share holder of the company                                                                                |                                |                                                        |
| Note 1: Property, Plant & Equipment     | Freehold land                   | 0.11                 | Govt. of India            | Promotor & 100 % share holder of the company                                                                                |                                |                                                        |
| Note 1: Property, Plant & Equipment     | Freehold land                   | 4.51                 | Govt. of India            | Promotor & 100 % share holder of the company                                                                                |                                |                                                        |
| Note 1: Property, Plant & Equipment     | Freehold land                   | 0.12                 | Govt. of India            | Promotor & 100 % share holder of the company                                                                                |                                |                                                        |
| Note 1: Property, Plant & Equipment     | Freehold land                   | 0.43                 | Govt. of India            | Promotor & 100 % share holder of the company                                                                                |                                |                                                        |
| Note 1: Property, Plant & Equipment     | Freehold land                   | 0.01                 | Govt. of India            | Promotor & 100 % share holder of the company                                                                                |                                |                                                        |
| Note 1: Property, Plant & Equipment     | Freehold land                   | 0.03                 | Govt. of India            | Promotor & 100 % share holder of the company                                                                                |                                |                                                        |

**Note 35 : Code of Social Security, 2020**

The Parliament of India has approved the Code of Social Security, 2020 (the Code) which may impact the contribution by the Company towards Provident Fund, Gratuity and ESIC. The Code have been published in the Gazette of India. However effective date has yet not been notified. The Company will assess the impact of the Code and will record related impact in the period it becomes effective.

**Note 36 : New Accounting Pronouncements to be adopted after March 31, 2022**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022. The company has adopted the same guidelines as per the extend guidelines of the MCA.

**Ind AS 103 – Reference to Conceptual Framework**

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any material impact in its financial statements.

**Ind AS 16 – Proceeds before intended use**

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any material impact in its recognition of its property, plant and equipment in its financial statements.

**Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract**

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any material impact in its financial statements.

**Ind AS 109 – Annual Improvements to Ind AS (2021)**

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any material impact in its financial statements.

**Ind AS 116 – Annual Improvements to Ind AS (2021)**

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any material impact in its financial statements.







**YANTRA INDIA LIMITED**  
CIN :- U35303MH2021GOI265899

Notes to the Financial Statements as on March 31, 2025

**Note 37 : Indigenization Corpus**

Notification on Policy for Indigenization of Components and spares used in Defence platforms for DPSUs/OFB was issued on 8th March 2019. As the guidelines from Department of Defence Production (DDP) regarding modalities has not been received as on 31st March 2025 no provision has been made during this period.

**Note 38 :** Balance shown under Trade Receivables, Trade Payable, Advance against Goods and Services, are under reconciliation. Since the Company is a Government entity under the control of Ministry of Defence (MoD), around 86% of the Company's turnover, around 95% of Trade receivables and around 95% of the customer advances is with respect to Government and Government related entities. The bills are raised on the customers by the divisions located at various places and reconciliation is carried out on an ongoing basis. However, management does not expect to have any material financial impact of such pending confirmation / reconciliation.

**Note 39 :** In the opinion of the Board, the Company do not have any assets other than fixed assets and Non-current investments having a value on realisation in the ordinary course of business less than the amount stated.

**Note 40 : Events occurring after the reporting period**

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements. As of 2025, there were no subsequent events and transactions to be recognized or reported that are not already disclosed.

**Note 41 : Transactions in Foreign Currency during the year**

| Nature of exposure             | Currency | As at March 2025 |               | As at March 2024 |               |
|--------------------------------|----------|------------------|---------------|------------------|---------------|
|                                |          | FC In Mn         | Rs. In Crores | FC In Mn         | Rs. In Crores |
| FOB of Export                  | EURO     | -                | -             | 3.13             | -             |
| Purchase of Machinery          | EURO     | 0.07             | 6.21          | 0.14             | 1.21          |
| Purchase of Machinery & Spares | -        | -                | -             | -                | 82.27         |
| Expenditure                    | USD      | 0.00             | 0.02          | 0.00             | 0.00          |
| Imports                        | EURO     | -                | -             | 0.01             | 0.08          |

**Note 42 : Charge creation on Assets on the company**

The company has taken Cash credit facility against which charge has been created via Hypothecation of Stocks and receivables which amounts to 606.75 crores @8% p.a. The charge is in favor of SBI, Industrial finance branch and is payable on demand.

Company has also taken Letter of set offs amounting to 90 crores, For OD against FD Facility. FDR and Interest is in lien with Indusind bank. This is repayable coterminous with FD Maturity or 1 year, whichever earlier, @6.95% p.a.

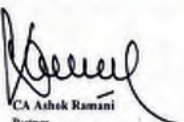
**Note 43 : Material Accounting Policy**

Material Accounting Policy attached as additional notes.

In terms of our report attached

In terms of our report attached

For Densile Ramani & Co.  
Chartered Accountants  
Firm Registration No. 102259W

  
CA Ashok Ramani  
Partner  
Membership No. 010517  
UDIN : 25010517BMMILZS2119

For and on behalf of the board of directors of  
Yantra India Limited

  
Vijay Kumar Iyer  
Director (Operations) & CMD  
(Additional charge)  
DIN No. 11030387

  
Rajeev Kalra  
Director Finance &  
HR (Additional Charge) and CFO  
DIN No. 11111337

  
Vaishali Bhagwatkar  
Company Secretary



Place: Nagpur  
Date: 23/07/2025





**अंत्रा इंडिया लिमिटेड**  
**ANTRA INDIA LIMITED**

भारत सरकार का उद्यम, रक्षा मंत्रालय  
A Govt. of India Enterprise, Ministry of Defence

# **MATERIAL ACCOUNTING POLICY**



## Material Accounting Policy

### 1. Corporate Information

Yantra India Limited (hereinafter referred to as "the Company") is incorporated in India and limited by shares (CIN No: U35303MI-12021GOI365890). It is one of the 07 recently formed Defence Public Sector Undertakings. Yantra India Limited was incorporated as a fully owned Government of India Company under the Companies Act 2013 on 14.08.2021 with its headquarters at Nagpur, Maharashtra. The company consists of eight defence manufacturing factory units indigenously catering to the needs of supplies, arms, explosives, artillery and munition for the Indian Armed Forces.

Yantra India consists of the following units of the erstwhile Ordnance Factory Board:

- Ordnance Factory Jabalpur (Erstwhile Grey Iron Foundry Jabalpur) (GIF)
- Metal and Steel Factory Lshapore (MSF)
- Ordnance Factory Ambajhari (OFAJ)
- Ordnance Factory Ambarnath (OFA)
- Ordnance Factory Bhusawal (OFBH)
- Ordnance Factory Dum Dum (OFDC)
- Ordnance Factory Katni (OFKAT)
- Ordnance Factory Muradnagar (OFM)
- Yantra India Institute of Technology and management Ambajhari (YITM)
- RMC Delhi

### 2. Basis of preparation and summary of Material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### a) Statement of Compliance

These standalone financial statements are prepared on going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended, and presentation requirements of Division II of schedule III of the Companies Act, 2013 (Ind AS compliant schedule III) as applicable to financial statement.







**b) Basis of measurement**

The financial statements have been prepared on the historical cost basis except for:

- Certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and
- Plan assets in the case of employees defined benefit plans that are measured at fair value.

The methods used to measure fair values are discussed in notes to the financial statements. Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

**c) Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The standalone financial statements are presented in Indian Rupee ("INR") and all values are rounded to the nearest Rupees in Crores as per the requirement of Schedule III, except when otherwise indicated

**d) Current versus non-current classification**

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

**An asset is current when it is:**

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

**A liability is current when:**

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. Operating cycle of the Company is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. As the Company's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.







### 3. Material accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

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. The Company continually evaluates these estimates that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. 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. The Company continually evaluates these estimates and assumptions based on the most recently available information. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

#### 3.1 Judgements

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

##### Useful Life of Property, Plant and Equipment and Intangible Assets

The estimated useful life of property, plant and equipment and intangible assets is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Property, Plant & Equipment represent a significant proportion of the asset base of the Company. The depreciation charge with respect to such asset is derived based on the estimated useful life of the asset and its residual value.

The Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

##### Recoverable amount of Property, Plant and Equipment and Intangible Assets

The recoverable amount of property, plant and equipment and intangible assets is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows associated with the power plants. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

##### Revenue Recognition

The Company recognises revenue for each performance obligation either at a point in time or over a time. In case performance obligation is satisfied over a time, the output method is used to determine the revenue since it is faithfully depicting the Company's performance towards complete satisfaction of performance obligation. Practical expedient of "right to consideration" is also considered while recognising revenue in the amount to which the entity has right to invoice.

In case performance obligation is satisfied at a point in time, the Company generally recognises revenue when the control is transferred i.e. in case of goods either on shipment or upon delivery in domestic & on bill of lading date in case of export. Refer material accounting policy 14 on revenue recognition.







### **Assets held for Sale**

Significant judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 - 'Non-current assets held for sale and discontinued operations. In assessing the applicability, management has exercised judgment to evaluate the availability of the asset for immediate sale, management's commitment for the sale and probability of sale within one year to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

### **Fair Value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is 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 relating to these factors could affect the reported fair value of financial instruments.

### **Income Taxes**

Significant estimates are involved in determining the provision for current and deferred tax, including amount expected to be paid /recovered for uncertain tax positions.

### **Inventories**

An inventory provision is recognised for cases where the realisable value is estimated to be lower than the inventory carrying value. The inventory provision is estimated taking into account various factors, including prevailing sales prices of inventory item, the seasonality of the item 's sales profile and losses associated with expired /slow-moving inventory items.

### **Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.







### **Provisions and contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37- 'Provisions, contingent liabilities and contingent assets'. The evaluation of the likelihood of the contingent events requires best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company.

There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the Financial Statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

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

Project is construed as smallest group of assets having a common intended use. For e.g., group of assets in an integrated plant is treated as one project. The identification of project will require judgement and management needs to identify project based on facts of each case. Project identification is consistent with how management identifies and monitors progress on group of assets internally.

## **3.2 Estimates and assumptions**

### **Warranties:**

The Company recognises provision for warranties in respect of the products that it sells. The estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidences based on actions on product failures.

### **Development costs**

The Company capitalises development costs for a project in accordance with its accounting policy. Initially, capitalisation of costs is based on management's judgement that the technological and economic feasibility is confirmed when a product development project has reached a defined milestone, according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project and the expected period of benefits.

For further details about the carrying amount of development costs capitalised as internally generated intangible assets and as intangible assets under development, Refer material accounting policy no 3.

### **Deferred tax**

Deferred tax assets are recognised for all deductible temporary differences including the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.







### 3.3. Material Accounting Policies

#### 1. Property, plant and equipment

##### 1.1 Initial Recognition and Measurement

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

Items of property, plant and equipment are initially recognized at cost. Cost comprises purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates, any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the present value of initial estimate of cost of dismantling, removal and restoration. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Subsequent measurement is done at cost less accumulated depreciation/amortization and accumulated impairment losses.

When parts of an item of property, plant and equipment that are significant in value and have different useful lives as compared to the main asset, they are recognized separately.

In the case of assets put to use, where final settlement of bills with contractors is yet to be affected, capitalization is done on provisional basis subject to necessary adjustment in the year of final settlement.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. Other spare parts are carried as inventory and recognized in the statement of profit and loss on consumption.

The acquisition or construction of some items of property, plant and equipment although not directly increasing the future economic benefits of any particular existing item of property, plant and equipment, may be necessary for the Company to obtain future economic benefits from its other assets. Such items are recognized as property, plant and equipment.





## 1.2 Subsequent Cost

Subsequent expenditure is recognized in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

Expenditure on major inspection and overhauls of generating unit is capitalized, when it meets the asset recognition criteria. Any remaining carrying amount of the cost of the previous inspection and overhaul is derecognized.

The cost of replacing major part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized regardless of whether the replaced part has been depreciated separately. If it is not practicable to determine the carrying amount of the replaced part, the Company uses the cost of the replacement as an indication of what the cost of replaced part was at the time it was acquired or constructed. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of profit and loss as and when incurred.

## 1.3 Decommissioning costs

The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

## 1.4 De-recognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on de-recognition of an item of property, plant and equipment are determined as the difference between sale proceeds from disposal, if any, and the carrying amount of property, plant and equipment and are recognized in the statement of profit and loss.

In circumstance, where an item of property, plant and equipment is abandoned, the net carrying cost relating to the property, plant and equipment is written off in the same period.







### 1.5 Depreciation

Depreciation is charged on the basis of useful life of assets on straight line method which are as follows:

| Asset Category                                                                                                                                                                   | Life<br>(in years) | Useful Life<br>as<br>prescribed<br>by<br>Schedule II of | Basis for useful life                                                                                                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| Buildings other than Factory<br>Buildings-RCC Frame<br>Structure                                                                                                                 | 60                 | 6<br>0                                                  | Life as prescribed under<br>Schedule II of the Companies<br>Act, 2013.                                                                       |
| Buildings other than Factory<br>Buildings-Other than RCC<br>Frame Structure                                                                                                      | 60                 | 3<br>0                                                  | Higher useful life considered<br>based on past history of usage and<br>management estimates                                                  |
| Factory Buildings                                                                                                                                                                | 60                 | 3<br>0                                                  | Higher useful life considered<br>based on past history of usage and<br>management estimates                                                  |
| Bridges and Culverts                                                                                                                                                             | 60                 | 3<br>0                                                  | Higher useful life considered<br>based on past history of usage and<br>management estimates                                                  |
| Plant and Machinery not<br>covered under special Plant and<br>Machinery<br><br>a. Machinery other than<br>continuous process plant<br>not covered under specific<br>industries * | 20                 | 1<br>5                                                  | Higher useful life considered based<br>on past history of usage and<br>management estimates                                                  |
| Plant and Machinery used in<br>manufacture of steel #                                                                                                                            | 20-25              | 20-<br>25                                               | Life as prescribed under<br>Schedule II of the Companies<br>Act, 2013                                                                        |
| Plant and Machinery used in<br>manufacture of non-ferrous<br>metals @                                                                                                            | 30-40              | 30-<br>40                                               | Life as prescribed under<br>Schedule II of the Companies<br>Act, 2013                                                                        |
| Furniture and Fittings                                                                                                                                                           | 10                 | 1<br>0                                                  | Life as prescribed under<br>Schedule II of the Companies<br>Act, 2013                                                                        |
| Motor Vehicles<br><br>a. Motor Cars other than those<br>used in a business of<br>running them on hire<br><br>b. Motor Tractors and Heavy<br>Vehicles##                           | 8<br><br>8         | 8<br><br>8                                              | Life as prescribed under Schedule<br>II of the Companies Act, 2013<br><br>Life as prescribed under Schedule<br>II of the Companies Act, 2013 |
| Office Equipment's +                                                                                                                                                             | 7                  | 5                                                       | Useful life considered based on past<br>history of usage and management<br>estimates                                                         |







|                                                    |   |   |                                                                                       |
|----------------------------------------------------|---|---|---------------------------------------------------------------------------------------|
| Computers and Data Processing Units                |   |   |                                                                                       |
| a. Servers and networks                            | 7 | 6 | Higher useful life considered based on past history of usage and management estimates |
| b. End user devices such as Desktops, Laptops etc. | 7 | 3 |                                                                                       |

\* Tool Room Machines and all other plant and machineries which are not covered under special plant and machineries of all the factories used in manufacture of steel and non-ferrous metals are depreciated using this estimated useful life.

# Plant and Machinery of Ordnance Factory, Muradnagar (OFM), Metal & Steel factory, Ishapore (MSF), Ordnance Factory, Ambajhari, Nagpur (OFAJ), Ordnance Factory, Bhusawal (OFBH) and Ordnance Factory Jabalpur (Erstwhile Grey Iron Foundry Jabalpur) (GIF) are depreciated using these estimated useful life.

| Sr No | Plant and Machinery used in manufacture of steel | Useful Life in years<br>(As per Schedule II of Companies Act 2013) |
|-------|--------------------------------------------------|--------------------------------------------------------------------|
| 1     | Furnaces and Ovens                               | 20                                                                 |
| 2     | Rolling Mills                                    | 20                                                                 |
| 3     | Furnace Converters                               | 25                                                                 |
| 4     | Fabrication and Press Machines                   | 25                                                                 |
| 5     | Surface Treatment Plant Machines                 | 25                                                                 |

@ Plant and Machinery of Ordnance Factory, Ambajhari, Nagpur (OFAJ), Ordnance Factory, Katni (OFKAT), Metal & Steel factory, Ishapore (MSF), Ordnance Factory, Ambarnath (OFA), Ordnance Factory, Dum Dum (OFDC), Ordnance Factory Jabalpur (Erstwhile Grey Iron Foundry Jabalpur) (GIF) Ordnance Factory, Muradnagar (OFM) are depreciated using these estimated useful life.

| Sr No | Plant and Machinery used in manufacture of non-ferrous metals | Useful Life in years<br>(As per Schedule II of Companies Act 2013) |
|-------|---------------------------------------------------------------|--------------------------------------------------------------------|
| 1     | Equipments for Calcination                                    | 40                                                                 |
| 2     | Smelters                                                      | 40                                                                 |
| 3     | Roll Grinders                                                 | 40                                                                 |
| 4     | Soaking Pits                                                  | 30                                                                 |
| 5     | Annealing Furnaces                                            | 30                                                                 |
| 6     | Rolling Mills                                                 | 30                                                                 |
| 7     | Equipments for Scalping, Slitting etc.                        | 30                                                                 |
| 8     | Surface Treatment Plant Machines                              | 30                                                                 |

## Excluding Fire Tenders which are depreciated using estimated useful life of 10 years based on the past usage and management estimates.

+ Excluding Air Conditioners which are depreciated using estimated useful life of 10 years based on the past usage and management estimates



a. Depreciation on additions is provided from the beginning of the month in which the asset is added.







- b. Depreciation on assets sold, discarded or demolished during the year is being provided at their respective rates on pro-rata basis up to the end of the month prior to the month in which such assets are sold, discarded or demolished.
- c. Foreign exchange fluctuation gain/Loss on imported plant and equipment were capitalised in the cost of the respective fixed asset up to transition date of Ind AS. Depreciation on such additions is provided over the remaining useful life of the underlying plant and equipment.
- d. Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.
- e. The Company, based on previous technical assessments made by technical experts and management estimates depreciates certain items of plant and machinery; buildings; bridges and culverts, computers and office equipments over estimated useful lives which 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.
- f. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
- g. An item of Property, plant and equipment 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 the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

## 2. Capital works in Progress

Cost incurred for property, plant and equipment that are not ready for their intended use as on the reporting date, is classified under capital work- in-progress.

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and the borrowing costs attributable to the acquisition or construction of qualifying assets.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors.

Unsettled liabilities for price variation/exchange rate variation in case of contracts are accounted for on estimated basis as per terms of the contracts.







### 3. Intangible assets and intangible assets under development

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are recorded at the consideration paid for acquisition. In case of internally generated intangible assets, expenditure incurred in development phase, where it is reasonably certain that the outcome of development will be commercially exploited to yield future economic benefits to the Company, is considered as an intangible asset. Such developmental expenditure is capitalized at cost including a share of allocable expenses. Other internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit & Loss for the period in which expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. The amortisation period and amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite useful lives are amortised by using straight line method over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

| Sr No | Asset category                                              | Life (in years) |
|-------|-------------------------------------------------------------|-----------------|
| 1     | Computer Software                                           | 5               |
| 2     | Transfer of Technology (TOT) and Technical Knowhow acquired | 10              |
| 3     | Technical Knowhow- Internally generated                     | 5               |
| 4     | Patents acquired                                            | 10              |

Intangible assets with indefinite useful lives, if any, are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis

Gains 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 asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible assets under development".

### 4. Non -Current Assets Held for Sale

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and a sale is considered highly probable.

Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.







Non-Current Assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less cost of disposal. Non-current assets classified as held for sale are not depreciated or amortized.

## 5. Borrowing Cost

Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 - 'Financial Instruments' (b) interest expense on lease liabilities recognized in accordance with Ind AS 116- 'Leases' and (c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction /exploration / development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which necessarily take substantial period of time to get ready for their intended use or sale.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of all borrowings that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset. However, borrowing costs applicable to borrowings made specifically for the purpose of obtaining a qualifying asset, are excluded from this calculation, until substantially all the activities necessary to prepare that asset for its intended use or sale are complete.

Income earned on temporary investment made out of the borrowings pending utilization for expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended use are complete. Capitalisation of borrowing costs is suspended and charged to the statement of profit and loss during the extended periods when the active development on the qualifying assets is interrupted

Other borrowing costs are recognized as an expense in the year in which they are incurred.







## 6. Leases

### Company as a lessee

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a 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 of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

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

### Company as a lessor

Leases are classified as operating lease or a finance lease based on the recognition criteria specified in Ind As 116- Leases.







**a) Finance Lease:**

At commencement date, amount equivalent to the "net investment in the lease" is presented as a Receivable. The implicit interest rate is used to measure the value of the "net investment in Lease".

Each lease payment is allocated between the Receivable created and finance income. The finance income is recognized in the Statement of Profit and loss over the lease period so as to reflect a constant periodic rate of return on the net investment in Lease.

The asset is tested for de-recognition and impairment requirements as per Ind AS 109- Financial Instruments.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

**b) Operating lease:**

The company recognizes lease payments from operating leases as income on either a straight-line basis or another systematic basis, if required. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognized on a straight-line basis over the lease term.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

**7. Inventories**

- a. Raw materials, components, fuel, stores and spares, packing materials and stock-in-trade are valued at cost. These items are considered to be realizable at cost, if the finished products, in which they are used, are expected to be sold at or above cost. Cost includes all cost of purchase and incidental expenses incurred in bringing the inventories to their present location and condition. Cost is ascertained using weighted average method.
- b. Work-in-progress and finished components are valued at weighted average cost. Cost includes direct materials, labour costs and a proportion of manufacturing overheads based on the normal operating capacity.
- c. Finished goods are valued at cost or net realisable value whichever is lower. Cost includes direct materials, labour costs and a proportion of manufacturing overheads based on the normal operating capacity. Cost is ascertained using weighted average method. In case the value of issue is not finalized, finished components and finished goods are valued at cost.
- d. Unserviceable, damaged and obsolete inventory is valued at cost or net realizable value whichever is lower.
- e. Scrap inventory is valued at the latest auction price which represents its net realizable value.
- f. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.





#### **8. Investments in subsidiaries, associates and joint ventures**

Investments in subsidiaries, associates and joint ventures are carried at cost/deemed cost applied on transition to Ind AS, less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

#### **9. Financial instruments- initial recognition and subsequent measurement**

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. The Company recognizes a financial asset or a financial liability only when it becomes party to the contractual provisions of the instrument.







**a) Financial assets**

**(i) Initial recognition and measurement of financial assets**

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not valued at fair value through profit or loss, are added to the fair value on initial recognition.

**(ii) Subsequent measurement of financial assets**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

**• Financial assets at amortised cost:**

A financial asset is measured at amortised cost if:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to
- Cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

**• Financial assets at fair value through other comprehensive income**

A financial asset is measured at fair value through other comprehensive income if:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- the contractual terms of the financial asset give rise on specified dates to
- Cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets included within the FVTOCI category are measured initially as

Well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.







- **Financial assets at fair value through profit or loss**

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

After initial measurement, such financial assets are subsequently measured at fair value with all changes recognised in Statement of profit and loss under head. Interest income on such investment is presented under "other income".

**(iii) Derecognition of financial assets**

A financial asset is derecognized when:

- the contractual rights to the cash flows from the financial asset expire, or
- The Company has transferred its contractual 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 risk 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.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.







(iv) **Reclassification of financial assets**

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 recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassifications and how they are accounted for.

| Original classification | Revised classification | Accounting treatment                                                                                                                                                                                                                                 |
|-------------------------|------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Amortised cost          | FVTPL                  | Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.                                                                                                                     |
| FVTPL                   | Amortised Cost         | Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.                                                                                                                 |
| Amortised cost          | FVTOCI                 | Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.                                                                           |
| FVOCI                   | Amortised cost         | Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost. |

|        |        |                                                                                                                                                         |
|--------|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| FVTPL  | FVTOCI | Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.                                                   |
| FVTOCI | FVTPL  | Assets continue to be measured at fair value. Cumulative gain or loss previously recognized In OCI IS reclassified to P&L at the reclassification date. |







**(v) 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 that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 11 and Ind AS 18, if they do not contain a significant financing component
- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 11 and Ind AS 18 that contain a significant financing component, if the Company applies practical expedient to ignore separation of time value of money, and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises 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.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

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 Company 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 Company 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
- ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected in a separate line under the head "Other expenses" in the P&L. The balance sheet presentation for various financial instruments is described below:
- Financial assets measured as at amortised cost, contract assets and lease receivables: 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.
- The Company does not have any purchased or originated credit impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

#### **b) Financial Liabilities**

##### **(i) Initial recognition and measurement of financial liabilities**

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.

All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the issue of the financial liabilities.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

##### **(ii) Subsequent measurement of financial liabilities**

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. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

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 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 risks are recognized in OCL these gains/ loss are not subsequently transferred to P&L. However, the Company may transfers the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

- **Loans and Borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing 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.

- (iii) **Derecognition of financial liabilities**

A financial liability (or a part of a financial liability) is derecognised from its balance sheet when, and only when, it is extinguished i.e., when the obligation specified in the contract is discharged or cancelled or expired.

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 derecognition 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.







### c) Derivative financial instruments and hedge accounting

#### Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:







#### (i) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

#### (ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised as other income or expenses.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

#### d) 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.







## 10. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability
- Or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level I -Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 -Valuation techniques for which the lowest level input that is significant to
- The fair value measurement is directly or indirectly observable.
- Level 3-Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.







For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and for non-recurring measurement, such as asset held for sale.

External valuers are involved for valuation of significant assets, such as properties. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

Management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on yearly basis.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Significant accounting judgements, estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Property, plant and equipment & Intangible assets measured at fair value on the date of transition
- Financial instruments (including those carried at amortised cost)

#### 11. Provisions, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a 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 recognized as a finance cost.







The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of reimbursement, if any.

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 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 liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

Provision for expenditure on account of performance guarantee & replacement & repair of goods sold is made on the basis of trend-based estimates. In cases where a trend is not ascertainable, provision for warranty is made based on the best estimates of management.

#### **Warranties:**

Warranty is provided to customers at the time of sale of products manufactured. Warranty cost includes expenses in connection with repairs, free replacement of parts/ products during warranty period which is 2 years from the date of sale. The Company has not received any warranty claim in respect of products sold during the previous financial period and current financial year. Hence, no Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of reporting period.

The Company reviews this at the end of each reporting period to assess the warranty provision requirement based on historical warranty claims information and any recent trends that may suggest future claims could differ from historical amounts.







### Onerous contracts

A contract is considered to be onerous when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfill it.

The Company's sales contracts are executory contracts i.e. they can be cancelled without paying compensation to the other party and therefore there is no obligation. They are not in the nature of onerous contracts and hence they fall outside the scope of IND AS 37 "Provisions, Contingent Liabilities and Contingent Assets".

### 12. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

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

### 13. Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised in Statement of Profit or Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grants that compensate the Company for the cost of depreciable asset are recognized as income in statement of profit and loss on a systematic basis over the period and in the proportion in which depreciation is charged.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual instalments.

### 14. Revenue Recognition

#### A. Revenue from Contract with Customers

- i. The Company derives revenues primarily from sale of military grade components & ancillary products, aluminum alloys, components for small arms and artillery ammunitions, artillery guns, main battle tanks etc. and related services. Revenue is recognized when (or as) the company satisfies a performance obligation by transferring a promised goods or services (i.e., an Asset) to a Customer.







## ii. Satisfaction of performance obligation over time

- a. Revenue is recognised overtime where the transfer of control of goods or services take places over time by measuring the progress towards complete satisfaction of that performance obligation, if one of the following criteria is met:
- The company's performance entitles the customer to receive and consume the benefits simultaneously as the company performs
  - The company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced
  - The company's performance does not create an asset with an alternative use to the company and the company has an enforceable right to payment for performance completed to date.
- b. Progress made towards satisfying a performance obligation is assessed based on the ratio of actual costs incurred on the contract up to the reporting date to the estimated total costs expected to complete the contract. If the outcome of the performance obligation cannot be estimated reliably and where it is probable that the costs will be recovered, revenue is recognised to the extent of costs incurred.
- c. In case of AMC contracts, where passage of time is the criteria for satisfaction of performance obligation, revenue is recognised using the output method.

## iii. Satisfaction of performance obligation at a point in time

- a. In respect of cases where the transfer of control does not take place over time, the company recognises the revenue at a point in time when it satisfies the performance obligations.
- b. The performance obligation is satisfied when the customer obtains control of the asset. The indicators for transfer of control include the following:
- The company has transferred physical possession of the asset
  - The customer has legal title to the asset
  - The customer has accepted the asset
  - when the company has a present right to payment for the asset
  - The customer has the significant risks and rewards of ownership of the asset. The transfer of significant risks and rewards ownership is assessed based on the Inco-terms of the contracts.





**Ex-Works contract-** In case of Ex-works contract, revenue is recognised when the specified goods are unconditionally appropriated to the contract after prior Inspection and acceptance, if required.

**FOR Contracts-** In the case of FOR contracts, revenue is recognized when the goods are handed over to the carrier for transmission to the buyer after prior inspection and acceptance, if stipulated, and in the case of FOR destination contracts, if there is a reasonable expectation of the goods reaching destination within the accounting period.

#### iv. Measurement

- a. Revenue is recognized at the amount of the transaction price that is allocated to the performance obligation.

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amount collected on behalf of third parties.

In case of price escalation and ERV, revenue is recognised at most likely amount to be realised from customer in line with contractual terms.

- b. In case where the contracts involve multiple performance obligations, the company allocates the transaction price to each performance obligation on the relative stand-alone selling price basis.

**Bundled Contracts** - In case of a Bundled contract, where separate fee for installation and commissioning or any other separately identifiable component is not stipulated, the Company applies the recognition criteria to separately identifiable components (sale of goods and installation and commissioning, etc.) of the transaction and allocates the revenue to those separate components based on stand-alone selling price.

**Multiple Elements** - In cases where the installation and commissioning or any other separately identifiable component is stipulated and price for the same agreed separately, the Company applies the recognition criteria to separately identified components (sale of goods and installation and commissioning, etc.) of the transaction and allocates the revenue to those separate components based on their stand-alone selling price.

#### v. Penalties

Penalties (including levy of liquidated damages for delay in delivery) specified in a contract are not treated as an inherent part of Transaction Price if the levy of same is subject to review by the customer.







#### vi. Significant financing component

Advances received towards execution of Defense related projects are not considered for determining significant financing component since the objective is to protect the interest of the contracting parties.

