KALYANI INVESTMENT
C.I.N.: L65993PN2009PLC134196

KICL:SEC: August 21, 2024

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Fort, Mumbai – 400 001
Scrip Code : 533302

National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex, Bandra (E)
Mumbai – 400 051
Scrip Symbol : KICL

Dear Sir,

Sub. : Annual Report for the Financial Year 2023-24

Ref. : 15th (Fifteenth) Annual General Meeting scheduled to be held on Friday, September 20, 2024 at 11.00 a.m. (I.S.T.) through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, please find enclosed herewith 15th (Fifteenth) Annual Report for the Financial Year 2023-24, circulated to the Shareholders of the Company on their registered email addresses.

The same is also available on the website of the Company at the following link :

Click here

Kindly take the same on record.

Thanking you,

Yours faithfully,
For KALYANI INVESTMENT COMPANY LIMITED

ANIRVINNA ANIRUDDHA BHAVE
Digitally signed by ANIRVINNA ANIRUDDHA BHAVE
Date: 2024.08.21 11:16:53 +05'30'

ANIRVINNA A. BHAVE
COMPANY SECRETARY & COMPLIANCE OFFICER
E-mail : anirvinna.bhave@kalyani-investment.com

Encl. : As above

KALYANI

KALYANI INVESTMENT COMPANY LIMITED

FY 2023-24
15th ANNUAL REPORT

Corporate Identity Number (CIN)
L65993PN2009PLC134196

Registered Office
Mundhwa, Pune - 411 036
Phone : +91 - 020-6621 5000
Website : www.kalyani-investment.com
E-mail : investor@kalyani-investment.com

Chief Executive Officer & Chief Financial Officer
Mr.Shekhar Bhivpathaki

Company Secretary
Mr.Anirvinna A. Bhave

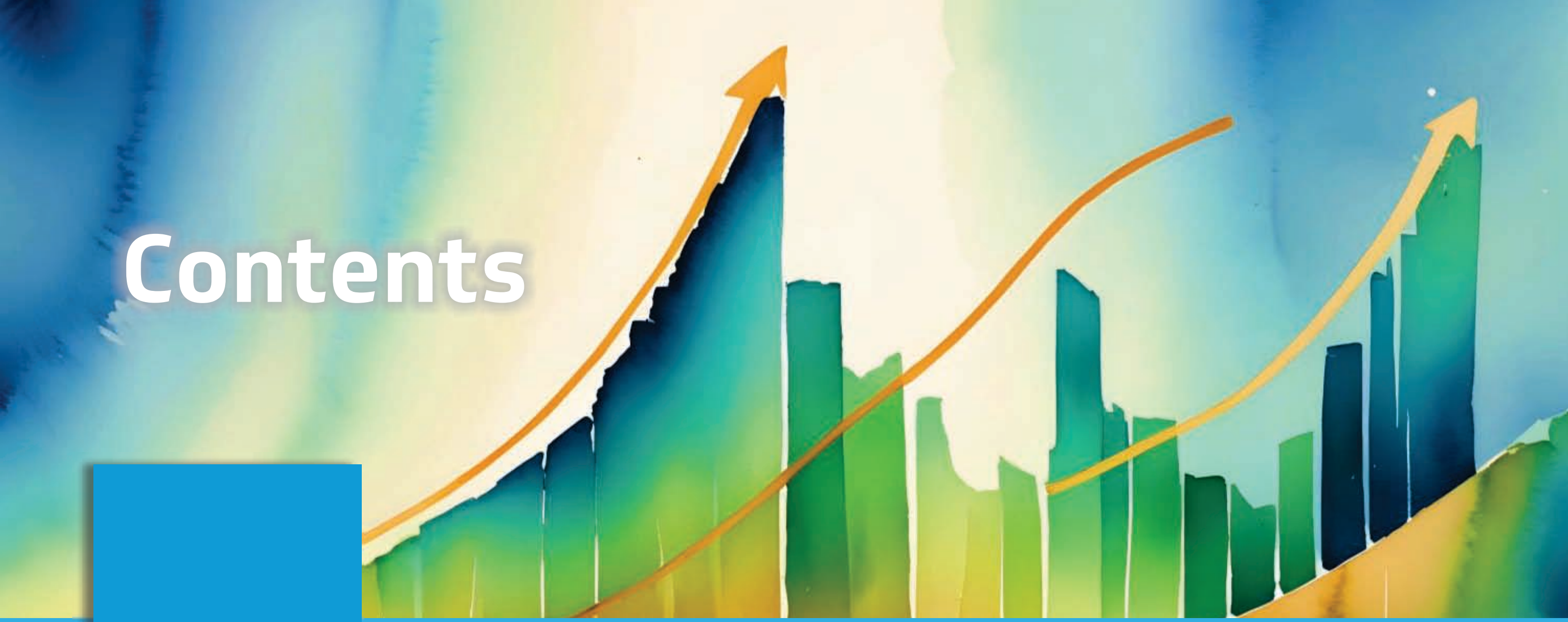
15th Annual General Meeting

Day : Friday
Date : September 20, 2024
Time : 11.00 a.m. (I.S.T.)
Mode of Meeting : Through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

Auditors
P G BHAGWAT LLP
Chartered Accountants
Suite No. 2, "Orchard"
Dr. Pai Marg, Baner,
Pune - 411 045

Bankers
HDFC Bank Limited
Canara Bank

Registrar & Transfer Agents
Link Intime India Private Limited
Block No. 202, Akshay Complex,
2nd Floor, Off Dhole Patil Road,
Near Ganesh Mandir, Pune - 411 001



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About the Report

Boundary and Scope of Reporting

The Report covers financial and non-financial information and activities of Kalyani Investment Company Limited for the period of April 1, 2023 to March 31, 2024.

Reporting Principle

We have prepared this Report in accordance with the Companies Act, 2013 (and the Rules made thereunder), the Indian Accounting Standards, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards.

Forward Looking Statements

Certain statements in this Report regarding our business operations may constitute forward-looking statements. These include all statements other than statements of historical fact, including those regarding the financial position, business strategy, management plans and objectives for future operations.

Forward-looking statements can be identified by words such as 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'plans', 'outlook' and other words of similar meaning in connection with a discussion of future operating or financial performance.

Forward-looking statements are necessarily dependent on assumptions, data or methods that may be incorrect or imprecise and that may be incapable of being realized and as such are not intended to be a guarantee of future results, but constitute our current expectations based on reasonable assumptions. Actual results could differ materially from those projected in any forward-looking statements due to various events, risks, uncertainties and other factors. We neither assume any obligation nor intend to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Board of Directors

Mr. Amit B Kalyani
Chairman

Mrs. Deeksha A Kalyani
Non-Executive Director

Mr. B B Hattarki
Independent Director
Up to March 31, 2024

Mr. R K Goyal
Non-Executive Director

Mr. S K Adivarekar
Independent Director

Mr. S G Joglekar
Independent Director

Mrs. Shruti A Shah
Independent Director

Board Committees

1. Audit Committee
2. Stakeholders Relationship Committee
3. Nomination & Remuneration Committee
4. CSR Committee
5. Risk Management Committee
6. Share Transfer Committee
7. Investment Committee

REPORT ON CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PHILOSOPHY

The Company recognizes that Corporate Governance is not just a principle to be followed but a way of life embedded in its behavior towards all stakeholders. The Company believes that ensuring transparency and accountability in its day to day affairs towards its stakeholders is the pre-requisite of good Corporate Governance. The Company's philosophy ensures that it creates sustainable value for shareholders while fulfilling social obligations and complying with regulatory requirements. The Company's dealings with its stakeholders are guided by recognized standards of propriety, fair play and justice.

The Company is in compliance with the requirements of the Corporate Governance prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as applicable for the Financial Year 2023-24.

This chapter of the report, along with the information given under 'Management Discussion and Analysis' and 'Shareholder Information' constitutes the compliance report of the Company on Corporate Governance.

1. BOARD LEVEL ISSUES

COMPOSITION OF THE BOARD

The Company has an active, experienced, diverse and a well-informed Board, which along with its committees undertakes its fiduciary duties keeping in mind the interests of all its stakeholders and the Company's Corporate Governance philosophy. The Directors take active part in the deliberations at the Board and Committee meetings and provide guidance and advice to the management on various aspects of business, governance, compliance etc.

As on March 31, 2024, the Board of Directors of Kalyani Investment comprised of Seven Directors. The Board consists of Non-Executive Chairman, who is a relative of Promoter and Six Non-Executive Directors, of which four are Independent. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations. Details of the composition of the Board of Directors are given in Table 1.

NUMBER OF BOARD MEETINGS

During the year 2023-24, the Board of the Company met five times on April 28, 2023, June 2, 2023, August 11, 2023, November 8, 2023 and February 13, 2024. All the meetings were held in such a manner that the intervening period between two consecutive meetings, was well within the maximum gap of one hundred and twenty days prescribed under the Listing Regulations.

DIRECTORS' ATTENDANCE RECORD AND DIRECTORSHIPS

Table 1 : The composition of the Board, the category of Directors, their attendance at the meetings of the Board of Directors held during the year 2023-24 and at the last Annual General Meeting held on September 12, 2023 :

Name of the Director	Category	Particulars of Attendance		
		Number of Board Meetings		Last AGM
		Held	Attended	
Mr.Amit B. Kalyani, Chairman	Relative of Promoter, Non-Executive	5	4	Yes
Mrs.Deeksha A. Kalyani	Relative of Promoter, Non-Executive	5	2	Yes
Mr.R.K. Goyal	Non-Executive	5	5	Yes
Mr.B.B. Hattarki*	Independent	5	5	Yes
Mr.S.K. Adivarekar	Independent	5	5	Yes
Mr.S.G. Joglekar	Independent	5	5	Yes
Mrs.Shruti A. Shah	Independent	5	5	Yes

* Ceased to be Director with effect from April 1, 2024, on completion of Second Term on March 31, 2024.

Table 2 : The details of the number of Directorships held and Committee Memberships / Chairmanships held in Indian Public Limited Companies, whether listed or not, including the Company, as on March 31, 2024 and details of Directorships held in other Listed Companies :

Name of the Director	In Indian Public Limited Companies, whether listed or not, including Kalyani Investment Company Limited			Directorships held in other Listed Companies	
	Directorships	*Committee Memberships	*Committee Chairmanships	Name of the Company	Type of Directorship
Mr.Amit B. Kalyani	7	2	—	Bharat Forge Limited Kalyani Steels Limited BF Utilities Limited BF Investment Limited Hikal Limited Schaeffler India Limited	Executive Non-Executive Non-Executive Non-Executive Non-Executive Independent
Mrs.Deeksha A. Kalyani	1	1	—	—	—
Mr.B.B. Hattarki	7	10	5	Kalyani Steels Limited BF Utilities Limited BF Investment Limited Automotive Axles Limited	Independent Independent Independent Independent
Mr.R.K. Goyal	4	3	—	Kalyani Steels Limited	Executive
Mr.S.K. Adivarekar	5	5	2	Kalyani Steels Limited Hikal Limited BF Utilities Limited	Independent Independent Independent
Mr.S.G. Joglekar	4	6	2	Kalyani Steels Limited BF Investment Limited	Independent Independent
Mrs.Shruti A. Shah	8	8	1	Kalyani Steels Limited Balkrishna Industries Limited Jai Corp Limited Sanghi Industries Limited	Independent Independent Independent Independent

* Memberships / Chairmanships of Audit Committee and Stakeholders Relationship Committee.

Certificate from M/s SVD & Associates, Practicing Company Secretaries, Pune confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of the companies, by the Securities and Exchange Board of India (SEBI) / Ministry of Corporate Affairs (MCA) or any such Statutory Authority is enclosed as Annexure "A".

INDEPENDENT DIRECTORS

Independent Directors play a pivotal role in balancing the Board and its decision-making capabilities. The Independent Directors of Kalyani Investment bring with them requisite skills, knowledge and an unbiased approach which plays a crucial role in protection of interests of all stakeholders of the Company.

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that the Independent Directors on the Board of the Company fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 ("the Act") and Regulation 16(1)(b) of the Listing Regulations and are independent of the Company's management. The terms of appointment of the Independent Directors are disclosed on the website of the Company viz. www.kalyani-investment.com/financial/policies

BOARD PROCEDURE

The Board of Directors has unrestricted access to all information related to the Company. An annual schedule of all the proposed Board and Committee meetings is circulated among the Board of Directors at the beginning of the year which ensures that the Board members can play an active role by attending each and every meeting. While preparing the Agenda, Explanatory Notes and Minutes of the meeting(s), adherence to the Act and the Rules made thereunder, Listing Regulations, Secretarial Standards issued by the Institute of Company Secretaries of India ("ICSI") and other applicable laws is ensured.

All material information is circulated to the Directors before the meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule II of the Listing Regulations. In special and exceptional circumstances, additional items on the agenda are permitted with the consent of all the Independent Directors.

Information Supplied to the Board

Among others, information supplied to the Board includes :

- Annual operating plans and budgets, capital budgets and any update thereof.
- Quarterly results for the Company.

- Minutes of meetings of Audit Committee and other committees of the Board.
- Appointment, remuneration and resignation of Directors.
- The information on recruitment and remuneration of senior officers just below the level of the Board, including the appointment or removal of Chief Financial Officer and Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, if any, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems, if any.
- Any material default in financial obligations to and by the Company.
- Details of any Joint Venture / Collaboration Agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- Sale of investments, assets which are material in nature and not in normal course of business.
- Making of loans and investments of surplus funds.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
- General Notices of interest by Directors, declaration of Independent Directors at the time of appointment / annual declaration.
- Formation / Reconstitution of Committees of the Board.
- Dividend declaration.
- Appointment and fixing remuneration of the Auditors as recommended by the Audit Committee.
- Annual Financial Results of the Company, Auditor's Report and the Report of the Board of Directors.
- Compliance certificates for all the laws applicable to the Company.
- CSR activities carried out by the Company and expenditure made thereon.

CEO AND CFO CERTIFICATION

The Chief Executive Officer and the Chief Financial Officer of the Company provides Annual Certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. The Chief Executive Officer and the Chief Financial Officer also gives quarterly certification on financial results, while placing the financial results before the Board in terms of Regulation 33(2)(a) of the Listing Regulations.

CODE OF CONDUCT

The Company has adopted a Code of Conduct for Directors and Senior Management of the Company. The Code has been circulated to all the members of the Board and Senior Management and the same is available on the Company's website viz. www.kalyani-investment.com/financial/policies

The Board members and the senior management have affirmed the compliance with the Code. A declaration to that effect signed by the Chairman of the Company forms part of this Annual Report.

COMMITTEES OF THE BOARD

The Committees are constituted by the Board with an intent to focus on specific areas and take informed decisions within the framework designed by the Board and the Listing Regulations. All decisions and recommendations of the Committees are placed before the Board for information or for approval, if required. To enable better and more focused attention on the affairs of the Company, the Board has delegated certain matters to the Committees of the Board set up for the purpose. Board Committees usually meet the day before or on the day of the formal Board meeting or whenever the need arises for transacting business.

As on March 31, 2024, the Company has Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee, Share Transfer Committee and Investment Committee. The Board Committees are set up and reconstituted, as and when necessary, under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by the members of the respective Board Committees. The Company's guidelines relating to Board Meetings are applicable to the Committee Meetings, as far as may be practicable. Minutes of the proceedings of the Committee Meetings are placed before the Board Meeting for consideration and noting. The Company Secretary acts as the Secretary to all the Committees.

AUDIT COMMITTEE

The Audit Committee provides a reassurance to the Board into the effectiveness of accounting, auditing and reporting practices of the Company. The purpose of the Committee is to oversee the accounting and financial reporting process of the Company as well as the appointment, performance and remuneration of Statutory Auditors, Internal Auditors and the Secretarial Auditors. The Committee also oversees the compliance process and assures the Board on the adequacy and timely disclosures with all the provisions applicable to related party transactions, investments, loans and guarantees etc.

The Board has established a qualified Audit Committee in accordance with the requirements of Regulation 18 of the Listing Regulations and Section 177 of the Act.

As on March 31, 2024, the Audit Committee comprised of four members viz. Mr.B.B. Hattarki as Chairman, Mr.R.K. Goyal, Mr.S.K. Adivarekar and Mr.S.G. Joglekar as other members of the Committee. All the members have accounting and finance management expertise.

The representatives of the Statutory Auditors, Internal Auditors and remaining Board Members are permanent invitees to the Audit Committee Meetings.

The Annual General Meeting of the Company held on September 12, 2023 was attended by the Chairman of the Audit Committee, Mr.B.B. Hattarki, to answer the shareholders queries.

During the year 2023-24, the Audit Committee met five times on April 28, 2023, June 2, 2023, August 11, 2023, November 8, 2023 and February 13, 2024 and there were no instances, where the Board had not accepted any of the recommendations of the Audit Committee. Particulars relating to the attendance at the Audit Committee meetings held during the year are given below :

Name of the Director	Category	Number of Meetings held	Number of Meetings attended
Mr.B.B. Hattarki, Chairman	Independent	5	5
Mr.R.K. Goyal	Non-Executive	5	5
Mr.S.K. Adivarekar	Independent	5	5
Mr.S.G. Joglekar	Independent	5	5

In view of completion of second term of Mr.B.B. Hattarki, Independent Director on March 31, 2024, the Board of Directors, in its meeting held on February 13, 2024, had reconstituted the Audit Committee with effect from April 1, 2024 to comprise of Mr.S.G. Joglekar, Chairman and Mr.R.K. Goyal, Mr.S.K. Adivarekar and Mrs.Shruti A. Shah as other members of the Committee.

Role / Terms of reference of the Audit Committee

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company.
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to :
  - ➢ Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
  - ➢ Changes, if any, in accounting policies and practices and reasons for the same.
  - ➢ Major accounting entries involving estimates based on the exercise of judgment by management.
  - ➢ Significant adjustments made in the financial statements arising out of audit findings.
  - ➢ Compliance with listing and other legal requirements relating to financial statements.
  - ➢ Disclosure of any related party transactions.
  - ➢ Modified opinion(s) in the draft audit report, if any.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for the purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.

- Discussions with internal auditors on any significant findings and follow up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussions with statutory auditors before audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern, if any.
- To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the whistle blower mechanism.
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background etc. of the candidate.
- Reviewing the utilization of loans and / or advances from / investment by the Company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of Information by the Audit Committee

- Management discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
- Management letters / letters of internal control weaknesses issued by the statutory auditors.
- Internal audit reports relating to internal control weaknesses.
- The appointment, removal and terms of remuneration of the Chief Internal Auditor.

Powers of Audit Committee

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has constituted Stakeholders Relationship Committee in compliance with the provisions of Regulation 20 of the Listing Regulations and Section 178 of the Act. The major role played by the Committee is to review various information / data pertaining to the stakeholders and redressal / resolution of stakeholders grievances and complaints.

As on March 31, 2024, Stakeholders Relationship Committee comprised of three members viz. Mr.B.B. Hattarki, Chairman and Mrs.Deeksha A. Kalyani and Mr.R.K. Goyal as other members of the Committee.

The Annual General Meeting of the Company, held on September 12, 2023 was attended by the Chairman of the Stakeholders Relationship Committee, Mr.B.B. Hattarki, to answer the shareholders queries.

During the year 2023-24, the Stakeholders Relationship Committee met four times on April 27, 2023, August 10, 2023, November 7, 2023 and February 12, 2024. Particulars relating to the attendance at the Stakeholders Relationship Committee meetings held during the year are given below :

Name of the Director	Category	Number of Meetings held	Number of Meetings attended
Mr.B.B. Hattarki, Chairman	Independent	4	4
Mrs.Deeksha A. Kalyani	Non-Executive	4	4
Mr.R.K. Goyal	Non-Executive	4	4

In view of completion of second term of Mr.B.B. Hattarki, Independent Director on March 31, 2024, the Board of Directors, in its meeting held on February 13, 2024, had reconstituted the Stakeholders Relationship Committee with effect from April 1, 2024 to comprise of Mr.S.G. Joglekar, Chairman and Mrs.Deeksha A. Kalyani and Mr.R.K. Goyal as other members of the Committee.

Role of the Stakeholders Relationship Committee

- Resolving the grievances of the security holders of the Company including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.

The Committee also oversees the performance of the Registrar and Transfer Agent (RTA) and recommends measures for overall improvement in the quality of investors service.

Compliance Officer

Mr.Anirvinna A. Bhave, Company Secretary is the Compliance Officer.

Status of Investors Complaints

During the Financial Year 2023-24, three complaints of shareholders were received and redressed. No complaint is pending for redressal as on March 31, 2024.

Designated Exclusive email ID

The Company has also provided separate email ID : investor@kalyani-investment.com exclusively for investor services.

NOMINATION AND REMUNERATION COMMITTEE

The primary objective of the Nomination and Remuneration Committee of the Company is to periodically review the size and composition of the Board, formulate the criteria for determining qualifications, positive attributes and independence of Directors and recommend candidates to the Board and establish and review the performance of the Board. The Committee's role also includes reviewing and making recommendations to the Board on the remuneration of the Board of Directors and Key Managerial Personnel ('KMPs').

The Nomination and Remuneration Committee is constituted and functions in accordance with Regulation 19 of the Listing Regulations along with Section 178 of the Act.

As on March 31, 2024, Nomination and Remuneration Committee comprised of three members viz. Mr.B.B. Hattarki, Chairman and Mr.Amit B. Kalyani and Mr.S.G. Joglekar as other members of the Committee.

During the year 2023-24, the Nomination and Remuneration Committee met twice on April 27, 2023 and August 10, 2023. Particulars relating to the attendance at the Nomination and Remuneration Committee meetings held during the year are given below :

Name of the Director	Category	Number of Meetings held	Number of Meetings attended
Mr.B.B. Hattarki, Chairman	Independent	2	2
Mr.Amit B. Kalyani	Non-Executive	2	2
Mr.S.G. Joglekar	Independent	2	2

In view of completion of second term of Mr.B.B. Hattarki, Independent Director on March 31, 2024, the Board of Directors in its meeting held on February 13, 2024 had reconstituted the Nomination and Remuneration Committee with effect from April 1, 2024 to comprise of Mr.S.G. Joglekar, Chairman, Mr.S.K. Adivarekar and Mr.R.K. Goyal as other members of the Committee.

Role of Nomination and Remuneration Committee

- Formulation of the criteria for determining qualifications, positive attributes and independence of Directors and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- For every appointment of an independent director on the Board, evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the necessary capabilities identified in such a description.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board.
- Devising a policy on Board diversity.

- Identifying the persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

Performance Evaluation Criteria for Directors

The Nomination and Remuneration Committee has devised criteria for performance evaluation of Directors including independent Directors. The said criteria provides for certain parameters like seniority / experience, number of years on the Board, Board / Committee meetings attended, Director's position on the Company's Board Committees, other relevant factors and performance of the Company.

Directors with materially pecuniary or business relationship with the Company

There has been no materially relevant pecuniary transactions or relationship between the Company and its Non-Executive and / or Independent Directors during the Financial Year 2023-24.

Policy on Board Diversity and Nomination and Remuneration Policy

The Board on recommendation of the Nomination and Remuneration Committee, has approved Policy on Board Diversity and Nomination and Remuneration Policy and the same are available on the Company's website at the web-link viz. www.kalyani-investment.com/financial/policies/Nomination and Remuneration. These Policies provides for criteria for determining qualifications, positive attributes & independence of directors as well as remuneration policy for directors, key managerial personnel and other employees, with an objective to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

Skills / Expertise / Competencies for the Board of Directors

The following is the list of core Skills / Expertise / Competencies identified by the Board of Directors for the Board members, in the context of the Company's business and that the said skills are available with the Board members :

Name of the Director	Industry Knowledge / experience	Strategy & Planning	Financial Skills	Legal and Regulatory knowledge	Corporate Governance and Risk Management
Mr.Amit B. Kalyani, Chairman	√	√	√	√	√
Mrs.Deeksha A. Kalyani	√	√	√	√	√
Mr.B.B. Hattarki	√	√	√	√	√
Mr.R.K. Goyal	√	√	√	√	√
Mr.S.K. Adivarekar	√	√	√	√	√
Mr.S.G. Joglekar	√	√	√	√	√
Mrs.Shruti A. Shah	√	√	√	√	√

Remuneration to Non-Executive Directors

The Non-Executive Directors draw remuneration in the form of commission, upto an aggregate amount not exceeding 3% of the net profits of the Company for the year, as may be decided by the Board of Directors from time to time.