### B. Other Income

#### i. Interest income

For all financial instruments measured at amortised cost and interest-bearing financial assets classified as fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

#### ii. Insurance claims

Claims receivable on account of Insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

#### iii. Rental Income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease term unless increase in rentals are in line with expected inflation or otherwise justified.

#### iv. Other Income

Other income not specifically stated above is recognized on accrual basis.

### 15. Employee Benefits

#### Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short-term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and the same are recognized in the period in which the employee renders the related service.

### 16. Income Taxes

Tax expense comprises current and deferred tax. Current tax expense is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity, respectively.

Current tax is the expected tax payable on the taxable income for the year computed as per the provisions of Income Tax Act, 1961, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the balance sheet method, on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax bases of assets and liabilities.







Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

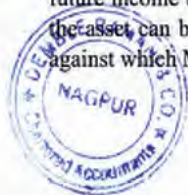
Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they materialize, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets against the current tax liabilities, and they relate to income taxes levied by the same tax authority.

Deferred tax is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity, respectively.

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the sufficient taxable profits will be available in future to allow all or part of deferred tax assets to be utilized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized. The income tax consequences of dividends are recognized in profit or loss, other comprehensive income or equity according to where the Company originally recognized those past transactions or events.

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







## 17. Foreign Currency transaction and Translation

Transactions in foreign currencies are initially recorded at the functional currency spot exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss in the year in which it arises.

Non-monetary items denominated in foreign currency which are measured in terms of historical cost are recorded using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

In case of advance consideration received or paid in a foreign currency, the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it), is when the Group initially recognizes the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

## 18. Earnings per share

Basic EPS is calculated by dividing the profit/loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit/loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

## 19. Cash Flow Statement

Cash flow statement has been prepared in accordance with the indirect method prescribed in IndAS7- Statement of Cash Flows.

## 20. Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorization for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted but disclosed.







## 21. Exceptional Item

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and the same is disclosed in the notes to accounts.

## 22. Share Issue

The Government of India announced to convert Ordnance Factory Board, an attached office of Ministry of Defence, Department of Defence Production, into seven different wholly owned corporate entities by the Government of India, registered under the Companies Act, 2013. Accordingly, 8 production units of erstwhile OFB, were transferred to Yantra India Limited on October 1, 2021 vide Order No. 1(5)1202110FIDP(Pig-V)IOI issued by Department of Defence Production, Ministry of Defence, Government of India.

Yantra India Limited was newly formed entity to take over the business of ammunition and explosives from the erstwhile OFB. The Company therefore did not meet the definition of 'Business' at the time of re-organization as per Ind AS 103. Accordingly, this transaction is not construed as a business combination under common control, rather as business reorganization. There is no guidance under Ind-AS on accounting for business reorganisation. However, since the business has remained under common control (i.e., by the Government of India), before and after the reorganization, the management has determined that it is appropriate to apply provisions of Appendix C to Ind AS 103 that deals with business combinations under common control, as per the policy choice provided by Ind AS 8. Accordingly, the Company has accounted for the assets and liabilities of the business transferred at their existing carrying values adjusted for the effect of harmonising the accounting policies with those followed by the Company, by following the provisions under Appendix C to Ind AS 103.

Shares on the basis of Net-Assets Value (NAV) of the Company as on 1st Oct 2021 derived by Registered Valuers M/s R.K. Patel & Co. vide their report dated 16/01/2023 were issued to Honorable President of India. The details of net assets transferred, consideration agreed on business reorganization and the capital reserve recognised on reorganisation are as per the below table:







(Rs in Crores)

|                                     |                  |
|-------------------------------------|------------------|
| Property, Plant and Equipment       | 11922.08         |
| Capital work-in-progress            | 266.80           |
| Intangible assets                   | 0.00             |
| Intangible assets under development | 0.00             |
| Other financial assets              | 0.00             |
| Other non-current assets            | 6.83             |
| Inventories                         | 1007.81          |
| Trade receivables                   | 2.02             |
| Cash and cash equivalents           | 0.22             |
| Other (to be specified)             | 14.98            |
| Loans                               | 0.05             |
| Other current Assets                | -90.68           |
| Current Tax Assets                  | 21.51            |
| <b>Total (A)</b>                    | <b>13151.96</b>  |
| Trade payables                      | 518.51           |
| Other Equity                        | 1814.30          |
| Provisions                          | 16.11            |
| Other current liabilities           | 536.79           |
| Current Tax Liabilities             | 8.15             |
| <b>Total (B)</b>                    | <b>2893.86</b>   |
| <b>Difference (A-B) = C</b>         | <b>10,258.10</b> |
| Revaluation Reserve                 | 10,258.10        |
| Other Equity                        | 1,814.31         |
| <b>Net Asset Value</b>              | <b>12,072.41</b> |





**अंत्रा इंडिया लिमिटेड**  
**ANTRA INDIA LIMITED**

भारत सरकार का उद्यम, रक्षा मंत्रालय  
A Govt. of India Enterprise, Ministry of Defence

**INDEPENDENT AUDITOR'S  
REPORT  
(CONSOLIDATED)  
FOR  
FY 2024-25**





**DEMBLE RAMANI & Co.**  
CHARTERED ACCOUNTANTS



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## INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS, YANTRA INDIA LIMITED ("the Company")**

### **REPORT ON THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS**

#### **I. Qualified Opinion**

We have audited the accompanying Consolidated Ind AS Financial Statements of **Yantra India Limited** ("the Company" which includes the head office located at Nagpur, Maharashtra and 9 branches and its associate), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the year ended 31<sup>st</sup> March 2025 and notes to the financial statements, including a summary of Material Accounting policies and other explanatory information (hereinafter referred to as the "Financial Statements") in which are included the financials of seven branches and one Associate Company, for the year ended on that date which were audited by other Auditors of the company, stated as under:

| Sr. No. | Branch Name                                                    | Branch Location           |
|---------|----------------------------------------------------------------|---------------------------|
| 1       | Ordnance Factory Jabalpur (Erstwhile: Grey Iron Foundry) (OFJ) | Jabalpur, Madhya Pradesh  |
| 2       | Ordnance Factory Muradnagar (OFM)                              | Muradnagar, Uttar Pradesh |
| 3       | Ordnance Factory Ambarnath (OFA)                               | Ambarnath, Maharashtra    |
| 4       | Ordnance Factory Dumdum (OFDC)                                 | Kolkata, West Bengal      |
| 5       | Ordnance Factory Katni (OFKAT)                                 | Katni, Madhya Pradesh     |
| 6       | Ordnance Factory Bhusawal (OFBH)                               | Bhusawal, Maharashtra     |
| 7       | Metal and Steel Factory Ishapore (MSF)                         | Ichapore, West Bengal     |
|         | <b>Associate Name</b>                                          |                           |
| 1.      | Advanced Materials (Defense) Testing Foundation                | Uttar Pradesh             |







DEMBLE RAMANI & CO.

CONTD.....

In our opinion and to the best of our information and according to the explanations given to us, except for the effects / possible effects of the matters described in the "Basis for Qualified Opinion" section of our report, the aforesaid IND AS Financial Statements give the information, other than mentioned at of Emphasis of Matters Paragraph & Key Audit Matter, required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India,

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2025; and
- b) In the case of the Statement of Profit and Loss, the profit (including other comprehensive income) for the year ended on 31st March 2025.
- c) In the case of the Statement of Cash Flow, of the cash flows for the year ended on 31st March 2025.
- d) In the case of the Changes in Equity for the year ended 31st March 2025.

## II. Basis for Qualified Opinion

We draw attention to the matters described here below, the quantitative and qualitative effects of which, individually or in aggregate, are, in our view, material to the Financial Statement. Further, there are matters where we and other branch auditors were unable to obtain sufficient and appropriate audit evidence. The effects of matters described below, which could be reasonably determined, are quantified, wherever possible, and given therein:

### 1. Consolidation of Financial Statements of Section 8 Company:

During the year the Company has invested in an associate company incorporated as a section 8 company under Companies Act 2013 namely Advanced Materials (Defense) Testing Foundation with 20% shareholding. We draw attention to the Statement of Profit and Loss wherein the Company added the share of Profit of Rs. 3.68 cr in the Financial Statement being 20% of the profit share of Section 8 Company. However as per Section 8 of the Companies Act 2013 no profit can directly or indirectly be distributed among any of the members or shareholders as the case may be. Hence the profit of the Company and investment in associate is overstated to the extent of Rs. 3.68 cr. Also the appropriate disclosures as per Ind AS 110 in this regard have not been made in financial statements.

### 2. Difference in Inter-Unit Balances:

We draw attention to Note No. 4 Current Assets, wherein under Other Current Assets include a sum of Rs. 3.19 crores as difference in Inter Branch Balances. Similar difference in last year inter branch balances amounting to Rs. 174.14 crores was written off through Other Equity (Reserves & Surplus). This can have possible effects such as







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overstatement/understatement of assets/liabilities or profit and loss of the company. We are unable to comment on such possible impact on consolidated financial statements of the company.

### 3. Property Plant and Equipment and Land:

As referred to in Note No.1, "Property Plant & Equipment" of OFAJ of the Financial Statements, the Company has accounted for the Land on the basis of information from the erstwhile Ordnance Factory Board. The Company does not formally hold any registered title deed for such land. While adopting such a value, the exact area of the land representing such value is not ascertained. In terms of the board of officers' proceedings held in July 2022 and the document of handing over of the erstwhile ordnance factory land dated 05.07.2022, forming annexure - B of such proceedings, mentioned the following details in respect of the land:

|    |                                                                        |              |
|----|------------------------------------------------------------------------|--------------|
| a. | Area Reported by the directorate of ordnance (Co-ordination & Service) | 3491.85 Acre |
| b. | Area as per GLR/MLR Entry of the DEP                                   | 3416.77 Acre |
| c. | Area under actual occupation as per the survey done by DEO             | 3353.83 Acre |
| d. | Area transferred to (Name of concerned DPSU) i.e., YIL                 | 2791.45 Acre |

Further, the mutation as well as the physical land area reconciliation with the State Land Records and Military Land Register is pending. On account of the Pendency of mutation, the burden of local municipal/gram panchayat/ municipal council taxes remains to be assessed.

Any cost that might be incurred for registration/updating in revenue records has not been quantified by the management, and the financial impact of the same on the company cannot be ascertained.

In view of the above, we are unable to state the correctness of the historical value adopted in financial statements.

As explained by the management through representation, the company had issued share capital against the land and other property, plant, equipment items, and therefore, as contended by the management, the handover of the land was not in the form of a grant, and hence, the provision of IND AS 20 is not applicable in the case.

(Similarly observed in case of OFJ, OFKAT, OFA)

Furthermore, the amounts as observed in the respective branch Audit Reports are as follows:

| Branch                      | Amount          |
|-----------------------------|-----------------|
| Ordnance Factory, Jabalpur  | Rs. 43,11,320/- |
| Ordnance Factory, Katni     | Rs. 1,18,750/-  |
| Ordnance Factory, Ambarnath | Rs. 10,63,961/- |







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We draw attention to Note No 34(viii) of the Financial Statements, where the title deeds related to land are not held in the name of the company.

Moreover, the amount of Property, Plant and Equipments referred to in Note no. 1 of the Financial Statements of Rs. 1874.64 Cr out of which Freehold Land is Rs. 5.56 cr. The amount of freehold land does not include the amount of Rs. 9482.38 crore being the difference of Market Value of land (Rs. 9487.94 crore) as per Registered Valuer's Report and value of land booked (Rs. 5.56 crore) by the company. Non-considering the market value of land has resulted in understatement of assets and other equity by Rs. 9482.37 crore.

Furthermore, As per the applicable Indian Accounting Standards, particularly Ind AS 103 - "Business Combinations", the identifiable assets acquired are required to be recognized at their fair value as on the date of transfer, and their carrying amount should be adjusted to reflect fair value and remaining useful life.

Contrary to these requirements, the Company has continued to recognize the transferred assets at their historical book values as recorded in the books of the erstwhile government entity, without performing a fair valuation or reassessing the useful lives of the assets and other intangible assets.

As a result, the carrying value of Property, Plants and Equipment and Other Intangible Assets as presented in the Financial Statements may not appropriately reflect their fair value, potentially leading to a misstatement in depreciation expense and the overall financial position of the Company.

(Similarly observed in case of OFJ)

#### 4. Impairment of Assets:

The company has not carried out impairment exercise/testing in accordance with Ind AS 36 "Impairment of Assets". Furthermore, the company has also not made the necessary disclosures as required by paragraphs 126-136 of the said Ind AS 36. The cumulative impact of the aforesaid non-compliance of the said Ind AS 36 in the Financial Statements of the company is not ascertainable due to non-furnishing of complete information and hence cannot be commented upon.

(Similarly observed in case of OFKAT, OFJ, OFM, OFA)

#### 5. Depreciation:

- a. In the case of OFAJ, it is observed that the carrying value on certain fixed has reduced below their estimated residual (salvage) value in the previous financial years, which amounts to approximately Rs. 1.56 Crore, which is not in compliance with the provisions of Schedule II of the Companies Act, 2013. This implies that depreciation has been overcharged in previous years and the assets are under-stated to that extent.
- b. In the case of OFKAT and OFJ, the branches have been charging depreciation on Property, Plant and Equipment (PPE) from the M Voucher Date of the respective item of PPE instead of from the date when the same







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item is available for use, i.e., date of commissioning. This is in violation of paragraph 55 of Ind AS 16 'Property, Plant and Equipment'. The overall impact of the same 'Loss' as well as non-current assets- 'Property, Plant and Equipment' of the current year, 2024-25 and on the retained earnings as on 31.03.2024 to give effect to the correct amount of depreciation in respect of the previous years, as prior period items, by restatement as per Ind AS 8, is not ascertainable due to non-availability of complete information in respect of aforementioned matters.

Accordingly, we are unable to comment on the accuracy of the depreciation charged and the true and fair presentation of the carrying value of fixed assets, profit for the year, and the impact on the financial position of the Company as at the balance sheet date.

**6. Trade Receivables:**

The balances of Trade Receivables are subject to confirmations, reconciliation, and review from respective parties. In the absence of such reconciliations and review, a proper basis relating to ageing analysis as disclosed in note no. 3(b) of the Financial Statements cannot be verified. Therefore, pendency of such balance confirmations, reconciliation, basis for age-wise analysis, and non-calculation of provision for ECL, the impact of consequential adjustments, if any, on the Financial Statements cannot be ascertained. Hence, we are unable to comment on completeness, accuracy, and existence of these balances as at March 31, 2025.

It was further noticed that the Company has not ascertained or created any ECL provision on trade receivables in accordance with Ind AS 109.

(Similarly observed in the case of OFBH, OFKAT, OFDC, OFJ, OFA)

**7. Trade Payable:**

Attention is invited to Note No. 7(a) for trade payable for which the balance outstanding and payable is subject reconciliation, and the same is not done with various DPSUs and other parties and payables for more than 1 year. Without reconciliation, the quantum of exact liability cannot be quantified as year-end balances are not reconciled. Hence, we are unable to comment on completeness, accuracy, and existence of these balances as at March 31, 2025.

(Similarly observed in the case of OFBH, OFJ, OFDC)

**8. GST Input Tax Credit reversible for Trade Payable of more than 180 days:**

The GST input Tax Credit on non-payment of suppliers/trade payables of more than 180 days whose Input Tax Credit on GST has been availed must be reversed as per the applicable GST provisions. We are not in a position to fully verify the amount of tax credit reversible in respect of creditors who are not paid for more than 180 days. Thus, we are unable to quantify the impact of the same on financial liabilities and expenses of the company for the same.







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(Similarly observed in the case of OFDC, OFJ, OFM)

In case of the Katni Branch (OFKAT), the input tax credit on GST amounting to Rs. 0.67 crores (i.e. @18% on Rs. 3.73 Crores) already availed and now needs to be reversed in respect of creditors who have not been paid for more than 180 days under the GST laws. Due to this, the 'Loss' as well as financial liabilities-Trade payables as at 31.03.2025 of the Katni Branch each have been understated by the said amount of Rs. 0.67 crores.

**9. Accounting Policy related to the depreciation of buildings and roads:**

The amounts shown under Note No.1 Property, Plant and Equipment under the head buildings also included the value of roads and the depreciation taken; that of building, i.e., 60 years, was made for the value of roads (frequently carpeted). The useful life for carpet roads – RCC must be 10 years and must be classified separately. The issue has also been raised by learned C&AG during supplementary audit of FY 2023-24. The Ld. C&AG directed to rework the depreciation separately for roads and buildings and restate the financial statements for the (i) half year ended 31st March 2022, (ii) Financial year ended 31st March 2023, and (iii) Financial Year ended 31st March 2024 to ascertain the actual impact on misclassification of roads as buildings. As per the management's reply there on the accounting policy was to be reviewed in this year. However, the management has not taken any action on this, and the same discrepancy is carried over this year. Therefore, we are unable to comment on the impact of the aforesaid on the depreciation of the Property Plant and Equipment.

**10. MSMEs:**

The company's internal process for identifying suppliers registered under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, and monitoring compliance with the prescribed timelines for payments appears to be inadequate. Consequently, we are unable to comment on the company's compliance with the provisions of the MSMED Act or its disclosure requirements under Schedule III of the Companies Act, 2013. Further, as per the provisions of the MSMED Act, delayed payments to Micro and Small Enterprises attract interest liability. However, no provision for interest payable to such MSME vendors for delays in payment has been recognized in the financial statements for the financial year 2024-25.

(Similarly observed in the case of OFKAT, OFDC, OFBH)

**11. Discrepancies in GST Balances**

The balances pertaining to Goods and Services Tax (GST) as recorded in the books of accounts do not reconcile with the amounts reported in the monthly GST returns (GSTR-1 and GSTR-3B). Further, the balance of input tax credit (ITC) available as per the Electronic Credit Ledger also does not match the ITC reflected in the books of accounts.

The company has not provided reconciliation for these discrepancies. In the absence of such reconciliation, we are unable to ascertain the accuracy and completeness of the GST liabilities and input tax credit entitlements, and







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therefore cannot determine the potential impact, if any, on the financial statements.

(Similarly observed in case of OFA)

**12. Earnest Money Deposits & Security Deposits - Provision from Suppliers (In OFAJ):**

a. **Security Deposit for Estate Establishment and Residential Quarters:**  
Attention is drawn to Note No. 10 of Financial Statement, where for "Other Current Liabilities and Payables" includes Security Deposits taken for establishment and residential quarters of Rs. 0.8428 Cr. The amount as mentioned in the financial statements is not reconciled with the control sheet maintained by the management. Hence, we are unable to comment on the financial obligations and their consequential impact of the same.

b. Reference is invited to Note No. 7(b) of the Financial Statements relating to Others and Security Deposits (SD) from customers. As at the balance sheet date of 31st March 2025, the Company has not maintained a control sheet or any detailed reconciliation records to substantiate the closing balances of EMD of Rs. 0.77 Crore and SD reflected in the books of account. In the absence of such reconciliatory documentation, we are unable to ascertain the accuracy, completeness, and correctness of the amounts payable under this head.

Furthermore, the said deposits have not been measured at fair value in accordance with the requirements of **Ind AS 109 – Financial Instruments**. In light of the above, we are unable to determine the possible effects of these matters on the financial position and disclosures of the Company as at 31st March 2025.

**13. Committed Liability Payable:**

The management has recognized a provision amounting to Rs. 479.45 crores (refer Note 10) as on 31.03.2025 towards committed liabilities pertaining to the pre-corporatization period. Based on our verification of the documentation made available, we note that there is an absence of specific and adequate documentary evidence to support the quantification of this liability. The provision appears to have been determined on a general basis, without clearly identifying the amount payable or the expected timing of such outflows necessary to assess the financial liability at fair value. Given that this provision represents a significant portion of the total liabilities, and in the absence of sufficient and appropriate management estimates, we are unable to comment on the appropriateness of the carrying value of the said provision and the potential consequential impact, if any, on the accompanying financial statements."

(Similarly observed in the case of OFKAT, OFDC, OFM, OFJ, OFA)





**14. Ind AS 19- Employee benefits related obligations**

We draw attention to note no. 16 of the Financial Statements and based on the records and information provided by the management, all personnel working at the company are on deputation to the company but are originally employees of the Central Government. Currently, the company is bearing the cost of short-term employee benefits in accordance with IND AS-19, as observed from the accounts and confirmed by the management. This applies to the aforementioned employees who are on deputation. Regarding short-term paid absences, the management has informed that only benefits up to 10 days of leave earned are allowed and paid, and only when accompanied by an LTC request application. For defined contributions such as Provident Fund and NPS contributions, the company bears these costs and accounts for them till the time employees remain on deputation with the company. No provision has been made in the accounts for post-employment benefits for deputed employees, specifically for gratuity and accumulated leave encashment. It has been stated that the company is not liable for these post-employment benefits, and the liability will be borne by the Central Government. On the basis of information provided by the management, there are no employees currently employed by Yantra India Ltd, eliminating the necessity to make any provisions for post-employment benefits related thereto.

The Management has represented that the liability to pay the retirement benefits to such employees is of the Government and not of the Company vide the Ministry of Defence's Office Memorandum (OM) No. 1(5)/2021/OF/DP(Plg-V)/02 dated September 24, 2021.

(Similarly observed in case of OFJ, OFKAT, OFM)

**15. Valuation of Inventory:**

- a. In OFAJ, based on the information and explanations provided to us and our review, we noted that Non-Production Fixed Overheads amounting to Rs. 95.38 crores (Previous Year: Rs. 95.91 crores), which are not directly attributable to bringing inventories to their present location and condition, have been included in the valuation of inventory at OFAJ.

In the absence of adequate information regarding installed or actual production capacity, we are unable to comment on the appropriateness of such allocation and the resultant impact, if any, on the inventory valuation and reported profitability.

- b. In OFAJ, As stated by the management, the closing inventory (total amount of which is ₹279.69 crores of the branch) as at 31st March 2025 includes (a) non-moving inventory amounting to ₹26.57 crores, (b) blocked inventory of ₹0.04 crores, and (c) disposable inventory of ₹14.78 crores, which, although identified as disposable, has not yet been provided for by the branch.

Accordingly, we are unable to quantify the potential impact of any misstatements, if any, on the total inventory reported in the financial statements, and consequently, on the profit or loss for the year and the financial position as at the balance sheet date.







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- c. In OFJ, Significant discrepancies were observed between physical stock and inventory records during sample verification, indicating that records are not accurately or consistently maintained.

Weaknesses in inventory management were noted, including a lack of timely reconciliations, inadequate documentation of material movement, and inconsistencies in recording receipts and issues, reflecting inadequate internal controls.

The company's policy to value finished goods and WIP at cost using PPC software lacks consistency and reliability in ensuring accurate inventory valuation.

- d. In OFKAT, Inventories of Rs. 65.85 crores include 'Work in Progress' of Rs. 1.38 crores, 'Finished Components' of Rs. 0.52 crores, both of which are valued at weighted average cost, and 'Finished Goods' of Rs. 2.95 crores, valued at cost using the weighted average method or net realisable value. However, due to the absence of adequate documentation supporting overhead allocations, we are unable to verify compliance with Ind AS 2 regarding the valuation of these inventory categories.

Additionally, Discrepancies were noted between the inventory classification and actual movement history of items, indicating non-compliance with Ind AS 2 and Ind AS 37. The financial impact could not be quantified due to a lack of reliable data.

#### **16. Other Significant Matters for Basis of Qualified Opinion of Other Branch Auditors**

##### **a. By Branch auditors of Ordnance Factory Jabalpur (OFJ)**

##### **i. Other Miscellaneous Observations:**

- a. MSTC Limited operates as an e-auction service provider, acting solely as an intermediary in the facilitation of sales transactions between sellers and buyers. It does not, in substance, act as the principal in the underlying supply of goods or services. However, it has been observed that in the books of accounts of Ordnance Factory, Jabalpur (OFJ), an outstanding balance continues to be reflected under the ledger account of MSTC Limited, despite the fact that the actual supplies have been made directly to third-party buyers.

OFJ has not obtained balance confirmations from the respective recipient entities, nor has it undertaken appropriate accounting adjustments to reclassify or transfer the balances to the correct parties. This indicates a lapse in proper reconciliation and revenue recognition practices and results in material misstatements in the financial records, specifically with respect to receivables and related party balances.

The failure to appropriately identify and classify these balances is not in compliance with the principles of "faithful representation" and "completeness" as per the Indian Accounting Standards (Ind AS), and may affect the accuracy and reliability of the Financial Statements.







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- b. Security Deposits:** An amount of Rs. 1.53 Crore has been reported under the head Security Deposits.

Out of this, an amount of Rs. 0.99 Crore pertains to periods prior to the financial year 2014-15, i.e., before the incorporation of the Branch under the Company, as informed by the Company's management. The management has not provided adequate supporting documentation or third-party confirmations in respect of these balances and has stated that the relevant records are held by the erstwhile Ordnance Factory Board. These deposits are not traceable, and based on the information made available, they do not appear to be recoverable.

**b. By Branch Auditors of Ordnance Factory Muradnagar (OFM):**

- i. We have observed that the following incomes have not been recognized on an accrual basis, which is in contravention of Ind AS 1, 'Presentation of Financial Statements' issued by The Institute of Chartered Accountants of India.
  - a. Interest income on the security deposit with UPPCL is recognized on a receipt basis, at the time UPPCL adjusts the interest against the electricity bill payable by OFM.
  - b. In relation to rental income from shops, no party-wise reconciliation of rentals with the books of accounts is available to verify whether rental income for the full year has been recognized on an accrual basis or if the OFM is recognizing it on a receipt basis.

**c. By Branch Auditors of Ordnance Factory Katni (OFKAT):**

- i. A. The Katni Unit has prescribed system of monthly review and identification of slow-moving / non-moving items of stores (slow moving items are those which have not been drawn for a continuous period of one year from the date of its last receipt while non-moving items are those which have not been drawn for a period of three years or more from the date of its last receipt), grouped under the sub-head 'Raw materials & Packing Material' which stood at Rs.54.73 crores as at 31.03.2025, though no documentary evidence of the said monthly review and identification of slow-moving/non-moving items of stores has been furnished to us. As on 31.03.2025, the Katni Unit has identified slow-moving items to the tune of Rs.2.80 crores and NIL non-moving items. The Katni Unit is found to have not disclosed about these slow-moving and non-moving items in its Ind AS financial statements nor the Katni Unit is found to have any policy towards making provision against these slow-moving and/or non-moving items, if any.

Further, during the course of our checking on test checks basis, in this area, discrepancies have been observed, the details of which are as under: -





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| Sr. No. | Item code   | Value (Rs in crores) | Date of last receipt / drawn | Identification by the Katni Unit | Correct classification |
|---------|-------------|----------------------|------------------------------|----------------------------------|------------------------|
| 1       | 0799553700  | 2.73                 | 26.03.2018                   | Slow-moving                      | Non-moving             |
| 2       | 70071800100 | 0.21                 | 29.04.2021                   | Active                           | Non-moving             |
| 3       | 2016002471  | 0.01                 | 30.03.2017                   | Active                           | Non-moving             |
| 4       | 7007186011  | 3.63                 | 10.04.2021                   | Active                           | Non-moving             |
| Total   |             | 6.58                 |                              |                                  |                        |

The above discrepancies indicate non-compliance of Ind AS 2 'Inventories' and Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets'. Further the said discrepancies have resulted in overstatement of Inventories and understatement of the loss of the Katni Unit; however, the overall quantification of the said impact could not be computed due to lack of availability of reliable information.

B. Due to lack of documentary evidence of physical verification of inventory by the management, we are unable to form any opinion on the correctness of the figures of Inventories in Ind AS Financial Statements of the Katni Unit.

In respect of inter-unit inventory, any exercise of identification and accounting towards elimination of unrealized gain / loss of individual inventory has not been found carried out by the Katni Unit during the year, which has resulted in non-compliance with Ind AS — 2 'Inventory'. The impact of the same on the Ind-AS Financial Statements of the Katni Unit is not quantifiable due to lack of availability of complete information.

- ii. The learned office of C&AG, during supplementary audit of the accounts of the Katni Branch for the F.Y.2023-2024 has pointed out that the Katni Branch has not accounted for the previously un-usable inventory of Rs. 16.60 crores (i.e. out of the inventory / raw materials/components worth Rs.39.47 crores declared as un-usable during the F.Y .2022-2023, such inventory / raw materials/components worth Rs.22.87 were part of the inventories of the Katni Branch during the F. Y.2023-2024) as 'Cost of raw material and components consumed' in Statement of Profit and Loss of the Katni Branch for the F.Y.2023-2024. Katni Branch has not accounted for the same as a prior period item, which, as per Ind AS 8, needs to be accounted for / rectified by restatement of Ind AS Financial Statements of the Katni Branch as on 31.03.2024. Further, Katni Branch has not ensured that the same type of discrepancy should not have occurred for and during the year under audit also. In the absence of complete details of the aforesaid matters, we are unable to comment upon the impact of the aforesaid non-accounting of 'Cost of raw material and components consumed' during the current year upon the 'Loss' of the Katni Branch.
- iii. We have not been furnished with the following; we could not check and verify the disclosure requirements of these items as prescribed by Ind AS 16 'Property, Plant and Equipment'







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- a. Carrying amount of temporarily idle Property, Plant and Equipment, and
- b. Gross carrying amount of any fully depreciated Property, Plant and Equipment that is still in use.

We conducted our audit of the Consolidated Ind AS Financial Statements in accordance with the Standards on Auditing ("SAs") 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 Consolidated Ind AS 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 Consolidated Ind AS Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified opinion on the Consolidated Ind AS Financial Statements.

We did not audit the Financial Statements of "Advance Material (Defence) Testing Foundation", which is an associate of Yantra India Limited, but the profit from the same has been incorporated in the calculations of the Consolidated Financials of YIL.

### III. Emphasis of Matter

We draw attention to the following notes/ matters in the Financial Statements:

#### 1. Insurance of Property, Plant and Equipment :

The Company has not taken any insurance policy on its property, plant & equipment to safeguard it from any perils like natural/man-made disasters.

(Similarly observed in case of OFM, MSF)

2. The pending observations of earlier years' financial statements, which require Financial Statements to be restated due to prior period change, are pending, and the company has not restated the financial statements accordingly in the current year.

#### 3. Defence Security Corp:

We observed a payable balance towards Defence Security Corp, with no payments made against this provision, neither in the current year nor in the previous Financial Year. Given these findings and in the absence of external confirmations and detailed reconciliation of the account, we are unable to determine whether the company is obligated to make payments to the organization concerned or if there are any reasons for withholding payment. Although company officials have represented that the dues are legitimate and remain payable, and that the settlement process is currently underway, no concrete evidence has been provided to substantiate the timing or certainty of the obligation.







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(Similarly observed in the case of OFDC, OFM, OFA).

4. The Company has recognized Prior Period Income of Rs. 14.50 Crores in the current year's Statement of Profit and Loss, without appropriate disclosures in accordance with Ind AS-8. We are unable to comment whether the Financial Statements need to be Restated in absence of Confirmations.

Our Opinion is not modified in respect of the above matters.

#### IV. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind As financial statements for the financial year ended 31st March 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion on these matters, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

| Key audit matters                                                                                                                                                                                                                                                                                                                  | How the key audit Matter was addressed in our audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>IT Systems and Controls:</b><br>The Company uses Information Technology (IT) application for financial accounts and reporting process. Any gap in the financial accounting and reporting process may result in a misstatement, hence we have identified IT systems and controls over financial reporting as a Key Audit Matter. | <p>Understood the IT systems and controls over key financial accounting and reporting systems.</p> <ul style="list-style-type: none"> <li>• Tested the general IT controls for design and operating effectiveness.</li> <li>• Understood the changes made in the IT environment during the year and ascertained their effect on the Ind AS financial statements, controls, and accounts.</li> <li>• We also assessed, through sample tests, the information generated from these systems, which were relied upon for our audit.</li> </ul> |







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**V. Other Matter:**

We did not audit the financial statements/information of 7 branches included in the Consolidated Financial Statement of the company, whose financial statement /financial information reflect total assets of Rs. 2518.65 Cr. (PY Rs. 2433.03 Cr.) as at 31st March, 2025 and total revenue (gross income) of Rs. 1864.79 Cr. (PY Rs. 1910.29 Cr.) for the year ended on that date as considered in the Consolidated financial statements. Additionally, We did not audit the Standalone Financial Statements of the associate company "Advanced Materials (Defence) Testing Foundation. Also, the consolidated financial statements include the share of profit of the associate amounting to Rs. 3.68 Crores (20% of profit of Rs. 18.39 Crores). The Financial statements/information of these branches and The Associate company have been audited by other auditors, whose reports have been furnished to us, and our opinion is so far as it relates to the amounts and disclosure included in respect of branches and the associate, is based solely on the report of such auditors. Observations, as reported by the other auditors in their report has been reproduced as it is in relevance to our report wherever applicable:

Further, we have communicated to branch auditors on certain matters wherever considered necessary which may have material impact on the Consolidated Financial Statements.

Our opinion is not modified in respect of the above matter.

**VI. Information Other than the Ind AS Financial Statements and Auditor's Report Thereon**

1. The Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholders' Information, but does not include the consolidated financial statements, Financial Statements, and our auditor's report thereon.
2. Our opinion on the Financial Statements does not cover the other information, and we do not express any form of assurance conclusion thereon.
3. In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
4. 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.





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

1. The Management is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, and cash flows in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets 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.
2. In preparing the Financial Statements, management and Board of Directors is responsible for assessing 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.
3. The Head Office is responsible for overseeing the Branch's financial reporting process.

**VIII. Auditor's Responsibilities for the Audit of the Ind AS Financial Statements**

1. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards, and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under section 143(11) of the Act.
2. Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.
3. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:







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- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
  - Obtain an understanding of internal financial 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 the management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure, and content of the Financial Statements, including the disclosures, and whether the Financial Statements are the underlying transactions and events in a manner that achieves fair presentation.
4. Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.
5. 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 financial controls that we identify during our audit.







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6. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
7. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### IX. Report on Other Legal and Regulatory Requirements

1. As required under Section 143 (5) of the Companies Act, 2013, we give in the "**Annexure - A**", a statement on the Directions issued by the Comptroller and Auditor General of India after complying with their suggested methodology of audit, the action taken thereon and its impact on the accounts and Financial Statements of the Company;
2. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure - B**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable;
3. Further to our comments in the annexure referred to in the paragraph above, as required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit of the aforesaid Financial Statements except for the matters stated in the Basis for Qualified Opinion Paragraph;
  - b) In our opinion, except for the matters stated in the Basis for Qualified Opinion Paragraph, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of accounts;







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- d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time except for the effect /possible effects of the matters described in basis for qualified opinion paragraph.
- e) In terms of Notification no. G.S.R. 463 (E) dated 5<sup>th</sup> June 2015 issued by the Ministry of Corporate Affairs, provisions of Section 164(2) of the Act regarding disqualifications of the Directors, are not applicable as it is a Government Company;
- f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure – C."
4. As per notification number G.S.R. 463 (E) dated 5th June, 2015 issued by the Ministry of Corporate Affairs, section 197 of the Act as regards managerial remuneration is not applicable to the Company, since it is a Government Company.
5. 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:
- a. The company has disclosed impact of pending litigations on its financial position in its financial statements – Refer Note no. 21 to the Financial Statements.
- b. According to the information provided to us by the management, there are no long-term contracts which require provision for material foreseeable losses.
- c. There has been no requirement to transfer any amount to the Investor Education and Protection Fund by the Company.
- d. (a) The Management has represented that, to the best of its knowledge and belief other than as disclosed in Notes to the financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief other than as disclosed in Notes to the financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or







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on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

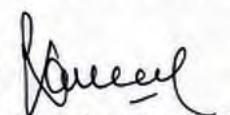
e. The Company has not declared or paid any dividend during the current financial year.

f. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility, and the same has operated throughout the year for all relevant transactions recorded in the software. Further, the transaction recorded in accounting software, viz. Tally Prime Edit Log is used only for compilation of accounts and the maintenance of Internal Data for overall business transaction being processing production records, Supply of goods- Invoicing, Inventory valuation and management of Inventory, requisition and transfer, Pay rolls and salary, computation are maintained by the company through their erstwhile software PPC software which does not have facility for maintenance of edit log facility. However, the company has given assurance that any changes made in the PPC software are only done with prior approval of ED through proper channels, and IT section of the factory makes changes in the system based only on approval of ED. Proper record file is being maintained for the changes carried out in the system. Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2025.

**For DEMBLE RAMANI & CO.  
Chartered Accountants  
FRN:102259W**



  
**CA Ashok Ramani  
Partner**

**Place: Nagpur  
Date: 23/07/2025**

**Mem No.: 030537  
UDIN: 25030537BMMLZR1502**





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**Annexure "A" To Independent Auditor's Report**

(Referred to in paragraph 1 under 'VIII. Report on Other Legal and Regulatory Requirements section of our report)

**Report on Directions & Additional Directions under section 143(5) of Companies Act 2013**

**Directions under section 143(5) of the Companies Act, 2013**

| Sr No. | Details/Directions                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Auditor's Reply                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.     | Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for post-retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements. | The Company has not made any investments directly or through Trusts for post-retirement benefit obligations of employees. In light of the above, the requirement to assess the fair valuation of investments towards post-retirement benefits does not arise for the current financial year.                                                                                                                                                                                                             |
| 2.     | Whether the company has a system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.                                                                                                                                                                                                | Yes, the company has implemented Tally software at the company for processing all the accounting transactions through an IT based system. Additionally, the company operates a separate PPC software for managing its sales, quality control, and store - related activities etc.<br><br>However, the Tally and PPC systems are not integrated, as a whole, and as a result, the Company relies on the manual extraction and transfer of data from the PPC system to record corresponding entries in the |







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|    |                                                                                                                                                                                                                                                                                                                                                                                                                                        | Tally. This lack of integration, increases the dependency on manual processes and introduces the risk of delays, errors, or omissions in the financial reporting.                                                                                                                                                                                                                                                                                                                                              |
| 3. | Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for as per the applicable accounting standards or norms and whether the funds received were utilized as per its terms and conditions? Whether accounting for interest earned on grants received has been done as per terms and conditions of the Grant. List the case of deviation. | The Company has not received any funds(grants/subsidies) for specific schemes from the Central/State Government or its agencies except for a few aes namely, The OFJ and MSF, wherein their respective Auditors have reported that the said grants/ subsidies had been appropriately accounted for in the Financial Statements in accordance with the requirements of Ind AS 20-"Accounting for Government Grants and Disclosure of Government Assistance", as well as other applicable accounting principles. |
| 4. | Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks?<br><br>If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? (b) whether the Company has identified its data assets and whether it has been valued appropriately?                                                                | The Company has initiated steps to identify risks primarily relating to inter-branch coordination, investment oversight, compliance, and financial reporting. The Head Office has communicated that it is in the process of identifying its key financial and statutory data assets, while operational risks and data remain managed at the branch level.                                                                                                                                                      |
| 5. | Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and                                                                                                                                                                                                                                             | The Company is a government company and is not a listed entity; therefore, the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,                                                                                                                                                                                                                                                                                                                                           |





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|  | regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of public Enterprises, Reserve Bank of India, Telecom Regularity Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payment Corporation of India wherever applicable? If not, the cases of deviation may be highlighted. | 2015 do not apply. Additionally, The Company is subject to various regulatory requirements issued by authorities. The management has communicated that the company is exempted from obligations of DIPAM. As regards to Ministry of Corporate affairs compliance, the company has a secretarial audit in place and the report of secretarial auditor may be referred to for non-compliances. As informed by management, the company has complied with DPE and RBI, TRAI, CERT-IN, MeitY, and NPCI are not applicable to YIL. Additionally, no material instances of non-compliance have been reported as of the reporting date. |
|--|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**Additional Directions under section 143(5) of the Companies Act, 2013**

| Sr No. | Details/Directions                                                                                                                                                                                                                                                                                                            | Auditor's Reply                                                                                                                                                                          |
|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.     | Whether the migration of assets and liabilities on the date of transfer (appointed date) from erstwhile OFB which remained incomplete as of 31 March 2024 has been completed during financial year 2024-25? If there is any deviation; the reasons, nature of deviation and its impact on financial statements may be stated. | Migrated in earlier years, the impact of the same cannot be quantified at this stage in the absence of related records with the companies.                                               |
| 2.     | Whether the Company carried out a reconciliation exercise pertaining to inter-company/intra-company balances at the year end? Whether the confirmations have been obtained from other DPSUs for balances due to/due from them at                                                                                              | The Company has not done reconciliation of Intra-company/Inter-Company Balances and DPSU balances as at the year end. As referred to in Point 1 of Basis of Qualified Opinion Paragraph, |







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|    | the year-end? The reason for unreconciled balances, if any, along with the unreconciled amount, may be stated.                                                                       | there is difference in intra branch balances amounting to Rs. 3.19 cr shown under other current assets.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 3. | Whether the Company or its units possess clear title and possession of the land stated in the Financial Statements? State the area of land under encroachment and/or dispute if any. | The title deeds of immovable property are not held in the name of the company as referred in Point 2 of Basis of Qualified Opinion Paragraph. Hence the area of land under encroachment/dispute could be identified.                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 4. | Whether the Company's pricing policy absorbs all fixed and variable cost of production as well as the allocation of overheads?                                                       | The Company, in accordance with its established pricing policy, ensures that all fixed and variable costs of production, along with the allocation of applicable production overheads, are appropriately absorbed in the determination of product pricing. However, certain non-production related overheads, which do not contribute to bringing the inventories to their present location and condition, have also been considered in the valuation of inventory. This treatment is not in compliance with the principles laid down under Ind AS 2 – Inventories, which requires exclusion of such costs from inventory valuation. |
| 5. | What is the system of by-products and finished products? List out the case of deviation from its declared policy?                                                                    | The Company does not generate any by-products in the course of its production process. However, certain scrap material arises incidentally during the manufacturing activities. Such scrap is disposed of through E-Auction conducted by MSTC Ltd., in accordance with the Company's established procedure. There are no instances of deviation observed                                                                                                                                                                                                                                                                             |





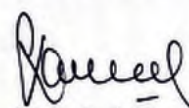
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|    |                                                                                                                                                                                                                       | from the declared policy in this regard.                                                                                                                                                                                                                                                                                                                                                                 |
| 6. | Whether the company has effective system for physical verification, valuation of stock/inventories, treatment of non-moving items and accounting the effect of shortage/excess noticed during physical verification.? | According to the information provided, the Company has performed section-wise verification of the inventories during the year. However, it was noted that the internal inventory records/registers were not integrated with the inventory stated in the accounting software. Further, the physical verification process designed by the Company does not cover all the items within a reasonable period. |
| 7. | Whether the Company has obtained title (Share Certificate) in respect of all investments- in subsidiaries/joint ventures/SPV etc. if any.                                                                             | The Company has made investments during the year in 'Advance Material (Defence) Testing Foundation' and 'UAS Testing Foundation', and has duly obtained the documentary evidence in support of such investments which were produced before us for verification and have been found to be in order.                                                                                                       |

For DEMBLE RAMANI & CO.  
Chartered Accountants  
FRN:102259W



  
CA Ashok Ramani  
Partner

Place: Nagpur  
Date: 23/07/2025

Mem No.: 030537  
UDIN: 25030537BMMLZR1502





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**Annexure 'B' To 'The Independent Auditor's Report'**

(Referred to in paragraph 2 under 'VIII. Report on Other Legal and Regulatory Requirements section of our report to the Members of Yantra India Limited ("the Company") of even date

To the best of our information and according to the explanations provided to us by the company and the books of account and records examined by us in the normal course of audit, we state that:

**1) In respect of the Company's property, plant and equipment, right-of-use assets, and intangible assets:**

- a. (i) According to the information and explanation given to us and based on the records and Audit Report of the Branch Auditors, we report that, except in respect of 3 branches as under, proper records showing full particulars, including quantitative details and the situation of Property, Plant and equipment have been maintained by the company:

| Name of Branch | Comments by respective Branch auditor                                                                                                                                                                                                                                                                                                                                                   |
|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| OFDC           | The branch has not maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.                                                                                                                                                                                                                                    |
| OFKAT          | In the absence of updated records containing full particulars viz year of purchase, distinctive numbers, useful life, residual value and particulars regarding impairment of the Property, Plant and Equipment (PPE), including quantitative details and situation of PPE, in our opinion, the Katni Branch has not maintained proper records relating to Property. Plant and Equipment |
| OFM            | The OFM has not maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.                                                                                                                                                                                                                                       |

- ii) According to the information and explanation given to us and based on the records and Audit Report of the Branch Auditors, we report that, except in respect of 3 branches as under, proper records showing full particulars of Intangible Assets have been maintained by the company:

| Name of Branch | Comments by respective Branch auditor        |
|----------------|----------------------------------------------|
| OFDC           | The branch has not maintained proper records |







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|       | showing full particulars including quantitative details and situation of the Intangible Assets .                                                                               |
| OFJ   | The branch has not maintained proper records showing full particulars of Intangible Assets.                                                                                    |
| OFKAT | In absence of updated records showing full particulars of Intangible assets, the Katni Branch has not maintained proper records showing full particulars of Intangible Assets. |

- b. According to the information and explanation given to us and based on the records and Audit Report of the Branch Auditors, we report that, the company has performed section-wise physical verification of the property, plant and equipment (PPE) during the reporting period. However, we noted that internal PPE records register were not mapped with the PPE stated at the Financial Statements. Hence, we cannot comment on the veracity of the records maintained. Further, the physical verification process designed by the Company does not cover all the items within a reasonable period. Moreover, such physical verification process does not cover the aspect of co-relating the cost/value of each such item of PPE stated in the accounts. In view of this fact, we are not assured as to whether all the physically identified items of PPE are stated in the accounts.

The comments regarding branches is as below:

| Name of Branch | Comments by respective Branch auditor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| OFDC           | The Property, Plant and Equipment of the company are not physically verified by the management at reasonable intervals. In our opinion the physical verification of the above assets should be carried out once in a year.                                                                                                                                                                                                                                                                                                                                                                                                     |
| OFJ            | During the reporting period, the Branch has not performed physical verification of property, plants and equipment and capital work-in-progress. In the absence of such physical verification of the property, plants and equipment, we are not in position to comment upon the material discrepancies on the same, if any, exist. However, we further noted that, internal property, plants and equipment record register as maintained by the Branch were not mapped with the property, plants and equipment stated in the Financial Statements. Hence, we can't comment on the veracity of records maintained by the Branch. |
| OFBH           | As per information provided before us, All the Property, Plant and Equipment have not been                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |







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|       | physically verified by the management during the year. Due to the non-conduct of a physical verification exercise during the year, we are unable to comment on whether there are any material discrepancies between the physical assets and the books of account. |
| OFKAT | Due to lack of documentary evidence of physical verification of property, plant and equipment at reasonable intervals by the management, we are unable to comment regarding discrepancies, if any observed and its adjustments in the books of accounts           |

c. According to the information and explanation given to us and based on the records and audit reports of branch auditors, we report that, the title deeds of all the immovable properties (other than the properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are not held in the name of the company. The details are provided below:

**Table 1- Information provided by the branch auditor in their report:-**

| Name of the branch | Description of property | Gross carrying value of asset (Rs. In Crores) | Held in the name of     | Whether promoter, director or their relative or employee | Period held (Indicate range, where appropriate) | Reason for not being held in the name of the Branch                                                                                                          |
|--------------------|-------------------------|-----------------------------------------------|-------------------------|----------------------------------------------------------|-------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| OFKAT              | Freehold land           | 0.01                                          | The Government of India | Promoters and 100% Shareholders of the Company           | Not available                                   | Land Transfer formality in the name of the Katni Branch/company is in process                                                                                |
|                    | Building                | 18.68                                         | The Government of India | Promoters and 100% Shareholders of the Company           | Not available                                   | Building Transfer formality in the name of the Katni Branch/company is in process                                                                            |
| OFDC               | Land                    | 4.51                                          | The Government of India | No                                                       | -                                               | The Land of Ordnance Factory Dumdum are handed over by the Directorate of Ordnance (Coordination & Services), Kolkata and taken over by Yantra India Limited |





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|  | Building | 17.76 | The Government of India | No | - | Vide Government Order Authority Gol, Mod Om No. 1(5)/2021/OF/DP(Pig-V)01 dated 24.09.2021, as informed the said Title Deed of the assets are not transferred in the name of the company |
|--|----------|-------|-------------------------|----|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**Table 2- Comments provided by the respective branch auditors in their report where the data is not provided in the prescribed format of the report:**

| Name of Branch              | Comments by respective Branch auditor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>YITM and Head Office</b> | As per the Information obtained and on the basis of examination of records, the branch/Head Office did not own any immovable property in its individual capacity.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>OFAJ</b>                 | As per the information obtained and on the basis of examination of records pertaining to handing and taking over the documents between the Ordnance Factory Board and the company, all the immovable properties are handed over by the Directorate of Ordnance to the branch in accordance with the Office Memorandum. However, as observed from the records and explanation information provided, no formal registered transfer deed has been executed for transfer of such immovable assets in favor of the company/ branch. The format as envisaged in this order would include entire immovable property as disclosed in the financial statements of this branch, the gross carrying value of the immovable property comprising of land and buildings as at the year-end was Rs. 276.10 Cr. (Net Value Rs. 269.12 Cr.) after depreciation). The property is still held in the name of erstwhile Ordnance Factory Board "Ordnance Factory Ambajhari". The property is not held in name of any director, promoter or their relative or employee of the company. The company/branch is in possession of the property since its inception. The mutation process is still in |







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|             | progress with Revenue Authorities on the basis of Office Memorandum dated 24-09-2021 and other relevant documents, particularly in case of the quantum of the land handed over to the company/branch. The matter is elaborated at paragraph I of our main report.                                                                                                                                                                                                                                                                                                                                                         |
| <b>OFJ</b>  | On the basis of the information obtained and explanations given to us, all the immovable properties are handed over by the Directorate of Ordnance to the Branch in accordance with the Office Memorandum. However, as observed from the records and on the basis of information and explanation provided, no formal registered transfer deed has been executed for the transfer of such immovable assets in favor of the Branch. The immovable property is still held in the name of Erstwhile Ordnance Factory Board (Grey Iron Foundry), which was merged into Yantra India Limited under a Government of India order. |
| <b>OFA</b>  | According to the information and explanations given by the management, the title deeds of all the immovable properties in respect of Land to be registered in favor of the Company is under Process (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee).                                                                                                                                                                                                                                                                                            |
| <b>OFBH</b> | According to the information and explanation given to us, the title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company as per the Order No. 1(5)/2021/OF/DP(Plg-V)/01 of Government of India, dated 24th September, 2021. However, the Head Office has not transferred the assets to particular branches.                                                                                                                                                                   |

d. According to the information and explanations given to us by the management and based on the records and audit reports of branch auditors, we report that, no revaluation of Plant, Property and Equipment or intangibles was done by the Company during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Companies (Auditor's Report) Order, 2020 ("The Order") are not applicable to the Company.

e. According to the information and explanations given to us by the management and based on the records and audit reports of branch auditors,







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we report that, there are no proceedings that 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 in 2016) and rules made thereunder. Hence reporting under clause 3(i)(e) of the order is not applicable.

## 2. In respect of Inventories

- a. According to the information and explanations given to us by the management and based on the records and audit reports of branch auditors, we report that, except in case of Head Office and 5 branches as under, physical verification of inventory has been conducted at reasonable intervals by the management and 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. However, it was noticed that the internal inventory record/registers were not mapped with the inventory stated in the financial statements. Hence, we cannot comment on the veracity of records maintained.
- The comments regarding branch is as below:

| Name of Branch       | Comments by respective Branch auditor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| OFJ                  | According to information and explanations given to us and on the basis of the records of the Branch, no physical verification has been conducted by the Branch's management. In the absence of such physical verification, we are not in the position to comment upon the discrepancies, if any, stated in the Financial Statements. It was further noted that the internal inventory records / register was not mapped with the inventory stated in the Financial Statements. Hence, we cannot comment on the authenticity of the records maintained. |
| YITM and Head Office | According to the information provided, the branch/Head Office did not own any inventories during the year.                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| OFKAT                | Due to lack of documentary evidence of physical verification of inventory at reasonable intervals by the management, we are unable to report under values 3(ii)(a) of the said Order.                                                                                                                                                                                                                                                                                                                                                                  |
| OFAJ                 | According to the information provided, the branch has performed section-wise verification of the inventories during the year. However, it was noted that the internal inventory records/registers were not mapped with the                                                                                                                                                                                                                                                                                                                             |







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|            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|            | inventory stated in the financial statements. Hence, we cannot comment on the veracity of the records maintained. Further, the physical verification process designed by the branch does not cover all the items within a reasonable period.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>OFM</b> | The procedures designed by the management for physical verification of inventories and its reconciliation with books of accounts need to be improved considering the size of the OFM and the nature of its business. As per the information and explanations given to us, the management has physically verified the inventories and as represented to us, no discrepancies were identified on such verification of inventories for the year ending March 31, 2025. However, no physical verification report of inventory and its reconciliation with books of accounts are made available to us. Accordingly, we are unable to determine the impact of material discrepancies, if any, on recording of inventory for the year ending March 31, 2025. |

- b. According to the information and explanations given to us by the management and based on the records and audit reports of branch auditors, we report that, there is no sanctioned working capital limits in excess of five crore rupees in aggregate, from banks or financial institutions on the basis of security of current assets. Hence reporting under clause 3(ii)(b) of the order is not applicable.
3. The Company has made investments during the year by acquiring shares in Advance Material (Defence) Testing Foundation and UAS Testing Foundation, both being Public Sector Undertakings. These investments were made in line with Government guidelines and with requisite approvals, are strategic in nature, and have been recorded at cost, but has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
4. According to the information and explanations given to us by the management and based on the records and audit reports of branch auditors, the Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.







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5. According to the information and explanations given to us by the management and based on the records and audit reports of branch auditors, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
6. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. Based on records, information and explanation provided to us by the Management, proper Cost records specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 are maintained by the Company.

**7. In Respect of Statutory Dues:-**

a) According to the information and explanations given to us by the management and based on the records and audit reports of branch auditors, we report that, the Company is generally regular in depositing undisputed statutory dues, including Goods and Service Tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. There are no arrears of statutory dues outstanding as at March 31, 2025, for a period of more than six months from the date they became payable except in case of 1 branch, The details of which are given below:

| Name of the Branch | Name of the Statutes | Nature of the Dues | Amount (Rs. in Crores) | Period to which amount relates | Due date/Date of payment |
|--------------------|----------------------|--------------------|------------------------|--------------------------------|--------------------------|
| OFKAT              | Income Tax Act, 1961 | TDS                | 0.0004                 | F.Y. 2023-2024                 | Not Available            |
| OFKAT              | Income Tax Act, 1961 | TDS                | 0.0014                 | F.Y. 2022-2023                 | Not Available            |

b) According to the information and explanations given to us and the records of the Company examined by branch auditors, the particulars of statutory dues referred to in sub-clause (a) which have not been deposited on account of a dispute as reported by the branch auditor except in case of 5 branches, are as follows:







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| Name of the Branch | Name of the Statutes             | Nature of the Dues                                                                                                       | Forum where dispute is pending                                 | Period to which amount relates | Amount (Rs. in Crores) |
|--------------------|----------------------------------|--------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|--------------------------------|------------------------|
| OFM                | UP GST                           | Demand Notice                                                                                                            | GST Department Ghaziabad                                       | 2018-19                        | 0.082                  |
|                    | UP GST                           | Demand Notice                                                                                                            | GST Department Ghaziabad                                       | 2019-20                        | 2.15                   |
| OFBH               | -                                | GST                                                                                                                      | Central Goods and Service Tax Department, Jalgaon              | 2023-24                        | 3.05                   |
| OFJ                | Goods And Service tax Act, 2017  | Tax and Penalty                                                                                                          | Office of Commissioner (Appeals) CGST & Central Excise, Bhopal | 2017-18                        | 0.72                   |
|                    | Income Tax Act, 1961             | Tax Deducted at Source (TDS)                                                                                             | Central Processing Centre (CPC), Income Tax                    | 2024-25                        | 0.2                    |
| OFAJ               | Goods and Services Tax Act, 2017 | Mismatch in turnover of GSTR 8                                                                                           | GST Office of Deputy Commissioner of State Tax                 | 2021-22                        | 0.660                  |
|                    | Goods and Services Tax Act, 2017 | Excess ITC Claimed in GSTR-3B which is not confirmed in GSTR – 2A / Less Turnover shown in GSTR – 1 compared to GSTR – 8 | GST Office of Deputy Commissioner of State Tax                 | 2022-23                        | 8.098                  |
|                    | Goods and Services Tax Act, 2017 | ITC Mismatch                                                                                                             | GST Office of Deputy Commissioner of State Tax                 | -                              | 2.412                  |
|                    | Goods and Services Tax Act, 2017 | ITC Mismatch                                                                                                             | GST Office of Deputy Commissioner of State Tax                 | -                              | 6.223                  |
|                    | Goods and Services Tax Act, 2017 | ITC Mismatch                                                                                                             | GST Office of Deputy Commissioner of State Tax                 | -                              | 3.065                  |





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|      |                                  |                                             |                                                |                      |       |
|------|----------------------------------|---------------------------------------------|------------------------------------------------|----------------------|-------|
|      | Goods and Services Tax Act, 2017 | ITC Mismatch                                | GST Office of Deputy Commissioner of State Tax | -                    | 4.415 |
|      | Goods and Services Tax Act, 2017 | ITC Mismatch                                | GST Office of Deputy Commissioner of State Tax | -                    | 4.474 |
|      | Goods and Services Tax Act, 2017 | ITC Mismatch                                | GST Office of Deputy Commissioner of State Tax | -                    | 7.087 |
|      | Goods and Services Tax Act, 2017 | ITC Mismatch                                | GST Office of Deputy Commissioner of State Tax | -                    | 2.412 |
|      | Income Tax Act, 1961             | Prior period related demands                | -                                              | 2012 to 2021         | 0.080 |
|      | Income Tax Act, 1961             | Short Deduction of TDS and Interest Thereon | -                                              | 2021-22              | 0.012 |
|      | Income Tax Act, 1961             | Short Deduction of TDS and Interest Thereon | -                                              | 2023-24              | 0.017 |
| OFDC | Income Tax Act, 1961             | Income Tax TDS                              | Assessing officer                              | Pre-corporation year | 0.280 |

8. In terms of the information and explanation given to us and the books of account and records examined by us, the Company has not surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, reporting under clause 3(viii) of the Order is not applicable to the Company.

9. In Respect of Repayment of Dues: -

(a) According to the information and explanations given to us and based on the records and audit reports of branch auditors, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of branch auditors report, the Company has not been declared willful defaulter by any bank or financial institution or other lender. Accordingly, reporting under clause 3(ix)(b) of the Order is not applicable to the Company.

(c) According to the information and explanations given to us and on the basis of the branch auditors report, the Company has not availed any term







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loan. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us and on the basis of the branch auditors report, the Company has not raised any funds on short term basis which have been utilized for long term basis. Accordingly, reporting under clause 3(ix)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its associate. The company does not have any subsidiary. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The company has not raised loans during the year on the pledge of securities held in its associate. The Company does not have any subsidiaries. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

10. (a) The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) during the year. Accordingly, the provisions of Clause 3(x)(a) of the Order are not applicable to the Company.

(b) The Company has, however, issued equity shares through a rights issue to the Government of India (President of India). Based on our examination of the relevant records and according to the information and explanations given to us, the issue has been made in compliance with the provisions of Section 62 of the Companies Act, 2013 and have been used for the purpose they were raised.

11. (a) According to the information and explanations given to us and based on branch auditors' reports submitted to us, we, along with branch auditors, have not noticed any instance of fraud by the Company or on the Company during the year, nor have we been informed of any such case by the Management. Accordingly, reporting under clause 3(xi)(a) of the order is not applicable.

(b) According to the information and explanations given to us, report in the form ADT-4 as specified under sub-section (12) of section 143 of the Companies Act has not been filed. Accordingly, reporting under clause 3(xi)(b) of the order is not applicable.

(c) According to the information and explanations given to us and as represented to us by the management, there are no whistleblower complaints







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received by the company during the year. Accordingly, reporting under clause 3(xi)(c) of the order is not applicable.

12. In our opinion, the Company is not a Nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
13. 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 Company has availed exemption from detailed disclosures required under IND AS 24 with respect to related party transactions with government and government-related entities as per Notification No. G.S.R 463 [E], dated 5<sup>th</sup> June 2015, issued by Ministry of Corporate Affairs.
14. (a) According to the information and explanations given to us and based on observations made by the branch auditors, we report that The company has an Internal Audit System in place and is not Commensurate with the size and nature of business of the Company, which further needs to be strengthened.  
  
b) Based on the Information provided to us, all the Internal Audit Reports for the period under Audit were considered, except for OFJ branch where the Internal Audit Report for the period under audit was not provided to the auditor.
15. According to information and explanations given to us, audit procedures carried out by us and based on the branch auditors report, the Company has not entered into any non-cash transactions with its directors or persons connected with them. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
16. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi)(a) of the Order are not applicable to the Company.  
(b) According to the information and explanations given to us and procedures performed by us, we report that the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Therefore, reporting under clause 3(xvi)(b) of the order is not applicable.  
(c) According to the information and explanations given to us and procedures performed by us, the Company is not Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, hence reporting under clause 3(xvi)(c) of the order is not applicable.  
(d) Based on information and explanation given to us, the Company is not Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India; hence, reporting under clause 3(xvi)(d) of the order is not applicable.