Payments to Non-Executive Directors are decided based on multiple criteria of seniority / experience, number of years on the Board, Board / Committee meetings attended, Director's position on the Company's Board Committees, other relevant factors and performance of the Company. The Company does not have any stock option scheme.

Remuneration to Key Managerial Personnel and other Employees

Remuneration to Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals. The Remuneration will be such, so as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

Table 3 : The details of the remuneration package of Directors during the year 2023-24, their shareholding in the Company and relationship with other directors, if any :

(₹ in Million)

Name of the Director	Relationship with other directors	Commission#	No. of Shares held
Mr.Amit B. Kalyani, Chairman	*	9.00	3,119
Mrs.Deeksha A. Kalyani	**	1.70	50
Mr.B.B. Hattarki	None	1.70	—
Mr.R.K. Goyal	None	1.70	—
Mr.S.K. Adivarekar	None	1.70	—
Mr.S.G. Joglekar	None	1.70	—
Mrs.Shruti A. Shah	None	1.70	—

Commission proposed and payable after approval of accounts by members of the Company in the ensuing Annual General Meeting (AGM)

* Husband of Mrs.Deeksha A. Kalyani

** Wife of Mr.Amit B. Kalyani

None of the employees are related to any of the Directors of the Company.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee of the Board is constituted in accordance with the provisions of Section 135 of the Act. The CSR Committee has been constituted with the specific purpose of recommending and monitoring the CSR initiatives and reviewing corporate social responsibility programs of the Company.

As on March 31, 2024, the CSR Committee comprised of four members viz. Mr.B.B. Hattarki, Chairman and Mrs.Deeksha A. Kalyani, Mr.R.K. Goyal and Mr.S.K. Adivarekar as other members of the committee.

During the year 2023-24, the CSR Committee met twice on April 27, 2023 and November 7, 2023. Particulars relating to the attendance at the CSR Committee meetings held during the year are given below :

Name of the Director	Category	Number of Meetings held	Number of Meetings attended
Mr.B.B. Hattarki, Chairman	Independent	2	2
Mrs.Deeksha A. Kalyani	Non-Executive	2	2
Mr.R.K. Goyal	Non-Executive	2	2
Mr.S.K. Adivarekar	Independent	2	2

In view of completion of second term of Mr.B.B. Hattarki, Independent Director on March 31, 2024, the Board of Directors, in its meeting held on February 13, 2024, reconstituted the CSR Committee with effect from April 1, 2024 to comprise of Mr.S.G. Joglekar, Chairman and Mrs.Deeksha A. Kalyani, Mr.R.K. Goyal and Mr.S.K. Adivarekar as other members of the Committee.

Terms of Reference

- Formulation and recommendation to the Board, CSR Policy, which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- Recommend the amount of expenditure to be incurred on the activities referred in CSR Policy.
- Formulate and recommend to the Board, an Annual Action Plan in pursuance of CSR Policy, which shall include :
  - List of CSR Projects / programmes to be undertaken in the areas or subject specified in Schedule VII of the Companies Act, 2013.
  - Manner of execution of such Projects / programmes.
  - Modalities of utilization of funds and implementation schedules of such Projects / programmes.
  - Monitoring and reporting mechanism for such Projects / programmes.
  - Details of need and impact assessment, if any, for the projects undertaken by the Company.
- Monitor CSR Policy of the Company from time to time.

The Committee's core responsibility is to assist the Board in discharging its social responsibility by formulating and monitoring implementation of the framework of the CSR Policy. The CSR Policy of the Company is available on the Company's website at the web-link viz. www.kalyani-investment.com/financial/policies

RISK MANAGEMENT COMMITTEE

The Risk Management Framework of the Company identifies, prioritizes, monitors and reports both the key risks as well as the emerging risks that can impact the Company's objectives. The Company's Risk Management Framework is founded on sound organization design principles and is enabled by an effective review mechanism. The Risk Management Committee of the Company is constituted in terms of Regulation 21 of the Listing Regulations

As on March 31, 2024, Risk Management Committee comprised of three members viz. Mr.B.B. Hattarki, Chairman, Mr.R.K. Goyal and Mr.S.K. Adivarekar as other members of the Committee.

During the year 2023-24, the Risk Management Committee met twice on August 11, 2023 and February 5, 2024. Particulars relating to the attendance at the Risk Management Committee meetings held during the year are given below :

Name of the Director	Category	Number of Meetings held	Number of Meetings attended
Mr.B.B. Hattarki, Chairman	Independent	2	2
Mr.R.K. Goyal	Non-Executive	2	2
Mr.S.K. Adivarekar	Independent	2	2

In view of completion of second term of Mr.B.B. Hattarki, Independent Director on March 31, 2024, the Board of Directors in its meeting held on February 13, 2024, reconstituted the Risk Management Committee with effect from April 1, 2024 to comprise of Mr.S.G. Joglekar, Chairman and Mr.R.K. Goyal and Mr.S.K. Adivarekar as other members of the Committee.

Role of the Risk Management Committee

- To formulate a detailed Risk Management Policy which shall include :
  - A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly Environmental, Social and Governance (ESG) related risks), information, cyber security risks or any other risks as may be determined by the Committee.
  - Measures for risk mitigation including systems and processes for internal control of identified risks.
  - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
- To periodically review the risk management policy, at least once in two years, by considering the changing industry dynamics and evolving complexity.
- To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.
- The appointment, removal and terms of remuneration of the Chief Risk Officer, if any.
- To coordinate its activities with other committees, in instances where, there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors.

SHARE TRANSFER COMMITTEE

The Company has constituted the Share Transfer Committee, to approve share transmissions, transposition, correction / deletion of name and issue of Duplicate Share Certificates.

As on March 31, 2024, the Committee comprises of Mr.B.B. Hattarki, Chairman and Mr.R.K. Goyal as other member of the Committee.

During the year 2023-24, the Share Transfer Committee met sixteen times on April 11, 2023, May 18, 2023, June 13, 2023, June 30, 2023, July 28, 2023, August 18, 2023, August 29, 2023, September 20, 2023, October 6, 2023, October 30, 2023, November 24, 2023, December 22, 2023, January 10, 2024, January 18, 2024, February 7, 2024 and March 11, 2024. The particulars relating to the attendance at the Share Transfer Committee meetings held during the year are given below :

Name of the Director	Category	Number of Meetings held	Number of Meetings attended
Mr.B.B. Hattarki, Chairman	Independent	16	16
Mr.R.K. Goyal	Non-Executive	16	16

In view of completion of second term of Mr.B.B. Hattarki, Independent Director on March 31, 2024, the Board of Directors in its meeting held on February 13, 2024, had reconstituted the Share Transfer Committee with effect from April 1, 2024 to comprise of Mr.S.G. Joglekar, Chairman and Mr.R.K. Goyal and Mr.S.K. Adivarekar as other members of the Committee.

INVESTMENT COMMITTEE

The Company has constituted the Investment Committee on June 2, 2023, with the primary objective of having operational efficiency and faster decision making relating to investments of the Company. The recommendations of the Investment Committee are subsequently reviewed and approved by the Audit Committee and Board of Directors.

As on March 31, 2024, the Committee comprises of Mr.B.B. Hattarki, Chairman and Mr.S.G. Joglekar and Mr.R.K. Goyal as other members of the Committee.

During the year 2023-24, the Investment Committee met once on March 12, 2024. The particulars relating to the attendance at the Investment Committee meeting held during the year are given below :

Name of the Director	Category	Number of Meetings held	Number of Meetings attended
Mr.B.B. Hattarki, Chairman	Independent	1	1
Mr.S.G. Joglekar	Independent	1	1
Mr.R.K. Goyal	Non-Executive	1	—

In view of completion of second term of Mr.B.B. Hattarki, Independent Director on March 31, 2024, the Board of Directors in its meeting held on February 13, 2024, had reconstituted the Investment Committee with effect from April 1, 2024 to comprise of Mr.S.G. Joglekar, Chairman and Mr.R.K. Goyal and Mrs.Shruti A. Shah as other members of the Committee.

INDEPENDENT DIRECTORS MEETING

During the year under review, the Independent Directors met on March 27, 2024, inter alia to discuss :

- Evaluation of the performance of Non-Independent Directors and Board of Directors, as a whole.
- Evaluation of the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors.
- Evaluation of the quality, quantity and timeliness of flow of information between the Company Management and the Board of Directors, that is necessary for the Board of Directors to effectively and reasonably perform their duties.

All the Independent Directors were present at the meeting. The Directors expressed their satisfaction with the evaluation process.

2. MANAGEMENT

MANAGEMENT DISCUSSION AND ANALYSIS

Structure of the Company and thrust of the business

Kalyani Investment is a Core Investment Company holding more than 60% of its net assets in the form of investments in equity capital of the Kalyani Group Companies, while more than 90% of its net assets are in the form of investments in equity / preference shares or debentures / debts of Kalyani Group Companies. Since the Company is not a systemically important Non-Deposit taking Core Investment Company, it is not required to obtain Certificate of Registration under Section 45-IA of the Reserve Bank of India Act, 1934. The thrust of business is to hold and continue to hold securities in Kalyani Group of Companies.

Risks and Concerns

Kalyani Investment's income is mainly from the dividends that may be receivable on investments held by it / may be held in future. Any adverse impact on the industries of which securities are held by Kalyani Investment, naturally will also have a bearing on the performance of Kalyani Investment. Any slowdown in the growth of Indian economy or future volatility in global financial market, could also adversely affect the business.

Internal Control systems and their Adequacy

The Company has adequate internal control systems to ensure operational efficiency and accuracy in financial reporting and compliance with applicable laws and regulations.

The internal control system is supplemented by a review of Internal Auditors. Observations of the internal auditors are subject to periodic review and compliance monitoring. The Audit Committee of Directors reviews the Internal Audit process and the adequacy and effectiveness of internal audit and controls periodically.

Key Financial Ratios

The Key Financial Ratios for FY 2023-24 and FY 2022-23, along with explanation for significant changes (change of 25% or more) are as follows :

Particulars	2023-24	2022-23	Change (%)
Current Ratio	73.27	64.75	13.16
Operating Profit Margin (%)	103.82	95.05	9.22
Net Profit Margin (%)	72.67	71.51	1.63
Net Worth (₹ in Million)	81,110.07	56,704.94	*43.04
Return on Net Worth (%)	12.81	10.58	21.09
Investment / Total assets	97.85	97.80	0.05

* Increase in Market Value of Quoted shares.

DISCLOSURES

RELATED PARTY TRANSACTIONS

All transactions entered into with related parties during the year were in the ordinary course of business and have been approved by the Audit Committee. The Board has approved a policy for related party transactions which has been uploaded on the Company's website available at the web-link viz. www.kalyani-investment.com/financial/policies

All Related Party Transactions during FY 2023-24 were subject to prior approval of the Audit Committee. The said transactions were reviewed / noted by the Audit Committee on quarterly basis and also submitted to the Stock Exchanges on half yearly basis pursuant to Listing Regulations.

None of the transactions with any of the related parties were in conflict with the interest of the Company. Attention of members is drawn to the disclosure set out in Note 27 to Financial Statements forming part of the Annual Report.

DISCLOSURES BY MANAGEMENT TO THE BOARD

All disclosures relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board and the Interested Directors neither participate in the discussions nor do they vote on such matters.

During the year 2023-24, no Loans or Advances have been advanced by the Company, to the firms / companies in which Directors of the Company are interested.

WHISTLE BLOWER POLICY

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal / unethical behavior. The Company has vigil mechanism named 'Whistle Blower Policy', wherein the employees / directors can report the instances of unethical behavior, actual or suspected fraud or any violation of the Code of Conduct and / or laws applicable to the Company, report the instances of leakage of unpublished price sensitive information and seek redressal. This mechanism provides for direct access to the Chairperson of the Audit Committee and appropriate protection to the genuine Whistle Blower, who avails of the mechanism. The Whistle Blower Policy / Vigil Mechanism has been disclosed on the website of the Company at the web-link viz. www.kalyani-investment.com/financial/policies

DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of the Listing Regulations, the Company had adopted the Dividend Distribution Policy which is available on the Company's website at the web-link viz. www.kalyani-investment.com/financial/policies

POLICY ON DETERMINING MATERIAL SUBSIDIARY

The Board has approved Policy on Material Subsidiary and the same is available on the Company's website at the web-link viz. www.kalyani-investment.com/financial/policies. The Policy is intended to identify Material Subsidiaries and to establish a governance framework for such subsidiaries. The Company does not have any subsidiary company.

INDEPENDENT DIRECTORS' TRAINING AND INDUCTION

The Company's independent directors are esteemed professionals with rich experience in finance and have collective experience in diverse fields like taxation, audit, finance and risk management.

At the time of induction of a director on the Board of the company, a formal invitation to join the Board of the company is sent out along with a brief introduction about the company, Company's latest Annual Report and the schedule of the upcoming Board / Committee meetings for the calendar year. The director is explained in detail the compliances required of him / her under the Act, the Listing Regulations and other relevant regulations and his / her affirmation is taken with respect to the same.

The Company has an ongoing familiarization programme for all directors with regard to their roles, duties, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company, etc. The details of this familiarization programme are available on the website of the Company at the web-link : www.kalyani-investment.com/financial/policies

DISCLOSURE IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

In terms of provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"), the Company has formulated a Policy for prevention, prohibition and redressal of Sexual Harassment of Women at Workplace. All women employees (permanent, temporary, contractual and trainees), as well as any women visiting the Company's office premises are covered under the Policy. During the year under review, no complaint was filed pursuant to the said POSH Act.

3. SHAREHOLDERS

DISCLOSURES REGARDING APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS

Mr.R.K. Goyal, Director of the Company is retiring by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mrs.Shruti A. Shah, Independent Director of the Company is seeking re-appointment for the Second Term of 5 (Five) consecutive years with effect from February 7, 2025 to February 6, 2030.

Details of Directors to be re-appointed, are given below :

- Mr.R.K. Goyal, born on May 18, 1958, is the Managing Director of Kalyani Steels Limited. Mr.Goyal is an Engineering Graduate from BITS, Pilani and MBA, having more than 40 years of rich experience in steel industry. Mr.Goyal joined Kalyani Group in 2011 and has been instrumental in garnering several prestigious awards for Kalyani Steels Limited in the recent years. He has been awarded and honored by various bodies such as EEPC, CONCOR, ECGC, CEO India Forum, Construction World (CW) Magazine etc. He is a member of the Advisory Board of Centre of excellence in Steel at IIT Bombay, a member of CII and FICCI Steel Committee.

  Mr.Goyal is not related to any Director, Manager or Key Managerial Personnel of the Company and does not hold any Equity Shares of the Company.

  The details of Directorships and Committee Memberships held in other public limited companies are as follows :

Other Directorships Name of the Company		Committee Memberships Name of the Company & Committee	
1. 2.	Kalyani Steels Limited Hospet Steels Limited	1.	Kalyani Steels Limited Stakeholders Relationship Committee – Member Corporate Social Responsibility Committee – Member Risk Management Committee – Member Share Transfer Committee – Member Finance Committee – Member

- Mrs.Shruti A. Shah, Independent Director of the Company is seeking re-appointment for the Second Term of 5 (Five) consecutive years with effect February 7, 2025 to February 6, 2030, pursuant to notice received from the member of the Company, signifying his intention to propose Mrs.Shah, as a candidate for the office of Independent Director. Mrs.Shah, being eligible, offers herself for re-appointment. In the opinion of the Board, Mrs.Shah fulfills the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, for her re-appointment as an Independent Director of the Company.

  Mrs.Shah, born on June 5, 1980, is a qualified Chartered Accountant in practice for the last 20 years. Mrs.Shah graduated in Commerce from Mumbai University and also holds a degree in Law from Mumbai University. She has been a partner of M/s.Pravin P. Shah & Company since November, 2007 and is engaged in providing Income Tax Advisory for HNIs and Corporates, Estate Planning in the form of Wills, Trusts etc. Mrs.Shah does not hold any Equity Shares of the Company as on March 31, 2024.

The details of Directorships and Committee Memberships held in other Indian Public Limited Companies are as follows :

Other Directorships Name of the Company		Committee Memberships Name of the Company & Committee	
1.	Balkrishna Industries Limited	1.	Balkrishna Industries Limited Audit Committee - Member Nomination & Remuneration Committee - Member Stakeholders Relationship Committee - Member Corporate Social Responsibility Committee - Member
2.	Jai Corp Limited	2.	Jai Corp Limited Nomination & Remuneration Committee - Member
3.	Kalyani Steels Limited	3.	Kalyani Steels Limited Audit Committee - Member
4.	Sanghi Industries Limited	4.	Sanghi Industries Limited Audit Committee - Chairperson Nomination & Remuneration Committee - Member Risk Management Committee - Member Corporate Social Responsibility Committee - Member
5.	Spinel Energy and Infrastructure Limited	5.	Spinel Energy and Infrastructure Limited Audit Committee - Member
6.	Surajkiran Solar Technologies Limited	6.	Surajkiran Solar Technologies Limited Audit Committee - Member
7.	Surajkiran Renewable Resources Limited	7.	Surajkiran Renewable Resources Limited Audit Committee - Member

COMMUNICATION TO SHAREHOLDERS

Kalyani Investment puts all vital information about the Company and its performance, including quarterly results, official announcements and communication to the investors and analysts on its website 'www.kalyani-investment.com' regularly for the benefit of the public at large.

During the year, quarterly, half yearly, annual financial results are published in leading newspapers such as Financial Express (All Editions) and Loksatta (Pune).

1. **Website**

   The Company's website contains a separate dedicated section titled "Investors", which provides key information like financial results, annual reports, shareholding pattern etc. in a timely manner. The basic information about the Company, as called for in terms of Regulation 46 of the Listing Regulations, is also provided on the Company's website at www.kalyani-investment.com which is updated from time-to-time.

2. **Filing with Stock Exchanges**

   Financial Results / other information to Stock Exchanges is filed electronically on BSE Listing Centre for BSE and on NSE Electronic Application Processing System (NEAPS) for NSE.

3. **Annual Report**

   The Annual Report containing, inter alia, Audited Financial Statements, Consolidated Financial Statements, Directors' Report, Independent Auditor's Report and other important information, is circulated to members and others entitled thereto. Based on the requests received from the members, physical copies of the Annual Report are also dispatched to members. The Management Discussion and Analysis (MD&A) Report forms part of the Annual Report.

Letters received from shareholders are acted upon and replied promptly.

FEES PAID TO STATUTORY AUDITORS

The Company has paid the fees of ₹ 0.42 Million to P G Bhagwat LLP, Chartered Accountants, Pune (Firm Registration No.101118W/100682) during the year 2023-24.

DETAILS OF NON-COMPLIANCE

BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') vide their Notices dated June 30, 2023, imposed a fine of ₹ 17,700 /- each on the Company, for delay of three days in submission of Consolidated Financial Results for the quarter and year ended March 31, 2023, which was on account of delayed availability of results of Associate Company.

Kalyani Investment Company Limited has complied with all the requirements of regulatory authorities. No other penalties were imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter relating to the capital market during the year under report, except as mentioned above.

GENERAL BODY MEETINGS

Particulars of General Body Meetings held for the last three years are given below :

Date	Time	Venue	Special Resolutions Passed
September 12, 2023	11.00 a.m.	Held through Video Conferencing (VC) / Other Audio Visual Means (OAVM)	Re-appointment of Mr.S.G. Joglekar, as an Independent Director
September 27, 2022	11.00 a.m.	Held through Video Conferencing (VC) / Other Audio Visual Means (OAVM)	Re-appointment of Mr.S.K. Adivarekar, as an Independent Director
September 3, 2021	2.00 p.m.	Held through Video Conferencing (VC) / Other Audio Visual Means (OAVM)	—

POSTAL BALLOT

No resolution was put through postal ballot during the Financial Year 2023-24.

None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing of resolution conducted through postal ballot.

COMPLIANCE WITH MANDATORY AND DISCRETIONARY REQUIREMENTS

The Company is fully compliant with the applicable mandatory requirements of Listing Regulations. The Company has adopted the following non-mandatory requirements of Listing Regulations.

1) Unmodified Opinion(s) in Audit Report

   The Company's financial statements for the year 2023- 24 do not contain any modified audit opinion.

2) Reporting of Internal Auditors

   The Internal Auditors of the Company report to the Audit Committee periodically to ensure the independence of the Internal Audit function.

SHAREHOLDER INFORMATION

COMPANY REGISTRATION DETAILS

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs is L65993PN2009PLC134196.

ANNUAL GENERAL MEETING

Day, Date and Time : Friday, September 20, 2024 at 11.00 a.m

Venue of the Meeting : Through Video Conferencing (VC) / Other Audio Visual Means (OAVM)

FINANCIAL CALENDAR

1st April to 31st March

EQUITY SHARES IN SUSPENSE ACCOUNT

In compliance with Regulation 39(4) of the Listing Regulations, the Company transferred all the unclaimed Equity Shares into Unclaimed Suspense Account. As on April 1, 2023, 61 Equity Shares in respect of 7 shareholders were lying in the said Unclaimed Suspense Account. The voting rights on the said shares shall remain frozen till the rightful owners of such shares claim the shares.

During the year, no claim was received from the concerned shareholders / his legal heirs.

LISTING

The Equity Shares of the Company are listed on :

1) National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051

2) BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001

All annual listing fees due during the year have been paid.

STOCK CODES

NSE : KICL

BSE : 533302

ISIN in NSDL and CDSL : INE029L01018

STOCK DATA

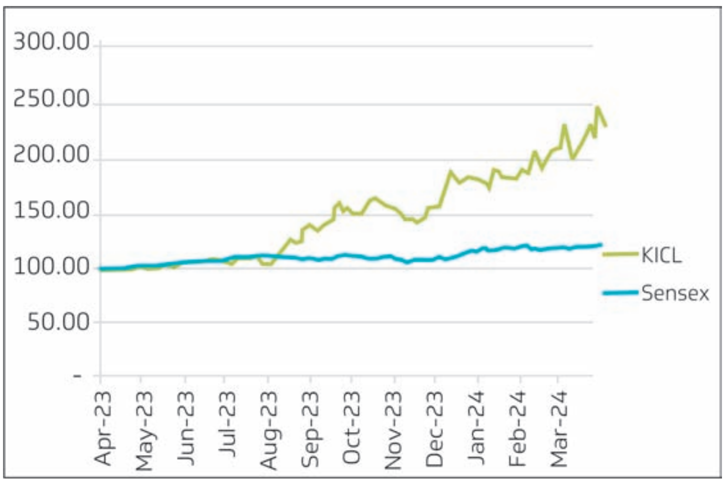
Table below gives the monthly high and low prices and volumes of trading of Equity Shares of the Company at National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) for the year 2023-24 :

Month & Year	NSE			BSE		
	High (₹)	Low (₹)	Volume (No. of Shares Traded)	High (₹)	Low (₹)	Volume (No. of Shares Traded)
April, 2023	1,838.70	1,717.00	15,931	1,859.25	1,720.05	2,877
May, 2023	1,874.90	1,713.05	24,923	2,050.00	1,715.25	2,554
June, 2023	1,920.30	1,810.85	28,826	2,050.00	1,808.00	4,390
July, 2023	1,960.00	1,785.05	55,664	1,988.90	1,747.65	4,034
August, 2023	2,550.00	1,950.00	252,305	2,550.00	1,950.00	26,988
September, 2023	2,980.00	2,439.05	188,863	2,958.15	2,426.55	23,509
October, 2023	2,988.00	2,464.05	75,553	2,986.95	2,473.90	8,388
November, 2023	3,420.00	2,552.60	188,916	3,420.00	2,552.30	12,476
December, 2023	3,544.50	3,080.15	159,324	3,550.00	3,072.60	14,151
January, 2024	3,894.95	3,220.10	163,047	3,885.90	3,220.00	12,932
February, 2024	4,325.95	3,480.80	158,100	4,350.00	3,380.00	14,841
March, 2024	4,667.75	3,450.00	208,104	4,668.15	3,443.10	25,206

STOCK PERFORMANCE

Chart 'A' plots the movement of Kalyani Investment's Equity Shares adjusted closing prices compared to the BSE Sensex.

Chart 'A' : Kalyani Investment's Share Performance vs. BSE Sensex



Note : Share prices of Kalyani Investment and BSE Sensex have been indexed to 100 as on first working day of Financial Year 2023-24 i.e. April 1, 2023.

REGISTRAR AND TRANSFER AGENTS AND SHARE TRANSFER SYSTEM

M/s. Link Intime India Private Limited, having Registered Office address at C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai – 400 083 and Pune Branch Office at Block No.202, Akshay Complex, 2nd Floor, Off Dhole Patil Road, Near Ganesh Mandir, Pune – 411 001 are the Registrar and Transfer Agents of the Company and carry out the share transfer work on behalf of the Company. The Equity Shares of the Company are traded on the Stock Exchanges compulsorily in demat mode.

PATTERN OF SHAREHOLDING BY OWNERSHIP AS ON MARCH 31, 2024

Category of the Shareholder	No. of Equity Shares held	Shareholding %
Promoters	3,272,851	74.97
Mutual Funds	80	—
Financial Institutions / Banks	136	—
Foreign Portfolio Investors	60,881	1.40
Bodies Corporate	148,051	3.39
NRIs	33,041	0.76
Indian Public	850,266	19.48
TOTAL	4,365,306	100.00

PATTERN OF SHAREHOLDING BY SHARE CLASS AS ON MARCH 31, 2024

Category (Shares)	No. of Shareholders	No. of Equity Shares held	Shareholding %
Up to 5,000	20,033	768,642	17.60
5,001 to 10,000	17	107,868	2.47
10,001 to 20,000	5	66,231	1.52
20,001 to 30,000	1	27,000	0.62
30,001 to 40,000	—	—	—
40,001 to 50,000	3	139,493	3.20
50,001 to 100,000	—	—	—
100,001 and above	2	3,256,072	74.59
TOTAL	20,061	4,365,306	100.00

DEMATERIALIZATION

The Company's Equity Shares are under compulsory Demat Trading. As on March 31, 2024, dematerialized shares accounted for 98.52% of the total Equity.

INVESTORS CORRESPONDENCE ADDRESS

1) Link Intime India Private Limited
Registrar & Transfer Agent
Block No.202, Akshay Complex, 2nd Floor,
Off Dhole Patil Road, Near Ganesh Mandir,
Pune - 411 001
Phone No. : 020 - 2616 1629 / 2616 0084
E-Mail : pune@linkintime.co.in

2) Kalyani Investment Company Limited
Secretarial Department
Mundhwa, Pune - 411 036
Phone No. : 020 - 6621 5000
E-mail : investor@kalyani-investment.com

DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT

I, Amit B. Kalyani, Chairman of the Company do hereby declare that all the Board Members and Senior Management Personnel have affirmed for the year ended March 31, 2024, compliance with the Code of Conduct of the Company laid down for them.

Place : Pune
Date : May 30, 2024

Amit B. Kalyani
Chairman

Annexure - A
CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members
Kalyani Investment Company Limited
Mundhwa, Pune, Maharashtra, 411 036

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kalyani Investment Company Limited CIN L65993PN2009PLC134196 (hereinafter referred to as "the Company") and having registered office at Mundhwa, Pune-411 036 produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary) and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such other statutory authority.

Sr. No.	Name of Director	DIN	Original Date of appointment
1.	Mr.Amit Babasaheb Kalyani	00089430	16/09/2009
2.	Mrs.Deeksha Amit Kalyani	00129026	30/03/2015
3.	Mr.Ravindra Kumar Goyal	03050193	12/08/2011
4.	Mr.Shrikrishna Kiran Adivarekar*	06928271	18/05/2018
5.	Mr.Sanjeev Gajanan Joglekar@	00073826	26/03/2019
6.	Mrs.Shruti Anup Shah	08337714	07/02/2020
7.	Mr.Bhalachandra Basappa Hattarki$	00145710	25/06/2009

Notes :
* re-appointed as an Independent Director w.e.f. May 18, 2023 for second term of five years.
@ re-appointed as an Independent Director w.e.f. March 26, 2024 for second term of five years.
$ ceased as an Independent Director w.e.f. April 1, 2024 upon completion of second term.

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

For SVD & Associates
Company Secretaries

Meenakshi R. Deshmukh
Partner
FCS No. 7364
C P No. 7893

Peer Review No : 669/2020
UDIN : F007364F000472191

Place : Pune
Date : May 30, 2024

CERTIFICATE FROM PRACTICING COMPANY SECRETARY ON CORPORATE GOVERNANCE

To,
The Members
Kalyani Investment Company Limited

We have examined the compliance of conditions of Corporate Governance by Kalyani Investment Company Limited CIN L65993PN2009PLC134196 (hereinafter referred "the Company"), for the year ended on March 31, 2024 as stipulated in relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015 (Listing Regulations).

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable.

We further state that, this certificate is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SVD & Associates
Company Secretaries

Meenakshi R. Deshmukh
Partner
FCS No. 7364
C P No. 7893
Peer Review Number : 669/2020
UDIN : F007364F000472125

Place : Pune
Date : May 30, 2024

DIRECTORS' REPORT

To

The Members,

The Directors have pleasure in presenting the Fifteenth Annual Report on the business and operations of the Company together with Audited Financial Statements for the Financial Year ended March 31, 2024.

1. Financial Highlights (on stand-alone basis)

(₹ in Million)

		2023-24	2022-23
Revenue from Operations	:	714.46	595.02
Other Income	:	72.50	0.41
Total Revenue	:	786.96	595.43
Total Expenditure	:	46.22	30.84
Profit before Tax	:	740.74	564.59
Tax Expenses	:	168.83	138.80
Profit after Tax	:	571.91	425.79

2. Dividend & Reserves

The Directors do not recommend any Dividend on Equity Shares for the financial year ended March 31, 2024. During the year under review, it is proposed to transfer ₹ 114.38 Million to Statutory Reserve Fund (Under Section 45-IC(1) of the Reserve Bank of India Act, 1934). An amount of ₹ 2,039.63 Million is proposed to be retained as Retained Earnings.

3. Management Discussion and Analysis (MD&A)

Management Discussion and Analysis (MD&A) for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), is presented as a part of the Corporate Governance Report.

4. Corporate Governance

Your Company has consistently promoted and demonstrated the highest standards of Corporate Governance culture. The Company believes that good Corporate Governance is essential for achieving long-term corporate goals and enhancing stakeholder value. The Report on Corporate Governance as stipulated under Listing Regulations, is presented in a separate section forming part of this Annual Report. The requisite certificate from Secretarial Auditors of the Company viz. M/s. SVD & Associates, Company Secretaries, Pune, certifying compliance of the conditions of Corporate Governance is attached to Report on Corporate Governance.

5. Deposits

During the year under review, the Company has not accepted any deposits from the public.

6. Directors

Mr.B.B. Hattarki, Independent Director of the Company, completed his Second Term of 5 (Five) years on March 31, 2024 and accordingly ceased to be the Director of the Company with effect from April 1, 2024. The Board places on record its profound appreciation for the guidance and significant contributions made by Mr.Hattarki during his tenure as a Director of the Company.

Mrs.Shruti A. Shah, Independent Director of the Company is seeking re-appointment for a Second Term of 5 (Five) consecutive years with effect from February 7, 2025 to February 6, 2030.

In terms of the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr.R.K. Goyal, Director of the Company, is retiring by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Based on the recommendations of Nomination and Remuneration Committee, the Board of Directors of the Company have recommended these re-appointments and hence, they form a part of the Notice of the Annual General Meeting and are recommended for your approval. Profiles of these Directors are given in the Report on Corporate Governance for reference of the members.

The Company has received declarations from all Independent Directors that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of Listing Regulations. In the opinion of the Board, there exist no circumstances or situations that could impair or affect the ability of Independent Directors towards discharging their duties.

6.1 Board Evaluation

Pursuant to provisions of the Companies Act, 2013 and Regulation 17(10) of the Listing Regulations, the Board, along with Nomination and Remuneration Committee, evaluated its own performance, as well as the performance of its Committees, Independent Directors and the Chairperson.

The performance evaluation of the Committees was done on the basis of parameters such as composition, terms of reference, fulfillment of roles and responsibilities, handling critical issues, frequency of meetings etc. A structured questionnaire was prepared covering the above areas of competencies and feedback was sought on the same.

The parameters for the performance evaluation of the Directors include contribution made at the Board meeting, attendance, instances of sharing best practices, domain knowledge, vision, strategy, engagement with senior management etc.

The Independent Directors at their separate meeting reviewed the performance of Non-Independent Directors, the Board as a whole and of Chairman of the Company after taking into account the views of Non-Executive Directors. The quality, quantity and timeliness of flow of information between the Company management and the Board, that is necessary for the Board to perform their duties effectively and reasonably were also reviewed.

6.2 Nomination & Remuneration Policy

The Nomination and Remuneration Policy of the Company, inter alia, provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment of Directors on the Board of the Company and persons holding Senior Management positions in the Company, including their remuneration and other matters as provided under Section 178 of the Companies Act, 2013 and the Listing Regulations. The Policy is hosted on the website of the Company at the Web-link viz www.kalyani-investment.com/financial/policies.

6.3 Meetings of the Board

During the Financial Year 2023-24, five Board Meetings were convened and held. A separate meeting of Independent Directors as prescribed under Schedule IV of the Companies Act, 2013 was also held. The details of meetings of Board of Directors are provided in the Report on Corporate Governance that forms part of this Annual Report.

7. Directors' Responsibility Statement

Pursuant to the requirements under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that :

i) in the preparation of the annual accounts for the year ended March 31, 2024, the applicable accounting standards have been followed and that there are no material departures;

ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for that period;

iii) the Directors have taken proper and sufficient care 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;

iv) the Directors have prepared the annual accounts for the year ended March 31, 2024, on a 'going concern' basis;

v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

vi) 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.

8. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

Your Company has nothing to report on the aforesaid matters since your Company is not engaged in manufacturing, neither has any foreign collaboration and nor has exported and / or imported any goods or services.

9. Corporate Social Responsibility

As a part of its initiatives under Corporate Social Responsibility (CSR), the Company has undertaken various activities in the areas of education. These activities are carried out in terms of Section 135 read with Schedule VII of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014.

The details of CSR Activities undertaken by the Company are annexed herewith as Annexure "A". The CSR Policy is hosted on the website of the Company at the Web-link viz. www.kalyani-investment.com/financial/policies

10. Related Party Transactions

The Company has a well-defined process of identification of related parties and transactions with related parties. All of the transactions entered by the Company with related parties during FY 2023- 24, were in the ordinary course of business and on an arm's length basis and carried out with prior approval of the Audit Committee, in terms of the provisions of the Companies Act, 2013, Listing Regulations and in accordance with the Policy on dealing with and materiality of related party transactions and the related party framework, formulated and adopted by the Company.

The transactions entered into pursuant to the approval so granted were placed before the Audit Committee for its review on a quarterly basis. Related Party disclosures as per Ind AS have been provided in Note 27 to the Financial Statements.

The policy on Related Party Transactions in line with requirements of the Listing Regulations and as approved by the Board is uploaded on the website of the Company at the Web-link viz. www.kalyani-investment.com/financial/policies

11. Risk Management

Your Company recognizes that risk is an integral and inevitable part of business and is fully committed to manage the risks in a proactive and efficient manner. The Board of Directors of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness.

During the year, the Company has also reviewed the Risk Management Framework which lists out the principles and approach to the Risk Management process. The Company regularly identifies uncertainties and after assessing them, devises short-term and long-term actions to mitigate any risk which could materially impact the Company's performance.

The policy on Risk Management, as approved by the Board, is uploaded on the website of the Company at the Web-link viz. www.kalyani-investment.com/financial/policies

12. Audit Committee

As on March 31, 2024, the Audit Committee comprised of Mr.B.B. Hattarki, Chairman and Mr.R.K. Goyal, Mr.S.K. Adivarekar and Mr.S.G. Joglekar as other members of the Committee.

In view of completion of second term of Mr.B.B. Hattarki, Independent Director on March 31, 2024, the Board of Directors in its meeting dated February 13, 2024, reconstituted the Audit Committee with effect from April 1, 2024 to consist of Mr.S.G. Joglekar, Chairman and Mr.R.K. Goyal, Mr.S.K. Adivarekar and Mrs.Shruti A. Shah as other members of the Committee.

All the recommendations made by the Audit Committee were deliberated and accepted by the Board during the Financial Year 2023-24.

13. Auditor and Auditor's Report

M/s. P G Bhagwat LLP, Chartered Accountants, Pune (Firm Registration No. 101118W/W100682) are the Auditors of the Company until the conclusion of Eighteenth Annual General Meeting to be held in 2027.

The Notes on Financial Statements referred to in the Auditor's Report of M/s. P G Bhagwat LLP are self-explanatory and hence do not call for any further comments. The Auditor's Report does not contain any qualification, reservation, adverse remark or disclaimer.

During the year under review, the Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013 to the Audit Committee.

14. Secretarial Audit and Secretarial Standards

Pursuant to provisions of Section 204 of the Companies Act, 2013, the Board had appointed M/s. SVD & Associates, Company Secretaries, Pune, to undertake Secretarial Audit of the Company for the Financial Year 2023-24. The Secretarial Audit Report for the Financial Year ended March 31, 2024 is annexed herewith as Annexure "B" of the Director's Report. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer except the following observation :

The Company had submitted Consolidated Financial Results to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) for the financial year ended on March 31, 2023 on June 2, 2023 with a delay of 3 days and paid the fine of ₹ 17,700/- (including GST) each to BSE & NSE on July 3, 2023.

The delay was on account of delayed availability of results of Associate Company.

The Company is in compliance with the Secretarial Standards issued by the Council of the Institute of Company Secretaries of India and approved by Central Government under Section 118(10) of the Companies Act, 2013.

15. Information pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, has been provided in Annexure "C".

In terms of Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the shareholders excluding the information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any shareholder interested in obtaining the same may write to the Company Secretary at investor@kalyani-investment.com

16. Annual Return

In accordance with Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return of the Company as on March 31, 2023, filed with Registrar of Companies, is available on the website of the Company at the Web-link viz. www.kalyani-investment.com

17. Whistle Blower Policy

Your Company has devised an effective whistle blower mechanism through Whistle Blower Policy, wherein the Employees / Directors can report the instances of unethical behavior, actual or suspected fraud or any violation of the Code of Conduct and / or laws applicable to the Company, report the instances of divulgence of Unpublished Price Sensitive Information (UPSI) and seek redressal. This mechanism provides appropriate protection to the genuine Whistle Blower, who avails of the mechanism.

During the year under review, the Company has not received any complaint under the said mechanism. The Whistle Blower Policy, as approved by the Board, is uploaded on the website of the Company at the web-link viz. www.kalyani-investment.com/financial/policies

18. Particulars of Loans, Guarantees or Investments

Particulars of Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the Financial Statements provided in this Annual Report.

19. Internal Financial Controls

The Company has designed and implemented a comprehensive Internal Financial Controls System over financial reporting to ensure that all transactions are authorized, recorded and reported correctly in a timely manner. The Company's Internal Financial Controls over financial reporting provides reasonable assurance over the integrity and reliability of financial statements of the Company. During the year, such controls were tested and no reportable material weakness was observed in the design or implementation.

The Company has worked out internal Standard Operating Procedures which lays down roles, responsibility and actions required to be undertaken during each and every transaction.

The Internal Audit Plan is also aligned to the business objectives of the Company which are reviewed and approved by the Audit Committee. Further, the Audit Committee monitors the adequacy and effectiveness of your Company's internal control framework. The internal control system has been designed to ensure that financial and other records are reliable for preparing financial and other statements and for maintaining accountability of assets.

20. Material Changes and Commitments, if any, affecting Financial Position of the Company

There are no adverse material changes or commitments occurring after March 31, 2024, which may affect the financial position of the Company or may require disclosure.

21. Significant and Material Orders

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

22. Familiarization Programme

All Board members of the Company are accorded every opportunity to familiarize themselves with the Company, its management, its operations and above all, the industry perspective and issues. All the information sought by them is also shared with them to enable them to have a good understanding of the Company, its various operations and the industry of which it is a part. The Company also makes detailed presentations to the entire Board including Independent Directors on the Company's operations and business plans, strategy and domestic business environment. This provides an opportunity to the Independent Directors to have direct interaction with Senior Management of the Company.

The details of programmes for familiarization of Independent Directors with the Company are uploaded on the website of the Company at the Web-link viz. www.kalyani-investment.com/financial/ policies

23. Subsidiaries, Joint Ventures or Associate Companies

The Company does not have any Subsidiary / Joint Venture.

As on March 31, 2024, the Company has one associate Company. A statement containing the salient features of the financial statement of the Associate Company, in the prescribed format AOC-1, is annexed hereto as Annexure "D".

24. Consolidated Financial Statements

The Consolidated Financial Statements, pursuant to Section 129 of the Companies Act, 2013 are attached to the Standalone Financial Statements of the Company.

25. Obligation of Company under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment of women at workplace and has adopted a Policy for prevention, prohibition and redressal of sexual harassment at workplace, in terms of provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and the rules framed thereunder. All women employees (permanent, temporary, contractual and trainees), as well as any women visiting the Company's office premises are covered under the Policy. During the year under review, no complaint was filed pursuant to the said POSH Act.

26. Acknowledgement

The Directors take this opportunity to express its deep gratitude for the continued co-operation and support received from all of its valued stakeholders.

For and on behalf of the Board of Directors

Place : Pune
Date : May 30, 2024

Amit B. Kalyani
Chairman

ANNEXURE – A TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with
the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended]

1. A brief outline on CSR Policy of the Company :

   Corporate Social Responsibility (CSR) Policy of the Company emphasize initiatives in specific areas of social development that would include primary, secondary education, skills development, vocational training, health and hygiene, preventive health care and sanitation, women empowerment, environment and ecological protection, character building by providing training opportunities in sports and cultural activities etc. The CSR Policy is available on the website of the Company. (Web-link : http://www.kalyani-investment.com/financial/policies/)

2. The composition of the CSR Committee :

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr.B.B. Hattarki, Chairman	Independent	2	2
2	Mrs.Deeksha A. Kalyani	Non-Executive	2	2
3	Mr.R.K. Goyal	Non-Executive	2	2
4	Mr.S.K. Adivarekar	Independent	2	2

Note : In view of completion of second term of Mr.B.B. Hattarki, Independent Director on March 31, 2024, the Board of Directors, in its meeting held on February 13, 2024, reconstituted the Corporate Social Responsibility Committee with effect from April 1, 2024 to comprise of Mr.S.G. Joglekar, Chairman, Mrs.Deeksha A. Kalyani, Mr.R.K. Goyal and Mr.S.K. Adivarekar as other members of the Committee.

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company : Web-link : www.kalyani-investment.com/board-of-directors/
   CSR Policy Web-link : www.kalyani-investment.com/financial/policies/

4. Provide the executive summary along with the web-link(s) of Impact assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable :

   Not Applicable

5. a) Average net profit of the company as per sub-section (5) of Section 135 : ₹ 39.89 Million

   b) Two percent of Average Net Profit of the Company as per sub-section (5) of Section 135 : ₹ 0.80 Million

   c) Surplus arising out of the CSR Projects or Programmes or Activities of the previous financial years : Not Applicable

   d) Amount required to be set off for the financial year, if any : Nil

   e) Total CSR obligation for the financial year (5a+5b-5c) : ₹ 0.80 Million

6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : ₹ 1.00 Million

   b) Amount spent in Administrative Overheads : Not Applicable

   c) Amount spent on Impact Assessment, if applicable : Not Applicable

   d) Total amount spent for the Financial Year (6a+6b+6c) : ₹ 1.00 Million

   e) CSR amount spent or unspent for the financial year :

Total Amount Spent for the Financial Year (₹ in Million)	Amount Unspent (₹ in Million)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
1.00	—	—	—	—	—

f) Excess amount for set off, if any

Sl. No.	Particulars	Amount (₹ in Million)
i)	Two percent of average net profit of the Company as per Section 135(5)	0.80
ii)	Total amount spent for the Financial Year	1.00
iii)	Excess amount spent for the financial year [(ii)-(i)]	0.20
iv)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years, if any	—
v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.20

7. Details of Unspent CSR amount for the preceding three financial years :

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section 6 of Section 135 (₹ in Million)	Balance amount in unspent CSR Account under sub-section 6 of Section 135 (₹ in Million)	Amount Spent in the Financial Year (₹ in Million)	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 Million)
					Amount (₹ in Million)	Date of Transfer	
1	FY 2022-23	—	—	—	—	—	—
2	FY 2021-22	—	—	—	—	—	—
3	FY 2020-21	—	—	—	—	—	—

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year : No

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5) : Not Applicable

The Responsibility Statement of the CSR Committee of the Board of Directors :

The implementation and monitoring of Corporate Social Responsibility (CSR) Policy is in compliance with CSR objectives and Policy of the Company.

Place : Pune
Date : May 30, 2024

Shekhar Bhivpathaki
Chief Executive Officer
& Chief Financial Officer

S.G. Joglekar
Chairman, CSR Committee

ANNEXURE - B TO DIRECTORS' REPORT

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[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
and Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Kalyani Investment Company Limited
Mundhwa,
Pune - 411 036

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kalyani Investment Company Limited CIN L65993PN2009PLC134196 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information and explanation provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 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 :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of :

i) The Companies Act, 2013, as amended from time to time (the Act) and the rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings wherever applicable;

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

vi) We further report that having regards to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, no other law was applicable specifically to the Company.

We have also examined compliance with the applicable clauses and regulations of the following :

i) Secretarial Standards issued by The Institute of Company Secretaries of India.

ii) The Listing Agreement entered into by the Company with Stock Exchanges pursuant to The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendments thereto.

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

1. The Company had submitted consolidated financial results to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) for the financial year ended on March 31, 2023 on June 2, 2023 with a delay of 3 days and paid the fine of ₹ 17,700/- (including GST) each to BSE & NSE on July 3, 2023.

We further report that :

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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.

All decisions at Board Meetings, Committee Meetings of Board are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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

We further report that during the audit period, there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For SVD & Associates
Company Secretaries

Meenakshi R. Deshmukh
Partner
FCS No. 7364
C P No. 7893
Peer Review Number : 669/2020
UDIN : F007364F000472026

Place : Pune
Date : May 30, 2024

Note : This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as Annexure A and forms an integral part of this report.