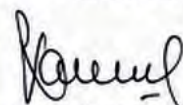
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17. The company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding.
18. Being a Public Sector Undertaking, appointment of auditor is made by C&AG in terms of the relevant provisions of the Companies Act 2013. Thus, there has been no resignation by statutory auditors during the year hence, reporting under clause 3(xviii) of the order is not applicable.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to date of the audit report, and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will be discharged by the Company as and when they fall due.
20. The Company has, during the year, correctly incurred and accounted for Corporate Social Responsibility (CSR) expenditure amounting to Rs. 2.45 crore in accordance with the provisions of Section 135 of the Companies Act, 2013, read with Schedule VII thereto. Based on our examination of the relevant records and information provided, the expenditure has been appropriately recognized in the books of account and relates to eligible CSR activities as specified under the Act.
- It is further stated that there is no unspent CSR amount pursuant to any ongoing projects. Hence, Section 135(6) is not applicable to the company.
21. With respect to the matters specified in Para 3(xxi) and 4 of the Companies(Auditor's Report) Order, 2020 to be included in the auditor's report, we report that there is no CARO Reporting in the audited Financials of the associate company.

**For DEMBLE RAMANI & CO.**  
**Chartered Accountants**  
**FRN:102259W**



  
**CA Ashok Ramani**  
**Partner**

**Place: Nagpur**  
**Date: 23/07/2025**

**Mem No.: 030537**  
**FRN:102259W**

**UDIN: 25030537BMMLZR1502**





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### **Annexure "C" To the Independent Auditor's Report**

(Referred to paragraph 3 (I) under 'VIII. Report on Other Legal and Regulatory Requirements' section of our report to the Members of Yantra India Limited (the "Company") of even date

#### **Report on Internal Financial Controls with reference to Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")**

We have audited the internal financial controls with reference to Financial Statements of YANTRA INDIA LIMITED (the "Company") as of March 31, 2025, in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

#### **i. Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls with reference to Financial Statements based on the internal control over financial reporting criteria established by the Branch considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **ii. Auditor's Responsibility**

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 Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Financial Statements. 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.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Financial







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Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**iii. Meaning of Internal Financial Controls with reference to Financial Statements**

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

**iv. Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Financial Statements to future periods are subject to the risk that the internal financial control 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.





**v. Qualified Opinion**

In our opinion, the company does not have adequate internal financial controls system over financial reporting as at March 31<sup>st</sup> 2025, based on the internal financial controls over financial reporting criteria established by the company considering the components of internal controls stated in the guidance note on Audit of Internal Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

According to the information and explanations given to us and based on our audit & issues reported in Basis of qualified opinion, the following material weaknesses have been identified as at March 31, 2025:

- a. Inadequate segregation of duties within a significant account or process underscores critical deficiencies. Moreover, the absence of an accurate maker or checker concept during transaction recording further highlights the laxity in internal controls. Additionally, the deficient implementation of the financial statement closing process compounds these issues, revealing systemic vulnerabilities that require attention.
- b. There is no appropriate internal control system for inventory as there is no integration between the financial accounting module and inventory module. Further, the internal control system for identification and allocation of overheads to inventory was also not adequate. This could potentially result in material misstatements in the company's consumption, inventory, and expense account balances.
- c. In our audit of the entity, we have noted a significant concern regarding the lack of integration between the PPC (Data Collection tool) with the Financial Accounting software, specifically Tally. This disconnect raises potential risks of errors and omissions in the accounting data and the preparation of financial statements. While manual controls, checks, and balances are currently in place to mitigate these risks, the impact on the accuracy of the financial statements remains uncertain.

Given the size and nature of operations of the entity, it is imperative to strengthen internal controls. We recommend integrating the application software (PPC) with the financial reporting software (Tally) to enhance the reliability and consistency of financial data processing. This integration will not only mitigate the risk of errors but also streamline reporting processes, ensuring that financial statements accurately reflect the entity's financial position and performance. Taking this step will contribute significantly to the overall effectiveness of the company's internal control environment.

- d. Books of accounts are not being maintained in all completeness on a day-to-day basis, as evidenced from the accounting entries being







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posted upon conclusion of the transactions, and the required changes suggested by us on our preliminary checking are also not adopted and changed.

- e. The inadequate design of general and application controls hinders the information system from delivering complete and accurate information aligned with financial reporting objectives and current requirements. Furthermore, the company lacks established procedures or guidelines for identifying bills related to services provided, which are essential for creating necessary provisions.
- f. In our assessment of internal control over financial reporting, we have identified a critical area of concern regarding employee training. It has become evident that employees across various functions lack sufficient training to effectively fulfill their assigned responsibilities. Particularly concerning is the observation that the individual responsible for accounting shows deficiencies in understanding and recording complex transactions. This gap in knowledge raises significant risks related to the accuracy and reliability of our financial reporting. Addressing this issue promptly through targeted training initiatives and enhanced oversight is crucial to strengthen our internal controls and uphold the integrity of our financial statements.
- g. The company did not have adequate appropriate internal controls for obtaining year-end balance confirmation certificates in respect of trade receivables, trade payables, vendor advances, advance from customers, other advances and acceptance of security deposits earnest money deposits from vendors and other parties as to inadequate internal controls in place for the reconciliation of Receivables/ Payables As a result, there was a failure to identify GST credits/ Income Tax TDS credits as the accounting for Income Tax TDS Credits are done on the basis of form 26AS the management accounts the credit if its available in 26 AS in the books of HO and Branches fail to account for the same, this on the other hand leads to wrong credit balance in the names of vendors from whom credit of TDS is available, This may lead to unnecessary cash outflow. This could potentially result in a material weakness in the financial reporting process of debtors, creditors, and other parties.
- h. The company does not have internal financial control with regard to compliance with the applicable Indian Accounting Standards and evaluation of carrying values of assets and Liabilities and other matters, as fully explained in basis of our Qualified Opinion paragraph of our main report, resulting in the Company not providing for adjustments, which are required to be made, to the financial Statements.
- i. The company did not have an appropriate internal control system to ascertain the realizable value of Inventory, fair valuation of various financial assets and liabilities, so as to present the financial statements on fair value.







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- j. The company did not have adequate internal control for ascertaining Tax assets/liabilities and payments of statutory dues including Income Tax and Goods and Service Tax and other relevant Tax and other pending litigations and to ascertain corresponding financial impact to report on the contingent liability, estimating provisions with respect to outstanding litigations, this could result in an inappropriate assessment of the accuracy and completeness of provisions and contingent liabilities, which is not in accordance with Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets.
- k. The Company did not have appropriate internal control system to ascertain the net realizable value of financial assets/financial liability as entity level controls as well as financial closure processes with regard to reconciliations of various accounts carrying old credit/ debit balances and the system for conducting impairment testing or its effect to give if any to ascertain the actual value of the asset and liabilities to be carried in the books of accounts.
- l. The company does not have an appropriate internal control system for ensuring capitalization of Property, plant, and Equipment as soon as the same is ready for use or put to use, due to delayed issue of "M" Voucher (capitalization certificate). Hence, the date of capitalization is not reliable. This could potentially result in delayed capitalization and corresponding impact on the operational results due to lower charge of depreciation charges. Additionally, the company does not have an appropriate internal control system for ensuring decommissioning and de-capitalization of Property, Plant and Equipment in respect of assets which are no longer in use and held for disposal as scrap. This could potentially result in overstatement of Gross block and corresponding impact on the operational result due to higher charge of depreciation and lower provisions for Impairment of Assets.
- m. The company lacks sufficient internal controls regarding the deduction of Tax at Source (TDS) under the Income Tax Act, 1961. The company deducts TDS only when making payments to vendors and not at the time of credit to Vendor Ledger. This may lead to non-compliance with the provisions of the Act.

A material weakness is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2025, based on the internal control over financial reporting criteria existing in the Company and updated during the period of our audit, considering the essential components







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of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2025, consolidated financial statements of the Company, and these material weaknesses do not affect our opinion on the consolidated Ind AS financial statements of the Company.

**Other Significant Matters for Basis of Qualified Opinion of Other Branch Auditors**

**a. By Branch Auditors of OFA**

- ii. The Company has prepared incomplete Risk Control Matrix (RCM), The RCM provided does not cover the areas of Property, Plant and Equipment, Cash and Bank Balances, Sundry Debtors, Sundry Creditors, Other current assets, other current Liabilities etc. as per the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

**b. By Branch Auditors of OFKAT**

- a. The Company / Katni Branch does not have a written/documented framework for internal financial control over financial reporting.
- b. (i) Inadequate design of internal control over a significant account or process. The Katni Branch does not have a proper system of identifying the items of furniture & fixtures, office equipment, etc, meeting the definition of Property, plant and equipment (PPE) as per Ind AS 16, due to which some of these items are expensed off instead of being capitalized.  
(ii) Non-preparation of M Vouchers for assets purchased on the basis of orders from other than the engineering department and consequently not making entries in Fixed Asset Register.  
(iii) Capitalization of assets on the date of settlement of account with the respective supplier and preparation of M voucher rather than from the date of commissioning of the assets.  
(iv) No program for physical verification of PP, resulting in non-adjustments of material deviations, if any
- c. No proper follow-up action in imprest accounts outstanding in the name of employees.
- d. Making provisions for travelling/ medical and other bills on the basis of outstanding in the account of respective employee rather than on the basis of actual bills.
- e. Weak system of proper identification of creditors under the MSME Act 2006, of provision of interest towards interest payable to them.







DEMBLE RAMANI & CO.

CONTD.....

**c. By Branch Auditors of OFDC**

- i. The recognition of revenue in the Financial Statements is not in line with the Accounting Policy of the Company and relevant Ind AS in this regard.
- ii. The Company does not have a system of acknowledgement of receipt of goods by the customer in respect of sale of goods. The internal control system concerning the delivery of goods and the recognition of revenue has been found to be ineffective.
- iii. A reconciliation of the Purchase Register with financial ledger was not available. In the absence of the same, the completeness of Purchase as per the Financial Statements could not be ensured.
- iv. Reconciliation of Carriage Outward with the Sales Register is not available. In the absence of the same, completeness of accounting and provisioning of expense for the same could not be ensured.

**d. By Branch Auditors of OFJ**

- i. During the course of our audit of internal financial controls over financial reporting, we observed that the Branch does not have an adequate internal control system in place for the timely and accurate reconciliation of Input Tax Credit (ITC) as per the books of accounts with the data available on the GST portal, particularly the GSTR-2B reports. Further, we noted the absence of a defined process or control mechanism for the identification and accounting of ineligible or mismatched credits. This control deficiency increases the risk of incorrect availment or non-availment of ITC in the Financial Statements, which may lead to overstatement or understatement of tax assets and related expenses or liabilities.

In our view, the lack of such reconciliations and control procedures represents a weakness in the internal financial controls over financial reporting, particularly in the area of indirect tax compliance. Strengthening the controls around GST reconciliation and periodic review of ineligible credits is essential to ensure accuracy, completeness, and compliance with applicable laws and regulations.

- ii. During the course of our audit of internal financial controls over financial reporting, we observed that the Branch does not have adequate internal controls in place for the timely and accurate reconciliation of intra-group transactions, including those with other branches and the head office.

We noted significant mismatches between the balances recorded by this Branch and the corresponding balances reflected in the books of other intra-group entities or the head office. The absence of a defined and systematic reconciliation process for inter-unit and intra-group transactions impairs the reliability of financial reporting and may result in persistent accounting discrepancies.

This control deficiency increases the risk of material misstatements or omissions in the standalone and consolidated financial statements and







DEMBLE RAMANI & CO.

CONTD.....

undermines the accuracy and completeness of related-party and intra-group disclosures.

In our view, the Branch should establish a formalized reconciliation mechanism, supported by appropriate review controls, to ensure accurate recording, timely resolution of mismatches, and reliable financial reporting.

- iii. During our audit of internal financial controls over financial reporting, we observed that the Branch does not maintain its books of account in a complete and timely manner. Accounting entries are often recorded after the underlying transactions have taken place, rather than on a real-time or daily basis, which compromises the accuracy and reliability of financial reporting.

Additionally, key control activities such as supervisory reviews, approvals, and periodic reconciliations are not being performed consistently. These weaknesses increase the risk of errors, omissions, and potential misstatements in the Financial Statements.

In our view, these issues reflect deficiencies in the internal financial controls over financial reporting. The branch should implement robust procedures to ensure timely recording of transactions, consistent supervisory oversight, and systematic reconciliation between the financial accounting system and the operational system.

#### Other Matters

Our aforesaid reports under Section 143(3)(1) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 7 Areas (Branches), which are Areas (Branches) of the Company, is based on the corresponding reports of the Area (Branch) auditors.

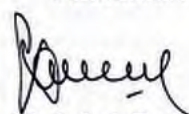
Our opinion is not modified in respect of the above matter.

**For DEMBLE RAMANI & CO.**

**Chartered Accountants**

**FRN:102259W**



  
**CA Ashok Ramani**  
**Partner**

**Mem No.: 030537**

**FRN:102259W**

**UDIN: 25030537BMMLZR1502**

**Place: Nagpur**

**Date: 23/07/2025**



**अंत्रा इंडिया लिमिटेड**  
**ANTRA INDIA LIMITED**

भारत सरकार का उद्यम, रक्षा मंत्रालय  
A Govt. of India Enterprise, Ministry of Defence

# **FINANCIAL STATEMENTS**

## **(CONSOLIDATED)**

### **FOR**

### **FY 2024-25**





YANTRA INDIA LIMITED  
CIN :- U35303MH2021GD0365890  
Balance Sheet as on March, 2025

| ₹ in Crores                                                                 |       |                         |                         |
|-----------------------------------------------------------------------------|-------|-------------------------|-------------------------|
| Particulars                                                                 | Notes | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| <b>ASSETS</b>                                                               |       |                         |                         |
| <b>I. Non-current assets</b>                                                |       |                         |                         |
| (a) Property, Plant and Equipment                                           | 1     | 1,874.64                | 1,893.48                |
| (b) Capital work-in-progress                                                | 1     | 169.96                  | 162.21                  |
| (c) Investment properties                                                   | -     | -                       | -                       |
| (d) Intangible assets                                                       | 2     | 1.16                    | 1.02                    |
| (e) Intangible assets under development                                     | 2     | 8.82                    | 3.97                    |
| (f) Right Of Use Assets                                                     | -     | -                       | -                       |
| (g) Financial assets                                                        | -     | -                       | -                       |
| (i) Investments                                                             | 3 (g) | 7.91                    | -                       |
| (ii) Loans                                                                  | 3 (e) | -                       | -                       |
| (iii) Other financial assets                                                | 3 (f) | 8.58                    | 7.53                    |
| (h) Other non-current assets                                                | 4     | 16.62                   | 9.29                    |
| <b>Total non-current assets (A)</b>                                         |       | <b>2,087.69</b>         | <b>2,077.50</b>         |
| <b>II. Current assets</b>                                                   |       |                         |                         |
| (a) Inventories                                                             | 5     | 684.00                  | 732.49                  |
| (b) Financial assets                                                        | -     | -                       | -                       |
| (i) Trade receivables                                                       | 3 (b) | 1,590.88                | 975.78                  |
| (ii) Cash and cash equivalents                                              | 3 (d) | 22.28                   | 607.96                  |
| (iii) Bank balance other than (ii) above                                    | 3 (e) | 2,148.97                | 1,280.07                |
| (iv) Loans                                                                  | 3 (c) | 1.85                    | 2.10                    |
| (v) Other financial assets                                                  | 3 (f) | 31.96                   | 0.34                    |
| (c) Assets held for sale                                                    | -     | -                       | -                       |
| (d) Other current assets                                                    | 4     | 456.23                  | 457.56                  |
| <b>Total current assets (B)</b>                                             |       | <b>4,936.18</b>         | <b>4,856.29</b>         |
| <b>Total Assets (A+B+C)</b>                                                 |       | <b>7,023.86</b>         | <b>6,933.79</b>         |
| <b>EQUITY AND LIABILITIES</b>                                               |       |                         |                         |
| <b>Equity</b>                                                               |       |                         |                         |
| (a) Equity share capital                                                    | 6A    | 13,357.30               | 13,129.15               |
| (b) Other equity                                                            | 6B    | -8,356.83               | -9,105.60               |
| <b>Total equity (A)</b>                                                     |       | <b>5,000.47</b>         | <b>4,023.55</b>         |
| <b>LIABILITIES</b>                                                          |       |                         |                         |
| <b>Non-current liabilities</b>                                              |       |                         |                         |
| (a) Financial liabilities                                                   | -     | -                       | -                       |
| (i) Borrowings                                                              | -     | -                       | -                       |
| (ii) Lease Liabilities                                                      | -     | -                       | -                       |
| (iii) Other financial liabilities                                           | 7 (b) | -                       | -                       |
| (b) Long-term provisions                                                    | 8     | -                       | -                       |
| (c) Deferred tax liabilities (net)                                          | 20    | 143.53                  | -                       |
| (d) Government grants                                                       | 9     | 45.00                   | -                       |
| <b>Total non-current liabilities (B)</b>                                    |       | <b>188.53</b>           | <b>-</b>                |
| <b>Current liabilities</b>                                                  |       |                         |                         |
| (a) Financial liabilities                                                   | -     | -                       | -                       |
| (i) Borrowings                                                              | -     | -                       | -                       |
| (ii) Lease Liabilities                                                      | -     | -                       | -                       |
| (iii) Trade payables                                                        | 7 (a) | -                       | -                       |
| - Total Outstanding dues of Micro Enterprises and Small Enterprises         |       | 62.53                   | 21.17                   |
| - Total Outstanding dues other than Micro Enterprises and Small Enterprises |       | 450.04                  | 385.37                  |
| (iv) Other financial liabilities                                            | 7 (b) | 29.90                   | 68.66                   |
| (b) Short-term provisions                                                   | 8     | 216.73                  | 200.26                  |
| (c) Current Tax Liabilities                                                 | 11    | -                       | -                       |
| provision                                                                   | 9     | 2.59                    | 5.17                    |
| (d) Government grants                                                       | 10    | 1,073.12                | 1,429.61                |
| (e) Other current liabilities                                               |       | 1,834.91                | 2,110.24                |
| <b>Total current liabilities (C)</b>                                        |       | <b>2,023.45</b>         | <b>2,110.24</b>         |
| <b>Total Liabilities</b>                                                    |       | <b>2,023.45</b>         | <b>2,110.24</b>         |
| <b>Total Equity and Liabilities (A+B+C)</b>                                 |       | <b>7,023.86</b>         | <b>6,933.79</b>         |

The notes referred to above form an integral part of financial statements

1 to 43

The accompanying notes are an integral part of these Consolidated Financial Statements.

In terms of our report attached

For and on behalf of the board of directors of  
Yantra India Limited

For Dimple Ramani & Co.  
Chartered Accountants  
Firm Registration No. 102259W

CA Ashok Ramani  
Partner  
Membership No. 010537  
UDIN : 25030517BMMLZK0000

Place: Nagpur  
Date: 23/07/2025



Vijay Kumar Iyer  
Director (Operations) &  
CMD (Additional charge)  
DIN No. 11030387

Vaishali Bhagwatkar  
Company Secretary

Rajeev Kulkarni  
Director Finance &  
HR (Additional Charge) and CFO  
DIN No. 11111337





**YANTRA INDIA LIMITED**  
CIN :- U35303MH2021GOI365890  
Statement of Profit and Loss as on March, 2025

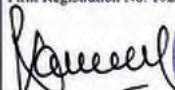
| ₹ in Crores                                                                                                                                      |       |                         |                         |
|--------------------------------------------------------------------------------------------------------------------------------------------------|-------|-------------------------|-------------------------|
| Particulars                                                                                                                                      | Notes | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| <b>I. Income</b>                                                                                                                                 |       |                         |                         |
| (a) Revenue from operations                                                                                                                      | 12    | 3,108.79                | 2,820.73                |
| (b) Other income                                                                                                                                 | 13    | 202.53                  | 206.64                  |
| <b>Total income (I)</b>                                                                                                                          |       | <b>3,311.31</b>         | <b>3,027.37</b>         |
| <b>II. Expenses</b>                                                                                                                              |       |                         |                         |
| (a) Cost of raw materials and components consumed                                                                                                | 14    | 1,183.15                | 1,118.93                |
| (b) Changes in inventories of finished goods and work-in-progress                                                                                | 15    | 22.78                   | (11.83)                 |
| (c) Employee benefits expense                                                                                                                    | 16    | 1,073.17                | 1,049.67                |
| (d) Finance costs                                                                                                                                | 17    | 15.65                   | 5.00                    |
| (e) Depreciation and amortisation expense                                                                                                        | 18    | 120.40                  | 108.67                  |
| (f) Other expenses                                                                                                                               | 19    | 401.66                  | 330.40                  |
| <b>Total expenses (II)</b>                                                                                                                       |       | <b>2,816.81</b>         | <b>2,600.83</b>         |
| <b>III. Profit before Exceptional/Extra Ordinary items and Tax (I-II)</b>                                                                        |       | <b>494.50</b>           | <b>426.53</b>           |
| IV. Prior Period Income                                                                                                                          |       | 14.50                   | 0.96                    |
| <b>V. Profit before share of net profits / loss of investments accounted for using equity method and tax</b>                                     |       | <b>509.00</b>           | <b>427.49</b>           |
| VI. Share of net profit / (loss) of joint venture accounted for using equity method                                                              |       | 3.68                    | -                       |
| <b>VI. Profit/(Loss) Before Tax (V -VI)</b>                                                                                                      |       | <b>512.68</b>           | <b>425.57</b>           |
| <b>VIII. Tax expense</b>                                                                                                                         |       |                         |                         |
| (a) Current tax                                                                                                                                  | 20    | 72.03                   | 74.36                   |
| (b) Previous year tax                                                                                                                            |       | 143.53                  | -                       |
| (c) Deferred tax                                                                                                                                 |       | -                       | (74.36)                 |
| (d) MAT Credit entitlement                                                                                                                       |       | -                       | -                       |
| <b>Total tax expense (VIII)</b>                                                                                                                  |       | <b>215.57</b>           | <b>-</b>                |
| <b>IX. Profit/(Loss) for the period From Continuing Operations (VII-VIII)</b>                                                                    |       | <b>297.11</b>           | <b>425.57</b>           |
| X. Tax Expenses of Discontinued Operations                                                                                                       |       | -                       | -                       |
| <b>XI. Profit/(Loss) From Discontinued Operations (after Tax)</b>                                                                                |       | <b>297.11</b>           | <b>425.57</b>           |
| <b>XII. Profit/(Loss) after Tax for the Period</b>                                                                                               |       | <b>297.11</b>           | <b>425.57</b>           |
| <b>XIII. Other comprehensive income/(Loss)</b>                                                                                                   |       |                         |                         |
| (i) Items that will not be reclassified to Profit & Loss                                                                                         |       | -                       | -                       |
| (ii) Income tax relating to Items that will not be reclassified to Profit & Loss                                                                 |       | -                       | -                       |
| (iii) Items that will be reclassified to Profit & Loss                                                                                           |       | -                       | -                       |
| (iv) Income tax relating to Items that will be reclassified to Profit & Loss                                                                     |       | -                       | -                       |
| <b>XIV. Total other comprehensive income/(Loss)</b>                                                                                              |       | <b>297.11</b>           | <b>-</b>                |
| <b>XV. Total comprehensive income for the period (Comprehensive profit/(loss) and other comprehensive income/ (loss) for the period (IX+XIV)</b> |       | <b>297.11</b>           | <b>425.57</b>           |
| <b>XVI. Profit (Loss) for the period</b>                                                                                                         |       | <b>297.11</b>           | <b>425.57</b>           |
| <b>XVII. Earning per equity share (for Continuing Operations)</b>                                                                                |       |                         |                         |
| (1) Basic                                                                                                                                        |       | 0.22                    | 0.32                    |
| (2) Diluted                                                                                                                                      | 26    | 0.22                    | 0.32                    |

The accompanying notes are an integral part of these Consolidated Financial Statements.

In terms of our report attached

For and on behalf of the board of directors of  
**Yantra India Limited**

For Demble Ramani & Co.  
Chartered Accountants  
Firm Registration No. 10225890

  
**CA Ashok Ramani**  
Partner  
Membership No. 030537  
UDIN : 25030537BMMLZR1502

Place: Nagpur  
Date: 23/07/2025



  
**Vijay Kumar Iyer**  
Director (Operations) &  
CMD (Additional charge)  
DIN No. 11030387

  
**Rajeev Kalra**  
Director Finance &  
HR (Additional Charge) and CFO  
DIN No. 11111337

  
**Vaishali Bhagwatkar**  
Company Secretary







YANTRA INDIA LIMITED  
CIN : U35303MH2021GT0165890  
Statement of cash flows for the period ended on March 31, 2025

₹ in Crores

| Particulars                                                                                                                                                                          | Period ended March 31, 2025 |            | Period ended March 31, 2024 |        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|------------|-----------------------------|--------|
| <b>A Cash Flow from Operating activities</b>                                                                                                                                         |                             |            |                             |        |
| Profit Before taxation                                                                                                                                                               |                             | 512.68     |                             | 425.58 |
| Adjustments to reconcile profit after tax to net cash flows:                                                                                                                         |                             |            |                             |        |
| Add :-                                                                                                                                                                               |                             |            |                             |        |
| Depreciation and Amortization expense                                                                                                                                                | 120.40                      |            | 108.67                      |        |
| Finance Cost                                                                                                                                                                         | 15.65                       |            | 5.00                        |        |
| Change in reserve                                                                                                                                                                    | 236.04                      |            | -                           |        |
| Less :-                                                                                                                                                                              |                             |            |                             |        |
| Provision write back                                                                                                                                                                 | -                           |            | -                           |        |
| Government Grant                                                                                                                                                                     | (2.59)                      |            | -5.57                       |        |
| Profit on Sale of Property, plant and equipment                                                                                                                                      | 157.46                      |            | -134.90                     |        |
| Interest on Deposits                                                                                                                                                                 |                             |            | -371.55                     |        |
| Adjustments through Reserves and Surplus                                                                                                                                             |                             |            |                             |        |
| <b>Operating Profit before Working Capital Changes</b>                                                                                                                               |                             | 1,039.65   |                             | 27.22  |
| Adjustments for changes in working capital :                                                                                                                                         |                             |            |                             |        |
| Changes in Inventories                                                                                                                                                               | 48.49                       |            | -28.81                      |        |
| Changes in trade and other receivables                                                                                                                                               | -615.10                     |            | -416.20                     |        |
| Changes in non-current assets                                                                                                                                                        | -7.34                       |            | 117.46                      |        |
| Changes in other current Assets                                                                                                                                                      | 1.33                        |            | -258.19                     |        |
| Changes in other financial assets - current                                                                                                                                          | -31.63                      |            |                             |        |
| Changes in trade and other payables                                                                                                                                                  | 106.03                      |            | 77.87                       |        |
| Changes in other non current liabilities (Government grants)                                                                                                                         | 45.00                       |            | -47.59                      |        |
| Changes in other current liabilities                                                                                                                                                 | -356.49                     |            | 473.61                      |        |
| Changes in Loans and advances                                                                                                                                                        | 0.25                        |            | 0.33                        |        |
| Changes in provisions                                                                                                                                                                | 16.47                       |            | 99.51                       |        |
| Changes in other financial liabilities                                                                                                                                               | (38.76)                     |            |                             |        |
| Changes in Deferred tax liabilities                                                                                                                                                  | 143.53                      |            |                             |        |
| <b>Net Changes in Working Capital</b>                                                                                                                                                |                             | (688.21)   |                             | 18.99  |
| <b>Net Cash Generated from Operations</b>                                                                                                                                            |                             | 351.43     |                             | 41.21  |
| Direct Taxes (Paid/Refund/Stat)                                                                                                                                                      |                             |            |                             |        |
| <b>Net Cash Flow Generated from Operating Activities (A)</b>                                                                                                                         |                             | 351.43     |                             | 41.21  |
| <b>B Cash Flow from Investing Activities</b>                                                                                                                                         |                             |            |                             |        |
| Purchase of Property, plant and equipment and intangible assets                                                                                                                      | (114.79)                    |            | -155.50                     |        |
| Proceeds from Sale of Property, plant and equipment and intangible assets including capital advances                                                                                 |                             |            | 20.19                       |        |
| Changes in other bank balances not considered as cash and cash equivalents                                                                                                           |                             |            | -                           |        |
| Profit on Sale of Property, plant and equipment                                                                                                                                      |                             |            | 1.83                        |        |
| Changes in investments - Non current                                                                                                                                                 | (7.91)                      |            |                             |        |
| Changes in other financial assets - Non current                                                                                                                                      | (1.05)                      |            |                             |        |
| Changes in other bank balances not considered as cash and cash equivalent                                                                                                            | (868.90)                    |            | 192.95                      |        |
| Interest Received                                                                                                                                                                    | -157.46                     |            | 174.90                      |        |
| <b>Net Cash Flow used in Investing Activities (B)</b>                                                                                                                                |                             | (1,149.61) |                             | 192.54 |
| <b>C Cash Flow from Financing Activities</b>                                                                                                                                         |                             |            |                             |        |
| Proceeds from Issue of Share Capital                                                                                                                                                 | 228.15                      |            | 200                         |        |
| Interest paid on loan                                                                                                                                                                | (15.65)                     |            | -5                          |        |
| Changes in Reserves                                                                                                                                                                  |                             |            | 4.43                        |        |
| <b>Net Cash Flow used in Financing Activities (C)</b>                                                                                                                                |                             | 212.50     |                             | 204.43 |
| <b>Net Increase/(Decrease) in cash and cash equivalents (A)+(B)+(C)</b>                                                                                                              |                             | (585.67)   |                             | 438.07 |
| <b>Opening Cash and Cash equivalents</b>                                                                                                                                             |                             | 607.96     |                             | 169.89 |
| <b>Closing Cash and Cash equivalents</b>                                                                                                                                             |                             | 22.28      |                             | 607.96 |
| <b>Reconciliation of cash and cash equivalents</b>                                                                                                                                   |                             |            |                             |        |
| Particulars                                                                                                                                                                          | Year ended March 31, 2025   |            | Year ended March 31, 2024   |        |
| Cash and cash equivalents comprise of: (Refer Note H(i))                                                                                                                             |                             |            |                             |        |
| Cash on Hand                                                                                                                                                                         | 20.77                       |            | 2.94                        |        |
| Cheques on hand                                                                                                                                                                      |                             |            |                             |        |
| Balance with Banks                                                                                                                                                                   | 1.51                        |            | 605.02                      |        |
| <b>Cash and cash equivalents</b>                                                                                                                                                     | 22.28                       |            | 607.96                      |        |
| <b>Reconciliation of Cash Flows from Financial Activities (Ind AS-7)</b>                                                                                                             |                             |            |                             |        |
| Particulars                                                                                                                                                                          | Long Term Borrowings        |            | Short Term Borrowings       |        |
| Balance as on 01 Apr 24                                                                                                                                                              |                             |            |                             |        |
| Add : Cash inflow                                                                                                                                                                    |                             |            |                             |        |
| Less : Cash outflow                                                                                                                                                                  |                             |            |                             |        |
| Add : Non - Cash inflow                                                                                                                                                              |                             |            |                             |        |
| Less : Non - Cash outflow                                                                                                                                                            |                             |            |                             |        |
| Balance as on 31 March 25                                                                                                                                                            |                             |            |                             |        |
| 1. The consolidated cash flow statement has been prepared under the "Indirect method" as set out in Indian Accounting Standard (Ind AS 7) "Statement of Cash Flows".                 |                             |            |                             |        |
| Disclosure, together with a commentary by management, of the amount of significant cash and cash equivalent balances held by the entity that are not available for use by the group. |                             |            |                             |        |
| The accompanying notes are an integral part of these Consolidated Financial Statements.                                                                                              |                             |            |                             |        |
| In terms of our report attached                                                                                                                                                      |                             |            |                             |        |
| For and on behalf of the board of directors of Yatra India Limited                                                                                                                   |                             |            |                             |        |
| For Double Ramani & Co. Chartered Accountants Firm Registration No. 1022599                                                                                                          |                             |            |                             |        |
| CV Ashok Ramani Partner Membership No. 020537 UDIN : 25030537BMMMLZRI502                                                                                                             |                             |            |                             |        |
| Place: Nagpur Date: 23/07/2025                                                                                                                                                       |                             |            |                             |        |
| Vijay Kumar Iyer Director (Operations) & CMD (Additional charge) DIN No. 11030387                                                                                                    |                             |            |                             |        |
| Vishali Bhagwatkar Company Secretary                                                                                                                                                 |                             |            |                             |        |
| Rajeev Kalra Director Finance & HR (Additional Charge) and CFO DIN No. 11111337                                                                                                      |                             |            |                             |        |
| YANTRA INDIA LIMITED                                                                                                                                                                 |                             |            |                             |        |



YANTRA INDIA LIMITED  
CIN :- U35303MH2021G0165800  
Statement of changes in equity as on March 31, 2025

A. Equity share capital

(1) Current reporting period

₹ in Crores

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|----------------------------------------------------------|------------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------|----------------------------------------------------|
| 13,129.15                                                | -                                                          | 13,129.15                                                         | 228.15                                                  | 13,357.30                                          |

(2) Previous reporting period

| Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in equity share capital during the current year | Balance at the end of the current reporting period |
|----------------------------------------------------------|------------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------|----------------------------------------------------|
| 12,929.15                                                | -                                                          | 12,929.15                                                         | 200.00                                                  | 13,129.15                                          |

| Particulars                                            | No of Shares         | Amount    |
|--------------------------------------------------------|----------------------|-----------|
| Opening Balance                                        | 1,28,39,46,01,168.00 | 12,929.15 |
| Changes due to Prior period errors                     |                      |           |
| Restated balance as at 1 Mar 2023                      | 12,83,94,60,117.00   | 12,929.15 |
| (Increase/Reduction) if any during the year            | 28,96,90,000.00      | 200.00    |
| Share application money received pending for allotment | -                    | -         |
| As at 31 March 2024                                    | 13,12,91,50,117.00   | 13,129.15 |
| Changes due to Prior period errors                     |                      |           |
| Restated balance as at 1 April 2024                    | 13,12,91,50,117.00   | 13,129.15 |
| (Increase/Reduction) if any during the year            | 22,81,50,000.00      | 228.15    |
| Share application money received pending for allotment | -                    | -         |
| As at 31 March, 2025                                   | 13,35,73,00,117.00   | 13,357.30 |

Notes:

1. In OFDC Rs. 0.27 Crore from pre corporatization period i.e. before 01/10/2021, received from M/s SQA(E) & LPR Khamaria is adjusted in Reserve & Surplus.  
Rs. 1.61 Crore lying as "Advance for Store" under Loan & Advances (Assets) and Rs. 0.21 crore lying as Advance from Customer under "Other Current Liabilities" in the books of accounts relating to pre-corporatization, now adjusted in Reserve & Surplus.  
2. In MSF, Amount has been transferred from Other Current Liabilities in the Current F.Y. as per the directive dated 22/09/2024 from Head Office.