'ANNEXURE - A'

To,
The Members,
Kalyani Investment Company Limited,
Mundhwa, Pune - 411 036

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. We have physically verified the documents and evidences and also relied on data provided on electronic mode to us.
5. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

For SVD & Associates
Company Secretaries

Meenakshi R. Deshmukh
Partner
FCS No. 7364
C P No. 7893
Peer Review Number : 669/2020
UDIN : F007364F000472026

Place : Pune
Date : May 30, 2024

ANNEXURE - C TO DIRECTORS' REPORT

Information pursuant to Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

a) The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year :

Sr. No.	Name of the Director	Ratio
1	Mr.Amit B. Kalyani	4.57
2	Mrs.Deeksha A. Kalyani	0.86
3	Mr.B.B. Hattarki	0.86
4	Mr.R.K. Goyal	0.86
5	Mr.S.K. Adivarekar	0.86
6	Mr.S.G Joglekar	0.86
7	Mrs.Shruti A. Shah	0.86

b) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year :

(₹ in Million)

Sr. No.	Name of Director	Remuneration		% increase / (decrease)
		2023-24	2022-23	
1	Mr.Amit B. Kalyani, Director	9.00	5.00	80.00%
2	Mrs.Deeksha A. Kalyani	1.70	1.50	13.33%
3	Mr.B.B. Hattarki	1.70	1.50	13.33%
4	Mr.R.K. Goyal	1.70	1.50	13.33%
5	Mr.S.K. Adivarekar	1.70	1.50	13.33%
6	Mr.S.G Joglekar	1.70	1.50	13.33%
7	Mrs.Shruti A. Shah	1.70	1.50	13.33%

Percentage increase in remuneration of Chief Executive Officer & Chief Financial Officer : 8.27%
Percentage increase in remuneration of Company Secretary : 14.62%

c) The percentage increase in the median remuneration of employee(s) in the financial year : 9.12%

d) The number of permanent employees on the role of the Company as on March 31, 2024 : 2 Employees

e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration :

Average increase for Salaries of Non-Managerial Personnel : Not Applicable

Average increase for Salaries of Managerial Personnel : 9.12%

f) The remuneration paid to Directors is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Place : Pune
Date : May 30, 2024

Amit B. Kalyani
Chairman

ANNEXURE - D TO DIRECTORS' REPORT

FORM AOC-1

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

Statement containing salient features of the Financial Statement of Subsidiaries / Associate Companies / Joint Ventures

Part "A" : Subsidiaries

Not Applicable

Part "B" : Associates and Joint Ventures

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

Name of Associate		Hikal Limited
1.	Latest Audited Balance Sheet Date	March 31, 2024
2.	Date on which the Associate or Joint Venture was associated or acquired	#October 1, 2009
3.	Shares of Associate held by the Company on the year end	
	No.	38,667,375
	Amount of Investment in Associate	₹ 65.61 Million
	Extent of Holding %	31.36%
4.	Description of how there is significant influence	Note - A
5.	Reason why the associate is not consolidated	Consolidated
6.	*Networth attributable to Shareholding as per latest Audited Balance Sheet	₹ 3,724.50 Million
7.	Profit / Loss for the year	
	Considered in Consolidation	₹ 173.59 Million
	Not Considered in Consolidation	—

$ The Company does not have any Joint Ventures.

Acquired pursuant to Scheme of Arrangement between the Company, Kalyani Steels Limited, Chakrapani Investments & Trades Limited, Surajmukhi Investment & Finance Limited and Gladiolla Investments Limited.

* Networth is considered as per consolidated financial statement of the investee company wherever consolidated financial statements have been prepared.

Note :

A. There is Significant Influence due to percentage (%) of Share Capital.

On behalf of the Board of Directors

Place : Pune Date : May 30, 2024	Anirvinna A. Bhave Company Secretary	Shekhar Bhivpathaki Chief Executive Officer & Chief Financial Officer	Amit B. Kalyani Chairman	R.K. Goyal Director

INDEPENDENT AUDITOR'S REPORT

To

The Members of
Kalyani Investment Company Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements of Kalyani Investment Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024 and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of Material Accounting Policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the standalone state of affairs of the Company as at March 31, 2024 and its standalone profit (including Other Comprehensive Income), standalone changes in equity and its standalone cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion or qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters.

Valuation of investments

At the balance sheet date, the value of investments amounted to ₹ 83,377.39 Million representing 97.85% of the total assets. Investments have been considered as key audit matter due to the size of the balance, various recognition principles, subsequent measurement principles and disclosure requirements. Refer Note 1 to the Standalone Financial Statements for its accounting policy.

Principle Audit Procedures

i) We have understood and evaluated the process of the management to identify impairment indicators (if any) for the company's investments.

ii) For quoted investments, we have independently verified the fair values.

iii) We have evaluated the fair value of unquoted investments adopted by the management and assessed the parameters of the fair valuation reports obtained by the management from external experts.

iv) On a test check basis, we have verified appropriate evidence with regard to assertions of existence and rights to the investments.

v) We have verified principles for recognition, subsequent measurement and disclosures as specified in the accounting policy adopted by the company based on the Ind Accounting Standards.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis; Board of Directors' Report along with its Annexures and Corporate Governance

Report included in the Annual Report but does not include the Standalone Financial Statements and our Auditor's report thereon. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the Standalone financial position, standalone financial performance (including other comprehensive income), standalone changes in equity and standalone cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

We also :

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

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

   d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

   f) With respect to the adequacy of the internal financial controls with reference to financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   g) As required by Section 197(16) of the Act; in our opinion and according to information and explanation provided to us, the remuneration paid by the company to its Directors is in accordance with the provisions of Section 197 of the Act and remuneration paid to Directors is not in excess of the limit laid down under this Section.

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

      (i) The Company does not have any pending litigations which would impact its financial position.

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

      (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      (iv) (a) The management has represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

(c) Based on the information and explanation given to us and audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations made by the management and as mentioned under sub-clause (iv)(a) and (iv)(b) above contain any material misstatement.

(v) The Company has not declared or paid dividend during the year.

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

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, 2024.

For P G Bhagwat LLP
Chartered Accountants
Firm Registration Number : 101118W/W100682

Purva Kulkarni
Partner
Membership Number : 138855
UDIN : 24138855BKBKDN6353

Place : Pune
Date : May 30, 2024

Annexure "A" to the Independent Auditor's Report

Referred to in paragraph 1 under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date :

(i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.

(B) The Company does not own any intangible assets. Therefore, the provisions of Clause 3(i)(a)(B) of the said Order are not applicable to the Company.

(b) According to the information and explanation provided to us, the Property, Plant and Equipment of the Company are being physically verified by the Management, every year. In our opinion, the frequency of verification is reasonable. The Property, Plant and Equipment have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The Company does not own any immovable properties as disclosed in Note [8] on Property, Plant & Equipment to the financial statements. Therefore, the provisions of Clause 3(i) (c) of the said Order are not applicable to the Company.

(d) According to the information and explanation provided to us, the Company has chosen Cost Model for its Property, Plant and Equipment. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment does not arise.

(e) According to the information and explanations provided to us there are no proceedings have been initiated or are pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder. Hence reporting under Clause 3(i) (e) of the Order is not applicable.

(ii) (a) The Company is Core Investment Company (CIC) and therefore, does not have any physical inventory. Accordingly, reporting on Clause (ii)(a) of the Order is not applicable.

(b) According to the information and explanations provided to us, the company has not been sanctioned working capital limits in excess of five crore rupees during the year, 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.

(iii) (a) According to the information and explanations provided to us, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other parties during the year. Accordingly, reporting on Clause 3(iii)(a) and (f) of the Order is not applicable. The Company has made investments in mutual funds during the current year.

(b) According to information and explanation provided to us and in our opinion, the investments made during the year in mutual funds are prima facie, not prejudicial to the interests of the Company.

(c) According to the information and explanation provided to us, in respect of a loan in the nature of inter corporate deposit given in earlier periods, the schedule of repayment of principal had not been stipulated. The Company has fully impaired this loan in the earlier periods. The loan was non-interest bearing.

(d) According to the information and explanation provided to us, no repayment schedule was stipulated and further no interest is being charged on the loan. Therefore, no amount is overdue. The Company has fully impaired this loan in earlier periods.

(e) According to the information and explanation provided to us, no loan or advance in the nature of loan granted has fallen due during the year. Accordingly, reporting on Clause 3(iii)(e) of the Order is not applicable.

(iv) 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.

(v) 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.

(vi) According to information and explanations provided to us, being an investment Company, maintenance of cost records under sub-section (1) of Section 148 of the Act is not applicable.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the 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.

According to information and explanation given to us, no undisputed amounts payable in respect of statutory dues referred in sub-clause (a) above were in arrears as at March 31, 2024 for a period of more than six months from the date they become payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

(viii) In terms of the information and explanations 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. Hence reporting under Clause 3(viii) of the Order is not applicable.

(ix) (a) As the Company does not have any loans or other borrowings from any lender as at the balance sheet date, the provisions of Clause 3(ix)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us and on the basis of our audit procedures, the Company has not availed any term loan.

(d) According to the information and explanations given to us and on the basis of our audit procedures, the Company has not raised any funds on short term basis.

(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 associates. The Company does not have any subsidiaries and joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its joint ventures companies. The Company does not have any subsidiaries or joint ventures.

(x) (a) The Company has not raised any moneys 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 not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year. Accordingly, the provisions of Clause 3(x)(b) of the Order are not applicable to the Company.

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

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, 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) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us and as represented to us by the management, there are no whistle blower complaints received by the company during the year.

(xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

(xiii) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

(xiv) (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the company issued till date, for the period under audit.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, 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 a Core Investment Company (CIC) as per RBI Master Directions - Core Investment Companies (Reserve Bank) Directions, 2016 and continues to fulfill the criteria of CIC. According to the information and explanations given to us, the company is an unregistered CIC and in our opinion, it continues to fulfill such criteria.

(d) Based on information and explanation given to us and as represented by the management, there are two Core Investment Companies in the Group.

(xvii) The Company has not incurred cash losses during current financial year and had not incurred cash losses during immediately preceding financial year.

(xviii) There has been no resignation by statutory auditors during the year hence reporting under Clause 3(xviii) of the Order is not applicable.

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

(xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the Act. Accordingly, reporting under Clause 3(xx)(a) of the Order is not applicable for the year.

(b) There are no unspent amounts towards Corporate Social Responsibility (CSR) in respect of ongoing projects requiring a transfer to a Special Account in compliance with sub-section (6) of Section 135 of the Act. Accordingly, reporting under Clause 3(xx)(b) of the Order is not applicable for the year.

For P G Bhagwat LLP
Chartered Accountants
Firm Registration Number : 101118W/W100682

Purva Kulkarni
Partner
Membership Number : 138855
UDIN : 24138855BKBKDN6353

Place : Pune
Date : May 30, 2024

Annexure "B" to the Independent Auditor's Report

Referred to in paragraph 2(f) under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date :

Report on the Internal Financial Controls with reference to Standalone 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 the Standalone Financial Statements of Kalyani Investment Company Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone 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") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the Standalone Financial Statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal controls 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 Standalone 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 the Standalone Financial Statements.

Meaning of Internal Financial controls with reference to the Standalone Financial Statements

A company's internal financial controls with reference to the Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Standalone 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 Standalone 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 Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

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

Opinion

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

For P G Bhagwat LLP
Chartered Accountants
Firm Registration Number : 101118W/W100682

Purva Kulkarni
Partner
Membership Number : 138855
UDIN : 24138855BKBKDN6353

Place : Pune
Date : May 30, 2024

BALANCE SHEET AS AT MARCH 31, 2024

(₹ in Million)

	Notes		As at March 31, 2024	As at March 31, 2023
ASSETS				
Financial Assets				
(a) Cash and cash equivalents	3		0.87	1.41
(b) Bank balances other than (a) above	4		1,824.59	1,264.22
(c) Loans	5		—	—
(d) Investments	6		83,377.39	56,470.81
(e) Other financial assets	7a		0.50	0.50
		Total	**85,203.35**	**57,736.94**
Non-Financial Assets				
(a) Property, Plant and Equipment	8		1.39	2.37
(b) Other non financial assets	7b		0.06	0.06
(c) Assets for current tax (net)	9		1.36	1.02
		Total	**2.81**	**3.45**
Total Assets			**85,206.16**	**57,740.39**
LIABILITIES AND EQUITY				
Liabilities				
Financial Liabilities				
(a) Trade payables	10			
Total outstanding dues of micro enterprises and small enterprises			—	—
Total outstanding dues of creditors other than micro enterprises and small enterprises			1.02	1.20
(b) Other financial liabilities	11		20.34	15.08
		Total	**21.36**	**16.28**
Non-Financial Liabilities				
(a) Provisions	12		0.04	0.02
(b) Deferred tax liabilities (net)	13		4,071.01	1,015.75
(c) Other non-financial liabilities	14		3.68	3.40
		Total	**4,074.73**	**1,019.17**
Equity				
(a) Share capital	15		43.65	43.65
(b) Other equity				
(i) Reserves & Surplus	16		81,066.42	56,661.29
		Total	**81,110.07**	**56,704.94**
Total Liabilities and Equity			**85,206.16**	**57,740.39**

Material accounting policies 1

Material accounting judgements, estimates and assumptions 2

The notes referred to above form an integral part of these standalone financial statements

As per our attached Report of even date

For P G Bhagwat LLP
Chartered Accountants
Firm Registration No.101118W/W100682

Purva Kulkarni
Partner
Membership No.138855

Place : Pune
Date : May 30, 2024

On behalf of the Board of Directors

Anirvinna A. Bhave
Company Secretary

Shekhar Bhivpathaki
Chief Executive Officer & Chief Financial Officer

Amit B. Kalyani
Chairman

R.K. Goyal
Director

Place : Pune
Date : May 30, 2024

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Million)

	Notes	Year Ended March 31, 2024	Year Ended March 31, 2023
Revenue from Operations			
(a) Dividend income	17	580.68	509.63
(b) Interest on fixed deposit	17	107.94	63.09
(c) Net gain / (loss) on fair value changes	18	25.84	22.30
		714.46	595.02
Other Income	19	72.50	0.41
Total Income		**786.96**	**595.43**
Expenses			
(a) Employee benefits expense	20	4.58	4.39
(b) Depreciation and amortization expense	21	0.98	0.97
(c) Other expenses	22	40.66	25.48
Total expenses		**46.22**	**30.84**
Profit before exceptional items and tax		**740.74**	**564.59**
Exceptional items		—	—
Profit before tax		**740.74**	**564.59**
Tax expense	23		
Current tax		163.50	138.50
Deferred tax expense		5.85	5.25
Taxation in respect of earlier years		(0.52)	(4.95)
Total Tax expense		168.83	138.80
Profit for the year		**571.91**	**425.79**
Other comprehensive income, net of income tax			
A. Items that will not be reclassified to profit or loss			
- Changes in fair value of FVTOCI equity investment		26,882.64	4,850.37
- Tax on above		(3,049.42)	(425.59)
Total other comprehensive income		23,833.22	4,424.78
Total comprehensive income for the year		**24,405.13**	**4,850.57**
Earnings per share (of ₹ 10/- each) :	24		
Basic & Diluted		131.01	97.54

Material Accounting Policies	1
Material accounting judgements, estimates and assumptions	2

The notes referred to above form an integral part of these standalone financial statements

As per our attached Report of even date

For P G Bhagwat LLP
Chartered Accountants
Firm Registration No.101118W/W100682

On behalf of the Board of Directors

Purva Kulkarni
Partner
Membership No.138855

Anirvinna A. Bhave
Company Secretary

Shekhar Bhivpathaki
Chief Executive Officer & Chief Financial Officer

Amit B. Kalyani
Chairman

R.K. Goyal
Director

Place : Pune
Date : May 30, 2024

Place : Pune
Date : May 30, 2024

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

A. Equity Share Capital

(₹ in Million)

Particulars	Notes	No. of shares	Amount
As at April 1, 2022	15	**4,365,306**	**43.65**
Changes in equity share capital		—	—
As at March 31, 2023	15	**4,365,306**	**43.65**
Changes in equity share capital		—	—
As at March 31, 2024	15	**4,365,306**	**43.65**

B. Other Equity

(₹ in Million)

Particulars	Notes	Reserves and Surplus				Other Reserve	Total
		Retained Earnings	General Reserve	Statutory Reserve Fund	Capital Redemption Reserve	FVTOCI Equity Investment Reserve	
As at April 1, 2022	16	**1,241.47**	**2,146.65**	**443.70**	**576.00**	**47,402.90**	**51,810.72**
Profit for the year		425.79	—	—	—	—	425.79
Other Comprehensive Income (net of tax) :							
Changes in fair value of equity instruments		—	—	—	—	4,424.78	4,424.78
Total Comprehensive Income for the year		**425.79**	—	—	—	**4,424.78**	**4,850.57**
Transferred to Statutory Reserve Fund during the year	16	(85.16)	—	85.16	—	—	—
As at March 31, 2023		**1,582.10**	**2,146.65**	**528.86**	**576.00**	**51,827.68**	**56,661.29**

(₹ in Million)

Particulars	Notes	Reserves and Surplus				Other Reserve	Total
		Retained Earnings	General Reserve	Statutory Reserve Fund	Capital Redemption Reserve	FVTOCI Equity Investment Reserve	
As at April 1, 2023	16	**1,582.10**	**2,146.65**	**528.86**	**576.00**	**51,827.68**	**56,661.29**
Profit for the year		571.91	—	—	—	—	571.91
Other Comprehensive Income (net of tax) :							
Changes in fair value of equity instruments		—	—	—	—	23,833.22	23,833.22
Total Comprehensive Income for the year		**571.91**	**—**	**—**	**—**	**23,833.22**	**24,405.13**
Transferred to Statutory Reserve Fund during the year	16	(114.38)	—	114.38	—	—	—
As at March 31, 2024		**2,039.63**	**2,146.65**	**643.24**	**576.00**	**75,660.90**	**81,066.42**

Material Accounting Policies 1
Material accounting judgements, estimates and assumptions 2

The notes referred to above form an integral part of these standalone financial statements

As per our attached Report of even date

For P G Bhagwat LLP
Chartered Accountants
Firm Registration No.101118W/W100682

On behalf of the Board of Directors

Purva Kulkarni
Partner
Membership No.138855

Anirvinna A. Bhave
Company Secretary

Shekhar Bhivpathaki
Chief Executive Officer & Chief Financial Officer

Amit B. Kalyani
Chairman

R.K. Goyal
Director

Place : Pune
Date : May 30, 2024

Place : Pune
Date : May 30, 2024

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Million)

	Year ended March 31, 2024	Year ended March 31, 2024
A) Cash Flows from Operating Activities		
Profit before income tax	**740.74**	**564.59**
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortization	0.98	0.97
Profit on sale of investments	(2.04)	(0.79)
Net gain / (loss) on fair value changes	(23.80)	(21.51)
Provision no longer required	(72.50)	(0.01)
Cash Generated from Operations before working capital changes	**643.38**	**543.25**
Adjustments for changes in working capital		
Increase / (Decrease) in provisions	0.02	0.02
Increase / (Decrease) in trade payables	(0.18)	0.15
Increase / (Decrease) in other financial liabilities	5.26	5.77
Increase / (Decrease) in other non financial liabilities	0.28	1.37
(Increase) / Decrease in other non financial assets	—	0.03
(Increase) / Decrease in other financial assets	(560.37)	(408.70)
Cash generated from Operations	**88.39**	**141.89**
Income taxes paid (net of refunds)	(163.33)	(138.85)
Net Cash Flows from Operating Activities	**(74.94)**	**3.04**
B) Cash Flows from Investing Activities		
Proceeds from sale of Investment in Mutual Fund	1,584.51	298.60
Purchase of Investment in Mutual Fund	(1,582.61)	(300.96)
Sale / (Purchase) of Investment	72.50	—
Net Cash Flows from Investing Activities	**74.40**	**(2.36)**
C) Cash Flows from Financing Activities	—	—
Net Cash Flows from Financing Activities	—	—
Net increase / (decrease) in cash and cash equivalents	**(0.54)**	**0.68**
Cash and cash equivalents at the beginning of the year (refer Note 3)	**1.41**	**0.73**
Cash and cash equivalents at the end of the year (refer Note 3)	**0.87**	**1.41**

This statement has been prepared under the indirect method as set out in Ind AS 7 - Statement of Cash Flows.

Material Accounting Policies 1

Material accounting judgements, estimates and assumptions 2

The notes referred to above form an integral part of these standalone financial statements

As per our attached Report of even date

For P G Bhagwat LLP
Chartered Accountants
Firm Registration No.101118W/W100682

On behalf of the Board of Directors

Purva Kulkarni
Partner
Membership No.138855

Anirvinna A. Bhave
Company Secretary

Shekhar Bhivpathaki
Chief Executive Officer & Chief Financial Officer

Amit B. Kalyani
Chairman

R.K. Goyal
Director

Place : Pune
Date : May 30, 2024

Place : Pune
Date : May 30, 2024

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(All amounts are in Rupees Million, except per share data and unless stated otherwise)

Background

Kalyani Investment Company Limited ("the Company") is a public limited company domiciled in India and incorporated in June, 2009 under the provisions of Companies Act, 1956. The equity shares of the Company are listed on two recognized stock exchanges in India i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company is primarily engaged in the business of making investments in group companies. The registered office of the Company is located at Mundhwa, Pune - 411 036. The CIN of the Company is L65993PN2009PLC134196.

These standalone financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorized for issue on May 30, 2024.

1. Material Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

(i) Compliance with Ind AS

These standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

(ii) Historical cost convention

The standalone financial statements have been prepared on a historical cost basis, except for the following :

- Certain financial assets and liabilities that are measured at fair value.
- Defined benefit plans - plan assets measured at fair value.

(iii) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification.

An asset is treated as current when it is :

- Expected to be realized or intended to be sold or consumed in 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 equivalents 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 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 respectively.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

(b) Interest Income

Interest income from debt instruments is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(c) Dividends

Dividends are recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company and the amount of the dividend can be measured reliably.

(d) Taxes

Current tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income tax Act, 1961. The management periodically evaluates positions taken in returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to tax authorities.

Deferred Tax

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

Deferred tax liabilities are recognized for all taxable temporary differences, 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 associates, 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 assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized, except :

- When the deferred tax asset relating to the deductible temporary differences 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 associates, deferred tax assets are recognized 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 utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

Current and deferred taxes are recognized in the statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

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

(e) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the Company's cash management.

(f) Investment in associate

Investment in associate are accounted at cost less accumulated impairment.

(g) Fair value measurement

The Company measures financial instruments at fair value on initial recognition.

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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level inputs that is significant to the fair value measurement as a whole :

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets and 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 un-observable.

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as unquoted financial assets. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

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.

(h) Financial instruments

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

(i) Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories :

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortized cost

A financial asset is measured at amortized cost if both following conditions are met :

- 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 on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in other income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.

Financial assets at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following criteria are met :

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets, until they are de-recognized or reclassified, are subsequently measured at fair value and recognized in other comprehensive income except for interest income, gain / loss on impairment, gain / loss on foreign exchange which is recognized in the statement of profit and loss.

Financial assets at fair value through profit or loss

A financial asset is measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income.

In addition, the Company may elect to classify 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'). After initial measurement, such financial assets are subsequently measured at fair value in the statement of profit and loss.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

De-recognition of financial assets

A financial asset is de-recognized when :

- the contractual rights to receive cash flows from the financial asset have expired 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.

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 amortized cost e.g. loans, debt-securities, deposits, trade receivables and bank balance.
- Financial assets that are debt instruments and are measured as at FVTOCI.

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

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing 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. This amount is reflected under the head "Other Expenses" in the statement of profit and loss.

The Balance sheet presentation for various financial instruments is described below :

- Financial assets measured as at amortized cost.

ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-offs criteria, the Company does not de-recognize impairment allowance from the gross carrying amount.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

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.

(j) De-recognition of financial liabilities

A financial liability (or a part of a financial liability) is de-recognized 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 de-recognition of the original liability and the recognition of an new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

(k) Offsetting of financial instruments

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

(l) Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All directly attributable costs relating to the acquisition and installation of property, plant and equipment are capitalized. All repair and maintenance costs are recognized in statement of profit and loss during the reporting period in which they are incurred.

Subsequent costs are included in the asset's carrying amount as recognized as a standalone asset, as appropriate, only when 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. The carrying amount of any component accounted for a standalone asset is de-recognized when replaced.

The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation on additions is provided from the beginning of the month in which the asset is put to use.

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.

The useful lives has been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

Depreciation is charged on the basis of useful life of assets on straight line method.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the standalone statement of profit and loss when the asset is de-recognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 1, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

(m) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair vale less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment inventories are recognized in the statement of profit and loss.

Previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of asset does not exceed its recoverable amount. Such reversal is recognized in statement of profit and loss.

(n) Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are unsecured and are presented as current liabilities unless payment is not due within operating cycle determined by the Company after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

(o) Provisions and contingent liabilities

Provisions are recognized when the Company has a present, legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date. Provisions are reviewed at each Balance Sheet date and adjusted to reflect current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. A disclosure for a contingent liability is made where there is a possible obligation arising out of past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation arising out of a past event where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(p) Paid up equity

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(q) Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non cash nature and deferral or accruals of past or future cash receipts or payments. The cash flows from regular operating, investing and financing activities of the Company are segregated.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

(r) Dividend liability

The Company recognizes a liability to make cash or non-cash distributions to equity holders of the Company when distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

(s) Earnings per share

(i) Basic Earnings per Share

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the financial year. Earnings considered in ascertaining the company's earnings per share is the net profit for the period after deducting any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

(ii) Diluted Earnings per Share

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

1A. Significant Accounting Policies

(a) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions for the company.

Refer Note 33 for segment information presented.

(b) Foreign currency transaction

Functional and presentation currency

Items included in the standalone financial statements of the company are measured using the currency of the primary economic environment in which the entity operates (`the functional currency'). The standalone financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Initial Recognition

Foreign currency transactions are recorded in Indian currency, by applying the exchange rate between the Indian currency and the foreign currency at the date of transaction.

Conversion

Monetary items, designated in foreign currencies are revalued at the rate prevailing on the date of Balance Sheet.

Exchange Differences

Exchange differences arising on the settlement and conversion of foreign currency transactions are recognized as income or as expenses in the year in which they arise, except in cases where they relate to the acquisition of qualifying assets, in which cases they were adjusted in the cost of the corresponding asset.

(c) Leases

The determination of whether a contract is (or contains) a lease is based on the substance of the contract at the inception of the lease. The 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.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

Company as a Lessee

At the commencement date, a lessee shall recognize a right-of-use asset and a lease liability. A lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

The Company uses the practical expedient to apply the requirements of Ind AS 116 to a portfolio of leases with similar characteristics if the effects on the financial statements of applying to the portfolio does not differ materially from applying the requirement to the individual leases within that portfolio.

However, when the lessee and the lessor each have the right to terminate the lease without permission from the other party with no more than an insignificant penalty the Company considers that lease to be no longer enforceable. Also according to Ind AS 116, for leases with a lease term of 12 months or less (short-term leases) and for leases for which the underlying asset is of low value, the lessee is not required to recognize right-of-use asset and a lease liability. The Company applies both recognition exemptions.

Right-of-use asset

Right-of-use assets, which are included under property, plant and equipment, are measured at cost less any accumulated depreciation and if necessary, any accumulated impairment. The cost of a right-of-use asset comprises the present value of the outstanding lease payments plus any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and an estimate of costs to be incurred in dismantling or removing the underlying asset. In this context, the Company also applies the practical expedient that the payments for non-lease components are generally recognized as lease payments.

If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the right-of-use asset is depreciated to the end of the useful life of the underlying asset. Otherwise, the right-of-use asset is depreciated to the end of the lease term.

Lease liability

Lease liabilities, which are assigned to financing liabilities, are measured initially at the present value of the lease payments. Subsequent measurement of a lease liability includes the increase of the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

Lease modification

For a lease modification that is not accounted for as a standalone lease, the company accounts for the re-measurement of the lease liability by making a corresponding adjustment to the right-of-use asset.

Company as Lessor

A lessor shall classify each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

Amounts due from lessees under finance leases are recorded as receivables at the company's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Where the Company is a lessor under an operating lease, the asset is capitalized within property, plant and equipment and depreciated over its useful economic life. However, if there is no reasonable certainty that the company will obtain possession of the asset upon end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is available. Initial direct costs incurred in

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Effective April 1,2019, the company adopted Ind AS 116 "Leases" for the first time, using the modified retrospective transition method, applied to lease contracts that are ongoing as at April 1, 2019.

(d) Employee Benefits

(i) Short-term Employee Benefits

The distinction between short term and long term employee benefits is based on expected timing of settlement rather than the employee's entitlement 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 are recognized in the period in which the employee renders the related service.

(ii) Long term Employment Benefits

The employee's long term compensated absences are Company's other long term benefit plans. The present value of the obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation, to recognize the obligation on a net basis.

In regard to other long term employment benefits, the Company recognizes the net total of service costs, net interest on the net defined benefit liability (asset) and re-measurements of the net defined benefit liability (asset) in the statement of profit and loss.

Provident Fund

The Company operates single plan for its employees to provide employee benefits in the nature of provident fund.

The Company pays provident fund contributions to publicly administered provident funds as per regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

Eligible employees receive benefits from a provident fund, which is a defined benefit plan. Both the employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary.

(iii) Termination Benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits at the earlier of the following dates : (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(e) Rounding of amounts

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

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

2. Material accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. This note provides an overview of the areas that involve a higher degree of judgments or complexities and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these judgments, estimates and assumptions is mentioned below.

Judgments, estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

Estimates and assumptions

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

1. **Defined benefit plans**

   The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on Indian Assured Lives Mortality (2012-14) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and benefit increases are based on expected future inflation rates. Further details about employee benefit obligations are given in Note 26.

2. **Fair value measurement of unquoted 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 including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 28 for further disclosures.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

NOTE 3 : CASH AND CASH EQUIVALENTS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with Banks		
In current accounts	0.87	1.41
Total	**0.87**	**1.41**

The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

NOTE 4 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Term deposits with original maturity of more than three months	1,824.59	1,264.22
Total	**1,824.59**	**1,264.22**

NOTE 5 : LOANS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
(A) Loans		
(i) Inter-corporate deposit	50.00	50.00
(ii) Other receivable	—	—
Total (A) - Gross	50.00	50.00
Less : impairment loss allowance	(50.00)	(50.00)
Total (A) - Net	—	—
(B)		
Secured	—	—
Unsecured	50.00	50.00
Total (B) - Gross	50.00	50.00
Less : impairment loss allowance	(50.00)	(50.00)
Total (B) - Net	—	—
Total (C) - Gross Loans in India	50.00	50.00
Less : Impairment loss allowance	(50.00)	(50.00)
Total (C) - Net	—	—

Details of loans or advances in the nature of loans granted to Promoters, Directors, KMPs and the Related Parties that are repayable on demand or without any terms or period of repayment :

(₹ in Million)

	As at March 31, 2024		As at March 31, 2023	
Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans & Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans & Advances in the nature of loans
Promoters	—	—	—	—
Directors	—	—	—	—
KMPs	—	—	—	—
Related Parties (fully impaired)	50.00	100%	50.00	100%

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 Company (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

NOTE 6 : INVESTMENTS

(₹ in Million)

Investments	Number of Shares / Debentures / Units		If Quoted	Face Value	As at March 31, 2024				As at March 31, 2023			
					At Cost	At fair value		Total	At Cost	At fair value		Total
	March 31, 2024	March 31, 2023				Through other comprehensive income	Through profit or loss			Through other comprehensive income	Through profit or loss	
Mutual Funds												
ABSL Liquid Fund - Growth	—	13,906		1,000	—	—	—	—	—	—	5.00	5.00
ABSL Money Manager Fund - Growth	22,878	8,079		1,000	—	—	7.71	7.71	—	—	2.53	2.53
Total Mutual Funds					—	—	**7.71**	**7.71**	—	—	**7.53**	**7.53**
Equity Shares												
Equity Shares of BF Utilities Limited	6,195,046	6,195,046	Quoted	5	—	4,782.58	—	4,782.58	—	1,840.86	—	1,840.86
Equity Shares of Dandakaranya Investment and Trading Private Limited	22,005	22,005		100	—	2.20	—	2.20	—	2.20	—	2.20
Equity Shares of Hastinapur Investment and Trading Private Limited	22,005	22,005		100	—	2.20	—	2.20	—	2.20	—	2.20
Equity Shares of Dronacharya Investment and Trading Private Limited	22,005	22,005		100	—	2.20	—	2.20	—	2.20	—	2.20
Equity Shares of Campanula Investment and Finance Private Limited	220,000	220,000		10	—	2.20	—	2.20	—	2.20	—	2.20
Equity Shares of Cornflower Investment and Finance Private Limited	220,000	220,000		10	—	2.20	—	2.20	—	2.20	—	2.20
Equity Shares of Triumphant Special Alloys Private Limited	245,000	245,000		10	—	2.46	—	2.46	—	2.46	—	2.46
Equity Shares of Bharat Forge Limited	63,312,190	63,312,190	Quoted	2	—	71,517.48	—	71,517.48	—	48,778.90	—	48,778.90
Equity Shares of KSL Holdings Private Limited	5,001,000	5,001,000		10	—	5,016.00	—	5,016.00	—	3,575.72	—	3,575.72
Equity Shares of Saarloha Advanced Materials Private Limited	2,930,218	2,930,218		10	—	1,010.93	—	1,010.93	—	1,277.58	—	1,277.58
Equity Shares of Khed Economic Infrastructure Private Limited	15,111,147	15,111,147		10	—	417.67	—	417.67	—	388.96	—	388.96
Less : Allowance for impairment loss for Equity Shares					—	(13.46)	—	(13.46)	—	(13.46)	—	(13.46)
Total Equity Shares					**—**	**82,744.66**	**—**	**82,744.66**	**—**	**55,862.02**	**—**	**55,862.02**
Equity Shares in Associates												
Equity Shares of Hikal Limited	38,667,375	38,667,375	Quoted	2	65.61	—	—	65.61	65.61	—	—	65.61
Total Equity Shares in Associates					**65.61**	—	—	**65.61**	**65.61**	—	—	**65.61**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

NOTE 6 : INVESTMENTS (Continued)

(₹ in Million)

Investments	Number of Shares / Debentures / Units		If Quoted	Face Value	As at March 31, 2024				As at March 31, 2023			
					At Cost	At fair value		Total	At Cost	At fair value		Total
	March 31, 2024	March 31, 2023				Through other comprehensive income	Through profit or loss			Through other comprehensive income	Through profit or loss	
Preference Shares												
Preference Shares of Baramati Speciality Steels Limited	47,500,000	47,500,000		10	—	—	157.19	157.19	—	—	142.89	142.89
Preference Shares of Kalyani Technoforge Limited	39,684,973	39,684,973		10	—	—	402.22	402.22	—	—	392.76	392.76
Total Preference Shares					**—**	**—**	**559.41**	**559.41**	**—**	**—**	**535.65**	**535.65**
Others (Debentures)												
0% Fully Convertible Debentures (FCDs) of Azalea Enterprises Private Limited	—	725,000		100	—	—	—	—	—	—	72.50	72.50
Less : Allowance for impairment loss of Debentures					—	—	—	—	—	—	(72.50)	(72.50)
Total Debentures					—	—	—	—	—	—	—	—
Total - Gross (A)					**65.61**	**82,744.66**	**567.12**	**83,377.39**	**65.61**	**55,862.02**	**543.18**	**56,470.81**
(i) Investments outside India					—	—	—	—	—	—	—	—
(ii) Investments in India					65.61	82,744.66	567.12	83,377.39	65.61	55,862.02	543.18	56,470.81
Total (B)					**65.61**	**82,744.66**	**567.12**	**83,377.39**	**65.61**	**55,862.02**	**543.18**	**56,470.81**
Total Investments					**65.61**	**82,744.66**	**567.12**	**83,377.39**	**65.61**	**55,862.02**	**543.18**	**56,470.81**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

Refer notes on Investments below :

9,400,000 - 8% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up of Baramati Speciality Steels Limited are redeemable at the end of 20 years from the date of allotment, i.e. on March 28, 2033, with an option to the said Company to redeem the said shares in one or more tranches at any time on or after September 28, 2013.

5,100,000 - 8% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up of Baramati Speciality Steels Limited are redeemable at the end of 20 years from the date of allotment, i.e. on September 28, 2033, with an option to the said Company to redeem the said shares in one or more tranches at any time on or after March 28, 2014.

13,000,000 - 8% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up of Baramati Speciality Steels Limited are redeemable at par on the expiry of 20 years from the date of allotment, i.e. on March 23, 2036, with a call / put option respectively to the said Company as well as the holders of 8% Non-Cumulative Redeemable Preference Shares, after 6 months from the date of allotment, i.e. after September 23, 2016, by giving one month's notice to the other party.

20,000,000 - 8% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up of Baramati Speciality Steels Limited are redeemable at par on the expiry of 20 years from the date of allotment, i.e. on March 23, 2037, with a call / put option respectively to the said Company as well as the holders of 8% Non-Cumulative Redeemable Preference Shares, after 6 months from the date of allotment, i.e. after September 23, 2017, by giving one month's notice to the other party.

12,500,000 - 7% Cumulative, Optionally Convertible, Non-participating Preference Shares of ₹ 10/- each, fully paid up of Kalyani Technoforge Limited allotted on December 22, 2017, carry an option to convert the entire amount in Equity Shares of Kalyani Technoforge Limited, at the option to be exercised by Kalyani Technoforge Limited. The Preference Shares which are not converted, are redeemable at the end of 7 years from the date of allotment, however Kalyani Technoforge Limited can redeem the same after completion of 5 years.

13,984,973 - 7% Cumulative, Optionally Convertible, Non-participating Preference Shares of ₹ 10/- each, fully paid up of Kalyani Technoforge Limited allotted on September 6, 2018 carry an option to convert the entire amount in Equity Shares of Kalyani Technoforge Limited, at the option to be exercised by Kalyani Technoforge Limited. The Preference Shares which are not converted, are redeemable at the end of 7 years from the date of allotment, however Kalyani Technoforge Limited can redeem the same after completion of 5 years.

13,200,000 - 7% Cumulative, Optionally Convertible, Non-participating Preference Shares of ₹ 10/- each, fully paid up of Kalyani Technoforge Limited allotted on September 27, 2019 carry an option to convert the entire amount in Equity Shares of Kalyani Technoforge Limited, at the option to be exercised by Kalyani Technoforge Limited. The Preference Shares which are not converted, are redeemable at the end of 7 years from the date of allotment, however Kalyani Technoforge Limited can redeem the same after completion of 5 years.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

NOTE 7A : OTHER FINANCIAL ASSETS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Security deposit	0.50	0.50
Total	**0.50**	**0.50**

NOTE 7B : OTHER NON-FINANCIAL ASSETS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance to Creditors	0.06	0.06
Total	**0.06**	**0.06**

NOTE 8 : PROPERTY, PLANT AND EQUIPMENT

(₹ in Million)

Particulars	Furniture and Fixtures
Gross Block as at March 31, 2022	**10.24**
Additions	—
Disposals / Adjustments	—
Gross Block as at March 31, 2023	**10.24**
Additions	—
Disposals / Adjustments	—
Gross Block as at March 31, 2024	**10.24**
Accumulated Depreciation :	
As at March 31, 2022	**6.90**
For the year	0.97
Disposals / Adjustments	—
As at March 31, 2023	**7.87**
For the year	0.98
Disposals / Adjustments	—
As at March 31, 2024	**8.85**
Net Block	
As at March 31, 2023	**2.37**
As at March 31, 2024	**1.39**

NOTE 9 : ASSETS FOR CURRENT TAX

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Income Tax (Net)	1.36	1.02
Total	**1.36**	**1.02**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

NOTE 10 : TRADE PAYABLES

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	—	—
Total outstanding dues of creditors other than micro enterprises and small enterprises	1.02	1.20
Total	**1.02**	**1.20**

(i) The Company has compiled this information based on the current information in its possession as at March 31, 2024, no supplier has intimated the Company about its status as Micro and Small Enterprises or its registration with the appropriate authority under the Micro, Small and Medium Enterprises Development Act, 2006 except as disclosed above.

(ii) Trade payables are non-interest bearing and are generally settled within 30 days.

(iii) The Company does not owe any moneys to Micro and Small Enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006.

Trade payables ageing schedule for the year ended March 31, 2024

(₹ in Million)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	—	—	—	—	—
(ii) Others	1.02	—	—	—	1.02
(iii) Disputed Dues - MSME	—	—	—	—	—
(iv) Disputed Dues - Others	—	—	—	—	—
(v) Unbilled Dues	—	—	—	—	—
Total	1.02	—	—	—	1.02

Trade payables ageing schedule for the year ended March 31, 2023

(₹ in Million)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	—	—	—	—	—
(ii) Others	1.20	—	—	—	1.20
(iii) Disputed Dues - MSME	—	—	—	—	—
(iv) Disputed Dues - Others	—	—	—	—	—
(v) Unbilled Dues	—	—	—	—	—
Total	1.20	—	—	—	1.20

NOTE 11 : OTHER FINANCIAL LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Accrued expenses	20.28	15.03
Payable to employees	0.06	0.05
Total	**20.34**	**15.08**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

NOTE 12 : PROVISIONS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Provision for compensated absences (refer Note 26)	0.04	0.02
Total	**0.04**	**0.02**

NOTE 13 : DEFERRED TAX LIABILITIES, NET

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Liabilities		
Depreciation and amortization	(0.60)	(0.46)
Fair valuation of equity shares	4,150.24	1,100.82
Total Deferred tax liabilities	**4,149.64**	**1,100.36**
Deferred Tax Assets		
Fair valuation of preference shares	(78.63)	(84.61)
Total Deferred tax assets	**(78.63)**	**(84.61)**
Deferred Tax Liabilities / (Assets) - (net)	**4,071.01**	**1,015.75**

Changes in Deferred Tax Assets / (Liabilities) in Profit and Loss [charged / (credited) during the year]

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets		
Fair valuation of preference shares	5.99	5.39
	5.99	**5.39**
Deferred tax liabilities		
Depreciation and amortization	(0.14)	(0.14)
	(0.14)	**(0.14)**
Total	**5.85**	**5.25**

Changes in Deferred Tax Assets / (Liabilities) in Other Comprehensive Income [charged / (credited) during the year]

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities		
Fair valuation of equity shares	3,049.42	425.59
Total	**3,049.42**	**425.59**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

NOTE 14 : OTHER NON-FINANCIAL LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues payable	3.68	3.40
Total	**3.68**	**3.40**

NOTE 15 : SHARE CAPITAL

(a) Authorized share capital

Particulars	Equity shares	14% Non Cumulative Redeemable Preference Shares
As at March 31, 2023 :		
Number of shares	12,000,000	60,000,000
Face value per share	10	10
Amount (₹ in Million)	120.00	600.00
As at March 31, 2024 :		
Number of shares	12,000,000	60,000,000
Face value per share	10	10
Amount (₹ in Million)	120.00	600.00

(b) Terms / rights attached to equity shares

The Company has only one class of issued equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive surplus assets of the Company, remaining after distribution of all preferential amounts.

(c) Issued and subscribed equity share capital

(₹ in Million)

Particulars	Number of shares	Amount
As at March 31, 2022	**4,365,306**	**43.65**
Changes in equity share capital	—	—
As at March 31, 2023	**4,365,306**	**43.65**
Changes in equity share capital	—	—
As at March 31, 2024	**4,365,306**	**43.65**

(d) Details of shareholders holding more than 5% shares in the Company

Particulars	Ajinkya Investment & Trading Company	Sundaram Trading & Investment Private Limited
As at March 31, 2023		
% of holding	13.65%	60.94%
Number of shares	595,998	2,660,074
As at March 31, 2024		
% of holding	13.65%	60.94%
Number of shares	595,998	2,660,074

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

(e) Details of Shares held by Promoter and Promoter Group

Name of the Promoter / Promoter Group Member	As at March 31, 2024		As at March 31, 2023		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Mr.B.N. Kalyani (Promoter)	111	—	111	—	—
Mrs.Sunita B. Kalyani	5,464	0.13	5,464	0.13	—
Mr.Amit B. Kalyani	3,119	0.07	3,119	0.07	—
Mrs.Deeksha A. Kalyani	50	—	50	—	—
Mrs.Sugandha Hiremath & Mr.Jai Hiremath	779	0.02	779	0.02	—
Ajinkya Investment & Trading Company	595,998	13.65	595,998	13.65	—
Sundaram Trading & Investment Private Limited	2,660,074	60.94	2,660,074	60.94	—
Ajinkyatara Trading Company Limited	256	—	256	—	—
Lohgaon Trading Company Private Limited	7,000	0.16	7,000	0.16	—
Babasaheb Kalyani Family Trust	—	—	—	—	—
Total	**3,272,851**	**74.97**	**3,272,851**	**74.97**	—

NOTE 16 : RESERVES AND SURPLUS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Retained earnings	1,582.10	1,241.47
Add : Profit for the year	571.91	425.79
Less : Transfer to statutory reserve fund	(114.38)	(85.16)
As at the end of the year	**2,039.63**	**1,582.10**
General Reserve as at the beginning and end of the year	**2,146.65**	**2,146.65**
Statutory Reserve Fund		
As at the beginning of the year	528.86	443.70
Add : Transfer from retained earnings	114.38	85.16
As at the end of the year	**643.24**	**528.86**
Capital Redemption reserve as at the beginning and end of the year	**576.00**	**576.00**
FVTOCI Equity investments		
As at the beginning of the year	51,827.68	47,402.90
Add : Fair value gains / (losses) for the year	23,833.22	4,424.78
As at the end of the year	**75,660.90**	**51,827.68**
Total	**81,066.42**	**56,661.29**

Nature and purpose of reserves

i) General Reserve

Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn. There is no movement in general reserve during the current and previous year.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

ii) Statutory Reserve Fund

As per Section 45-IC(1) in The Reserve Bank of India Act, 1934, every non-banking financial company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

iii) FVTOCI Equity Investment Reserve

The Company has elected to recognize changes in the fair value of investment in equity shares in other comprehensive income. These changes are accumulated within the FVTOCI investment reserve within equity. The Company will transfer amounts from the said reserve to retained earnings when the relevant equity shares are de-recognized.

iv) Capital Redemption Reserve

Capital redemption reserve has been created on redemption of preference shares out of profits in accordance with the Companies Act, 2013 (erstwhile the Companies Act, 1956).

NOTE 17 : REVENUE FROM OPERATIONS

(₹ in Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Dividend received on shares	580.68	509.63
Interest on fixed deposit designated at amortized cost	107.94	63.09
Total	**688.62**	**572.72**

NOTE 18 : REVENUE FROM OPERATIONS - NET GAIN / (LOSS) ON FAIR VALUE CHANGES

(₹ in Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net gain / (loss) on financial instruments at fair value through profit or loss		
- preference shares	23.76	21.50
- mutual funds	2.08	0.80
Total net gain / (loss) on fair value changes	**25.84**	**22.30**
Fair value changes		
- Realized	2.04	0.79
- Unrealized	23.80	21.51
Total net gain / (loss) on fair value changes	**25.84**	**22.30**

NOTE 19 : OTHER INCOME

(₹ in Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on income tax refund	—	0.40
Provision no longer required	72.50	0.01
Total	**72.50**	**0.41**

NOTE 20 : EMPLOYEE BENEFITS EXPENSE

(₹ in Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and wages	4.54	4.35
Contribution to provident fund	0.04	0.04
Total	**4.58**	**4.39**

Refer Note 26

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

NOTE 21 : DEPRECIATION

(₹ in Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation	0.98	0.97
Total	**0.98**	**0.97**

NOTE 22 : OTHER EXPENSES

(₹ in Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Legal and professional fees	14.46	6.00
Fees and subscription	0.85	1.07
Sundry expenses	0.28	0.05
Printing and stationery	0.15	0.15
Advertisement expenses	0.22	0.24
CSR expenditure (refer Note 32)	1.00	0.40
Audit fees (refer Note 25)	0.42	0.42
Communication	—	0.01
Brand usage fees	0.56	0.56
Rates Taxes & Insurance	3.52	2.58
Directors' Commission	19.20	14.00
Total	**40.66**	**25.48**

NOTE 23 : TAX EXPENSE

(₹ in Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current tax	163.50	138.50
Deferred tax expense	5.85	5.25
Taxation in respect of earlier years	(0.52)	(4.95)
Total	**168.83**	**138.80**

Reconciliation of tax expense and accounting profit multiplied by statutory tax rate

(₹ in Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit before tax	740.74	564.59
Applicable tax rate	25.17%	25.17%
Computed tax expense	186.43	142.10
Tax effect of amounts which are not deductible (taxable) in calculating taxable income :		
Non-deductible expenses	0.39	1.35
Provision no longer required	(18.25)	—
Taxation in respect of earlier years	(0.52)	(4.95)
Others	0.78	0.30
Income tax expense	**168.83**	**138.80**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

NOTE 24 : EARNINGS PER SHARE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net profit / (loss) after tax (₹ in Million)	571.91	425.79
Weighted average number of equity shares	4,365,306	4,365,306
Basic and diluted earning per share of nominal value of ₹ 10/- each	131.01	97.54

The Company does not have any potential equity share that would have a dilutive effect on the Earnings Per Share.