B. Other equity

₹ in Crores

(1) Current reporting period

|                                                               | Reserve and Surplus |                                  | Revaluation Reserve | Total     |
|---------------------------------------------------------------|---------------------|----------------------------------|---------------------|-----------|
|                                                               | Retained Earning    | General Reserve / Capital Outlay |                     |           |
| Balance at the beginning of Current reporting year            | 487.42              | -9,609.99                        | 16.97               | -9,105.60 |
| Adjustment                                                    | -                   | -1.12                            | -                   | -         |
| Changes in accounting policy or Prior period errors           | -                   | -                                | -                   | -         |
| Restated balance at the beginning of current reporting period | 487.42              | -9,611.11                        | 16.97               | -9,105.60 |
| Total Comprehensive income for the current reporting year     | 297.11              | -                                | -                   | -         |
| Dividends                                                     | -                   | -                                | -                   | -         |
| Inter Unit transfer                                           | -                   | -                                | -                   | -         |
| Current year transfer                                         | 452.72              | -                                | -                   | -         |
| Transfer to retained earning                                  | -                   | -                                | -                   | -         |
| Balance at the close of Current reporting year                | 1,237.25            | -9,611.11                        | 16.97               | -8,356.88 |

(2) Previous reporting period

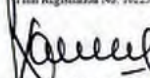
|                                                           | Reserve and Surplus |                                  | Revaluation Reserve | Total     |
|-----------------------------------------------------------|---------------------|----------------------------------|---------------------|-----------|
|                                                           | Retained Earning    | General Reserve / Capital Outlay |                     |           |
| Balance at the beginning of reporting year                | 61.84               | -9,247.75                        | 16.97               | -9,168.94 |
| Adjustment                                                | -                   | 0.28                             | -                   | 0.28      |
| Changes in accounting policy or Prior period errors       | -                   | 9.31                             | -                   | 9.31      |
| Restated balance at the beginning of reporting period     | 61.84               | -9,238.44                        | 16.97               | -9,159.63 |
| Total Comprehensive income for the current reporting year | 425.58              | -                                | -                   | 425.58    |
| Dividends                                                 | -                   | -                                | -                   | -         |
| Inter Unit transfer                                       | -                   | -544.21                          | -                   | -544.21   |
| Reporting year transfer                                   | -                   | 172.66                           | -                   | 172.66    |
| Transfer to retained earning                              | -                   | -                                | -                   | -         |
| Balance at the close of Current reporting year            | 487.42              | -9,609.99                        | 16.97               | -9,105.60 |

The accompanying notes are an integral part of these Consolidated Financial Statements.

In terms of our report attached

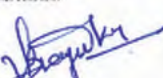
For and on behalf of the board of directors of  
Yantra India Limited

For Dimple Ramani & Co.  
Chartered Accountants  
Firm Registration No. 102259W

  
A. Ashok Ramani  
Partner  
Membership No. 090537  
UDIN : 25030537BMMMLZ1502



  
Vijay Kumar Iyer  
Director (Operations) &  
CMD (Additional charge)  
DIN No. 11030387

  
Vaishali Bhagwatkar  
Company Secretary

  
Rajeev Kalra  
Director Finance &  
HR (Additional Charge) and CFO  
DIN No. 11111337



Place: Nagpur  
Date: 23/07/2025





YANTRA INDIA LIMITED  
CIN : U35303MH2021GOI365896  
Notes to the Financial Statements as on March 31, 2025

Note 1 : Property, Plant and Equipment

₹ in Crores

| Particulars                                          | Freehold land | Building | Plant & Machinery | Furniture & fixture | Office Equipment | Vehicles | Computers, Servers and Network | Total    | CWIP    |
|------------------------------------------------------|---------------|----------|-------------------|---------------------|------------------|----------|--------------------------------|----------|---------|
| Closing balance as at March 31, 2024 (Refer Note 32) | 5.56          | 657.50   | 1,427.16          | 4.52                | 2.98             | 23.82    | 9.73                           | 2,131.26 | 164.07  |
| Additions                                            | -             | 11.42    | 88.05             | 0.49                | 0.46             | 1.55     | 1.70                           | 103.68   | 128.32  |
| Assets retired from active use                       | -             | -        | -0.33             | -                   | -                | -0.76    | -0.10                          | -1.19    | -       |
| Deductions                                           | -             | -0.09    | -0.67             | -                   | -0.00            | -0.06    | -0.07                          | -0.89    | -122.34 |
| As at Mar 31, 2025                                   | 5.56          | 668.83   | 1,514.20          | 5.01                | 3.43             | 24.55    | 11.26                          | 2,232.85 | 169.96  |
| Accumulated Depreciation and Impairment              | -             | -        | -                 | -                   | -                | -        | -                              | -        | -       |
| Accumulated Depreciation as at Apr 1, 2024           | -             | 36.76    | 185.33            | 0.45                | 0.93             | 12.34    | 3.40                           | 239.21   | -       |
| Depreciation for the year                            | -             | 16.89    | 98.17             | 0.67                | 0.60             | 2.38     | 1.35                           | 128.06   | -       |
| Depreciation on Assets retired from Active use       | -             | -        | -0.33             | -                   | -                | -0.73    | -0.00                          | -1.06    | -       |
| As at Mar 31, 2025                                   | -             | 53.66    | 283.17            | 1.12                | 1.53             | 13.98    | 4.74                           | 358.21   | -       |
| Net Carrying Amount                                  | -             | -        | -                 | -                   | -                | -        | -                              | -        | -       |
| As at Mar 31, 2025                                   | 5.56          | 615.17   | 1,231.03          | 3.89                | 1.90             | 10.57    | 6.52                           | 1,874.64 | 169.96  |
| As at Mar 31, 2024                                   | 5.56          | 620.73   | 1,241.82          | 4.06                | 2.04             | 11.49    | 6.33                           | 1,892.05 | 164.07  |

As on March 31, 2024

| Particulars                                          | Freehold land | Building | Plant & Machinery | Furniture & fixture | Office Equipment | Vehicles | Computers, Servers and Network | Total    | CWIP    |
|------------------------------------------------------|---------------|----------|-------------------|---------------------|------------------|----------|--------------------------------|----------|---------|
| Closing balance as at March 31, 2023 (Refer Note 32) | 5.56          | 596.97   | 1,404.15          | 4.57                | 1.52             | 26.83    | 6.59                           | 2,046.19 | 213.83  |
| Additions                                            | -             | 74.14    | 122.93            | 0.65                | 1.04             | 1.96     | 3.57                           | 204.30   | 116.88  |
| Assets retired from active use                       | -             | 0.05     | 0.01              | -                   | -                | 0.03     | -                              | 0.09     | -24.40  |
| Deductions                                           | -             | -0.03    | -11.57            | -0.00               | 0.48             | -0.00    | 0.04                           | -11.07   | -144.09 |
| As at Mar 31, 2024                                   | 5.56          | 671.14   | 1,515.53          | 5.22                | 3.04             | 28.82    | 10.21                          | 2,239.51 | 162.21  |
| Accumulated Depreciation and Impairment              | -             | -        | -                 | -                   | -                | -        | -                              | -        | -       |
| Accumulated Depreciation as at Apr 1, 2023           | -             | 35.65    | 182.90            | 0.50                | 0.65             | 11.48    | 2.64                           | 233.82   | -       |
| Depreciation for the year                            | -             | 13.47    | 96.22             | 0.69                | 0.35             | 2.63     | 1.30                           | 108.67   | -       |
| Depreciation on Assets retired from Active use       | -             | -0.00    | 0.59              | -                   | 0.04             | 3.23     | -0.32                          | 3.54     | -       |
| As at Mar 31, 2024                                   | -             | 49.12    | 279.71            | 1.19                | 1.04             | 17.35    | 3.63                           | 346.03   | -       |
| Net Carrying Amount                                  | -             | -        | -                 | -                   | -                | -        | -                              | -        | -       |
| As at Mar 31, 2024                                   | 5.56          | 622.02   | 1,241.82          | 4.03                | 2.00             | 11.47    | 6.58                           | 1,893.48 | 162.21  |
| As at Mar 31, 2023                                   | 5.56          | 561.32   | 1,221.35          | 4.07                | 0.87             | 15.35    | 3.95                           | 1,812.37 | 213.83  |

Notes:

- There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988
- Contractual Commitments-Refer Note 22 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- There is no charge or lien on Property, Plant and Equipment.
- The Company has not revalued its property, plant and Equipment and therefore disclosure, whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuer)
- Company has opted for exemption under Ind AS 101, accordingly carrying value was considered as Deemed Cost on Ind AS Transition Date.
- There is no impairment loss during the year.
- During the financial year the company purchased following fixed assets on CIF BASIS along with spare parts (Refer Note: 41)

Ageing of CWIP as on 31st March 2025

₹ in Crores

|                                | Amount in CWIP for a period of |           |           |                   | Total  |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|--------|
|                                | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years |        |
| Projects in Progress           | 46.18                          | 79.46     | 0.60      | 43.72             | 169.96 |
| Projects temporarily suspended | -                              | -         | -         | -                 | -      |
| Total                          | 46.18                          | 79.46     | 0.60      | 43.72             | 169.96 |

Ageing of CWIP as on 31st March 2024

|                                | Amount in CWIP for a period of |           |           |                   | Total  |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|--------|
|                                | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years |        |
| Projects in Progress           | 82.55                          | 14.46     | 13.72     | 51.48             | 162.21 |
| Projects temporarily suspended | -                              | -         | -         | -                 | -      |
| Total                          | 82.55                          | 14.46     | 13.72     | 51.48             | 162.21 |





# **YANTRA INDIA LIMITED**

CIN :- U35303MH2021GOI365890

Notes to the Financial Statements as on March 31, 2025

## **Note 2 : Intangible assets**

₹ in Crores

As at March 31, 2025

| Particulars                     | Computer Software | Technical Know How acquired | Drawings and Designs | Technical Know How Internally Generated | Total       | Intangible assets under development |
|---------------------------------|-------------------|-----------------------------|----------------------|-----------------------------------------|-------------|-------------------------------------|
| <b>Gross Carrying Amount</b>    |                   |                             |                      |                                         |             |                                     |
| As at March 31, 2024            | -                 | 0.26                        | -                    | 1.24                                    | 1.49        | 3.98                                |
| Additions                       | 0.02              | -                           | -                    | 0.42                                    | 0.45        | 4.85                                |
| Deductions                      | -                 | -                           | -                    | -                                       | -           | -0.01                               |
| <b>As at Mar 31, 2025</b>       | <b>0.02</b>       | <b>0.26</b>                 | <b>-</b>             | <b>1.66</b>                             | <b>1.94</b> | <b>8.82</b>                         |
| <b>Accumulated Depreciation</b> |                   |                             |                      |                                         |             |                                     |
| As at March 31, 2024            | -                 | 0.00                        | -                    | 0.44                                    | 0.44        | 0                                   |
| Amortisation for the year       | 0.00              | 0.03                        | -                    | 0.31                                    | 0.34        | -                                   |
| Deductions                      | -                 | -                           | -                    | -                                       | -           | -                                   |
| <b>As at Mar 31, 2025</b>       | <b>0.00</b>       | <b>0.03</b>                 | <b>-</b>             | <b>0.75</b>                             | <b>0.78</b> | <b>-</b>                            |
|                                 |                   |                             |                      |                                         |             |                                     |
| <b>As at Mar 31, 2025</b>       | <b>0.02</b>       | <b>0.23</b>                 | <b>-</b>             | <b>0.91</b>                             | <b>1.16</b> | <b>8.82</b>                         |
| <b>As at March 31, 2024</b>     | <b>-</b>          | <b>0.26</b>                 | <b>-</b>             | <b>0.80</b>                             | <b>1.05</b> | <b>3.97</b>                         |

₹ in Crores

As at March 31, 2024

| Particulars                     | Computer Software | Technical Know How acquired | Drawings and Designs | Technical Know How Internally Generated | Total       | Intangible assets under development |
|---------------------------------|-------------------|-----------------------------|----------------------|-----------------------------------------|-------------|-------------------------------------|
| <b>Gross Carrying Amount</b>    |                   |                             |                      |                                         |             |                                     |
| As at March 31, 2023            | -                 | -                           | -                    | 1.09                                    | 1.09        | 1.45                                |
| Additions                       | -                 | 0.26                        | -                    | 0.11                                    | 0.37        | 2.56                                |
| Deductions                      | -                 | -                           | -                    | -                                       | -           | 0.05                                |
| <b>As at Mar 31, 2024</b>       | <b>-</b>          | <b>0.26</b>                 | <b>-</b>             | <b>1.20</b>                             | <b>1.46</b> | <b>3.97</b>                         |
| <b>Accumulated Depreciation</b> |                   |                             |                      |                                         |             |                                     |
| As at March 31, 2023            | -                 | 0.003                       | -                    | 0.25                                    | 0.25        | -                                   |
| Amortisation for the year       | -                 | -                           | -                    | 0.18                                    | 0.18        | -                                   |
| Deductions                      | -                 | -                           | -                    | -                                       | -           | -                                   |
| <b>As at Mar 31, 2024</b>       | <b>-</b>          | <b>-</b>                    | <b>-</b>             | <b>0.43</b>                             | <b>0.43</b> | <b>-</b>                            |
|                                 |                   |                             |                      |                                         |             |                                     |
| <b>As at Mar 31, 2024</b>       | <b>-</b>          | <b>0.26</b>                 | <b>-</b>             | <b>0.77</b>                             | <b>1.03</b> | <b>3.97</b>                         |
| <b>As at March 31, 2023</b>     | <b>-</b>          | <b>-</b>                    | <b>-</b>             | <b>0.84</b>                             | <b>0.84</b> | <b>1.45</b>                         |

## **Intangible assets under development ageing schedule as on 31st March 2025**

| Intangible assets under development | Amount in CWIP for a period of |           |           |                   | Total |
|-------------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
|                                     | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years |       |
| Projects in Progress                | 4.83                           | 0.03      | 3.97      | -                 | 8.82  |
| Projects temporarily suspended      | 0                              | 0         | 0         | 0                 | -     |
| <b>Total</b>                        |                                |           |           |                   |       |

## **Ageing of CWIP as on 31st March 2024**

| Intangible assets under development | Amount in CWIP for a period of |           |           |                   | Total |
|-------------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
|                                     | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years |       |
| Projects in Progress                |                                | 3.97      |           |                   | 3.97  |
| Projects temporarily suspended      |                                |           |           |                   |       |
| <b>Total</b>                        |                                |           |           |                   |       |

1. Company has not revalued its Intagibles assets and therefore disclosure, whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 does not arise.

2. There is no impairment loss during the year.









|                                                                                                                                                                                                                                                                                                                                                                                                                                       |                       |                       |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| <b>YANTRA INDIA LIMITED</b><br><b>CIN :- U35303MH2021GOI365890</b><br><b>Notes to the Financial Statements as on March 31, 2025</b>                                                                                                                                                                                                                                                                                                   |                       |                       |
| <b>3 (c) Loans</b>                                                                                                                                                                                                                                                                                                                                                                                                                    |                       |                       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                       | ₹ in Crores           |                       |
| <b>Particulars</b>                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>March 31, 2025</b> | <b>March 31, 2024</b> |
| (Unsecured, considered good unless otherwise stated)                                                                                                                                                                                                                                                                                                                                                                                  |                       |                       |
| <b>Non-current</b>                                                                                                                                                                                                                                                                                                                                                                                                                    | -                     | -                     |
| <b>Current</b>                                                                                                                                                                                                                                                                                                                                                                                                                        |                       |                       |
| Loans to                                                                                                                                                                                                                                                                                                                                                                                                                              |                       |                       |
| - Employees                                                                                                                                                                                                                                                                                                                                                                                                                           | 1.68                  | 1.99                  |
| - Suppliers                                                                                                                                                                                                                                                                                                                                                                                                                           | 0.17                  | 0.11                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>1.85</b>           | <b>2.10</b>           |
| <b>Total Loans</b>                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>1.85</b>           | <b>2.10</b>           |
| <b>Note:</b><br>1. No Loans are due from Directors or to firm / private company where director is interested<br>2. No loans or advances in the nature of loans are granted to the promoters, director or Key Managerial Persons and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment. |                       |                       |
| <b>3 (d) Cash and cash equivalents</b>                                                                                                                                                                                                                                                                                                                                                                                                |                       |                       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                       | ₹ in Crores           |                       |
| <b>Particulars</b>                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>March 31, 2025</b> | <b>March 31, 2024</b> |
| Cash on hand                                                                                                                                                                                                                                                                                                                                                                                                                          | 0.00                  | -                     |
| Balance with Banks                                                                                                                                                                                                                                                                                                                                                                                                                    | -                     | -                     |
| In Current accounts                                                                                                                                                                                                                                                                                                                                                                                                                   | 20.77                 | 2.94                  |
| OD Accounts with debit balances                                                                                                                                                                                                                                                                                                                                                                                                       | 1.51                  | 0.00                  |
| Deposit with bank having maturity less than 3 months                                                                                                                                                                                                                                                                                                                                                                                  | 0.00                  | 605.02                |
| <b>Total cash and cash equivalents</b>                                                                                                                                                                                                                                                                                                                                                                                                | <b>22.28</b>          | <b>607.96</b>         |
| 1. There are no repatriation restrictions with regard to cash and cash equivalents.                                                                                                                                                                                                                                                                                                                                                   |                       |                       |







|                                                                                                                                                                             |                 |                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|
| <b>YANTRA INDIA LIMITED</b><br>CIN : U35302MH2021G01365890<br>Notes to the Financial Statements as on March 31, 2025                                                        |                 |                 |
| <b>3 (e) Other bank balance</b> ₹ in Crores                                                                                                                                 |                 |                 |
| Particulars                                                                                                                                                                 | March 31, 2025  | March 31, 2024  |
| Deposit with bank having maturity more than 3 months and less than 12 months*                                                                                               | 2,148.97        | 1,280.07        |
| <b>Total other bank balances</b>                                                                                                                                            | <b>2,148.97</b> | <b>1,280.07</b> |
| * Under lien with bank as Security for LC/OD Facility given by the bankers of Rs 606.75 Crores<br>* Bank OD has sanctioned against lien marking on deposits of the company. |                 |                 |
| <b>3 (f) Other financial assets</b> ₹ in Crores                                                                                                                             |                 |                 |
| Particulars                                                                                                                                                                 | March 31, 2025  | March 31, 2024  |
| (Unsecured, considered good unless otherwise stated)                                                                                                                        |                 |                 |
| <b>Non-current</b>                                                                                                                                                          |                 |                 |
| Security Deposit                                                                                                                                                            | 5.27            | 7.53            |
| Others                                                                                                                                                                      | 3.31            |                 |
|                                                                                                                                                                             | <b>8.58</b>     | <b>7.53</b>     |
| <b>Current</b>                                                                                                                                                              |                 |                 |
| Security Deposit                                                                                                                                                            | -               |                 |
| Others                                                                                                                                                                      | 31.96           | 0.34            |
|                                                                                                                                                                             | <b>31.96</b>    | <b>0.34</b>     |
| <b>Total other financial assets</b>                                                                                                                                         | <b>40.54</b>    | <b>7.86</b>     |
| <b>3 (g) Financial Instruments by category</b> ₹ in Crores                                                                                                                  |                 |                 |
| Particulars                                                                                                                                                                 | March 31, 2025  | March 31, 2024  |
| Investment in Advance Material (Defence) Testing Foundation                                                                                                                 | 6.41            |                 |
| Investment in UAS Testing Foundation                                                                                                                                        | 1.50            |                 |
| Trade receivables                                                                                                                                                           | -               |                 |
| Loans                                                                                                                                                                       | -               |                 |
| Cash and cash equivalents                                                                                                                                                   | -               |                 |
| Other bank balances                                                                                                                                                         | -               |                 |
| Other financial assets                                                                                                                                                      | -               |                 |
| <b>Total Financial assets</b>                                                                                                                                               | <b>7.91</b>     |                 |
| <b>Notes:</b>                                                                                                                                                               |                 |                 |
| <b>Investment accounted for using equity method</b> ₹ in Crores                                                                                                             |                 |                 |
| Particulars                                                                                                                                                                 | March 31, 2025  | March 31, 2024  |
| Advance Material (Defence) Testing Foundation                                                                                                                               |                 |                 |
| Opening net assets                                                                                                                                                          | 2.73            |                 |
| Profit / (Loss) for the year                                                                                                                                                | 3.68            |                 |
| Other Comprehensive income                                                                                                                                                  | -               |                 |
| Less: Dividend paid                                                                                                                                                         | -               |                 |
| <b>Closing net assets</b>                                                                                                                                                   | <b>6.41</b>     |                 |
| <b>Note 4 : Other assets</b> ₹ in Crores                                                                                                                                    |                 |                 |
| Particulars                                                                                                                                                                 | March 31, 2025  | March 31, 2024  |
| (Unsecured, considered good unless otherwise stated)                                                                                                                        |                 |                 |
| <b>Non-current</b>                                                                                                                                                          |                 |                 |
| Security deposits                                                                                                                                                           | 10.72           | 0.27            |
| Other Current Assets                                                                                                                                                        | 5.49            | -               |
| Capital Advances                                                                                                                                                            | 0.41            | 9.02            |
| <b>Total Other Assets - Non Current</b>                                                                                                                                     | <b>16.62</b>    | <b>9.29</b>     |
| <b>Current</b>                                                                                                                                                              |                 |                 |
| Deposits                                                                                                                                                                    | -               | -               |
| MAT Credit entitlement                                                                                                                                                      | 83.34           | 74.36           |
| Advances to DPSUs against Deemed Contract                                                                                                                                   | 191.91          | 3.58            |
| Advance Recoverable from Employees                                                                                                                                          | 0.34            | 0               |
| Committed Liability Receivables                                                                                                                                             | 64.79           | 61.27           |
| Prepaid Expenses                                                                                                                                                            | 0.03            | 0.19            |
| Balance with Government Authorities (Refer note (i) below)                                                                                                                  | 31.26           | 253.70          |
| PCFA AO                                                                                                                                                                     | -               |                 |
| Other Current Assets                                                                                                                                                        | 68.24           | 45.52           |
| Unreconciled interunit balances                                                                                                                                             | 3.19            |                 |
| Security deposits                                                                                                                                                           | 1.09            | 1.09            |
| Advances to Supplier                                                                                                                                                        | 11.20           | 17.22           |
| Advances to Employees                                                                                                                                                       | 0.86            | 0.62            |
| <b>Total Other Assets- Current</b>                                                                                                                                          | <b>456.23</b>   | <b>457.56</b>   |
| <b>Total (A) + (B)</b>                                                                                                                                                      | <b>472.86</b>   | <b>466.83</b>   |
| <b>Notes :</b>                                                                                                                                                              |                 |                 |
| (i) Balance with Government Authorities mainly consists of GST Input Tax Credit, TDS / TCS and Payment of Income Tax made as per Section 115JB (MAT) etc.                   |                 |                 |
| (ii) No advances are due from directors or promoters of the Company either severally or jointly with any person.                                                            |                 |                 |
| (iii) The unreconciled interunit balances are due to pending reconciliation between YIL Headquarters and branches' books of accounts.                                       |                 |                 |
| <b>Note 5 : Inventories (At lower of cost and net realisable value)</b> ₹ in Crores                                                                                         |                 |                 |
| Particulars                                                                                                                                                                 | March 31, 2025  | March 31, 2024  |
| Raw materials & Packing Material (Store In Hand)                                                                                                                            | 433.83          | 396.32          |
| Work-in-progress                                                                                                                                                            | 168.51          | 211.77          |
| Finished Components                                                                                                                                                         | 14.44           | 40.43           |
| Stock Pile                                                                                                                                                                  | 8.01            | 34.62           |
| Finished Goods                                                                                                                                                              | 41.52           | 19.43           |
| Stores In Transit                                                                                                                                                           | 12.57           | 24.63           |
| Inventory with Job Workers (Refer Note 40 & 41)                                                                                                                             | 5.11            | 5.29            |
| <b>Total</b>                                                                                                                                                                | <b>684.00</b>   | <b>732.49</b>   |

Please refer note no 7 of Note 43: Additional notes for inventory valuation policy.  
In compliance with CA&G supplementary audit report dated 09/07/2024 on the accounts of OFKAT (Unit of Yantra India Limited) for the year 2023-24 provision of inventory with job worker against whom insolvency proceedings are going on, provision amounting to Rs. 4.29 Crores is created during FY 2024-25.  
In FY 2024-25, certain unusable inventory items has been identified which have been used for gainful production activities during the financial year. These items have been valued at Weighted average cost which has been taken as Net Realisable Value (NRV) in the books of accounts.





# **YANTRA INDIA LIMITED**

CIN :- U35303MH2021GOI365890

Notes to the Financial Statements as on March 31, 2025

## **Note 6A : Equity share capital:**

₹ in Crores

| Particulars                                                                | March 31, 2025         |                  | March 31, 2024         |                  |
|----------------------------------------------------------------------------|------------------------|------------------|------------------------|------------------|
|                                                                            | No. of shares          | Rs. in Crores    | No. of shares          | Rs. in Crores    |
| Authorised share capital<br>Equity shares of ₹ 10 each                     | 15,50,00,00,000        | 15,500.00        | 15,50,00,00,000        | 15,500.00        |
| Issued, subscribed and paid-up share capital<br>Equity shares of ₹ 10 each | 13,35,73,00,117        | 13,357.30        | 13,12,91,50,117        | 13,129.15        |
| <b>Total</b>                                                               | <b>13,35,73,00,117</b> | <b>13,357.30</b> | <b>13,12,91,50,117</b> | <b>13,129.15</b> |

## **6.1. Reconciliation of shares outstanding at the beginning and at the end of the Reporting period :**

₹ in Crores

| Particulars                               | March 31, 2025         |                  | March 31, 2024         |                  |
|-------------------------------------------|------------------------|------------------|------------------------|------------------|
|                                           | No. of shares          | Rs. in Crores    | No. of shares          | Rs. in Crores    |
| At the beginning of the period            | 13,12,91,50,117        | 13,129.15        | 12,83,94,60,117        | 12,839.46        |
| Add: Issue of Share Capital               | 22,81,50,000           | 228.15           | 28,96,90,000           | 289.69           |
| Less: Share Bought back                   |                        |                  |                        |                  |
| <b>Outstanding at the end of the year</b> | <b>13,35,73,00,117</b> | <b>13,357.30</b> | <b>13,12,91,50,117</b> | <b>13,129.15</b> |

## **6.2. Rights, Preferences and Restrictions attached to the equity shares :**

The Company has one class of shares having par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held.