NOTE 25 : PAYMENT TO AUDITORS

(₹ in Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
As auditor :		
Audit fees including limited reviews	0.42	0.42
Total	**0.42**	**0.42**

NOTE 26 : PROVISION FOR EMPLOYEE BENEFITS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Compensated absences (refer Note A)	0.04	0.02

A Compensated absences

The compensated absences cover the Company's liability for privilege leave.

I Significant assumptions

The significant actuarial assumptions were as follows :

Particulars	March 31, 2024	March 31, 2023
Discount rate	7.20%	7.50%
Salary escalation rate	8.00%	8.00%
Retirement age	VP and above - 60 years Others - 55 years	VP and above - 60 years Others - 55 years
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Attrition rate	5.00%	5.00%

B Provident Fund

Defined contribution : The Company also has certain defined contribution plans. Contributions are made to provident fund in India for worker at the 12% of basic and dearness allowance as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognized during the period towards defined contribution plan is ₹ 0.041 Million (March 31, 2023 : ₹ 0.037 Million).

I Risk Exposure

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on certain long term obligations to make future benefit payments.

1) Liability Risks

a. Asset-Liability Mismatch Risk

Risks which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

b. Discount Rate Risk

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

c. Future Salary Escalation and Inflation Risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at managements discretion may lead to uncertainties in estimating the increasing risk.

2) Unfunded Plan Risk

This represents unmanaged risk and a growing liability. There is an inherent risk here that the company may default on paying the benefits in adverse circumstances. Funding the plan removes volatility in company's financial and also benefit risk through return on the funds made available for the plan.

NOTE 27 : RELATED PARTY TRANSACTIONS

A) Name of the related parties and nature of relationship

Holding Company	Ownership interest held in the Company	
	March 31, 2024	**March 31, 2023**
Sundaram Trading and Investment Private Limited	60.94%	60.94%

The principal place of business of the holding company is India.

(i) Associate with whom transactions have taken place during the year

Associate	Ownership interest held by the Company	
	March 31, 2024	**March 31, 2023**
Hikal Limited	31.36%	31.36%

The principal place of business of the associate is India and the Company has accounted for its investment in associate at cost.

(ii) Other related parties with whom transactions have taken place during the year

Entities under common control :

i) Bharat Forge Limited

ii) Kalyani Technoforge Limited

iii) Kalyani Strategic Management Services Private Limited

iv) Kalyani Steels Limited

Key Management Personnel :

i) Mr.Amit B. Kalyani, Chairman, Non-Executive Director
ii) Mrs.Deeksha A. Kalyani, Non-Executive Director
iii) Mr.B.B. Hattarki, Independent Director (Upto March 31, 2024)
iv) Mr.R.K. Goyal, Non-Executive Director
v) Mr.S.K. Adivarekar, Independent Director
vi) Mr.S.G. Joglekar, Independent Director
vii) Mrs.Shruti A. Shah, Independent Director
viii) Mr.Shekhar Bhivpathaki, Chief Executive Officer and Chief Financial Officer
ix) Mr.Anirvinna A. Bhave, Company Secretary

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

(₹ in Million)

a	Remuneration	March 31, 2024	March 31, 2023
i)	Mr.Amit B. Kalyani, Chairman, Non-Executive Director	9.00	5.00
ii)	Mrs.Deeksha A. Kalyani, Non-Executive Director	1.70	1.50
iii)	Mr.B.B. Hattarki, Independent Director	1.70	1.50
iv)	Mr.R.K. Goyal, Non-Executive Director	1.70	1.50
v)	Mr.S.K. Adivarekar, Independent Director	1.70	1.50
vi)	Mr.S.G. Joglekar, Independent Director	1.70	1.50
vii)	Mrs.Shruti A. Shah, Independent Director	1.70	1.50
viii)	Mr.Shekhar Bhivpathaki, Chief Executive Officer and Chief Financial Officer*	3.39	3.13
ix)	Mr. Anirvinna A. Bhave, Company Secretary	0.55	0.48
	Total	**23.14**	**17.61**

* Excludes GST amounting to ₹ 0.61 Million (Previous year ₹ 0.56 Million)

(₹ in Million)

(iii) Compensation to key management personnel	March 31, 2024	March 31, 2023
Nature of transaction		
Short-term employee benefits	3.91	3.58
Post-employment benefits	0.03	0.03
Other-long term benefits	—	—
Termination benefits	—	—
Share base payment	—	—

As the future liability for gratuity is provided on an acturial basis for the Company as whole, the amount pertaining to individual is not ascertainable and therefore not included above.

(₹ in Million)

(iv)	Transactions with related parties	March 31, 2024	March 31, 2023
i)	Dividend received from Hikal Limited	46.40	38.67
ii)	Dividend received from Bharat Forge Limited	506.50	443.19
iii)	Dividend received from Kalyani Technoforge Limited	27.78	27.78
iv)	Reimbursement of expenses to Kalyani Steels Limited	4.00	5.53
v)	Branding fees paid to Kalyani Strategic Management Services Private Limited	0.56	0.56
vi)	Akutai Kalyani Charitable Trust	1.00	0.40

(₹ in Million)

(v)	Outstanding balances with related parties	March 31, 2024	March 31, 2023
A	**Key Management Personnel compensation**		
i)	Mr.Amit B. Kalyani, Chairman, Non-Executive Director	9.00	5.00
ii)	Mrs.Deeksha A. Kalyani, Non-Executive Director	1.70	1.50
iii)	Mr.B.B. Hattarki, Independent Director	1.70	1.50
iv)	Mr.R.K. Goyal, Non-Executive Director	1.70	1.50
v)	Mr.S.K. Adivarekar, Independent Director	1.70	1.50
vi)	Mr.S.G. Joglekar, Independent Director	1.70	1.50
vii)	Mrs.Shruti A. Shah, Independent Director	1.70	1.50
	Total Key Management Personnel compensation	**19.20**	**14.00**
B	**Trade payables**		
	Kalyani Steels Limited	0.39	0.63
C	**Loan given**		
	Azalea Enterprises Private Limited (fully provided)	50.00	50.00

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

NOTE 28 : FAIR VALUE MEASUREMENTS

Financial assets and liabilities at amortized cost

(₹ in Million)

Particulars	March 31, 2024	March 31, 2023
Financial assets		
Security deposits	0.50	0.50
Cash and cash equivalents	0.87	1.41
Bank balances other than above	1,824.59	1,264.22
Total financial assets	**1,825.96**	**1,266.13**
Financial liabilities		
Trade payables	1.02	1.20
Accrued expenses	20.34	15.08
Total financial liabilities	**21.36**	**16.28**

Financial assets and liabilities classified as FVTPL

(₹ in Million)

Particulars	March 31, 2024	March 31, 2023
Investment in preference shares	559.41	535.65
Investments in mutual funds	7.71	7.53

Financial assets and liabilities classified as FVTOCI

(₹ in Million)

Particulars	March 31, 2024	March 31, 2023
Investment in equity shares	82,744.66	55,862.02

i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in Million)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3
Investment in preference shares			
March 31, 2024	—	—	559.41
March 31, 2023	—	—	535.65
Investment in mutual funds			
March 31, 2024	7.71	—	—
March 31, 2023	7.53	—	—
Investment in equity shares			
March 31, 2024	76,300.06	—	6,444.60
March 31, 2023	50,619.76	—	5,242.26

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

ii) Valuation process

The finance department of the Company includes a team that performs the valuations of assets and liabilities required for financial reporting purposes. This team appoints external valuation experts whenever the need arises for Level 3 fair valuation. This team reports directly to the Chief Financial Officer (CFO). Discussions of valuation processes and results are held between the CFO and the valuation team at least once every year, in line with the Company's annual reporting period.

iii) Fair value of financial assets and liabilities measured at amortized cost

The carrying amounts of such financial assets and liabilities are a reasonable approximation of their fair values.

iv) Fair value measurements using significant unobservable inputs (Level 3)

The following table presents the changes in Level 3 items :

(₹ in Million)

Particulars	Preference Shares	Equity Shares	Total
As at April 1, 2023	**535.65**	**5,242.26**	**5,777.91**
Gains / (losses) recognized in profit or loss	23.76	—	23.76
Redemption of preference shares	—	—	—
Gains / (losses) recognized in other comprehensive income	—	1,202.34	1,202.34
As at March 31, 2024	**559.41**	**6,444.60**	**7,004.01**

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

v) Valuation inputs and relationships to fair value

The following table summarizes the quantitative information about the significant unobservable inputs used in Level 3 fair value

(₹ in Million)

Name of the entity	Method of valuation - significant unobservable inputs	Fair value as at		Inputs used for fair value	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Equity Shares of Saarloha Advanced Materials Private Limited	Weighted average of Market approach (EV / EBIDTA multiple and price / sales multiple), Income approach (Terminal growth rate and discounting rate) and Asset approach (Fair value of net assets)	1,010.93	1,277.58	5.16 and 0.72 3% and 25.17% Net asset value	4.22 and 0.68
Equity Shares of KSL Holdings Private Limited	Net Asset Value method Inputs considered for NAV : 1) KSL Holdings Private Limited has investment under Saarloha Advanced Materials private Limited, therefore sensitivity for Saarloha Advanced Materials Private Limited has impact on KSL Holdings Private Limited fair value. 2) KSL Holdings Private Limited has investment under Baramati Speciality Steels Limited which in turn has investment in Saarloha Advanced Materials Private Limited therefore sensitivity for Saarloha Advanced Materials Private Limited has impact on Baramati Speciality Steels Limited and therefore Baramati Speciality Steels Limited has impact on KSL Holdings Private Limited fair value. 3) KSL Holdings Private Limited also has investment in quoted investment which is considered on the basis of market price.	5,016.00	3,575.72	Fair value of net assets	Fair value of net assets
Equity Shares of Khed Economic Infrastructure Private Limited	Cost approach - method Inputs considered for cost approach : Inventory valuation 1) Rate per acre for developed land 2) Rate per acre for land under development	417.67	388.96	Inventory valuation Rate per acre for developed land and land under development in the range of ₹ 1.10 to ₹ 1.26 crore (weighted average ₹ 1.18 crore) per acre	Inventory valuation Rate per acre for developed land and land under development in the range of ₹ 1.06 to ₹ 1.26 crore (weighted average ₹ 1.16 crore) per acre
Preference Shares of Baramati Speciality Steels Limited	Discounted cash flow method	157.19	142.89	10%	10%
Preference Shares of Kalyani Technoforge Limited	Discounted cash flow method	402.22	392.76	10%	10%

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

The sensitivity analysis on account of inputs used for fair valuation are as follows :

Particulars	March 31, 2024	March 31, 2023
1. Equity Shares of Saarloha Advanced Materials Private Limited		
Weighted average of Market approach / Income approach / Asset approach		
Increase by 10%	23.44	52.74
Decrease by 10%	(20.51)	(52.74)
2. Equity Shares of KSL Holdings Private Limited		
Fair Value of investments		
Increase by 20%	432.63	320.10
Decrease by 20%	(430.13)	(325.10)
3. Equity Shares of Khed Economic Infrastructure Private Limited		
Rate per share		
Increase by 5%	1.55	1.50
Decrease by 5%	(1.55)	(1.50)
4. Preference Shares of Baramati Speciality Steels Limited		
Discount rate		
Increase by 1%	(1.99)	(1.23)
Decrease by 1%	1.54	0.96
5. Preference Shares of Kalyani Technoforge Limited		
Discount rate		
Increase by 1%	(5.21)	(6.53)
Decrease by 1%	5.72	7.11

NOTE 29 : FINANCIAL RISK MANAGEMENT

Presented below is a description of the risks (market risk and liquidity risk) together with a sensitivity analysis, performed annually, of each of these risks based on selected changes in market rates and prices. These analyses reflect management's view of changes which are reasonably possible to occur over a one-year period.

I Market Risk

A) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have foreign currency transactions and thereby is not exposed to foreign exchange risk arising from foreign currency transactions.

II Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these debt financing plans.

i) Maturities of financial liabilities

The tables below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities :

(₹ in Million)

March 31, 2024	Less than 1 year	More than 1 year
Non-derivative		
Trade payables	1.02	—
Accrued Expenses	20.28	—

(₹ in Million)

March 31, 2023	Less than 1 year	More than 1 year
Non-derivative		
Trade payables	1.20	—
Accrued Expenses	15.03	—

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

III Credit Risk

The Company is exposed to credit risk from its activity of giving loans and from its financing activities, including deposits with banks and other financial instruments.

The balances with banks are subject to low credit risk since the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil. Hence, no provision has been created for expected credit loss for credit risk arising from these financial assets.

A Loans

i) Expected credit loss for loans

(₹ in Million)

Particulars	March 31, 2024	March 31, 2023
Gross carrying amount	50.00	50.00
Expected loss rate	100.00%	100.00%
Expected credit losses (loss allowance provision)	50.00	50.00
Carrying amount of loans (net of impairment)	—	—

ii) Reconciliation of loss allowance provision - loans

(₹ in Million)

Loss allowance as on April 1, 2023	50.00
Changes in loss allowance	—
Loss allowance as on March 31, 2024	50.00

NOTE 30 : CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets.

The capital structure of the Company is as follows :

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Share Capital	43.65	43.65
Other Equity	81,066.42	56,661.29
Total	81,110.07	56,704.94
Debt equity ratio	—	—

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

NOTE 31 : RATIOS

The following are analytical ratios for the year ended March 31, 2024 and March 31, 2023

Sr. No.	Particulars	Numerator	Denominator	March 31, 2024	March 31, 2023
1	Capital to risk-weighted assets ratio (CRAR)	Tier 1 capital + Tier 2 capital	Risk Weighted Assets	N.A.	N.A.
2	Tier I CRAR	Tier 1	Total Risk Weighted Assets	N.A.	N.A.
3	Tier II CRAR	Tier 2	Risk Weighted Assets	N.A.	N.A.
4	Liquidity Coverage Ratio	High quality liquid asset amount	Total net cash flow amount	N.A.	N.A.

Since the above ratios are relevant for NBFCs, therefore being Core Investment Company (CIC) the Company has not disclosed above ratios.

NOTE 32 : CORPORATE SOCIAL RESPONSIBILITY (CSR)

(₹ in Million)

Sr. No.	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
i)	Amount required to be spent by the company during the year	0.80	0.40
ii)	Amount of expenditure incurred (including set off availed)	1.00	0.40
iii)	Shortfall / (Excess) at the end of the year	(0.20)	—
iv)	Total of previous years shortfall / (excess)	—	—
v)	Nature of shortfall	N.A.	N.A.
vi)	Nature of CSR activities	Health & Education	Health & Education
vii)	Details of related party transactions, e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Akutai Kalyani Charitable Trust	Akutai Kalyani Charitable Trust
viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	N.A.	N.A.

NOTE 33 : SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Board of Directors has been identified as the Chief Operating Decision Maker.

The Company is in the business of making investments in group companies, focusing on earning income through dividends, interest and gains on investment held, which is a single segment in accordance with Ind AS 108 - "Operating segment" notified pursuant to Companies (Indian Accounting Standards) Rules, 2015 as amended.

All assets are in India.

NOTE 34 :

As per the information available with the company, no transactions have been entered with any company struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the year.

The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

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.

There is 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 books of account.

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS (Continued) :

NOTE 35

Section 2(6) of the Companies Act, 2013 defines Associate Company in relation to another company as a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company. As per explanation to Section 2(6), significant influence means control of at least twenty percent of paid-up equity share capital and convertible preference share capital or of business decisions under an agreement.

The Company holds investments in below mentioned entities which by share ownership are deemed to be Associate Companies :

Sr. No.	Name of the company	Ultimate holding as on March 31, 2024
i)	Dandakaranya Investment and Trading Private Limited	23.92%
ii)	Hastinapur Investment and Trading Private Limited	23.92%
iii)	Dronacharya Investment and Trading Private Limited	23.92%
iv)	Campanula Investment and Finance Private Limited	23.91%
v)	Cornflower Investment and Finance Private Limited	23.91%

However, the Company does not exercise significant influence in any of the above entities, as demonstrated below :

i) The Company does not have any representation on the Board of Directors or corresponding governing body of the investee.

ii) The Company does not participate in policy making process.

iii) The Company does not have any material transaction with the investee.

iv) The Company does not interchange any managerial personnel.

v) The Company does not provide any essential technical information to the investee.

Accordingly, the above entities have not been considered to be Associate Companies.

NOTE 36

Previous year figures have been regrouped / reclassified wherever necessary to conform with current year's classification / disclosure.

As per our attached Report of even date

For P G Bhagwat LLP
Chartered Accountants
Firm Registration No.101118W/W100682

On behalf of the Board of Directors

Purva Kulkarni
Partner
Membership No.138855

Anirvinna A. Bhave
Company Secretary

Shekhar Bhivpathaki
Chief Executive Officer
& Chief Financial Officer

Amit B. Kalyani
Chairman

R.K. Goyal
Director

Place : Pune
Date : May 30, 2024

Place : Pune
Date : May 30, 2024

INDEPENDENT AUDITOR'S REPORT

To

The Members of

Kalyani Investment Company Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Kalyani Investment Company Limited (hereinafter referred to as the "Company'') and its Associate, which comprise the Consolidated Balance Sheet as at March 31, 2024 and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on Separate Financial Statements the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company and its Associate as at March 31, 2024 of the consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Emphasis of Matter

We draw attention to Note 27A to the Consolidated Financial Statements, as regards the ongoing investigations / actions by statutory authorities in relation to alleged non-compliance with certain environmental laws and regulations and the litigation in respect thereof, in the Associate Company (Hikal Limited), the outcome of which is presently uncertain. Out opinion is not modified in respect of this matter.

Basis for Opinion

We conducted our audit 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 Financial Statements section of our report. We are independent of the Group and its Associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate financial statements of components audited by them, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters.

Valuation of Investments

At the balance sheet date, the value of investments of the Company amounted to ₹ 85,959.03 Million representing 97.92% of the total assets. Investments have been considered as key audit matter due to the size of the balance, various recognition principles, subsequent measurement principles and disclosure requirements. Refer Note 1 to the Consolidated Financial Statements for its accounting policy.

Principle Audit Procedures

i) We have understood and evaluated the process of the Management to identify impairment indicators (if any) for the company's investments.

ii) For quoted investments, we have independently verified the fair values.

iii) We have evaluated the fair value of unquoted investments adopted by the Management and assessed the parameters of the fair valuation reports obtained by the Management from external experts.

iv) On a test check basis, we have verified appropriate evidence with regard to assertions of existence and rights to the investments.

v. We have verified principles for recognition, subsequent measurement and disclosures as specified in the accounting policy adopted by the company based on the Ind Accounting Standards.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis; Board of Directors' Report along with its Annexures and Corporate Governance Report included in the Annual Report but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), the consolidated statement of changes in equity and consolidated cash flows of the Company and its Associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the Company and its Associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

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

The respective Board of Directors of the Company and its Associate are responsible for overseeing the financial reporting process of the Company and its associate.

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

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

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

We also :

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its Associate 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 Consolidated 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 and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its Associate to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated 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.

Other Matters

The Consolidated Financial Statements include the Company's share (by equity method) of total comprehensive income of ₹ 216.35 Million from its one Associate for the year ended March 31, 2024 whose financial statements have been audited by other auditors whose report has been furnished to us by the Management and our opinion on the Consolidated Financial Statements to the extent they have been derived from such financial statements is based solely on the Audit Report of the other auditor. Also refer Note 27A to the Consolidated Financial Statements.

Our audit opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such associate entity as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report to the extent applicable, that :
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
   d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e) On the basis of the written representations received from the Directors of the Company as on March 31, 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its associate company, none of the Directors of the Company and its Associate is disqualified as on March 31, 2024 from being appointed as a Director in terms of Section 164(2) of the Act.

f) In the opinion of the Auditors of the Associate Company (Hikal Limited), the matter described in Emphasis of Matter above, may have an adverse effect on the functioning of the Associate's Group.

g) With respect to the adequacy of the internal financial controls with respect to financial reporting of the Company and its associate and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

h) As required by Section 197 (16) of the Act, in our opinion and according to the information and explanations given to us and based on the reports of the other auditors on separate financial statements, the remuneration paid during the current year to its Directors by the Company and its Associate is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any Director is not in excess of the limit laid down under Section 197 of the Act.

i) 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, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements :

   (i) The consolidated Financial Statements disclose the impact, of pending litigations as at March 31, 2024 on the consolidated financial position of the Company. Refer Note 27A to the Consolidated Financial Statements.

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

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

   (iv) (a) The respective management of the Company and its Associate which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that and based on the consideration of the reports of the other auditors on separate financial statements of the associates, as noted in the 'Other Matters' paragraph, we note that, to the best of knowledge and belief of respective management of such companies, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or its Associate to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or associate companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The respective management of the Company and its Associate which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that and based on the consideration of the reports of the other auditors on separate financial statements of the associates, as noted in the 'Other Matters' paragraph, we note that, to the best of knowledge and belief of respective management of such companies, no funds have been received by the Company or by any of such associate companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or its Associate shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (c) Based on the information and explanation given to us and audit procedures performed by us as considered reasonable and appropriate in the circumstances on the Company and by the auditors of the Associate which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations made by the respective managements of such companies and as mentioned under sub-clause (iv)(a) and (iv)(b) above contain any material misstatement.

   (v) No dividend is declared or paid by the Company during the year. Based on the report of the auditor of the Associate, the dividend declared and paid during the year by the Associate is in compliance with Section 123 of the Act.

   (vi) Based on our examination which included test checks and that performed by the auditor of the associate company and subsidiary of the associate company which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Company and its Associate have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software :

(i) In respect of associate company, the associate company migrated to new database effective January 20, 2024 and for which, audit trail feature is not enabled for direct changes to data when using certain access rights. With respect to legacy database, in the absence of required information, the auditor of the Associate are unable to comment whether audit trail feature was enabled at the database level or whether there were any instances of the audit trail feature being tampered with.

(ii) In respect of subsidiary of associate, the subsidiary of the associate is maintaining its books of accounts in manual form and accordingly the question of commenting on whether the audit trail was tampered with and the preservation of audit trail does not arise.

Further, during the course of our audit, we and respective auditors of the above referred Associate did not come across any instance of audit trail feature being tampered with in respect of the accounting software.

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, 2024.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us and based on the CARO report issued by us for the Company and other auditors of Associate included in the Consolidated Financial Statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports except the following :

Sr No	Name	CIN	Nature	Clause number of the CARO report which is Qualified or is adverse
1	Hikal Limited	L24200MH1988PTC048028	Associate	(vii) (a)

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number : 101118W/W100682

Purva Kulkarni
Partner
Membership Number : 138855
UDIN : 24138855BKBKDO6116

Place : Pune
Date : May 30, 2024

Annexure A to the Independent Auditors' Report

Referred to in paragraph 2(g) under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date :

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

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to the Consolidated Financial Statements of Kalyani Investment Company Limited (hereinafter referred to as the "Company") and its Associate, which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to the Consolidated 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") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated 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 Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and audit evidence obtained by other auditors of the relevant associate in terms of their reports referred to in the other matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to the Consolidated Financial Statements

A company's internal financial control with reference to the Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to the Consolidated Financial Statements 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 Consolidated 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 Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Consolidated Financial Statements

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

Opinion

In our opinion and based on the audit reports of other auditors, the Company and its associate company have, in all material respects, adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the such companies 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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements insofar as it relates to the Associate, is based on the corresponding Report of the Auditors of the Associate.

For P G BHAGWAT LLP
Chartered Accountants
Firm Registration Number : 101118W/W100682

Purva Kulkarni
Partner
Membership Number : 138855
UDIN : 24138855BKBKDO6116

Place : Pune
Date : May 30, 2024

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024

(₹ in Million)

	Notes		As at March 31, 2024	As at March 31, 2023
ASSETS				
Financial Assets				
(a) Cash and cash equivalents	3		0.87	1.41
(b) Bank balances other than (a) above	4		1,824.59	1,264.22
(c) Loans	5		—	—
(d) Investments	6		83,311.78	56,405.20
(e) Investments accounted using Equity method	6		2,647.25	2,477.29
(f) Other financial assets	7a		0.50	0.50
		Total	**87,784.99**	**60,148.62**
Non-Financial Assets				
(a) Property, Plant and Equipment	8		1.39	2.37
(b) Other non financial assets	7b		0.06	0.06
(c) Assets for current tax	9		1.36	1.02
		Total	**2.81**	**3.45**
Total Assets			**87,787.80**	**60,152.07**
LIABILITIES AND EQUITY				
Liabilities				
Financial Liabilities				
(a) Trade payables	10			
Total outstanding dues of micro enterprises and small enterprises			—	—
Total outstanding dues of creditors other than micro enterprises and small enterprises			1.02	1.20
(b) Other financial liabilities	11		20.34	15.08
		Total	**21.36**	**16.28**
Non-Financial Liabilities				
(a) Provisions	12		0.04	0.02
(b) Deferred tax liabilities (Net)	13		4,717.80	1,619.77
(c) Other non-financial liabilities	14		3.68	3.40
		Total	**4,721.52**	**1,623.19**
Equity				
(a) Share capital	15		43.65	43.65
(b) Other equity				
(i) Reserves & Surplus	16		83,001.27	58,468.95
		Total	**83,044.92**	**58,512.60**
Total Liabilities and Equity			**87,787.80**	**60,152.07**

Material accounting policies	1
Material accounting judgements, estimates and assumptions	2

The notes referred to above form an integral part of these consolidated financial statements

As per our attached Report of even date

For P G Bhagwat LLP
Chartered Accountants
Firm Registration No.101118W/W100682

On behalf of the Board of Directors

Purva Kulkarni
Partner
Membership No.138855

Anirvinna A. Bhave
Company Secretary

Shekhar Bhivpathaki
Chief Executive Officer & Chief Financial Officer

Amit B. Kalyani
Chairman

R.K. Goyal
Director

Place : Pune
Date : May 30, 2024

Place : Pune
Date : May 30, 2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Million)

	Notes	Year Ended March 31, 2024	Year Ended March 31, 2023
Revenue from Operations			
(a) Dividend income	17	534.28	470.97
(b) Interest on fixed deposit	17	107.94	63.09
(c) Net gain / (loss) on fair value changes	18	25.84	22.30
		668.06	556.36
Other Income	19	72.50	0.41
Total Income		**740.56**	**556.77**
Expenses			
(a) Employee benefits expense	20	4.58	4.39
(b) Depreciation and amortization expense	21	0.98	0.97
(c) Other expenses	22	40.66	25.48
Total expenses		**46.22**	**30.84**
Profit before tax		**694.34**	**525.93**
Share in profit after tax of associates accounted for using equity method		218.27	245.83
Profit before exceptional items and tax		**912.61**	**771.76**
Exceptional items		—	—
Profit before tax		**912.61**	**771.76**
Tax expense	23		
Current tax		163.50	138.50
Deferred tax expense		49.10	57.39
Taxation in respect of earlier years		(0.52)	(4.95)
Total Tax expense		**212.08**	**190.94**
Profit for the year		**700.53**	**580.82**
Other comprehensive income, net of income tax			
Items that will not be reclassified to profit or loss			
- Changes in fair value of FVTOCI equity investment		26,882.64	4,850.37
- Tax on above		(3,049.42)	(425.59)
- Share of other comprehensive income of associate accounted for using equity method		(1.43)	(1.31)
Total other comprehensive income		23,831.79	4,423.47
Total comprehensive income		**24,532.32**	**5,004.29**
Earnings per share (of ₹ 10/- each) :	24		
Basic & Diluted		160.48	133.05

Material accounting policies 1

Material accounting judgements, estimates and assumptions 2

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Chairman

R.K. Goyal
Director

Place : Pune
Date : May 30, 2024

Place : Pune
Date : May 30, 2024

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

A. Equity Share Capital

(₹ in Million)

Particulars	Notes	No. of shares	Amount
As at April 1, 2022	15	**4,365,306**	**43.65**
Changes in equity share capital		—	—
As at March 31, 2023	15	**4,365,306**	**43.65**
Changes in equity share capital		—	—
As at March 31, 2024	15	**4,365,306**	**43.65**

B. Other Equity

(₹ in Million)

Particulars	Notes	Reserves and Surplus				Other Reserve	Total
		Retained Earnings	General Reserve	Statutory Reserve Fund	Capital Redemption Reserve	FVTOCI Equity Investment Reserve	
As at April 1, 2022	16	**2,895.41**	**2,146.65**	**443.70**	**576.00**	**47,402.90**	**53,464.66**
Profit for the year		580.82	—	—	—	—	580.82
Other Comprehensive Income (net of tax) :							
Changes in fair value of equity instruments		—	—	—	—	4,424.78	4,424.78
Other Comprehensive income of associates accounted for using Equity Method		(1.31)	—	—	—	—	(1.31)
Total Comprehensive Income for the year		**579.51**	**—**	**—**	**—**	**4,424.78**	**5,004.29**
Transferred to Statutory Reserve fund during the year	16	(85.16)	—	85.16	—	—	—
As at March 31, 2023		**3,389.76**	**2,146.65**	**528.86**	**576.00**	**51,827.68**	**58,468.95**

(₹ in Million)

Particulars	Notes	Reserves and Surplus				Other Reserve	Total
		Retained Earnings	General Reserve	Statutory Reserve Fund	Capital Redemption Reserve	FVTOCI Equity Investment Reserve	
As at April 1, 2023	16	**3,389.76**	**2,146.65**	**528.86**	**576.00**	**51,827.68**	**58,468.95**
Profit for the year		700.53	—	—	—	—	700.53
Other Comprehensive Income (net of tax) :							
Changes in fair value of equity instruments		—	—	—	—	23,833.22	23,833.22
Other Comprehensive income of associates accounted for using Equity Method		(1.43)	—	—	—	—	(1.43)
Total Comprehensive Income for the year		**699.10**	**—**	**—**	**—**	**23,833.22**	**24,532.32**
Transferred to Statutory Reserve fund during the year	16	(114.38)	—	114.38	—	—	—
As at March 31, 2024		**3,974.48**	**2,146.65**	**643.24**	**576.00**	**75,660.90**	**83,001.27**

Material accounting policies 1

Material accounting judgements, estimates and assumptions 2

The notes referred to above form an integral part of these consolidated financial statements

As per our attached Report of even date

For P G Bhagwat LLP
Chartered Accountants
Firm Registration No.101118W/W100682

On behalf of the Board of Directors

Purva Kulkarni
Partner
Membership No.138855

Anirvinna A. Bhave
Company Secretary

Shekhar Bhivpathaki
Chief Executive Officer & Chief Financial Officer

Amit B. Kalyani
Chairman

R.K. Goyal
Director

Place : Pune
Date : May 30, 2024

Place : Pune
Date : May 30, 2024

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Million)

	Year ended March 31, 2024	Year ended March 31, 2023
A) Cash Flows from Operating Activities		
Profit before income tax	912.61	771.76
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortization	0.98	0.97
Profit on sale of investments	(2.04)	(0.79)
Net gain / (loss) on fair value changes	(23.80)	(21.51)
Provision no longer required	(72.50)	(0.01)
Share of net profits of associate	(218.27)	(245.83)
Cash Generated from Operations before working capital changes	**596.98**	**504.59**
Adjustments for changes in working capital		
Increase / (Decrease) in provisions	0.02	0.02
Increase / (Decrease) in trade payables	(0.18)	0.15
Increase / (Decrease) in other financial liabilities	5.26	5.77
Increase / (Decrease) in other non financial liabilities	0.28	1.37
(Increase) / Decrease in other non financial assets	—	0.03
(Increase) / Decrease in other financial assets	(560.37)	(408.70)
Cash generated from Operations	**41.99**	**103.23**
Income taxes paid (net of refunds)	(163.33)	(138.85)
Net Cash from Operating Activities	**(121.34)**	**(35.62)**
B) Cash Flows from Investing Activities		
Proceeds from sale of Investment in Mutual Fund	1,584.51	298.60
Purchase of Investment in Mutual Fund	(1,582.61)	(300.96)
Sale / (Purchase) of Investment	72.50	—
Dividend received from associate	46.40	38.66
Net Cash Flows from Investing Activities	**120.80**	**36.30**
C) Cash Flows from Financing Activities	—	—
Net Cash Flows from Financing Activities	—	—
Net increase / (decrease) in cash and cash equivalents	**(0.54)**	**0.68**
Cash and cash equivalents at the beginning of the year (Refer Note 3)	**1.41**	**0.73**
Cash and cash equivalents at the end of the year (Refer Note 3)	**0.87**	**1.41**

This statement has been prepared under the indirect method as set out in Ind AS 7 - Statement of Cash Flows.

Material accounting policies	1
Material accounting judgements, estimates and assumptions	2

The notes referred to above form an integral part of these consolidated financial statements

As per our attached Report of even date

For P G Bhagwat LLP
Chartered Accountants
Firm Registration No.101118W/W100682

On behalf of the Board of Directors

Purva Kulkarni
Partner
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Amit B. Kalyani
Chairman

R.K. Goyal
Director

Place : Pune
Date : May 30, 2024

Place : Pune
Date : May 30, 2024

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

(All amounts are in Rupees Million, except per share data and unless stated otherwise)

Background

Kalyani Investment Company Limited ("the Company") is a public limited company domiciled in India and incorporated in June, 2009 under the provisions of Companies Act, 1956. The equity shares of the Company are listed on two recognized stock exchanges in India i.e. BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company is primarily engaged in the business of making investments in group companies. The registered office of the Company is located at Mundhwa, Pune - 411 036. The CIN of the Company is L65993PN2009PLC134196. The Company and its associates are together referred to as the 'Group'.

These consolidated financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorized for issue on May 30, 2024.

1. Material Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

(i) Compliance with Ind AS

These consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

(ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following :

- Certain financial assets and liabilities that are measured at fair value.
- Defined benefit plans - plan assets measured at fair value.

(iii) Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current / non-current classification.

An asset is treated as current when it is :

- Expected to be realized or intended to be sold or consumed in 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 equivalents 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 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 Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

(iv) Principles of consolidation and equity accounting

- Associates

  Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognized at cost.

- Equity method

  Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit and loss and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment.

  When the Group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

  Unrealized gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

  The Group has adopted not to recognize the effects of the transactions recorded in equity of associate outside the statement of profit or loss and other comprehensive income of the associate.

(b) Interest Income

Interest income from debt instruments is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(c) Dividends

Dividends are recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(d) Taxes

Current tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income tax Act, 1961. The management periodically evaluates positions taken in returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to tax authorities.

Deferred Tax

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

Deferred tax liabilities are recognized for all taxable temporary differences, 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 associates 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 assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized, except :

- When the deferred tax asset relating to the deductible temporary differences 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 associates deferred tax assets are recognized 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 utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Current and deferred taxes are recognized in the statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

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

(e) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consists of cash and short-term deposits, as defined above, net of outstanding bank overdrafts and cash credit facilities as they are considered an integral part of the Group's cash management.

(f) Fair value measurement

The Group measures financial instruments at fair value on initial recognition.

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 Group.

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 Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level inputs that is significant to the fair value measurement as a whole :

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets and 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 un-observable.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as unquoted financial assets. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

For the purpose of fair value disclosures, the Group 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.

(g) Financial instruments

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

(h) Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories :

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortized cost

A financial asset is measured at amortized cost if both following conditions are met :

- 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 on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in other income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.

Financial assets at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both of the following criteria are met :

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets, until they are de-recognized or reclassified, are subsequently measured at fair value and recognized in other comprehensive income except for interest income, gain / loss on impairment, gain / loss on foreign exchange which is recognized in the statement of profit and loss.

Financial assets at fair value through profit or loss

A financial asset is measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income.

In addition, the Group may elect to classify 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'). After initial measurement, such financial assets are subsequently measured at fair value in the statement of profit and loss.

De-recognition of financial assets

A financial asset is de-recognized when :

- the contractual rights to receive cash flows from the financial asset have expired, or
- The Group 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 Group has transferred substantially all the risks and rewards of the asset or

  (b) The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Group 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 amortized cost e.g. loans, debt-securities, deposits, trade receivables and bank balance.
- Financial assets that are debt instruments and are measured as at FVTOCI.

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

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

For recognition of impairment loss on other financial assets and risk exposure, the Group 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 recognizing 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 Group in accordance with the contract and all the cash flows that the Group 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 Group 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.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

The Balance sheet presentation for various financial instruments is described below :

- Financial assets measured as at amortized cost.

ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-offs criteria, the Group does not de-recognize impairment allowance from the gross carrying amount.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e. financial assets which are credit impaired on purchase / origination.

(i) De-recognition of financial liabilities

A financial liability (or a part of a financial liability) is de-recognized 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 de-recognition of the original liability and the recognition of an new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

(j) Offsetting of financial instruments

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

(k) Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All directly attributable costs relating to the acquisition and installation of property, plant and equipment are capitalized. All repair and maintenance costs are recognized in statement of profit and loss during the reporting period in which they are incurred.

Subsequent costs are included in the asset's carrying amount as recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for a separate asset is de-recognized when replaced.

The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation on additions is provided from the beginning of the month in which the asset is put to use.

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.

The useful lives has been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act,2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

Depreciation is charged on the basis of useful life of assets on straight line method.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the consolidated statement of profit and loss when the asset is de-recognized.

The residual values, useful lives, and methods of depreciation of property, plant and equipment are reviewed at each financial year.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 1, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(l) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair vale less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss.

Previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of asset does not exceed its recoverable amount. Such reversal is recognized in statement of profit and loss.

(m) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are unsecured and are presented as current liabilities unless payment is not due within operating cycle determined by the Group after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(n) Provisions and contingent liabilities

Provisions are recognized when the Group has a present, legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date. Provisions are reviewed at each Balance Sheet date and adjusted to reflect current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements. A disclosure for a contingent liability is made where there is a possible obligation arising out of past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation arising out of a past event where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(o) Employee Benefits

(i) Short term Employee Benefits

The distinction between short term and long term employee benefits is based on expected timing of settlement rather than the employee's entitlement 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 are recognized in the period in which the employee renders the related service.

(ii) Long term Employment Benefits

The employee's long term compensated absences are Group's other long term benefit plans. The present value of the obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation, to recognize the obligation on a net basis.

In regard to other long term employment benefits, the Group recognizes the net total of service costs, net interest on the net defined benefit liability (asset), and re-measurements of the net defined benefit liability (asset) in the statement of profit and loss.

Provident Fund

The Group operates single plan for its employees to provide employee benefits in the nature of provident fund.

The Group pays provident fund contributions to publicly administered provident funds as per regulations. The group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

Eligible employees receive benefits from a provident fund, which is a defined benefit plan. Both the employee and the Group make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary.

(iii) Termination Benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits at the earlier of the following dates : (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognizes costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(p) Paid up equity

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(q) Cash Flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non cash nature and deferral or accruals of past or future cash receipts or payments. The cash flows from regular operating, investing and financing activities of the Group are segregated.

(r) Dividend Liability

The Group recognizes a liability to make cash or non-cash distributions to equity holders of the Group when distribution is authorized and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

(s) Earnings per share

(i) Basic Earnings per Share

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the financial year. Earnings considered in ascertaining the group's earnings per share is the net profit for the period after deducting any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

(ii) Diluted Earnings per Share

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

1A. Significant Accounting Policies :

(a) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions for the group. Refer Note 33 for segment information presented.

(b) Foreign currency transaction

Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates (`the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is the Group's functional and presentation currency.

Initial Recognition

Foreign currency transactions are recorded in Indian currency, by applying the exchange rate between the Indian currency and the foreign currency at the date of transaction.

Conversion

Monetary items, designated in foreign currencies are revalued at the rate prevailing on the date of Balance Sheet.

Exchange Differences

Exchange differences arising on the settlement and conversion of foreign currency transactions are recognized as income or as expenses in the year in which they arise, except in cases where they relate to the acquisition of qualifying assets, in which cases they were adjusted in the cost of the corresponding asset.

(c) Leases

The determination of whether a contract is (or contains) a lease is based on the substance of the contract at the inception of the lease. The 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.

Group as a Lessee

At the commencement date, a lessee shall recognize a right-of-use asset and a lease liability. A lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

The Group uses the practical expedient to apply the requirements of Ind AS 116 to a portfolio of leases with similar characteristics if the effects on the financial statements of applying to the portfolio does not differ materially from applying the requirement to the individual leases within that portfolio.

However, when the lessee and the lessor each have the right to terminate the lease without permission from the other party with no more than an insignificant penalty the Group considers that lease to be no longer enforceable. Also according to Ind AS 116, for leases with a lease term of 12 months or less (short-term leases) and for leases for which the underlying asset is of low value, the lessee is not required to recognize right-of-use asset and a lease liability. The Group applies both recognition exemptions.

Right-of-use asset

Right-of-use assets, which are included under property, plant and equipment, are measured at cost less any accumulated depreciation and if necessary, any accumulated impairment. The cost of a right-of-use asset comprises the present value of the outstanding lease payments plus any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and an estimate of costs to be incurred in dismantling or removing the underlying asset. In this context, the Group also applies the practical expedient that the payments for non-lease components are generally recognized as lease payments.

If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the right-of-use asset is depreciated to the end of the useful life of the underlying asset. Otherwise, the right-of-use asset is depreciated to the end of the lease term.

Lease liability

Lease liabilities, which are assigned to financing liabilities, are measured initially at the present value of the lease payments. Subsequent measurement of a lease liability includes the increase of the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

Lease modification

For a lease modification that is not accounted for as a separate lease, the company accounts for the re-measurement of the lease liability by making a corresponding adjustment to the right-of-use asset.

Company as Lessor

A lessor shall classify each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

Amounts due from lessees under finance leases are recorded as receivables at the group net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Where the Company is a lessor under an operating lease, the asset is capitalized within property, plant and equipment and depreciated over its useful economic life. However, if there is no reasonable certainty that the company will obtain possession of the asset upon end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is available. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Effective April 1, 2019, the group adopted Ind AS 116 "Leases" for the first time, using the modified retrospective transition method, applied to lease contracts that are ongoing as at April 1, 2019.

(d) Rounding of amounts

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

2. Material accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. This note provides an overview of the areas that involve a higher degree of judgments or complexities and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these judgments, estimates and assumptions is mentioned below.

Judgments, estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

Estimates and assumptions

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

1. Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on Indian Assured Lives Mortality (2012-14) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and benefit increases are based on expected future inflation rates. Further details about employee benefit obligations are given in Note 26.

2. Fair value measurement of unquoted 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 including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 29 for further disclosures.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 3 : CASH AND CASH EQUIVALENTS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with Banks		
In current accounts	0.87	1.41
Total	**0.87**	**1.41**

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

NOTE 4 : BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Term deposits with original maturity of more than three months	1,824.59	1,264.22
Total	**1,824.59**	**1,264.22**

NOTE 5 : LOANS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
(A) Loans		
(i) Inter-corporate deposit	50.00	50.00
(ii) Other receivable	—	—
Total (A) - Gross	50.00	50.00
Less : impairment loss allowance	(50.00)	(50.00)
Total (A) - Net	—	—
(B)		
Secured	—	—
Unsecured	50.00	50.00
Total (B) - Gross	50.00	50.00
Less : impairment loss allowance	(50.00)	(50.00)
Total (B) - Net	—	—
Total (C) - Gross Loans in India	50.00	50.07
Less : impairment loss allowance	(50.00)	(50.00)
Total (C) - Net	—	—

Details of loans or advances in the nature of loans are granted to Promoters, Directors, KMPs and the Related Parties that are repayable on demand or without any terms or period of repayment :

(₹ in Million)

	As at March 31, 2024		As at March 31, 2023	
Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans & Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans & Advances in the nature of loans
Promoters	—	—	—	—
Directors	—	—	—	—
KMPs	—	—	—	—
Related Parties (fully impaired)	50.00	100%	50.00	100%

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 Company (Ultimate Beneficiaries); or

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

NOTE 6 : INVESTMENTS

(₹ in Million)

Investments	Number of Shares / Debentures / Units		If Quoted	Face Value	As at March 31, 2024				As at March 31, 2023			
	March 31, 2024	March 31, 2023			At Cost	At fair value		Total	At Cost	At fair value		Total
						Through other comprehensive income	Through profit or loss			Through other comprehensive income	Through profit or loss	
Mutual Funds												
ABSL Liquid Fund - Growth	—	13,906		1,000	—	—	—	—	—	—	5.00	5.00
ABSL Money Manager Fund - Growth	22,878	8,079		1,000	—	—	7.71	7.71	—	—	2.53	2.53
Total Mutual Funds					**—**	**—**	**7.71**	**7.71**	**—**	**—**	**7.53**	**7.53**
Equity Shares												
Equity Shares of BF Utilities Limited	6,195,046	6,195,046	Quoted	5	—	4,782.58	—	4,782.58	—	1,840.86	—	1,840.86
Equity Shares of Dandakaranya Investment and Trading Private Limited	22,005	22,005		100	—	2.20	—	2.20	—	2.20	—	2.20
Equity Shares of Hastinapur Investment and Trading Private Limited	22,005	22,005		100	—	2.20	—	2.20	—	2.20	—	2.20
Equity Shares of Dronacharya Investment and Trading Private Limited	22,005	22,005		100	—	2.20	—	2.20	—	2.20	—	2.20
Equity Shares of Campanula Investment and Finance Private Limited	220,000	220,000		10	—	2.20	—	2.20	—	2.20	—	2.20
Equity Shares of Cornflower Investment and Finance Private Limited	220,000	220,000		10	—	2.20	—	2.20	—	2.20	—	2.20
Equity Shares of Triumphant Special Alloys Private Limited	245,000	245,000		10	—	2.46	—	2.46	—	2.46	—	2.46
Equity Shares of Bharat Forge Limited	63,312,190	63,312,190	Quoted	2	—	71,517.48	—	71,517.48	—	48,778.90	—	48,778.90
Equity Shares of KSL Holdings Private Limited	5,001,000	5,001,000		10	—	5,016.00	—	5,016.00	—	3,575.72	—	3,575.72
Equity Shares of Saarloha Advanced Materials Private Limited	2,930,218	2,930,218		10	—	1,010.93	—	1,010.93	—	1,277.58	—	1,277.58
Equity Shares of Khed Economic Infrastructure Private Limited	15,111,147	15,111,147		10	—	417.67	—	417.67	—	388.96	—	388.96
Less : Allowance for impairment loss for Equity Shares					—	(13.46)	—	(13.46)	—	(13.46)	—	(13.46)
Total Equity Shares					**—**	**82,744.66**	**—**	**82,744.66**	**—**	**55,862.02**	**—**	**55,862.02**
Investment accounted using Equity Method												
Equity Shares in Associates												
Equity Shares of Hikal Limited	38,667,375	38,667,375	Quoted	2	2,647.25	—	—	2,647.25	2,477.29	—		2,477.29
Total Equity Shares in Associate using Equity Method					**2,647.25**	—	—	**2,647.25**	**2,477.29**	—	—	**2,477.29**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 6 : INVESTMENTS (Continued)

(₹ in Million)

Investments	Number of Shares / Debentures / Units		If Quoted	Face Value	As at March 31, 2024				As at March 31, 2023			
					At Cost	At fair value		Total	At Cost	At fair value		Total
	March 31, 2024	March 31, 2023				Through other comprehensive income	Through profit or loss			Through other comprehensive income	Through profit or loss	
Preference Shares												
Preference Shares of Baramati Speciality Steels Limited	47,500,000	47,500,000		10	—	—	157.19	157.19	—	—	142.89	142.89
Preference Shares of Kalyani Technoforge Limited	39,684,973	39,684,973		10	—	—	402.22	402.22	—	—	392.76	392.76
Total Preference Shares					**—**	**—**	**559.41**	**559.41**	—	—	**535.65**	**535.65**
Others (Debentures)												
0% Fully Convertible Debentures (FCDs) of Azalea Enterprises Private Limited	—	725,000		100	—	—	—	—	—	—	72.50	72.50
Less : Allowance for impairment loss of debentures					—	—	—	—	—	—	(72.50)	(72.50)
Total Debentures					**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Total - Gross (A)					**2,647.25**	**82,744.66**	**567.12**	**85,959.03**	**2,477.29**	**55,862.02**	**543.18**	**58,882.49**
(i) Investments outside India					—	—	—	—	—	—	—	—
(ii) Investments in India					2,647.25	82,744.66	567.12	85,959.03	2,477.29	55,862.02	543.18	58,882.49
Total (B)					**2,647.25**	**82,744.66**	**567.12**	**85,959.03**	**2,477.29**	**55,862.02**	**543.18**	**58,882.49**
Total Investments					**2,647.25**	**82,744.66**	**567.12**	**85,959.03**	**2,477.29**	**55,862.02**	**543.18**	**58,882.49**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Refer notes on Investments below :

9,400,000 - 8% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up of Baramati Speciality Steels Limited are redeemable at the end of 20 years from the date of allotment, i.e. on March 28, 2033, with an option to the said Company to redeem the said shares in one or more tranches at any time on or after September 28, 2013.