## **6.3. Number of Shares held by each shareholder holding more than 5% Shares in the Company**

₹ in Crores

| Name of the Shareholder | March 31, 2025  |                   |
|-------------------------|-----------------|-------------------|
|                         | No. of shares   | % of shareholding |
| President Of India      | 13,35,73,00,117 | 100%              |

## **6.4. Shareholding of Promoters**

₹ in Crores

| Name of the Promoter | March 31, 2024  |                   |
|----------------------|-----------------|-------------------|
|                      | No. of shares   | % of shareholding |
| President Of India   | 13,35,73,00,117 | 100%              |

## **6.5. Shares reserved for issue under options and contracts :**

Nil

## **6.6. Objective, policy and procedure of capital management:**

Refer Note 36.







# **YANTRA INDIA LIMITED**

CIN :- U35303MH2021GO1365890

Notes to the Financial Statements as on March 31, 2025

## **Note 7 : Financial liabilities**

### **7 (a) Trade payables**

₹ in Crores

| Particulars                                                                 | March 31, 2025 | March 31, 2024 |
|-----------------------------------------------------------------------------|----------------|----------------|
| <b>Current</b>                                                              |                |                |
| - Total Outstanding dues of Micro Enterprises and Small Enterprises         | 62.53          | 21.17          |
| - Total Outstanding dues other than Micro Enterprises and Small Enterprises | 450.04         | 385.37         |
| <b>Total</b>                                                                | <b>512.57</b>  | <b>406.54</b>  |

₹ in Crores

| Particulars                                        | 31 March 25   | 31 Mar 24     |
|----------------------------------------------------|---------------|---------------|
| <b>Payable to MSME Vendor</b>                      | 62.53         | 21.17         |
| <b>Payable to Creditors other than MSME Vendor</b> |               |               |
| Payable to Related Parties                         |               |               |
| Payable to Others                                  | 450.04        | 385.37        |
| <b>Total</b>                                       | <b>512.57</b> | <b>406.54</b> |

| As at 31 March 25      | Outstanding for following periods from due date of payment |          |           |           |           | ₹ in Crores |
|------------------------|------------------------------------------------------------|----------|-----------|-----------|-----------|-------------|
| Particulars            | Payable - Unbilled                                         | < 1 year | 1-2 years | 2-3 years | > 3 years | TOTAL       |
| MSME                   | -                                                          | 58.37    | 1.17      | 2.71      | 0.28      | 62.53       |
| Others                 | -                                                          | 281.27   | 102.32    | 16.69     | 49.75     | 450.03      |
| Disputed dues - MSME   | -                                                          | 0        | 0         | 0         | 0         | 0           |
| Disputed dues - Others | -                                                          | 0        | 0         | 0         | 0         | 0           |

| As at 31 Mar 24        | Outstanding for following periods from due date of payment |          |           |           |           | ₹ in Crores |
|------------------------|------------------------------------------------------------|----------|-----------|-----------|-----------|-------------|
| Particulars            | Payable - Unbilled                                         | < 1 year | 1-2 years | 2-3 years | > 3 years | Total       |
| MSME                   | -                                                          | 16.27    | 0.27      | 1.10      | -         | 17.64       |
| Others                 | -                                                          | 300.21   | 4.27      | 53.77     | -         | 358.25      |
| Disputed dues - MSME   | -                                                          | -        | -         | -         | -         | -           |
| Disputed dues - Others | -                                                          | -        | 0.81      | -         | -         | 0.81        |

## **Notes :**

(i) Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and Schedule III of the Companies Act, 2013 for the year/period ended March 31, 2025. This information has been determined to extent such parties have been identified on the basis of information available with the company and relied upon by the auditors

(ii) Trade Payables are subject to reconciliation, confirmation and consequential adjustments if any.

₹ in Crores

| Particulars                                                                                                                                                                                                                                  | March 31, 2025 | March 31, 2024 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|
| (i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)                                                                            |                |                |
| - Principal amount due to micro and small enterprise                                                                                                                                                                                         | 62.53          | 21.17          |
| - Interest due on above                                                                                                                                                                                                                      | -              | -              |
| (ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period              | -              | -              |
| (iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006 | -              | -              |
| (iv) The amount of interest accrued and remaining unpaid at the end of each accounting year                                                                                                                                                  | -              | -              |
| (v) 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 enterprises                                                                              | -              | -              |





# YANTRA INDIA LIMITED

CIN :- U35303MH2021GOI365890

Notes to the Financial Statements as on March 31, 2025

## 7 (b) Other financial liabilities

₹ in Crores

| Particulars                                 | March 31, 2025 | March 31, 2024 |
|---------------------------------------------|----------------|----------------|
| <b>Non-current</b>                          | -              | -              |
| <b>Current</b>                              | -              | -              |
| OD Accounts with credit balances            | -              | -              |
| Liabilities towards employee benefits       | 27.48          | 67.40          |
| Security Deposits from customers and others | 1.65           | 1.05           |
| Others                                      | 0.77           | 0.21           |
|                                             | <b>29.90</b>   | <b>68.66</b>   |
| <b>Total</b>                                | <b>29.90</b>   | <b>68.66</b>   |

## 7 (c) Financial liabilities by category

₹ in Crores

| Particulars                        | March 31, 2025                             |                |               |
|------------------------------------|--------------------------------------------|----------------|---------------|
|                                    | Fair value through Profit and Loss (FVTPL) | Amortised cost | Total         |
| Trade payable                      | -                                          | 512.57         | 512.57        |
| Other Financial Liabilities        | -                                          | 29.90          | 29.90         |
| <b>Total Financial liabilities</b> | <b>-</b>                                   | <b>542.47</b>  | <b>542.47</b> |

₹ in Crores

| Particulars                        | March 31, 2024                             |                |               |
|------------------------------------|--------------------------------------------|----------------|---------------|
|                                    | Fair value through Profit and Loss (FVTPL) | Amortised cost | Total         |
| Trade payable                      | -                                          | 406.54         | 406.54        |
| Other Financial Liabilities        | -                                          | 68.66          | 68.66         |
| <b>Total Financial liabilities</b> | <b>-</b>                                   | <b>475.20</b>  | <b>475.20</b> |

1. Financial instruments risk management objectives and policies, refer Note 30 (f).
2. Fair value disclosure for financial assets and liabilities and fair value hierarchy, refer Note 29.

## Note 8 : Provisions

₹ in Crores

| Particulars              | March 31, 2025 | March 31, 2024 |
|--------------------------|----------------|----------------|
| <b>Long-term</b>         | -              | -              |
| <b>Short-term</b>        | -              | -              |
| Provision for Income tax | (14.63)        | 74.36          |
| Provision                | 231.35         | 125.90         |
|                          | <b>216.73</b>  | <b>200.26</b>  |
| <b>Total</b>             | <b>216.73</b>  | <b>200.26</b>  |







# **YANTRA INDIA LIMITED**

CIN :- U35303MH2021GOI365890

Notes to the Financial Statements as on March 31, 2025

## **Note 9 : Government grants**

₹ in Crores

| Particulars        | March 31, 2025 | March 31, 2024 |
|--------------------|----------------|----------------|
| <b>Non-current</b> |                |                |
| Deferred income    | 45.00          |                |
|                    | <b>45.00</b>   | <b>-</b>       |
| <b>Current</b>     |                |                |
| Deferred income    | 2.59           | 5.17           |
|                    | <b>2.59</b>    | <b>5.17</b>    |
| <b>Total</b>       | <b>47.59</b>   | <b>5.17</b>    |

## **Government grants**

₹ in Crores

| Particulars                                              | As at March 31, 2025 | March 31, 2024 |
|----------------------------------------------------------|----------------------|----------------|
| Balance as on October 1, 2021 (Refer Note 37)            |                      |                |
| Released to statement of profit and loss (Refer note 18) |                      |                |
| <b>Total Government Grant</b>                            | <b>-</b>             | <b>-</b>       |

## **Note 10 : Other current liabilities**

₹ in Crores

| Particulars                                        | March 31, 2025  | March 31, 2024  |
|----------------------------------------------------|-----------------|-----------------|
| Short term Borrowings                              | -               | 36.41           |
| Statutory Dues                                     | 39.58           | 26.48           |
| Recoveries from Employees                          | 3.90            | 22.74           |
| Employee related payables                          | 25.53           | 20.47           |
| Advances from customers                            | 492.94          | 49.87           |
| Committed Liability Payable                        | 479.45          | 433.99          |
| Other Current Liabilities & Payables               | 31.11           | 386.80          |
| Advances received from DPSUs under Deemed Contract | -               | 0.06            |
| Advances received from Parties /NPS trust          | 0.62            | -               |
| Amonut Payable to HQ                               | -               | -               |
| Capital Outlay Account                             | -               | 452.77          |
| <b>Total</b>                                       | <b>1,073.12</b> | <b>1,429.61</b> |

## **Note 11 : Current Tax Liability**

₹ in Crores

| Particulars                        | March 31, 2025 | March 31, 2024 |
|------------------------------------|----------------|----------------|
| Provision for Tax (Net of Advance) | -              | -              |
| <b>Total</b>                       | <b>-</b>       | <b>-</b>       |









|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                 |                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|---------------------------------|
| <b>YANTRA INDIA LIMITED</b><br><b>CIN :- U35303MH2021GOI365890</b><br><b>Notes to the Financial Statements as on March 31, 2025</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                 |                                 |
| <b>Note 14 : Cost of Raw materials and Components</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                 |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | ₹ in Crores                     |                                 |
| <b>Particulars</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>As at<br/>March 31, 2025</b> | <b>As at<br/>March 31, 2024</b> |
| Inventories at the opening of the year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 485.96                          | 469.22                          |
| Add : Purchases during the year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 1,157.44                        | 1,135.92                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 1,643.40                        | 1,605.14                        |
| Less : Inventory at the end of the year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 460.25                          | 486.21                          |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>1,183.15</b>                 | <b>1,118.93</b>                 |
| <b>Note 15 : Changes in inventories of finished goods and work-in-progress</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                 |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | ₹ in Crores                     |                                 |
| <b>Particulars</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>As at<br/>March 31, 2025</b> | <b>As at<br/>March 31, 2024</b> |
| <b>Opening Inventories</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                 |                                 |
| Store in hand                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | -                               | -                               |
| Work-in progress                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 211.55                          | 193.04                          |
| Finished Goods                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 23.12                           | 18.69                           |
| Invoice not dispatched                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | -                               | 1.40                            |
| Finished Components                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 3.97                            | 16.05                           |
| Store In transit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 2.34                            | 5.26                            |
| Inventory with Job Workers                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 5.54                            | 0.00                            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>246.53</b>                   | <b>234.44</b>                   |
| <b>Closing Inventories</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                 |                                 |
| Store in hand                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | -                               | -                               |
| Work-in progress                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 168.51                          | 211.77                          |
| Finished Goods                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 42.47                           | 22.91                           |
| Finished Components                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 3.10                            | 3.97                            |
| Store In transit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 4.29                            | 2.34                            |
| Inventory with Job Workers ( Refer Note 40 & 41 )                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 5.37                            | 5.29                            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>223.75</b>                   | <b>246.27</b>                   |
| <b>(Increase) / Decrease in Inventories</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>22.78</b>                    | <b>(11.83)</b>                  |
| <b>Note 16 : Employee benefits expense</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                 |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | ₹ in Crores                     |                                 |
| <b>Particulars</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>As at<br/>March 31, 2025</b> | <b>As at<br/>March 31, 2024</b> |
| Salaries and Wages                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 1,025.03                        | 966.61                          |
| Salaries and Wages HQ                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 14.03                           | 11.97                           |
| Contribution to provident and other funds (Refer Note 24)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 34.14                           | 68.30                           |
| Reimbursement of NPS to OPS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | (0.38)                          | -                               |
| Staff welfare and training expenses                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 0.36                            | 2.80                            |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>1,073.17</b>                 | <b>1,049.67</b>                 |
| <b>Note</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                 |                                 |
| All employees are on deemed deputation. As per para 5 of department of defense production, ministry of defense, government of India letter number 1(5)/2021/OF/DP(Pig-V)/02 Dated 24/09/2021 "Till such time the employee remains on deemed deputation to the new DPSUs they shall continue to be subject to all the extent rules, regulations and orders as are applicable to central government servants including related to their pay scales, allowance, leaves, medical facilities, career progression and other service conditions". Hence, provisions related to retirement and other terminal benefits is not required. |                                 |                                 |
| <b>As per Indian Accounting Standard 19 "Employee benefits", the disclosures as defined are given below:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                 |                                 |
| <b>Defined Contribution Plans</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                 |                                 |
| Contribution to Defined Contribution Plans, recognised as expense for the year is as under:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                 |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | ₹ in Crores                     |                                 |
| <b>Particulars</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>As at<br/>March 31, 2025</b> | <b>As at<br/>March 31, 2024</b> |
| Employer's Contribution to Provident Fund                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | -                               | -                               |
| Employer's Contribution to Superannuation Fund                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | -                               | -                               |
| Employer's Contribution to Pension Scheme                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | -                               | -                               |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>-</b>                        | <b>-</b>                        |
| <b>Note 17 : Finance cost</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                 |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | ₹ in Crores                     |                                 |
| <b>Particulars</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>As at<br/>March 31, 2025</b> | <b>As at<br/>March 31, 2024</b> |
| Bank Charges                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 0.01                            | 5.00                            |
| Interest on Loan                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 15.64                           | -                               |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>15.65</b>                    | <b>5.00</b>                     |
| <b>Note 18 : Depreciation and amortization expense</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                 |                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | ₹ in Crores                     |                                 |
| <b>Particulars</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>As at<br/>March 31, 2025</b> | <b>As at<br/>March 31, 2024</b> |
| Depreciation on Property, plant and equipment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 120.06                          | 108.49                          |
| Amortization of Intangible assets                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 0.34                            | 0.18                            |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>120.40</b>                   | <b>108.67</b>                   |
| <b>Note</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                 |                                 |
| In compliance with CA&G supplementary audit report dated 09/07/2024 on the accounts of OFKAT (Unit of Yantra India Limited) for the year 2023-24, provision for inventory with Job worker against whom insolvency proceedings are going on amounting to Rs. 4.29 Crores is created during FY 2024-25.                                                                                                                                                                                                                                                                                                                           |                                 |                                 |





| <b>YANTRA INDIA LIMITED</b><br><b>CIN :- U35303MH2021GOI365890</b><br><b>Notes to the Financial Statements as on March 31, 2025</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                         |                         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Note 19 : Other expenses</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                         |                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | ₹ in Crores             |                         |
| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| <b>A) Other Direct Expenses</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                         |                         |
| Expenditure on Electricity & Water (Production)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 153.90                  | 138.59                  |
| Hiring of Manpower/Contract Labour (Production)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 31.65                   | 20.71                   |
| Any Other                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 7.95                    | -                       |
| Transportation Charges                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 2.96                    | 2.80                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>196.47</b>           | <b>162.11</b>           |
| <b>B) Other Indirect Expenses</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                         |                         |
| Auditor's remuneration (Refer note (i) below)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 0.19                    | 0.32                    |
| Bank Charges                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 0.03                    | 0.21                    |
| Expenditure on Electricity & Water (Non Production)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 31.54                   | 27.02                   |
| Licence Fees                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | -                       | 1.58                    |
| Foreign Exchange Loss                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 1.48                    | 0.00                    |
| Printing & Stationary                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 0.14                    | 1.49                    |
| Hiring of Manpower/Contract Labour (Non Production)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 59.24                   | 49.94                   |
| Subscription Charges                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | -                       | -                       |
| HQ Expenses                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 4.50                    | 0.00                    |
| Legal and Professional charges                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 0.07                    | 0.22                    |
| Accounting Charges                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | -                       | -                       |
| Rates and taxes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 0.95                    | 0.95                    |
| Security Charges                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 26.23                   | 26.76                   |
| Postage Expenses                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 0.13                    | -                       |
| Telephone & Communication Expenses                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 0.74                    | 0.59                    |
| Repairs :                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | -                       | -                       |
| To Building                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 3.42                    | 4.31                    |
| To others                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 8.46                    | 8.34                    |
| Transportation Charges                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 22.54                   | 20.23                   |
| Research and Development                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 7.92                    | 0                       |
| Miscellaneous expenses                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 37.61                   | 26.33                   |
| <b>Total Other Indirect Expenses</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>205.19</b>           | <b>168.29</b>           |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>401.66</b>           | <b>330.40</b>           |
| <b>Remuneration to Auditors</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                         |                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 31 March 25             | 31 Mar 24               |
| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                         |                         |
| Statutory Auditors                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 0.05                    | 0.15                    |
| Tax Auditors                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 0.01                    | 0.02                    |
| Internal Auditors                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 0.08                    | 0.08                    |
| Taxation Matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | -                       | 0.04                    |
| Other Services                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 0.04                    | 0.03                    |
| Reimbursement Expenses                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | -                       | -                       |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>0.19</b>             | <b>0.32</b>             |
| <b>Corporate Social Responsibility (CSR) expenditure</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                         |                         |
| <p>As per Section 135 of the Companies Act, 2013, read with the guidelines issued by the Department of Public Enterprises (DPE), the Company is required to spend, in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years, in accordance with its CSR Policy. The Company's liability towards CSR expenditure amounts to INR 2.45 Crores and the Company has spent the whole amount as CSR expenditure. Hence, there is no liability remaining to be recognised as unspent CSR expenditure.</p> |                         |                         |
| The details of CSR expenditure for the financial year are as under:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                         |                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | ₹ in Crores             |                         |
| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 31 March 25             | 31 Mar 24               |
| a. Gross amount spent on CSR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 2.45                    | -                       |
| b. Amount available from previous year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | -                       | -                       |
| c. Total (A+B)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 2.45                    | -                       |
| d. Amount approved by the Board for the year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 2.45                    | -                       |
| e. Amount actually spent during the year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | -                       | -                       |
| i. Construction/acquisition of any other asset                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | -                       | -                       |
| ii. For purposes other than (i) above                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 2.45                    | -                       |
| <b>Break-up of CSR Expenses</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                         |                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | ₹ in Crores             |                         |
| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | FY 24-25                | FY 24-25                |
| 1. Swachh Bharat Kosh (SBK)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 2.36                    | -                       |
| 2. Education and Skill Development                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 0.09                    | -                       |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>2.45</b>             | <b>-</b>                |







# **YANTRA INDIA LIMITED**

CIN :- U35303MH2021GOI365890

Notes to the Financial Statements as on March 31, 2025

## **Note 20 : Income tax**

The major component of income tax expense for the year/period ended March 31, 2025 is as follows:

| ₹ in Crores                                                                     |                         |                         |
|---------------------------------------------------------------------------------|-------------------------|-------------------------|
| Particulars                                                                     | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| <b>Statement of Profit and Loss</b>                                             |                         |                         |
| -Current Tax                                                                    | 72.03                   | 74.36                   |
| From Continuing Operations                                                      |                         |                         |
| From Discontinued Operations                                                    |                         |                         |
| -Previous Year Tax                                                              |                         |                         |
| -Deferred tax expense                                                           | 143.53                  |                         |
| -MAT Credit entitlement                                                         | -                       | (74.36)                 |
| <b>Income tax expense in the Statement of Profit and Loss</b>                   | <b>215.57</b>           | <b>-</b>                |
| Profit/(Loss) for the period From Continuing Operations                         |                         |                         |
| Profit/(Loss) From Discontinued Operations                                      |                         |                         |
| Profit/(Loss) before Tax from Continuing Operations and Discontinued Operations |                         |                         |
| <b>Statement of Other comprehensive income (OCI)</b>                            |                         |                         |
| -Current Tax                                                                    | -                       | -                       |
| -Deferred tax expense                                                           | -                       | -                       |
| <b>Income tax expense recognised in OCI</b>                                     | <b>-</b>                | <b>-</b>                |

## **Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate:**

| ₹ in Crores                                                                       |                         |                         |
|-----------------------------------------------------------------------------------|-------------------------|-------------------------|
| Particulars                                                                       | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| <b>A. Current tax</b>                                                             |                         |                         |
| Accounting profit before income tax expense                                       | 512.68                  | 425.57                  |
| Tax Rate                                                                          | 34.94%                  | 17.47%                  |
| Current tax expenses on Profit before tax at the enacted income tax rate in India | 72.03                   | 74.36                   |
| <b>Adjustment</b>                                                                 |                         |                         |
| MAT Credit entitlement                                                            |                         | -74.36                  |
| Exempt income/not liable to tax                                                   |                         |                         |
| Difference in Tax Rate                                                            |                         |                         |
| Expenditure not deductible for tax/not liable to tax                              |                         |                         |
| <b>Total income tax expense/(credit)</b>                                          | <b>72.03</b>            | <b>-</b>                |
| Effective tax rate                                                                | 34.94%                  | 17.47%                  |
| Deferred tax liabilities                                                          | 143.53                  |                         |

| ₹ in Crores                                            |                |                |
|--------------------------------------------------------|----------------|----------------|
| Deferred tax expense                                   | March 31, 2025 | March 31, 2024 |
|                                                        | For the Year   | For the Year   |
| <b>i) Profit &amp; loss</b>                            |                |                |
| Attributable to Previous Year unrecognised tax Lossess |                | -              |
| Attributable to Depreciation                           | 143.53         |                |
| <b>Total</b>                                           | <b>143.53</b>  |                |

## **Movement in deferred tax balances.**

| ₹ in Crores                                            |                                 |                                        |
|--------------------------------------------------------|---------------------------------|----------------------------------------|
| Particulars                                            | Net balance as on<br>01/04/2025 | Recognised In Profit & Loss<br>Account |
| Attributable to Previous Year unrecognised tax Lossess | -                               | -                                      |
| Attributable to Depreciation                           | 143.53                          | 143.53                                 |
| <b>Total</b>                                           | <b>143.53</b>                   | <b>143.53</b>                          |





# **YANTRA INDIA LIMITED**

CIN :- U35303MH2021GOI365890

Notes to the Financial Statements as on March 31, 2025

## **Note 21 : Contingent liabilities**

₹ in Crores

| Particulars                                                  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------------------------|-------------------------|-------------------------|
| <b>Contingent liabilities not provided for</b>               |                         |                         |
| (i) Claims against Company not acknowledged as debts         | 5.01                    | 2.31                    |
| (ii) Guarantees given                                        | 0.10                    |                         |
| (iii) Legal and Court cases pending at various Forums/Courts | 22.22                   | 19.98                   |
| (iii) Disputed demands in respect of                         |                         |                         |
| Income Tax                                                   | 0.48                    | 0.10                    |
| Goods and Services tax                                       | 6.22                    | 4.38                    |
| Any other                                                    | 7.84                    |                         |
|                                                              | <b>41.87</b>            | <b>26.77</b>            |

### **Notes :**

- (a) It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.
- (b) The Company believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.
- (c) Bharat Electronics Limited (BEL), a Public Sector Undertaking (PSU), had installed a solar power generation facility within the premises of [OFJ – Ordnance Factory Jabalpur] under a mutual understanding for the supply of electricity generated to the state power grid. In connection with the supply of power, BEL raised invoices on OFJ effective from 01st October 2021.
- Subsequent to the commencement of billing, a dispute arose between OFJ and BEL concerning the applicable tariff/rate for the power supplied. Owing to the unresolved disagreement on the rate, OFJ has withheld payments against the invoices raised by BEL.
- BEL has initiated legal proceedings in respect of the above matter, and the case is currently sub judice before the appropriate judicial authority. As the outcome of the legal proceedings remains uncertain and is dependent upon the final adjudication, no provision has been made in the books of account in this regard.
- However, as a matter of prudence and in line with applicable accounting standards and disclosure norms, the potential financial exposure arising from the disputed claim has been disclosed under Contingent Liabilities.
- The estimated amount of such claim, to the extent ascertainable, is Rs 1,38,71,045.48, pending final determination by the court.

## **Note 22 : Capital commitment and other commitments**

### **(a) Capital commitments**

₹ in Crores

| Particulars                                                                                                      | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>(a) Capital commitments</b>                                                                                   |                         |                         |
| Estimated amount of Contracts remaining to be executed on capital account and not provided for (Net of advances) | 719.74                  | 224.50                  |
| <b>(b) Other commitments</b>                                                                                     | -                       |                         |
|                                                                                                                  | <b>719.74</b>           | <b>224.50</b>           |

### **Note 23 : Foreign Currency Exposures not hedged**

There are no foreign Currency Unhedged Exposures as on 31/03/2025.

Receivable from debtors

₹ in Crores

| Nature of exposure      | Currency | As at March 31, 2025 | As at March 31, 2024 |
|-------------------------|----------|----------------------|----------------------|
|                         |          | FC In Mn             | FC In Mn             |
| Receivable From Debtors | USD      | 0.77                 |                      |
|                         | EURO     | 0.00                 | 1.04                 |
|                         | SEK      | -                    |                      |







# **YANTRA INDIA LIMITED**

**CIN :- U35303MH2021GOI365890**

**Notes to the Financial Statements as on March 31, 2025**

## **Note 24 : Disclosure pursuant to Employee benefits**

### **A. Defined contribution plans:**

Defined contribution is recognised as expenses and included in note no.16 "Employee benefit expense".

| Particulars                                        | ₹ in Crores             |                         |
|----------------------------------------------------|-------------------------|-------------------------|
|                                                    | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| Contribution to National Pension Scheme [note (a)] | 52.37                   | 68.30                   |
| Employer's Contribution to Provident Fund          |                         |                         |
| Employer's Contribution to Superannuation Fund     |                         |                         |
| Employer's Contribution to Pension Scheme          |                         |                         |
| <b>Total</b>                                       | <b>52.37</b>            | <b>68.30</b>            |

### **Reconciliation of opening and closing balances of Defined Benefit Obligation**

| Particulars                                            | ₹ in Crores             |                         |
|--------------------------------------------------------|-------------------------|-------------------------|
|                                                        | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| Defined Benefit Obligation at beginning of the period  |                         |                         |
| Current Service Cost                                   |                         |                         |
| Interest Cost                                          |                         |                         |
| Actuarial Loss                                         |                         |                         |
| Benefits Paid                                          |                         |                         |
| Liability Transferred In/(Out) (Net)                   |                         |                         |
| <b>Defined Benefit Obligation at end of the period</b> | <b>-</b>                | <b>-</b>                |

### **Note**

(a) Employees of the Company receive benefits from a new pension scheme, which is a defined contribution plan. The eligible employees and the company make monthly contributions to the new pension scheme equal to a specified percentage of the covered employees' salary along with the Company Contribution. Amounts collected under the scheme are deposited in a government administered pension fund. Such contributions are accounted for as defined contribution plans and are recognised as employee benefits expenses when they are due in the Statement of profit and loss. The Company has no further obligations to the same beyond its contribution.

(b) Employees of the Company have been deputed by the Government of India for two years from the Appointed date i.e. October 01, 2021 vide office memorandum No. 1 (5)/2021/OF/DP (Plg-V)/02 dated September 24, 2021. The same has been extended upto December 31, 2025 via letter dated September 9, 2024.





# YANTRA INDIA LIMITED

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Notes to the Financial Statements as on March 31, 2025

## Note 25 : Related Party Transactions

As per the Indian Accounting Standard on "Related Party Disclosures" (Ind AS 24), the related parties of the company are as follows :

### (a) Name of Related Parties and Nature of Relationship as at March 31, 2025:

| (I) Joint Venture             |                                               |
|-------------------------------|-----------------------------------------------|
| 1                             | Advance Material (Defence) Testing Foundation |
|                               | USA Testing Foundation                        |
| (II) Key Management Personnel |                                               |
|                               | Designation                                   |
| 1                             | Shri Gurudutta Ray                            |
| 2                             | Shri R.S. Lal                                 |
| 3                             | Shri V K Iyer (w.e.f. 14.03.2025)             |
| 4                             | Smt. Vaishali Bhagwatkar (w.e.f. 06.06.2024)  |
|                               | Company Secretary                             |

### (b) Disclosure in respect of Related Party Transactions :

Rs. In Crores

| Sr.  | Particulars                  | Key Management Personnel | Total |
|------|------------------------------|--------------------------|-------|
| (I)  | Transactions during the year | -                        | -     |
|      | Remuneration                 | Shri Gurudutta Ray       | 0.42  |
|      |                              | Shri R.S. Lal            | 0.41  |
|      |                              | Shri V K Iyer            | 0.02  |
|      |                              | Smt. Vaishali Bhagwatkar | 0.08  |
|      |                              |                          | 0.94  |
| (II) | Balances as at year end      |                          |       |
|      | Investments                  | -                        | -     |

### (a) Name of Related Parties and Nature of Relationship as at March 31, 2024:

| (I) Joint Venture             |                                |
|-------------------------------|--------------------------------|
|                               |                                |
| (II) Key Management Personnel |                                |
|                               | Designation                    |
| 1                             | Shri. Rajiv Puri               |
| 2                             | Shri. S. K. Yadav              |
| 3                             | Shri Gurudutta Ray             |
| 4                             | Shri R.S. Lal                  |
|                               | Chairman and Managing Director |
|                               | Director/OPS                   |
|                               | Director/HR                    |
|                               | Director/Finance               |

### (b) Disclosure in respect of Related Party Transactions :

Rs. In Crores

| Sr.  | Particulars                  | Key Management Personnel | Total |
|------|------------------------------|--------------------------|-------|
| (I)  | Transactions during the year | -                        | -     |
|      | Remuneration                 | Shri. Rajiv Puri         | 0.39  |
|      |                              | Shri. S. K. Yadav        | 0.13  |
|      |                              | Shri Gurudutta Ray       | 0.39  |
|      |                              | Shri R.S. Lal            | 0.39  |
|      |                              |                          | 1.30  |
| (II) | Balances as at year end      |                          |       |
|      | Investments                  | -                        | -     |

### (c) Disclosures pursuant to section 186(4) of the Companies Act, 2013.

Loans and Advances in the nature of loans - Rs. Nil

### (d) Terms and conditions of transactions with related parties

Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions.

### (e) Commitments with related parties

The Company has not provided any commitment to the related party .

### (f) Transaction with Government and Government Related Entities

As YIL is a government entity under the control of Ministry of Defence (MoD), the significant transactions are with other PSUs, which are controlled by Government of India, directly or indirectly, the transactions with such entities are normal based on market based on market driven rate at arm's length price.





**YANTRA INDIA LIMITED**

CIN :- U35303MH2021GOI365890

Notes to the Financial Statements as on March 31, 2025

**Note 26 : Earning per share:**

Note 26 : Earning per share:

|                                                            |               | ₹ in Crores             |                         |
|------------------------------------------------------------|---------------|-------------------------|-------------------------|
| Particulars                                                |               | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| <b>Earning per share (Basic and Diluted)</b>               |               |                         |                         |
| Profit attributable to ordinary equity holders             | Rs. in Crores | 297.11                  | 425.58                  |
| Weighted average number of equity shares for basic EPS (a) | No.           | 13,35,73,00,117         | 13,12,91,50,117         |
| Nominal value of equity shares                             | Rs.           | 10.00                   | 10.00                   |
| Basic and Diluted earning per share                        | Rs.           | 0.22                    | 0.32                    |

**Note 27 : Segment Reporting**

The Ministry of Corporate Affairs vide notification no 1/2/2014-CL-V dated 23rd February 2018 has exempted the Government companies engaged in Defence production to the extent of application of Ind AS 108 on "Operating Segment".

**Note 28 : Leases**

Since there are no lease transaction, there is no reporting on the captioned subject.

**Note 29 : Fair value disclosures for financial assets and financial liabilities:**

As on 31/03/2025, There are no reportable financial assets and liabilities and hence same has not been commented upon.



**YANTRA INDIA LIMITED**

CIN :- U35303MH2021GOI365890

Notes to the Financial Statements as on March 31, 2025

**Note 30 : Financial instruments risk management objectives and policies**

The Company's principal financial liabilities comprise trade & other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include Investments, loans given, trade and other receivables and cash & short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk which may impact the fair value of its financial instruments. The Company, based on its business operation, evaluated the following risks:

**a) Foreign currency risk:**

As on 31/03/2025, there are no significant foreign currency exposures and consequently no risk. Hence the same has not been commented upon.

**(b) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, loans & advances, advances given to suppliers (for procurement of goods, services and capital goods), cash & cash equivalents and deposits with banks and financial institutions. The Company for the Financial Year derives its significant amount of total sales from sales to the Government and Government related entities. The Company expects to continue to derive most of its sales from the Government and Government related entities under the contracts of the Ministry of Defence (MoD), Government of India (GoI) –the Company's principal shareholder and administrative ministry.







# **YANTRA INDIA LIMITED**

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Notes to the Financial Statements as on March 31, 2025

## **c) Provision for expected credit losses:**

As the Company's debtors are predominantly the Government of India (Indian Defence Services, Ministry of Home Affairs), Central Public Sector Undertakings where the counter - parties have sufficient capacity to meet the obligations and where the risk of default is nil / negligible. Accordingly, impairment on account of expected credit losses is being assessed on a case to case basis in respect of dues outstanding for significant period of time as per the accounting policy of the Company. Further, management believes that the unimpaired amounts that are due is collectable in full, based on historical payment behaviour and extensive analysis of customer credit risk.

## **d) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that is settled by delivering cash or another financial asset. Typically, the Company ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

| Particulars                 | ₹ in Crores      |                |
|-----------------------------|------------------|----------------|
|                             | Less than 1 year | 1 year or more |
| <b>March 31, 2025</b>       |                  |                |
| Trade payables              | 512.57           | 2.20           |
| Other financial liabilities | 29.90            | -              |
| <b>Total</b>                | <b>542.47</b>    | <b>2.20</b>    |
| <b>March 31, 2024</b>       |                  |                |
| Trade payables              | 406.54           | 1.40           |
| Other financial liabilities | 68.66            | -              |
| <b>Total</b>                | <b>475.21</b>    | <b>1.40</b>    |

The Company's standard contract terms provide that, the Company receives advance payments from customers pursuant to the applicable contracts, including the Government of India and the Indian Defence Services at the time of signing of any contract and milestone payments on achievement of physical milestones. These payments are utilized to meet the Company's working capital needs (for the Company required to maintain a high level of working capital because the Company's activities are characterized by long product development periods and production cycles). Further, payments to the Company by the Indian Defence Services are reliant on the continuing availability of budgetary appropriations by Government of India and any disruptions to the availability of such appropriations could adversely affect the Company's cashflows.

## **e) Market risk:**

The Ministry of Defence (MoD) and the Government of India (GoI) have continued efforts to reform Defence related policies such as the Defence Acquisition Procedure 2020 ("DAP 2020") to promote private participation, a level playing field and the domestic Defence manufacturing Industry and eco-system. While the MoD has given the highest priority to Indigenously Designed, Developed and Manufactured ("IDDM") products for capital procurement, the Company faces competition to be selected as the Indian production agency for such contracts. These policies have raised the level of market competition in the areas in which the Company operates.

## **f) Risk Mitigation Process:**

As a step of institutionalizing the risk management in the Company, an elaborate framework has been developed and the Company's top management has overall responsibility for the establishment and oversight of the Company's risk management framework. An important purpose of the framework is to have a structured and comprehensive risk management system across the Company which ensures that the risks are being properly identified and these risks. The risk management process includes risk identification, risk assessment, risk evaluation, risk mitigation and regular review and monitoring of risks. The Company's risk management policy aims to reduce volatility in financial statements while maintaining balance between providing predictability in the Company's business plan along with reasonable participation in market movement.

## **g) Financial Statements of Headquarters:**

Till the financial year 2023-24, standalone financial statements of YIL Headquarters were not audited separately. However, their financial impact was included in the standalone financial statements of YIL. Pursuant to directives issued by the Comptroller and Auditor General (CAG) during FY 2023-24, the financial statements of YIL Headquarters have now been audited as a distinct unit.

## **Note 31 : Capital management:**

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

## **Gearing ratio**

| Particulars                           | ₹ in Crores          |                      |
|---------------------------------------|----------------------|----------------------|
|                                       | As at March 31, 2025 | As at March 31, 2024 |
| <b>Net debt (a)</b>                   | -                    | -                    |
| <b>Total Equity</b>                   |                      |                      |
| Equity share capital                  | 13,357.30            | 13,129.15            |
| Other equity                          | -8,356.88            | -9,105.60            |
| <b>Total Equity (b)</b>               | <b>5,000.42</b>      | <b>4,023.55</b>      |
| <b>Net Debt to Equity Ratio (a/b)</b> | -                    | -                    |





# **YANTRA INDIA LIMITED**

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Notes to the Financial Statements as on March 31, 2025

## **Note 32 : Financial Ratios**

| Sr no | Type of Ratio                               | Numerator                                                                                      | Denominator              | 2024-25  | 2023-24  |
|-------|---------------------------------------------|------------------------------------------------------------------------------------------------|--------------------------|----------|----------|
| 1     | Value of Production                         | Sale of goods and services + Closing value of finished goods - Opening value of finished goods |                          | 3,051.13 | 2,742.69 |
| 2     | Current Ratio (In times)                    | Current Assets                                                                                 | Current Liabilities      | 2.69     | 1.92     |
| 3     | Debt-Equity Ratio (In times)                | NA                                                                                             |                          |          |          |
| 4     | Debt Service Coverage Ratio (In times)      | NA                                                                                             |                          |          |          |
| 5     | Return on Net Worth                         | PAT                                                                                            | Average Net Worth        | 6.58%    | 10.93%   |
| 6     | Inventory turnover Ratio (In days)          | Average Inventory $\{ (Op+Cl) / 2 \}$                                                          | Cost of Goods Consumed   | 218.49   | 234.24   |
| 7     | Trade Receivables turnover Ratio (In days)* | Trade Receivables                                                                              | Revenue from operations  | 186.78   | 126.26   |
| 8     | Trade Payables turnover Ratio (In days)*    | Trade Payables                                                                                 | Net Credit Purchases     | 161.64   | 130.63   |
| 9     | Net capital turnover Ratio (In times)       | Net Sales                                                                                      | Avg. Shareholder's fund  | 0.73     | 0.78     |
| 10    | Net profit Ratio (%)                        | Net Profit after Tax                                                                           | Total Revenue            | 9.56%    | 15.09%   |
| 11    | Return on Capital employed (%)*             | Profit before Interest, Exceptional Items and Tax                                              | Average Capital Employed | 11.78%   | 11.02%   |
| 12    | Asset Turnover ratio                        | Total income (from P&L)                                                                        | Total Assets             | 47.14%   | 49.36%   |
| 13    | EBITDA as a percentage of total income      | EBITDA                                                                                         | Total income (from P&L)  | 0.20     | 0.18     |

## **NOTE:**

\*Previous Financial Year Ratios have been recalculated to make them comparable with the Current Financial Ratios. Thus the comparative figures have divergent trend.







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Notes to the Financial Statements as on March 31, 2025

**Note 33**

**Ind AS optional exemptions**

**1. Deemed cost**

Company has opted for exemption under Ind AS 101, accordingly carrying value as on October 2021 (Formation date of co.), was considered as Deemed Cost on Ind As Transition Date.

**2. Investment in Joint ventures**

The Company has elected the option provided under Ind AS 101 to measure its investment in Joint venture at previous carrying value on the date of transition in its separate financial statement and used that carrying value as the deemed cost of such investment.

**3. Non-current assets held for sale and discontinued operations**

The Company has elected the option provided under Ind AS 101 to measure non-current assets held for sale and discontinued operations at the lower of carrying value and fair value less cost to sell at the date of transition to Ind ASs.

**Ind AS mandatory exceptions**

**1. Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous financial statements, unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2024 and March 31, 2025 are consistent with the estimates as at the same date made in the conformity with previous financial statement.

**2. De-recognition of financial assets and liabilities**

Ind AS 101 requires a first time adopter to apply the de-recognition provision of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from the date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting those transactions.

The Company has elected to apply the de-recognition provision of Ind AS 109 prospectively.



**YANTRA INDIA LIMITED**

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Notes to the Financial Statements as on March 31, 2025

**A. Notes to the reconciliation of equity and total comprehensive income**

**i. Impact of valuation of Property, plant and equipment & Intangible assets**

The Company has elected to measure all of its property, plant and equipment & intangible assets at carrying value as recognised in the previous financial statement on the date of transition to Ind AS and used those carrying value as deemed cost of Property, plant and equipment & Intangible assets since there is no change in the functional currency.

**ii. Impact of valuation of Financial Assets and Liabilities**

The Company has valued its financial assets and liabilities at their realisable value in compliance with Ind AS implementation. There is no difference no adjustment is done in Retained Earnings.

**iii. Impact of valuation of Inventories**

Please refer note no 7 of Note 43: Additional notes for inventory valuation policy.

**iv. Classification & Presentation**

**a. Recognition of certain Government grant as deferred income**

Under Ind AS, Property, Plant and Equipment has been recognised at gross cost and government grant has been recognised as deferred income. The deferred income is recognised as income in the statement of profit and loss on a systematic basis over the useful life of the assets for which it is received.







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Notes to the Financial Statements as on March 31, 2025

**Note 34 : Additional Regulatory Disclosures as per Schedule III of the Companies Act, 2013**

- (i) The Company does not have any benami property held in their name. No proceedings have been initiated on or are pending against the Parent and Indian subsidiaries for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (ii) The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- (iii) The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
- (iv) Utilisation of borrowed funds and share premium
  - I The Company has 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: a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company (Ultimate Beneficiaries) or b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
  - II The Company has 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: a) 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 b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (v) The Company has not invested or traded in Crypto Currency or Virtual Currency during the year.
- (vi) The Company has no income surrendered or disclosed as income during the year in tax assessments under the Income tax Act, 1961 (such as search or survey), that has not been recorded in the
- (vii) The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- (viii) **Title deed of Immovable property not held in the name of the Company**

| Relevant Line item in the Balance sheet | Description of item of property | Gross Carrying Value | Title Deed in the name of | Whether Title deed holder is a promoter/Director/relative of promoter/relative of director/employee of promoter or director | Property held since which date | Reason for not being in the name of company            |
|-----------------------------------------|---------------------------------|----------------------|---------------------------|-----------------------------------------------------------------------------------------------------------------------------|--------------------------------|--------------------------------------------------------|
| Note 1: Property, Plant & Equipment     | Freehold land                   | 0.30                 | Govt. of India            | Promotor & 100 % share holder of the company                                                                                |                                | Land Transfer in the name of the company is in process |
| Note 1: Property, Plant & Equipment     | Freehold land                   | 0.05                 | Govt. of India            | Promotor & 100 % share holder of the company                                                                                |                                |                                                        |
| Note 1: Property, Plant & Equipment     | Freehold land                   | 0.11                 | Govt. of India            | Promotor & 100 % share holder of the company                                                                                |                                |                                                        |
| Note 1: Property, Plant & Equipment     | Freehold land                   | 4.51                 | Govt. of India            | Promotor & 100 % share holder of the company                                                                                |                                |                                                        |
| Note 1: Property, Plant & Equipment     | Freehold land                   | 0.12                 | Govt. of India            | Promotor & 100 % share holder of the company                                                                                |                                |                                                        |
| Note 1: Property, Plant & Equipment     | Freehold land                   | 0.43                 | Govt. of India            | Promotor & 100 % share holder of the company                                                                                |                                |                                                        |
| Note 1: Property, Plant & Equipment     | Freehold land                   | 0.01                 | Govt. of India            | Promotor & 100 % share holder of the company                                                                                |                                |                                                        |
| Note 1: Property, Plant & Equipment     | Freehold land                   | 0.03                 | Govt. of India            | Promotor & 100 % share holder of the company                                                                                |                                |                                                        |

**Note 35 : Code of Social Security, 2020**

The Parliament of India has approved the Code of Social Security, 2020 (the Code) which may impact the contribution by the Company towards Provident Fund, Gratuity and ESIC. The Code have been published in the Gazette of India. However effective date has yet not been notified. The Company will assess the impact of the Code and will record related impact in the period it becomes effective.

**Note 36 : New Accounting Pronouncements to be adopted after March 31, 2022**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022. The company has adopted the same guidelines as per the extend guidelines of the MCA.

**Ind AS 103 – Reference to Conceptual Framework**

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any material impact in its financial statements.

**Ind AS 16 – Proceeds before intended use**

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any material impact in its recognition of its property, plant and equipment in its financial statements.

**Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract**

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any material impact in its financial statements.

**Ind AS 109 – Annual Improvements to Ind AS (2021)**

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any material impact in its financial statements.

**Ind AS 116 – Annual Improvements to Ind AS (2021)**

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that may arise because of how these incentives were described in that illustration. The Company does not expect the amendment to have any material impact in its financial statements.





**YANTRA INDIA LIMITED**

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Notes to the Financial Statements as on March 31, 2025

**Note 37 : Indigenization Corpus**

Notification on Policy for Indigenization of Components and spares used in Defence platforms for DPSUs/OFB was issued on 8th March 2019. As the guidelines from Department of Defence Production(DDP) regarding modalities has not been received as on 31st March 2025 no provision has been made during this period.

**Note 38 :** Balance shown under Trade Receivables, Trade Payable, Advance against Goods and Services, are under reconciliation. Since the Company is a Government entity under the control of Ministry of Defence (MoD), around 86% of the Company's turnover, around 95% of Trade receivables and around 95% of the customer advances is with respect to Government and Government related entities. The bills are raised on the customers by the divisions located at various places and reconciliation is carried out on an ongoing basis. However, management does not expect to have any material financial impact of such pending confirmation / reconciliation.

**Note 39 :** In the opinion of the Board, the Company do not have any assets other than fixed assets and Non-current investments having a value on realisation in the ordinary course of business less than the amount stated.

**Note 40 : Events occurring after the reporting period**

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements. As of 2025, there were no subsequent events and transactions to be recognized or reported that are not already disclosed.

**Note 41 : Transactions in Foreign Currency during the year**

| Nature of exposure             | Currency | As at March 2025 |               | As at March 2024 |               |
|--------------------------------|----------|------------------|---------------|------------------|---------------|
|                                |          | FC In Mn         | Rs. In Crores | FC In Mn         | Rs. In Crores |
| FOB of Export                  | EURO     | -                | -             | 3.13             | -             |
| Purchase of Machinery          | EURO     | 0.07             | 6.21          | 0.14             | 1.21          |
| Purchase of Machinery & Spares | -        | -                | -             | -                | 82.27         |
| Expenditure                    | USD      | 0.00             | 0.02          | 0.00             | 0.00          |
| Imports                        | EURO     | -                | -             | 0.01             | 0.08          |

**Note 42: Charge creation on Assets on the company**

The company has taken Cash credit facility against which charge has been created via Hypothecation of Stocks and receivables which amounts to 606.75 crores @8% p.a. The charge is in favor of SBI, Industrial finance branch and is payable on demand.

Company has also taken Letter of set offs amounting to 90 crores, For OD against FD Facility. FDR and Interest is in lien with Indusind bank. This is repayable coterminous with FD Maturity or 1 year, whichever earlier, @6.95% p.a.

**Note 43: Material Accounting Policy**

Material Accounting Policy attached as additional notes.

In terms of our report attached

In terms of our report attached

For Dimple Ramani & Co.  
Chartered Accountants  
Firm Registration No. 102259W

CA Ashok Ramani  
Partner  
Membership No. 030537  
UDIN : 25030537BMMLZR1502



For and on behalf of the board of directors of  
Yantra India Limited

Vijay Kumar Iyer  
Director(Operations) &  
CMD (Additional charge)  
DIN No. 11030387

Rajeev Kalra  
Director Finance &  
HR (Additional Charge) and CFO  
DIN No. 11111337

Vaishali Bhagwatkar  
Company Secretary



Place: Nagpur  
Date: 23/07/2025





**अंत्रा इंडिया लिमिटेड**  
**ANTRA INDIA LIMITED**

भारत सरकार का उद्यम, रक्षा मंत्रालय  
A Govt. of India Enterprise, Ministry of Defence

# **MATERIAL ACCOUNTING POLICY**



## Material Accounting Policy

### 1. Corporate Information

Yantra India Limited (hereinafter referred to as "the Company") is incorporated in India and limited by shares (CIN No: U35303MI-12021GOI365890). It is one of the 07 recently formed Defence Public Sector Undertakings. Yantra India Limited was incorporated as a fully owned Government of India Company under the Companies Act 2013 on 14.08.2021 with its headquarters at Nagpur, Maharashtra. The company consists of eight defence manufacturing factory units indigenously catering to the needs of supplies, arms, explosives, artillery and munition for the Indian Armed Forces.

Yantra India consists of the following units of the erstwhile Ordnance Factory Board:

- Ordnance Factory Jabalpur (Erstwhile Grey Iron Foundry Jabalpur) (GIF)
- Metal and Steel Factory Lshapore (MSF)
- Ordnance Factory Ambajhari (OFAJ)
- Ordnance Factory Ambarnath (OFA)
- Ordnance Factory Bhusawal (OFBH)
- Ordnance Factory Dum Dum (OFDC)
- Ordnance Factory Katni (OFKAT)
- Ordnance Factory Muradnagar (OFM)
- Yantra India Institute of Technology and management Ambajhari (YITM)
- RMC Delhi

### 2. Basis of preparation and summary of Material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### a) Statement of Compliance

These standalone financial statements are prepared on going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended, and presentation requirements of Division II of schedule III of the Companies Act, 2013 (Ind AS compliant schedule III) as applicable to financial statement.







**b) Basis of measurement**

The financial statements have been prepared on the historical cost basis except for:

- Certain financial assets and liabilities (including derivative instruments) that are measured at fair value; and
- Plan assets in the case of employees defined benefit plans that are measured at fair value.

The methods used to measure fair values are discussed in notes to the financial statements. Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

**c) Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The standalone financial statements are presented in Indian Rupee ("INR") and all values are rounded to the nearest Rupees in Crores as per the requirement of Schedule III, except when otherwise indicated

**d) Current versus non-current classification**

The Company presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

**An asset is current when it is:**

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

**A liability is current when:**

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. Operating cycle of the Company is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. As the Company's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.







### 3. Material accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

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. The Company continually evaluates these estimates that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. 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. The Company continually evaluates these estimates and assumptions based on the most recently available information. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

#### 3.1 Judgements

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

##### Useful Life of Property, Plant and Equipment and Intangible Assets

The estimated useful life of property, plant and equipment and intangible assets is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Property, Plant & Equipment represent a significant proportion of the asset base of the Company. The depreciation charge with respect to such asset is derived based on the estimated useful life of the asset and its residual value.

The Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

##### Recoverable amount of Property, Plant and Equipment and Intangible Assets

The recoverable amount of property, plant and equipment and intangible assets is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows associated with the power plants. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

##### Revenue Recognition

The Company recognises revenue for each performance obligation either at a point in time or over a time. In case performance obligation is satisfied over a time, the output method is used to determine the revenue since it is faithfully depicting the Company's performance towards complete satisfaction of performance obligation. Practical expedient of "right to consideration" is also considered while recognising revenue in the amount to which the entity has right to invoice.

In case performance obligation is satisfied at a point in time, the Company generally recognises revenue when the control is transferred i.e. in case of goods either on shipment or upon delivery in domestic & on bill of lading date in case of export. Refer material accounting policy 14 on revenue recognition.







### **Assets held for Sale**

Significant judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 - 'Non-current assets held for sale and discontinued operations. In assessing the applicability, management has exercised judgment to evaluate the availability of the asset for immediate sale, management's commitment for the sale and probability of sale within one year to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

### **Fair Value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is 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 relating to these factors could affect the reported fair value of financial instruments.

### **Income Taxes**

Significant estimates are involved in determining the provision for current and deferred tax, including amount expected to be paid /recovered for uncertain tax positions.

### **Inventories**

An inventory provision is recognised for cases where the realisable value is estimated to be lower than the inventory carrying value. The inventory provision is estimated taking into account various factors, including prevailing sales prices of inventory item, the seasonality of the item 's sales profile and losses associated with expired /slow-moving inventory items.

### **Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.







### **Provisions and contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37- 'Provisions, contingent liabilities and contingent assets'. The evaluation of the likelihood of the contingent events requires best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company.

There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the Financial Statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

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

Project is construed as smallest group of assets having a common intended use. For e.g., group of assets in an integrated plant is treated as one project. The identification of project will require judgement and management needs to identify project based on facts of each case. Project identification is consistent with how management identifies and monitors progress on group of assets internally.

## **3.2 Estimates and assumptions**

### **Warranties:**

The Company recognises provision for warranties in respect of the products that it sells. The estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidences based on actions on product failures.

### **Development costs**

The Company capitalises development costs for a project in accordance with its accounting policy. Initially, capitalisation of costs is based on management's judgement that the technological and economic feasibility is confirmed when a product development project has reached a defined milestone, according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project and the expected period of benefits.

For further details about the carrying amount of development costs capitalised as internally generated intangible assets and as intangible assets under development, Refer material accounting policy no 3.

### **Deferred tax**

Deferred tax assets are recognised for all deductible temporary differences including the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.







### 3.3. Material Accounting Policies

#### 1. Property, plant and equipment

##### 1.1 Initial Recognition and Measurement

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

Items of property, plant and equipment are initially recognized at cost. Cost comprises purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates, any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the present value of initial estimate of cost of dismantling, removal and restoration. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.

Subsequent measurement is done at cost less accumulated depreciation/amortization and accumulated impairment losses.

When parts of an item of property, plant and equipment that are significant in value and have different useful lives as compared to the main asset, they are recognized separately.

In the case of assets put to use, where final settlement of bills with contractors is yet to be affected, capitalization is done on provisional basis subject to necessary adjustment in the year of final settlement.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. Other spare parts are carried as inventory and recognized in the statement of profit and loss on consumption.

The acquisition or construction of some items of property, plant and equipment although not directly increasing the future economic benefits of any particular existing item of property, plant and equipment, may be necessary for the Company to obtain future economic benefits from its other assets. Such items are recognized as property, plant and equipment.





## 1.2 Subsequent Cost

Subsequent expenditure is recognized in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

Expenditure on major inspection and overhauls of generating unit is capitalized, when it meets the asset recognition criteria. Any remaining carrying amount of the cost of the previous inspection and overhaul is derecognized.

The cost of replacing major part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized regardless of whether the replaced part has been depreciated separately. If it is not practicable to determine the carrying amount of the replaced part, the Company uses the cost of the replacement as an indication of what the cost of replaced part was at the time it was acquired or constructed. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of profit and loss as and when incurred.

## 1.3 Decommissioning costs

The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

## 1.4 De-recognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on de-recognition of an item of property, plant and equipment are determined as the difference between sale proceeds from disposal, if any, and the carrying amount of property, plant and equipment and are recognized in the statement of profit and loss.

In circumstance, where an item of property, plant and equipment is abandoned, the net carrying cost relating to the property, plant and equipment is written off in the same period.







### 1.5 Depreciation

Depreciation is charged on the basis of useful life of assets on straight line method which are as follows:

| Asset Category                                                                                                                                                                   | Life<br>(in years) | Useful Life<br>as<br>prescribed<br>by<br>Schedule II of | Basis for useful life                                                                                                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|---------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| Buildings other than Factory<br>Buildings-RCC Frame<br>Structure                                                                                                                 | 60                 | 6<br>0                                                  | Life as prescribed under<br>Schedule II of the Companies<br>Act, 2013.                                                                       |
| Buildings other than Factory<br>Buildings-Other than RCC<br>Frame Structure                                                                                                      | 60                 | 3<br>0                                                  | Higher useful life considered<br>based on past history of usage and<br>management estimates                                                  |
| Factory Buildings                                                                                                                                                                | 60                 | 3<br>0                                                  | Higher useful life considered<br>based on past history of usage and<br>management estimates                                                  |
| Bridges and Culverts                                                                                                                                                             | 60                 | 3<br>0                                                  | Higher useful life considered<br>based on past history of usage and<br>management estimates                                                  |
| Plant and Machinery not<br>covered under special Plant and<br>Machinery<br><br>a. Machinery other than<br>continuous process plant<br>not covered under specific<br>industries * | 20                 | 1<br>5                                                  | Higher useful life considered based<br>on past history of usage and<br>management estimates                                                  |
| Plant and Machinery used in<br>manufacture of steel #                                                                                                                            | 20-25              | 20-<br>25                                               | Life as prescribed under<br>Schedule II of the Companies<br>Act, 2013                                                                        |
| Plant and Machinery used in<br>manufacture of non-ferrous<br>metals @                                                                                                            | 30-40              | 30-<br>40                                               | Life as prescribed under<br>Schedule II of the Companies<br>Act, 2013                                                                        |
| Furniture and Fittings                                                                                                                                                           | 10                 | 1<br>0                                                  | Life as prescribed under<br>Schedule II of the Companies<br>Act, 2013                                                                        |
| Motor Vehicles<br><br>a. Motor Cars other than those<br>used in a business of<br>running them on hire<br><br>b. Motor Tractors and Heavy<br>Vehicles##                           | 8<br><br>8         | 8<br><br>8                                              | Life as prescribed under Schedule<br>II of the Companies Act, 2013<br><br>Life as prescribed under Schedule<br>II of the Companies Act, 2013 |
| Office Equipment's +                                                                                                                                                             | 7                  | 5                                                       | Useful life considered based on past<br>history of usage and management<br>estimates                                                         |







|                                                    |   |   |                                                                                       |
|----------------------------------------------------|---|---|---------------------------------------------------------------------------------------|
| Computers and Data Processing Units                |   |   |                                                                                       |
| a. Servers and networks                            | 7 | 6 | Higher useful life considered based on past history of usage and management estimates |
| b. End user devices such as Desktops, Laptops etc. | 7 | 3 |                                                                                       |

\* Tool Room Machines and all other plant and machineries which are not covered under special plant and machineries of all the factories used in manufacture of steel and non-ferrous metals are depreciated using this estimated useful life.

# Plant and Machinery of Ordnance Factory, Muradnagar (OFM), Metal & Steel factory, Ishapore (MSF), Ordnance Factory, Ambajhari, Nagpur (OFAJ), Ordnance Factory, Bhusawal (OFBH) and Ordnance Factory Jabalpur (Erstwhile Grey Iron Foundry Jabalpur) (GIF) are depreciated using these estimated useful life.

| Sr No | Plant and Machinery used in manufacture of steel | Useful Life in years<br>(As per Schedule II of Companies Act 2013) |
|-------|--------------------------------------------------|--------------------------------------------------------------------|
| 1     | Furnaces and Ovens                               | 20                                                                 |
| 2     | Rolling Mills                                    | 20                                                                 |
| 3     | Furnace Converters                               | 25                                                                 |
| 4     | Fabrication and Press Machines                   | 25                                                                 |
| 5     | Surface Treatment Plant Machines                 | 25                                                                 |

@ Plant and Machinery of Ordnance Factory, Ambajhari, Nagpur (OFAJ), Ordnance Factory, Katni (OFKAT), Metal & Steel factory, Ishapore (MSF), Ordnance Factory, Ambarnath (OFA), Ordnance Factory, Dum Dum (OFDC), Ordnance Factory Jabalpur (Erstwhile Grey Iron Foundry Jabalpur) (GIF) Ordnance Factory, Muradnagar (OFM) are depreciated using these estimated useful life.

| Sr No | Plant and Machinery used in manufacture of non-ferrous metals | Useful Life in years<br>(As per Schedule II of Companies Act 2013) |
|-------|---------------------------------------------------------------|--------------------------------------------------------------------|
| 1     | Equipments for Calcination                                    | 40                                                                 |
| 2     | Smelters                                                      | 40                                                                 |
| 3     | Roll Grinders                                                 | 40                                                                 |
| 4     | Soaking Pits                                                  | 30                                                                 |
| 5     | Annealing Furnaces                                            | 30                                                                 |
| 6     | Rolling Mills                                                 | 30                                                                 |
| 7     | Equipments for Scalping, Slitting etc.                        | 30                                                                 |
| 8     | Surface Treatment Plant Machines                              | 30                                                                 |

## Excluding Fire Tenders which are depreciated using estimated useful life of 10 years based on the past usage and management estimates.

+ Excluding Air Conditioners which are depreciated using estimated useful life of 10 years based on the past usage and management estimates



a. Depreciation on additions is provided from the beginning of the month in which the asset is added.







- b. Depreciation on assets sold, discarded or demolished during the year is being provided at their respective rates on pro-rata basis up to the end of the month prior to the month in which such assets are sold, discarded or demolished.
- c. Foreign exchange fluctuation gain/Loss on imported plant and equipment were capitalised in the cost of the respective fixed asset up to transition date of Ind AS. Depreciation on such additions is provided over the remaining useful life of the underlying plant and equipment.
- d. Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.
- e. The Company, based on previous technical assessments made by technical experts and management estimates depreciates certain items of plant and machinery; buildings; bridges and culverts, computers and office equipments over estimated useful lives which 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.
- f. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
- g. An item of Property, plant and equipment 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 the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

## 2. Capital works in Progress

Cost incurred for property, plant and equipment that are not ready for their intended use as on the reporting date, is classified under capital work- in-progress.

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and the borrowing costs attributable to the acquisition or construction of qualifying assets.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors.

Unsettled liabilities for price variation/exchange rate variation in case of contracts are accounted for on estimated basis as per terms of the contracts.







### 3. Intangible assets and intangible assets under development

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are recorded at the consideration paid for acquisition. In case of internally generated intangible assets, expenditure incurred in development phase, where it is reasonably certain that the outcome of development will be commercially exploited to yield future economic benefits to the Company, is considered as an intangible asset. Such developmental expenditure is capitalized at cost including a share of allocable expenses. Other internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit & Loss for the period in which expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. The amortisation period and amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite useful lives are amortised by using straight line method over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

| Sr No | Asset category                                              | Life (in years) |
|-------|-------------------------------------------------------------|-----------------|
| 1     | Computer Software                                           | 5               |
| 2     | Transfer of Technology (TOT) and Technical Knowhow acquired | 10              |
| 3     | Technical Knowhow- Internally generated                     | 5               |
| 4     | Patents acquired                                            | 10              |

Intangible assets with indefinite useful lives, if any, are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis

Gains 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 asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible assets under development".

### 4. Non -Current Assets Held for Sale

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and a sale is considered highly probable.

Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.







Non-Current Assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less cost of disposal. Non-current assets classified as held for sale are not depreciated or amortized.

## 5. Borrowing Cost

Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 - 'Financial Instruments' (b) interest expense on lease liabilities recognized in accordance with Ind AS 116- 'Leases' and (c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction /exploration / development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which necessarily take substantial period of time to get ready for their intended use or sale.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of all borrowings that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset. However, borrowing costs applicable to borrowings made specifically for the purpose of obtaining a qualifying asset, are excluded from this calculation, until substantially all the activities necessary to prepare that asset for its intended use or sale are complete.

Income earned on temporary investment made out of the borrowings pending utilization for expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended use are complete. Capitalisation of borrowing costs is suspended and charged to the statement of profit and loss during the extended periods when the active development on the qualifying assets is interrupted

Other borrowing costs are recognized as an expense in the year in which they are incurred.







## 6. Leases

### Company as a lessee

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a 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 of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

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

### Company as a lessor

Leases are classified as operating lease or a finance lease based on the recognition criteria specified in Ind As 116- Leases.







**a) Finance Lease:**

At commencement date, amount equivalent to the "net investment in the lease" is presented as a Receivable. The implicit interest rate is used to measure the value of the "net investment in Lease".

Each lease payment is allocated between the Receivable created and finance income. The finance income is recognized in the Statement of Profit and loss over the lease period so as to reflect a constant periodic rate of return on the net investment in Lease.

The asset is tested for de-recognition and impairment requirements as per Ind AS 109- Financial Instruments.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

**b) Operating lease:**

The company recognizes lease payments from operating leases as income on either a straight-line basis or another systematic basis, if required. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognized on a straight-line basis over the lease term.

Lease modifications, if any are accounted as a separate lease if the recognition criteria specified in the standard are met.

**7. Inventories**

- a. Raw materials, components, fuel, stores and spares, packing materials and stock-in-trade are valued at cost. These items are considered to be realizable at cost, if the finished products, in which they are used, are expected to be sold at or above cost. Cost includes all cost of purchase and incidental expenses incurred in bringing the inventories to their present location and condition. Cost is ascertained using weighted average method.
- b. Work-in-progress and finished components are valued at weighted average cost. Cost includes direct materials, labour costs and a proportion of manufacturing overheads based on the normal operating capacity.
- c. Finished goods are valued at cost or net realisable value whichever is lower. Cost includes direct materials, labour costs and a proportion of manufacturing overheads based on the normal operating capacity. Cost is ascertained using weighted average method. In case the value of issue is not finalized, finished components and finished goods are valued at cost.
- d. Unserviceable, damaged and obsolete inventory is valued at cost or net realizable value whichever is lower.
- e. Scrap inventory is valued at the latest auction price which represents its net realizable value.
- f. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.





#### **8. Investments in subsidiaries, associates and joint ventures**

Investments in subsidiaries, associates and joint ventures are carried at cost/deemed cost applied on transition to Ind AS, less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

#### **9. Financial instruments- initial recognition and subsequent measurement**

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. The Company recognizes a financial asset or a financial liability only when it becomes party to the contractual provisions of the instrument.







## a) Financial assets

### (i) Initial recognition and measurement of financial assets

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not valued at fair value through profit or loss, are added to the fair value on initial recognition.

### (ii) Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

#### • Financial assets at amortised cost:

A financial asset is measured at amortised cost if:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to
- Cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

#### • Financial assets at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- the contractual terms of the financial asset give rise on specified dates to
- Cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets included within the FVTOCI category are measured initially as

Well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.







- **Financial assets at fair value through profit or loss**

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

After initial measurement, such financial assets are subsequently measured at fair value with all changes recognised in Statement of profit and loss under head. Interest income on such investment is presented under "other income".

**(iii) Derecognition of financial assets**

A financial asset is derecognized when:

- the contractual rights to the cash flows from the financial asset expire, or
- The Company has transferred its contractual 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 risk 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.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.







(iv) **Reclassification of financial assets**

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 recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassifications and how they are accounted for.

| Original classification | Revised classification | Accounting treatment                                                                                                                                                                                                                                 |
|-------------------------|------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Amortised cost          | FVTPL                  | Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.                                                                                                                     |
| FVTPL                   | Amortised Cost         | Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.                                                                                                                 |
| Amortised cost          | FVTOCI                 | Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.                                                                           |
| FVOCI                   | Amortised cost         | Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost. |

|        |        |                                                                                                                                                         |
|--------|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| FVTPL  | FVTOCI | Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.                                                   |
| FVTOCI | FVTPL  | Assets continue to be measured at fair value. Cumulative gain or loss previously recognized In OCI IS reclassified to P&L at the reclassification date. |







**(v) 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 that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 11 and Ind AS 18, if they do not contain a significant financing component
- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 11 and Ind AS 18 that contain a significant financing component, if the Company applies practical expedient to ignore separation of time value of money, and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises 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.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

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 Company 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 Company 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
- ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected in a separate line under the head "Other expenses" in the P&L. The balance sheet presentation for various financial instruments is described below:
- Financial assets measured as at amortised cost, contract assets and lease receivables: 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.
- The Company does not have any purchased or originated credit impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

#### **b) Financial Liabilities**

##### **(i) Initial recognition and measurement of financial liabilities**

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.

All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the issue of the financial liabilities.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

##### **(ii) Subsequent measurement of financial liabilities**

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. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

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 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 risks are recognized in OCL these gains/ loss are not subsequently transferred to P&L. However, the Company may transfers the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

- **Loans and Borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing 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.

- (iii) **Derecognition of financial liabilities**

A financial liability (or a part of a financial liability) is derecognised from its balance sheet when, and only when, it is extinguished i.e., when the obligation specified in the contract is discharged or cancelled or expired.

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 derecognition 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.







### c) Derivative financial instruments and hedge accounting

#### Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks and interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:







#### (i) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

#### (ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised as other income or expenses.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

#### d) 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.





## 10. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability
- Or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level I -Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 -Valuation techniques for which the lowest level input that is significant to
- The fair value measurement is directly or indirectly observable.
- Level 3-Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.







For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and for non-recurring measurement, such as asset held for sale.

External valuers are involved for valuation of significant assets, such as properties. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

Management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on yearly basis.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Significant accounting judgements, estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Property, plant and equipment & Intangible assets measured at fair value on the date of transition
- Financial instruments (including those carried at amortised cost)

#### 11. Provisions, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a 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 recognized as a finance cost.







The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of reimbursement, if any.

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 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 liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

Provision for expenditure on account of performance guarantee & replacement & repair of goods sold is made on the basis of trend-based estimates. In cases where a trend is not ascertainable, provision for warranty is made based on the best estimates of management.

#### **Warranties:**

Warranty is provided to customers at the time of sale of products manufactured. Warranty cost includes expenses in connection with repairs, free replacement of parts/ products during warranty period which is 2 years from the date of sale. The Company has not received any warranty claim in respect of products sold during the previous financial period and current financial year. Hence, no Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of reporting period.

The Company reviews this at the end of each reporting period to assess the warranty provision requirement based on historical warranty claims information and any recent trends that may suggest future claims could differ from historical amounts.







### Onerous contracts

A contract is considered to be onerous when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfill it.

The Company's sales contracts are executory contracts i.e. they can be cancelled without paying compensation to the other party and therefore there is no obligation. They are not in the nature of onerous contracts and hence they fall outside the scope of IND AS 37 "Provisions, Contingent Liabilities and Contingent Assets".

### 12. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

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

### 13. Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised in Statement of Profit or Loss on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grants that compensate the Company for the cost of depreciable asset are recognized as income in statement of profit and loss on a systematic basis over the period and in the proportion in which depreciation is charged.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset by equal annual instalments.

### 14. Revenue Recognition

#### A. Revenue from Contract with Customers

- i. The Company derives revenues primarily from sale of military grade components & ancillary products, aluminum alloys, components for small arms and artillery ammunitions, artillery guns, main battle tanks etc. and related services. Revenue is recognized when (or as) the company satisfies a performance obligation by transferring a promised goods or services (i.e., an Asset) to a Customer.







## ii. Satisfaction of performance obligation over time

- a. Revenue is recognised overtime where the transfer of control of goods or services take places over time by measuring the progress towards complete satisfaction of that performance obligation, if one of the following criteria is met:
- The company's performance entitles the customer to receive and consume the benefits simultaneously as the company performs
  - The company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced
  - The company's performance does not create an asset with an alternative use to the company and the company has an enforceable right to payment for performance completed to date.
- b. Progress made towards satisfying a performance obligation is assessed based on the ratio of actual costs incurred on the contract up to the reporting date to the estimated total costs expected to complete the contract. If the outcome of the performance obligation cannot be estimated reliably and where it is probable that the costs will be recovered, revenue is recognised to the extent of costs incurred.
- c. In case of AMC contracts, where passage of time is the criteria for satisfaction of performance obligation, revenue is recognised using the output method.

## iii. Satisfaction of performance obligation at a point in time

- a. In respect of cases where the transfer of control does not take place over time, the company recognises the revenue at a point in time when it satisfies the performance obligations.
- b. The performance obligation is satisfied when the customer obtains control of the asset. The indicators for transfer of control include the following:
- The company has transferred physical possession of the asset
  - The customer has legal title to the asset
  - The customer has accepted the asset
  - when the company has a present right to payment for the asset
  - The customer has the significant risks and rewards of ownership of the asset. The transfer of significant risks and rewards ownership is assessed based on the Inco-terms of the contracts.





**Ex-Works contract-** In case of Ex-works contract, revenue is recognised when the specified goods are unconditionally appropriated to the contract after prior Inspection and acceptance, if required.

**FOR Contracts-** In the case of FOR contracts, revenue is recognized when the goods are handed over to the carrier for transmission to the buyer after prior inspection and acceptance, if stipulated, and in the case of FOR destination contracts, if there is a reasonable expectation of the goods reaching destination within the accounting period.

#### iv. Measurement

- a. Revenue is recognized at the amount of the transaction price that is allocated to the performance obligation.

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amount collected on behalf of third parties.

In case of price escalation and ERV, revenue is recognised at most likely amount to be realised from customer in line with contractual terms.

- b. In case where the contracts involve multiple performance obligations, the company allocates the transaction price to each performance obligation on the relative stand- alone selling price basis.

**Bundled Contracts** - In case of a Bundled contract, where separate fee for installation and commissioning or any other separately identifiable component is not stipulated, the Company applies the recognition criteria to separately identifiable components (sale of goods and installation and commissioning, etc.) of the transaction and allocates the revenue to those separate components based on stand-alone selling price.

**Multiple Elements** - In cases where the installation and commissioning or any other separately identifiable component is stipulated and price for the same agreed separately, the Company applies the recognition criteria to separately identified components (sale of goods and installation and commissioning, etc.) of the transaction and allocates the revenue to those separate components based on their stand-alone selling price.

#### v. Penalties

Penalties (including levy of liquidated damages for delay in delivery) specified in a contract are not treated as an inherent part of Transaction Price if the levy of same is subject to review by the customer.







#### vi. Significant financing component

Advances received towards execution of Defense related projects are not considered for determining significant financing component since the objective is to protect the interest of the contracting parties.

### B. Other Income

#### i. Interest income

For all financial instruments measured at amortised cost and interest-bearing financial assets classified as fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

#### ii. Insurance claims

Claims receivable on account of Insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

#### iii. Rental Income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease term unless increase in rentals are in line with expected inflation or otherwise justified.

#### iv. Other Income

Other income not specifically stated above is recognized on accrual basis.

### 15. Employee Benefits

#### Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short-term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and the same are recognized in the period in which the employee renders the related service.

### 16. Income Taxes

Tax expense comprises current and deferred tax. Current tax expense is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity, respectively.

Current tax is the expected tax payable on the taxable income for the year computed as per the provisions of Income Tax Act, 1961, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the balance sheet method, on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax bases of assets and liabilities.







Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

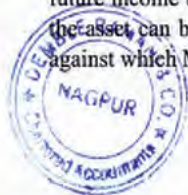
Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they materialize, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets against the current tax liabilities, and they relate to income taxes levied by the same tax authority.

Deferred tax is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity, respectively.

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the sufficient taxable profits will be available in future to allow all or part of deferred tax assets to be utilized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized. The income tax consequences of dividends are recognized in profit or loss, other comprehensive income or equity according to where the Company originally recognized those past transactions or events.

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







## 17. Foreign Currency transaction and Translation

Transactions in foreign currencies are initially recorded at the functional currency spot exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss in the year in which it arises.

Non-monetary items denominated in foreign currency which are measured in terms of historical cost are recorded using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

In case of advance consideration received or paid in a foreign currency, the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it), is when the Group initially recognizes the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

## 18. Earnings per share

Basic EPS is calculated by dividing the profit/loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit/loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

## 19. Cash Flow Statement

Cash flow statement has been prepared in accordance with the indirect method prescribed in IndAS7-Statement of Cash Flows.

## 20. Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorization for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted but disclosed.







## 21. Exceptional Item

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and the same is disclosed in the notes to accounts.

## 22. Share Issue

The Government of India announced to convert Ordnance Factory Board, an attached office of Ministry of Defence, Department of Defence Production, into seven different wholly owned corporate entities by the Government of India, registered under the Companies Act, 2013. Accordingly, 8 production units of erstwhile OFB, were transferred to Yantra India Limited on October 1, 2021 vide Order No. 1(5)1202110FIDP(Pig-V)IOI issued by Department of Defence Production, Ministry of Defence, Government of India.

Yantra India Limited was newly formed entity to take over the business of ammunition and explosives from the erstwhile OFB. The Company therefore did not meet the definition of 'Business' at the time of re-organization as per Ind AS 103. Accordingly, this transaction is not construed as a business combination under common control, rather as business reorganization. There is no guidance under Ind-AS on accounting for business reorganisation. However, since the business has remained under common control (i.e., by the Government of India), before and after the reorganization, the management has determined that it is appropriate to apply provisions of Appendix C to Ind AS 103 that deals with business combinations under common control, as per the policy choice provided by Ind AS 8. Accordingly, the Company has accounted for the assets and liabilities of the business transferred at their existing carrying values adjusted for the effect of harmonising the accounting policies with those followed by the Company, by following the provisions under Appendix C to Ind AS 103.

Shares on the basis of Net-Assets Value (NAV) of the Company as on 1st Oct 2021 derived by Registered Valuers M/s R.K. Patel & Co. vide their report dated 16/01/2023 were issued to Honorable President of India. The details of net assets transferred, consideration agreed on business reorganization and the capital reserve recognised on reorganisation are as per the below table:







(Rs in Crores)

|                                     |                  |
|-------------------------------------|------------------|
| Property, Plant and Equipment       | 11922.08         |
| Capital work-in-progress            | 266.80           |
| Intangible assets                   | 0.00             |
| Intangible assets under development | 0.00             |
| Other financial assets              | 0.00             |
| Other non-current assets            | 6.83             |
| Inventories                         | 1007.81          |
| Trade receivables                   | 2.02             |
| Cash and cash equivalents           | 0.22             |
| Other (to be specified)             | 14.98            |
| Loans                               | 0.05             |
| Other current Assets                | -90.68           |
| Current Tax Assets                  | 21.51            |
| <b>Total (A)</b>                    | <b>13151.96</b>  |
| Trade payables                      | 518.51           |
| Other Equity                        | 1814.30          |
| Provisions                          | 16.11            |
| Other current liabilities           | 536.79           |
| Current Tax Liabilities             | 8.15             |
| <b>Total (B)</b>                    | <b>2893.86</b>   |
| <b>Difference (A-B) = C</b>         | <b>10,258.10</b> |
| Revaluation Reserve                 | 10,258.10        |
| Other Equity                        | 1,814.31         |
| <b>Net Asset Value</b>              | <b>12,072.41</b> |





C/o Ordnance Factory Ambajhari  
Amravati Road, Nagpur  
Maharashtra - 440021

CIN - U35303MH2021GOI365890  
फ़ोन/फैक्स : 07104-246681  
ईमेल/E-mail : yil.hq@yantraindia.co.in

## NOTICE

Notice is hereby given that the 4th Annual General Meeting of the members of Yantra India Limited will be held on Monday, September 29, 2025, at 11:30 a.m. (IST) through Video Conferencing and Other Audio-Visual Means, to transact the following business :

### ORDINARY BUSINESS :

1. To consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2025 & Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2025 along with the Board's Report, the Auditor's Report, and the comments of the Comptroller and Auditor General of India (C&AG) thereon;
2. To authorize the Board of Directors to fix the remuneration of the Auditors to be appointed by Comptroller & Auditor General of India (C&AG) for the year 2025-26.

### SPECIAL BUSINESS :

3. **TO CONSIDER AND IF THOUGHT FIT TO PASS WITH OR WITHOUT MODIFICATION(S) THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION :**

**"RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and Article No. 58.3 (1)(b) and 58.5 of the Articles of Association of the Company, Shri Vijaykumar Iyer (DIN: 11030387), who was assigned with the charge of the post of Director/Operations, by the President of India vide Order No. 1(05)/2025-DoO(C&S), NDO from Government of India, Ministry of Defence, Department of Defence Production, Directorate of Ordnance (C&S) Group 'A' Division dated 13.03.2025, and subsequently, appointed as a Director by the Board of Directors and designated as Director/Operations with effect from March 14, 2025, be and is hereby appointed as Director of the Company."

4. **TO CONSIDER AND IF THOUGHT FIT TO PASS WITH OR WITHOUT MODIFICATION(S) THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION :**

**"RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and Article No. 58.3 (1)(b) and 58.5 of the Articles of Association of the Company, Shri Rajeev Kalra (DIN: 11111337), who was assigned with the charge of the post of Director (Finance), by the President of India vide Ministry of Defence, Department of Defence Production (MoD/DDP), Manpower & Policy Division' letter No. DDP L. No. 1(5)/2023/BOD(PESB)/YIL\_Fin (M&P), dated 14.05.2025, and subsequently, appointed as an Additional Director and designated as Director (Finance) by the Board of Directors with effect from June 10, 2025, in terms of Section 161 of the Companies Act, 2013, to hold office upto the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company."





**5. TO CONSIDER AND IF THOUGHT FIT TO PASS WITH OR WITHOUT MODIFICATION(S) THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION :**

**“RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and Article No. 58.3 (1)(b) and 58.6 of the Articles of Association of the Company, Ms. Manisha Chandra, (DIN : 07557312), who was appointed as Government Nominee Director by the President of India vide Ministry of Defence, Department of Defence Production Order No. 8 (32)/2019 - D (Coord/DDP) dated 14.07.2025, and subsequently, appointed as a Director and designated as Government Nominee Director by the Board of Directors with effect from July 14, 2025, be and is hereby appointed as Government Nominee Director of the Company.”

**6. RATIFICATION OF REMUNERATION OF COST AUDITORS OF THE COMPANY FOR THE FINANCIAL YEAR 2025-26 :**

To consider and if thought fit to pass with or without modification(s) the following resolution as an ordinary resolution :

**“RESOLVED THAT** pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of Rs. 1,21,000/- (Rs. One Lakh Twenty One thousand only) of M/s. Somya Sahu & Co., Cost Accountants appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the Financial Year ending on 31st March, 2026, be and is hereby ratified by the shareholders of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

**Place : Nagpur  
Dated : 04.09.2025**

**For and on behalf of the Board of Directors  
of Yantra India Limited**

**- sd -  
Mrs. Vaishali Bhagwatkar  
Company Secretary**



### **INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC :**

The Members are requested to follow below instructions to participate in the AGM through VC:

1. Members shall have to click on "Join the meeting" link on scheduled time, which is being sent along with the Notice on their registered email ids in order to participate in the Meeting. The Members are requested to keep their video on during the Meeting.
2. The meeting shall be conducted through video conference (VC) platform. Shareholders are advised to visit <https://www.webex.com//> website through browser.
3. The Members are advised to enter the following login credentials i.e.

Meeting Link:

<https://yantraindia.webex.com/yantraindia/j.php?MTID=mea1ef586f15d9217093df8752d265975>

Meeting ID : [2510 413 0365](#)

Meeting Passcode: yil123

4. Any technical query regarding participation in meeting please contact to below mentioned authorised person:

Name of Authorised Person : Mrs. Vaishali Parag Bhagwatkar

M. No: 9021311432

Email Id : [cs.yil@yantraindialimited.co.in](mailto:cs.yil@yantraindialimited.co.in)

5. Members are requested to cast their vote by a show of hands in the meeting.





## **NOTES**

1. The Ministry of Corporate Affairs (MCA) has vide its Circular dated September 19, 2024 read together with Circulars dated April 8, 2020, April 13, 2020 and May 5, 2020 (collectively referred to as "MCA Circulars") allowed convening the Annual General Meeting (AGM) through Video Conferencing or Other Audio-Visual Means (VC), without the physical presence of the Members at a common venue. In accordance with the MCA Circulars and provisions of the Companies Act, 2013, the AGM of the Company is being held through VC. The deemed venue for the AGM shall be the registered office of the Company situated at Ordnance Factory Ambajhari, Amravati Road, Nagpur Maharashtra - 440021.
2. An explanatory statement pursuant to section 102 of the Companies Act, 2013 regarding Item No. 03 to 06 is annexed
3. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
4. Members attending the meeting through VC/OAVM shall be counted for the purpose of determining the quorum under Section 103 of the Act.
5. Since the AGM will be held through VC/OAVM, the route map of the venue of the meeting is not annexed hereto.
6. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this Meeting is being held through VC, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM, therefore, the Proxy Form and Attendance Slip are not annexed to this Notice.
7. The proceedings of the Meeting will be recorded as required under Companies Act, 2013 read with rules made and circulars issued thereunder. The Company shall maintain a recorded transcript of the meeting in safe custody.
8. Pursuant to Section 139 (5) read with Section 142 (1) of the Companies Act, 2013, the Auditors of a Government Company are appointed by the Comptroller and Auditor General of India and their remuneration is fixed by the Company in the Annual General Meeting. The shareholders may authorize the Board to fix up an appropriate remuneration for Auditors for the year 2025-26 as may be deemed fit by the Board.
9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the directors are interested maintained under Section 189 of the Companies Act, 2013 and the relevant documents referred to in the Notice will be available electronically for inspection by the Members during the AGM.





## **EXPLANATORY STATEMENT**

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.**

#### **ITEM NO. 3**

Ministry of Defence, Department of Defence Production, Directorate of Ordnance (C&S) Group 'A' Division, vide its Order No. 1(05)/2025-DoO(C&S), dated 13.03.2025 informed the appointment of Shri Vijaykumar Iyer (DIN: 11030387), as Director/Operations on permanent absorption basis on the Board of Directors of Yantra India Limited. Subsequently, the Board of Directors appointed Shri Vijaykumar Iyer (DIN: 11030387), as a Director and designated him as Director/Operations w.e.f. March 14, 2025.

Shri Vijaykumar Iyer holds a B.E. degree in Metallurgy (1991) and joined the organisation in 2001 as JTS through direct recruitment. He has over two decades of experience in production planning, quality assurance, purchase/provision, material inspection, and general administration in various units.

He has served in key capacities at NADP, OFBH, HEPF, and OFA, with overseas exposure in Russia and the USA for technical training. Promoted to SAG/GM level in August 2021, he was serving as GM (Operations) at YIL Headquarters. He has attended specialised training programmes in R&D technology, AutoCAD, equipment selection, technical process study, quality management, and procurement procedures.

In March 2025, he resigned to take up the post of Director (Operations), Yantra India Limited, on permanent absorption basis.

Shri Vijaykumar Iyer does not hold any shares in YIL and he does not have any relationship with other Directors/ Manager/Key Managerial Personnel of the Company. Since Shri Vijaykumar Iyer was appointed as Director on 14.03.2025, he attended only one board meeting during FY 2024-25.

In line with applicable statutory provisions read with Article 58.5 of the Articles of Association of the Company, Shri Vijaykumar Iyer holds office till the date of ensuing Annual General Meeting and is eligible for appointment.

Except Shri Vijaykumar Iyer, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors commends the Ordinary Resolution as set out at Item No. 3 of the Notice for approval by the shareholders.

#### **ITEM NO. 4**

Shri Rajeev Kalra (DIN: 1111137), aged 55 years, was inducted as Director (Finance) on the Board of Yantra India Ltd. W.e.f. 10th June, 2025.

Shri Rajeev Kalra, (DIN 11111337) is an Associate member of the Institute of Cost Accountants of India (ACMA) and Institute of Company Secretaries of India (ACS). He is also a





Commerce (Honours) Graduate from University of Delhi and Post Graduate in Commerce from HP University. Prior to this, he was General Manager & Head (Finance), Corporate R&D, Bharat Heavy Electricals Ltd., handling all facets of financial planning and strategy, treasury management and taxation, etc. He has also honed his leadership skills through prestigious programs at IIM Ahmedabad.

A career professional, Shri Kalra brings with him more than 30 years of diverse experience in the financial operations of BHEL. He started his career with BHEL as Executive Trainee (Finance) in 1995 and during his career progression, equipped himself with all facets of Financial Management to take challenging responsibilities. The earlier stints of Shri Kalra at Corporate Finance, Power Sector Western Region including Regional HQ, Services and Project site and Company Secretariat resulted in developing financial strategies and policies for Budgetary control and profit planning for achieving overall goals of the company. Shri Kalra was also instrumental in ensuring maintenance of Books of account including statutory and Govt Audit, project accounting, Indirect taxation, cash and debtors management, statutory compliances under SEBI Listing Regulations & Companies Act. During his tenure in Power Sector Western Region and Corporate Finance in BHEL, he immensely contributed in digitisation of computerization of the Finance function at PSWR and led the entire process of computerization of Funds Management System as well as customized Insider trading Module for monitoring of Insider trading compliances. In short span of time in Corp. R&D, Shri Kalra also immensely contributed towards developing R&D Health Index.

Shri Kalra's appointment is for a period of five years w.e.f. 10.06.2025, or until further orders, whichever is earlier, in the pay scale of ₹ 180,000 - ₹ 340,000 p.m. (2017 scale) on terms and conditions approved by the Government of India. Shri Rajeev Kalra does not hold any shares in YIL and he does not have any relationship with other Directors/ Manager/Key Managerial Personnel of the Company. Since Shri Rajeev Kalra was appointed as Director on 10.06.2025, he did not attend any board meeting during FY 2024-25.

In line with applicable statutory provisions read with Article 58.5 of the Articles of Association of the Company, Shri Rajeev Kalra holds office till the date of ensuing Annual General Meeting and is eligible for appointment.

Except Shri Rajeev Kalra, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors commends the Ordinary Resolution as set out at Item No. 4 of the Notice for approval by the shareholders.

#### **ITEM NO.5**

The Ministry of Defence, Department of Defence Production, vide its communication No. 8 (32)/2019 - D(Coord/DDP) dated 14.07.2025, has informed that the competent authority has approved the nomination of Ms. Manisha Chandra, Joint Secretary (Aero), (DIN : 07557312) as Govt. Director (Part time Official Director) on the Board of Yantra India Limited.

Subsequently, the Board of Directors appointed Ms. Manisha Chandra [DIN: 07557312], as a Director and designated her as Government nominee Director w.e.f. July 14, 2025.

Ms. Manisha Chandra, an IAS officer of the 2004 Gujarat Cadre, is presently serving as Joint Secretary (Aerospace) in the Department of Defence Production, Ministry of Defence.





She holds a Master's in Public Policy & Management from King's College, London, and a Master's in Political Science from the University of Allahabad. With rich administrative experience across three districts and five major state departments, she has significantly contributed to the development sector. As Secretary, Expenditure, Government of Gujarat, she served on the boards of key State PSUs such as GUVNL, GETCO, and GSFS.

She has led several technology-driven, citizen-centric initiatives recognised by national institutions including NITI Aayog.

Ms. Manisha Chandra does not hold any shares in YIL and she does not have any relationship with other Directors/ Manager/Key Managerial Personnel of the Company. Since Ms. Manisha Chandra was appointed as Director on 14.07.2025, she did not attend any board meeting during FY 2024-25.

In line with applicable statutory provisions read with Article 58.6 of the Articles of Association of the Company, Ms. Manisha Chandra holds office till the date of ensuing Annual General Meeting and is eligible for appointment.

Except Ms. Manisha Chandra, being an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution.

The Board of Directors commends the Ordinary Resolution as set out at Item No. 5 of the Notice for approval by the shareholders.

#### **ITEM NO. 6**

The Board of Directors in 30th Board meeting held on 30.06.2025 passed a resolution to appoint cost auditors to conduct the cost audit for the financial year 2025-26, at a remuneration of ₹1,21,000/- (Rs. One Lakh Twenty One thousand only) per annum.

In accordance with the provisions of Section 148 of Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company.

None of the Directors/Key Managerial Personnel of the Company are, in any way, concerned or interested, in the said resolution.

The Board of Directors commends the Ordinary Resolution as set out at Item No. 6 of the Notice for approval by the shareholders.

Date : 04.09.2025  
Place : Nagpur

**By order of the Board of Directors of  
Yantra India Limited**

- sd -  
(Vaishali Bhagwatkar)  
Company Secretary



## LOGO DESCRIPTION

सशस्त्र सेनाओं का सशक्तिकरण



**EMPOWERING THE ARMED FORCES**

The Logo of YIL has been registered on the Trade Marks Act 1999 vide Trade No. 5152690 Dtd: 29.09.2021, Certificate No. 2983711.

Defining the fact that, as the company so its logo, the logo of Yantra India Limited is a symbol that identifies the business, Values and Strength of the company. The entire logo has spectrum of meanings:

**The Gear :** The gear is a symbol of time. It has 24 Spokes/Teeth's which is similar to that of 24 aspects of the nature, enabling it to create and maintain sustainability. It symbolizes the dynamic energy and driving force behind every machine or device. The Prism: The Prism visualizes company's concept of Mind and Machine focusing on consistency on accuracy. The Rocket: The Rocket represents upward movement, sign of Growth and Vision. The Letter 'Y' : "Y", Puts as on unifying factor for whole of the company. 'Y' Stands for YOGA too. Motto : The motto of the company "उद्यमेन हि सिद्ध्यन्ति कार्याणि" is derived from the "Hitopadesha" which means "one can achieve success only by working hard and through dedication". Tag Line "Empowering the Armed Forces", that is "सशस्त्र सेनाओं का सशक्तिकरण" represents the commitment of YIL towards the Three Services of India.



# यंत्र इंडिया लिमिटेड ANTRA INDIA LIMITED

(A GOVERNMENT OF INDIA ENTERPRISE, MINISTRY OF DEFENCE)



## YANTRA INDIA LIMITED

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NAGPUR - 440 021 (MAHARASHTRA)

CIN - U35303MH2021GOI365890

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@officialyil