5,100,000 - 8% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up of Baramati Speciality Steels Limited are redeemable at the end of 20 years from the date of allotment, i.e. on September 28, 2033, with an option to the said Company to redeem the said shares in one or more tranches at any time on or after March 28, 2014.

13,000,000 - 8% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up of Baramati Speciality Steels Limited are redeemable at par on the expiry of 20 years from the date of allotment, i.e. on March 23, 2036, with a call / put option respectively to the said Company as well as the holders of 8% Non-Cumulative Redeemable Preference Shares, after 6 months from the date of allotment, i.e. after September 23, 2016, by giving one month's notice to the other party.

20,000,000 - 8% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up of Baramati Speciality Steels Limited are redeemable at par on the expiry of 20 years from the date of allotment, i.e. on March 23, 2037, with a call / put option respectively to the said Company as well as the holders of 8% Non-Cumulative Redeemable Preference Shares, after 6 months from the date of allotment, i.e. after September 23, 2017, by giving one month's notice to the other party.

12,500,000 - 7% Cumulative, Optionally Convertible, Non-participating Preference Shares of ₹ 10/- each, fully paid up of Kalyani Technoforge Limited allotted on December 22, 2017, carry an option to convert the entire amount in Equity Shares of Kalyani Technoforge Limited, at the option to be exercised by Kalyani Technoforge Limited. The Preference Shares which are not converted, are redeemable at the end of 7 years from the date of allotment, however Kalyani Technoforge Limited can redeem the same after completion of 5 years.

13,984,973 - 7% Cumulative, Optionally Convertible, Non-participating Preference Shares of ₹ 10/- each, fully paid up of Kalyani Technoforge Limited allotted on September 6, 2018 carry an option to convert the entire amount in Equity Shares of Kalyani Technoforge Limited, at the option to be exercised by Kalyani Technoforge Limited. The Preference Shares which are not converted, are redeemable at the end of 7 years from the date of allotment, however Kalyani Technoforge Limited can redeem the same after completion of 5 years.

13,200,000 - 7% Cumulative, Optionally Convertible, Non-participating Preference Shares of ₹ 10/- each, fully paid up of Kalyani Technoforge Limited allotted on September 27, 2019 carry an option to convert the entire amount in Equity Shares of Kalyani Technoforge Limited, at the option to be exercised by Kalyani Technoforge Limited. The Preference Shares which are not converted, are redeemable at the end of 7 years from the date of allotment, however Kalyani Technoforge Limited can redeem the same after completion of 5 years.

560,000 - 0% Fully Convertible Unsecured Debentures of ₹ 100/- each fully paid up of Azalea Enterprises Private Limited are compulsorily convertible into such number of fully paid up equity shares of ₹ 10/- each at such a price as shall be fixed by the said Company upon the expiry of the period of 5 years from the date of their original issue, i.e. on March 29, 2014. However the said Company has extended the tenure of the said debentures for further period of 5 years and accordingly the date of conversion shall be March 29, 2024.

165,000 - 0% Fully Convertible Unsecured Debentures of ₹ 100/- each fully paid up of Azalea Enterprises Private Limited are compulsorily convertible into such number of fully paid up equity shares of ₹ 10/- each at such a price as shall be fixed by the said Company upon the expiry of the period of 5 years from the date of their original issue, i.e. on April 4, 2014. However the said Company has extended the tenure of the said debentures for further period of 5 years and accordingly the date of conversion shall be April 4, 2024.

NOTE 7A : OTHER FINANCIAL ASSETS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Security deposit	0.50	0.50
Total	**0.50**	**0.50**

NOTE 7B : OTHER NON-FINANCIAL ASSETS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance to Creditors	0.06	0.06
Total	**0.06**	**0.06**

NOTE 8 : PROPERTY, PLANT AND EQUIPMENT

(₹ in Million)

Particulars	Furniture and Fixtures
Gross Block as at March 31, 2022	**10.24**
Additions	—
Disposals / Adjustments	—
Gross Block as at March 31, 2023	**10.24**
Additions	—
Disposals / Adjustments	—
Gross Block as at March 31, 2024	**10.24**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 8 : PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(₹ in Million)

Particulars	Furniture and Fixtures
Accumulated Depreciation	
As at March 31, 2022	**6.90**
For the year	0.97
Disposals / Adjustments	—
As at March 31, 2023	**7.87**
For the year	0.98
Disposals / Adjustments	—
As at March 31, 2024	**8.85**
Net Block	
As at March 31, 2023	**2.37**
As at March 31, 2024	**1.39**

NOTE 9 : ASSETS FOR CURRENT TAX

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance Income Tax (net)	1.36	1.02
Total	**1.36**	**1.02**

NOTE 10 : TRADE PAYABLES

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	—	—
Total outstanding dues of creditors other than micro enterprises and small enterprises	1.02	1.20
Total	**1.02**	**1.20**

(i) The Company has compiled this information based on the current information in its possession as at March 31, 2024. No supplier has intimated the Company about its status as Micro and Small Enterprises or its registration with the appropriate authority under the Micro, Small and Medium Enterprises Development Act, 2006 except as disclosed above.

(ii) Trade payables are non-interest bearing and are generally settled within 30 days.

Trade payables ageing schedule for the year ended March 31, 2024

(₹ in Million)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	—	—	—	—	—
(ii) Others	1.02	—	—	—	1.02
(iii) Disputed Dues - MSME	—	—	—	—	—
(iv) Disputed Dues - Others	—	—	—	—	—
(v) Unbilled Dues	—	—	—	—	—
Total	1.02	—	—	—	1.02

Trade payables ageing schedule for the year ended March 31, 2023

(₹ in Million)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	—	—	—	—	—
(ii) Others	1.20	—	—	—	1.20
(iii) Disputed Dues - MSME	—	—	—	—	—
(iv) Disputed Dues - Others	—	—	—	—	—
(v) Unbilled Dues	—	—	—	—	—
Total	1.20	—	—	—	1.20

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 11 : OTHER FINANCIAL LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Accrued expenses	20.28	15.03
Payable to employees	0.06	0.05
Total	**20.34**	**15.08**

NOTE 12 : PROVISIONS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Provision for compensated absences (refer Note 26)	0.04	0.02
Total	**0.04**	**0.02**

NOTE 13 : DEFERRED TAX LIABILITIES, NET

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Liabilities		
Depreciation and amortization	(0.60)	(0.46)
Fair valuation of equity shares	4,150.24	1,100.82
On undistributed profits of Associate	646.79	604.02
Total Deferred tax liabilities	**4,796.43**	**1,704.38**
Deferred Tax Assets		
Fair valuation of preference shares	(78.63)	(84.61)
Total Deferred tax assets	**(78.63)**	**(84.61)**
Deferred Tax Liabilities / (Assets) - (net)	**4,717.80**	**1,619.77**

Changes in Deferred Tax Assets / (Liabilities) in Profit and Loss [charged / (credited) during the year]

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax assets		
Fair valuation of preference shares	5.99	5.39
	5.99	**5.39**
Deferred tax liabilities		
Depreciation and amortization	(0.14)	(0.14)
On undistributed profits of Associate	42.77	51.70
	42.63	**51.56**
Total	**48.62**	**56.95**

Changes in Deferred Tax Assets / (Liabilities) in Other Comprehensive Income [charged / (credited) during the year]

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities		
Fair valuation of equity shares	3,049.42	425.59
Total	**3,049.42**	**425.59**

NOTE 14 : OTHER NON-FINANCIAL LIABILITIES

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues payable	3.68	3.40
Total	**3.68**	**3.40**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 15 : SHARE CAPITAL

(a) Authorized share capital

Particulars	Equity shares	14% Non Cumulative Redeemable Preference shares
As at March 31, 2023 :		
Number of shares	12,000,000	60,000,000
Face value per share	10	10
Amount (₹ in Million)	120.00	600.00
As at March 31, 2024 :		
Number of shares	12,000,000	60,000,000
Face value per share	10	10
Amount (₹ in Million)	120.00	600.00

(b) Terms / rights attached to equity shares

The Company has only one class of issued equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive surplus assets of the Company, remaining after distribution of all preferential amounts.

(c) Issued and subscribed equity share capital

(₹ in Million)

Particulars	Number of shares	Amount
As at March 31, 2022	4,365,306	43.65
Changes in equity share capital	—	—
As at March 31, 2023	4,365,306	43.65
Changes in equity share capital	—	—
As at March 31, 2024	4,365,306	43.65

(d) Details of shareholders holding more than 5% shares in the Company

Particulars	Ajinkya Investment & Trading Company	Sundaram Trading & Investment Private Limited
As at March 31, 2023		
% of holding	13.65%	60.94%
Number of shares	595,998	2,660,074
As at March 31, 2024		
% of holding	13.65%	60.94%
Number of shares	595,998	2,660,074

(e) Details of Shares held by Promoter and Promoter Group

Name of the Promoter / Promoter Group Member	March 31, 2024		March 31, 2023		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Mr.B.N. Kalyani (Promoter)	111	—	111	—-	—
Mrs.Sunita B. Kalyani	5,464	0.13	5,464	0.13	—
Mr.Amit B. Kalyani	3,119	0.07	3,119	0.07	—
Mrs.Deeksha A. Kalyani	50	—	50	—	—
Mrs.Sugandha Hiremath & Mr.Jai Hiremath	779	0.02	779	0.02	—
Ajinkya Investment & Trading Company	595,998	13.65	595,998	13.65	—
Sundaram Trading & Investment Private Limited	2,660,074	60.94	2,660,074	60.94	—
Ajinkyatara Trading Company Limited	256	—	256	—	—
Lohgaon Trading Company Private Limited	7,000	0.16	7,000	0.16	—
Babasaheb Kalyani Family Trust	—	—	—	—	—
Total	**3,272,851**	**74.97**	**3,272,851**	**74.97**	**—**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 16 : RESERVES AND SURPLUS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Retained earnings	3,389.76	2,895.41
Add : Profit for the year	700.53	580.82
Add : Share of other comprehensive income of associates accounted	(1.43)	(1.31)
Less : Transfer to statutory reserve fund	(114.38)	(85.16)
As at the end of the year	**3,974.48**	**3,389.76**
General Reserve as at the beginning and end of the year	**2,146.65**	**2,146.65**
Statutory Reserve Fund		
As at the beginning of the year	528.86	443.70
Add : Transfer from retained earnings	114.38	85.16
As at the end of the year	**643.24**	**528.86**
Capital Redemption Reserve as at the beginning and end of the year	**576.00**	**576.00**
FVTOCI Equity Investments		
As at the beginning of the year	51,827.68	47,402.90
Add : Fair value gains / (losses) for the year	23,833.22	4,424.78
As at the end of the year	**75,660.90**	**51,827.68**
Total	**83,001.27**	**58,468.95**

Nature and purpose of reserves

i) General Reserve

Under the erstwhile Companies Act, 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, 2013, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn. There is no movement in general reserve during the current and previous year.

ii) Statutory Reserve Fund

As per Section 45-IC(1) in The Reserve Bank of India Act, 1934, every non-banking financial company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

iii) FVTOCI Equity Investment Reserve

The Company has elected to recognize changes in the fair value of investment in equity shares in other comprehensive income. These changes are accumulated within the FVTOCI investment reserve within equity. The Company will transfer amounts from the said reserve to retained earnings when the relevant equity shares are de-recognized.

iv) Capital Redemption Reserve

Capital redemption reserve has been created on redemption of preference shares out of profits in accordance with the Companies Act, 2013 (erstwhile the Companies Act, 1956).

NOTE 17 : REVENUE FROM OPERATIONS

(₹ in Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Dividend received on shares, designated at FVTOCI	506.50	443.19
Dividend received on shares, designated at FVTPL	27.78	27.78
	534.28	470.97
Interest on fixed deposit designated at amortized cost	107.94	63.09
Total	**642.22**	**534.06**

NOTE 18 : REVENUE FROM OPERATIONS - NET GAIN / (LOSS) ON FAIR VALUE CHANGES

(₹ in Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net gain / (loss) on financial instruments at fair value through profit or loss		
- Preference Shares	23.76	21.50
- Mutual Funds	2.08	0.80
Total net gain / (loss) on fair value changes	25.84	22.30
Fair value changes		
- Realized	2.04	0.79
- Unrealized	23.80	21.51
Total net gain / (loss) on fair value changes	**25.84**	**22.30**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 19 : OTHER INCOME

(₹ in Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on income tax refund	—	0.40
Provision no longer required	72.50	0.01
Total	**72.50**	**0.41**

NOTE 20 : EMPLOYEE BENEFIT EXPENSES

(₹ in Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries and wages	4.54	4.35
Contribution to provident fund	0.04	0.04
Total	**4.58**	**4.39**

refer Note 26

NOTE 21 : DEPRECIATION

(₹ in Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation	0.98	0.97
Total	**0.98**	**0.97**

NOTE 22 : OTHER EXPENSES

(₹ in Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Legal and professional fees	14.46	6.00
Fees and subscription	0.85	1.07
Sundry expenses	0.28	0.05
Printing and stationery	0.15	0.15
Advertisement expenses	0.22	0.24
CSR expenditure (refer Note 32)	1.00	0.40
Audit fees (refer Note 25)	0.42	0.42
Communication	—	0.01
Brand usage fees	0.56	0.56
Rates, Taxes & Insurance	3.52	2.58
Directors' Commission	19.20	14.00
Total	**40.66**	**25.48**

NOTE 23 : TAX EXPENSE

(₹ in Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current tax	163.50	138.50
Deferred tax expense	5.85	5.25
Taxation in respect of earlier years	(0.52)	(4.95)
Deferred tax expense on undistributed profits of Associate	43.25	52.14
Total	**212.08**	**190.94**

Reconciliation of tax expense and accounting profit multiplied by statutory tax rate

(₹ in Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Profit before tax	912.61	771.76
Applicable tax rate	25.17%	25.17%
Computed tax expense	229.68	194.24
Tax effect of amounts which are not deductible (taxable) in calculating taxable income :		
Non-deductible expenses	0.39	1.35
Provision no longer required	(18.25)	—
Taxation in respect of earlier years	(0.52)	(4.95)
Share in profit of associate	(43.25)	(52.14)
Deferred tax expense on undistributed profits of Associate	43.25	52.14
Others	0.78	0.30
Income tax expense	**212.08**	**190.94**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 24 : EARNINGS PER SHARE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net profit / (loss) after tax (₹ in Million)	700.53	580.82
Weighted average number of equity shares	4,365,306	4,365,306
Basic and diluted earning per share of nominal value of ₹ 10/- each	**160.48**	**133.05**

NOTE 25 : PAYMENT TO AUDITORS

(₹ in Million)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
As auditor :		
Audit fees including limited reviews	0.42	0.42
Total	**0.42**	**0.42**

NOTE 26 : PROVISION FOR EMPLOYEE BENEFITS

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Compensated absences (refer Note A)	0.04	0.02

A) Compensated absences

The compensated absences cover the Company's liability for privilege leave.

I) Significant assumptions

The significant actuarial assumptions were as follows :

Particulars	March 31, 2024	March 31, 2023
Discount rate	7.20%	7.50%
Salary escalation rate	8.00%	8.00%
Retirement age	VP and above - 60 years Others - 55 years	VP and above - 60 years Others - 55 years
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Attrition rate	5.00%	5.00%

B) Provident Fund

Defined contribution : The Company also has certain defined contribution plans. Contributions are made to provident fund in India for worker at the 12% of basic and dearness allowance as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognized during the period towards defined contribution plan is ₹ 0.041 Million (March 31, 2023 : ₹ 0.037 Million).

I) Risk Exposure

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on certain long term obligations to make future benefit payments.

1) Liability Risks

a. Asset-Liability Mismatch Risk

Risks which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

b. Discount Rate Risk

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

c. Future Salary Escalation and Inflation Risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at managements discretion may lead to uncertainties in estimating the increasing risk.

2) Unfunded Plan Risk

This represents unmanaged risk and a growing liability. There is an inherent risk here that the company may default on paying the benefits in adverse circumstances. Funding the plan removes volatility in company's financial and also benefit risk through return on the funds made available for the plan.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 27A : INTERESTS IN ASSOCIATES

Name of entity	: Hikal Limited		
Place of business	: Mumbai, India		
% of ownership interest	: 31.36%		
Relationship	: Associate		
Accounting method	: Equity method		
Quoted fair value	: March 31, 2024	₹ 10,248.79 Million	
	March 31, 2023	₹ 10,890.67 Million	
Carrying amount	: March 31, 2024	₹ 2,647.25 Million	
	March 31, 2023	₹ 2,477.29 Million	

The company is engaged in the manufacturing of various chemical intermediates, specialty chemicals, active pharma ingredients and contract research activities.

Commitments and contingent liabilities in respect of Associates

(₹ in Million)

	March 31, 2024	March 31, 2023
Commitments :		
Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances	106.82	297.24
Other non cancellable material commitment	749.98	300.19
Total Commitments	**856.80**	**597.43**
Contingent liabilities :		
Income Taxes	113.43	91.64
Excise Duty	12.52	12.52
Value Added Tax (VAT)	3.53	3.53
Central Sales Tax (CST)	0.93	0.93
Goods and Service Tax (GST)	22.99	—
Total Contingent liabilities	**153.40**	**108.62**

In connection with the alleged improper disposal of by-products by the Associate Company (Hikal Limited in which the Company holds 31.36%) in January, 2022, statutory authorities have conducted investigations in relation to alleged non-compliance with certain environmental laws and regulations and the matter is pending before the Courts and relevant statutory authorities. In the previous year, consequent to directions of Maharashtra Pollution Control Board (MPCB) the Associate Company had temporarily stopped manufacturing activities at its Taloja plant on grounds of not adhering to conditions stipulated in the relevant Consent to Operate. Subsequently, pursuant to an order of the Hon'ble Bombay High Court, MPCB granted permission on June 29, 2022 to re-start manufacturing activities at the plant. In March 2023, the National Green Tribunal, Principal Bench, New Delhi had passed an order accepting the joint committee's reports, which, includes recovery of compensation of ₹ 1,745 lakhs from the Associate Company for non-compliance with environmental laws and regulations. Gujarat Pollution Control Board subsequently issued a direction to the Associate Company for payment thereof. The Associate Company approached the Hon'ble Supreme Court, which has on, April 8, 2024 stayed recovery of the aforesaid amount, subject to the Associate Company depositing, within a period of five weeks, ₹ 500 lakhs with the Court. Of this amount, ₹ 98 lakhs is to be released to legal representatives of the deceased individuals, for which the Associate Company has recognized a provision as matter of prudence and without prejudice to its rights and contentions. Based on the advice of external legal counsel, the Associate Company believes it has a good case on merits in these matters and the Associate Company is taking necessary steps, including legal measures, to defend itself. Accordingly, no further provision is required in the financial result in this respect.

In connection with the closure direction issued in July 2023 by Gujarat Pollution Control Board (GPCB) for the Associate Company's (Hikal Limited in which the Company holds 31.36%) Panoli manufacturing plant, the Associate Company submitted clarifications sought by GPCB, basis which GPCB revoked its July, 2023 closure directions until November 5, 2023 and thereafter until June 3, 2024. The Associate Company has submitted its application to permanent revocation of the said closure directions, pending which, the Panoli manufacturing facility continues to operate without interruption in this regard.

Summarized financial information for Associate
Summarized balance sheet

(₹ in Million)

	Hikal Limited	
	March 31, 2024	March 31, 2023
Total non-current assets	15,205.31	14,464.61
Total current assets	9,666.18	9,390.21
Total non-current liabilities	5,428.55	5,904.58
Total current liabilities	7,566.33	6,615.54
Net Assets	**11,876.61**	**11,334.70**

Reconciliation to carrying amounts

(₹ in Million)

	March 31, 2024	March 31, 2023
Opening net assets	11,334.70	10,679.81
Profit for the year	696.02	783.82
Other comprehensive income	(6.15)	(5.63)
Dividends paid	(147.96)	(123.30)
Closing net assets	**11,876.61**	**11,334.70**
Group's share in %	31.36%	31.36%
Group's share in INR	3,725.26	3,555.30
Capital Reserve on acquisition	(1,078.01)	(1,078.01)
Share in other reserves not accounted as per the accounting policy adopted by the Group (Refer note 1A(a)(iv))	—	—
Carrying amount	**2,647.25**	**2,477.29**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Summarized financial information for Associate
Summarized statement of profit and loss

(₹ in Million)

	March 31, 2024	March 31, 2023
Revenue	17,870.52	20,284.40
Profit for the year	696.02	783.82
Other comprehensive income	(6.15)	(5.63)
Total comprehensive income	689.87	778.19
Dividends received	46.40	38.67

Note 27B : Disclosure in terms of Schedule III of the Companies Act, 2013

Particulars	As at March 31, 2024		Year ended March 31, 2024					
	Net Assets (i.e. Total Assets minus total liabilities)		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	(₹ in Million)	As a % of consolidated profit / (loss)	(₹ in Million)	As a % of consolidated other comprehensive income	(₹ in Million)	As a % of consolidated total comprehensive income	(₹ in Million)
1. Parent								
Kalyani Investment Company Limited	98%	81,110.07	82%	571.91	100%	23,833.22	99%	24,405.13
2. Associate (Domestic)								
Hikal Limited	3%	2,581.64	25%	175.02	—	(1.43)	—	173.59
Consolidation adjustments	(1%)	(646.79)	(7%)	(46.40)	—	—	1%	(46.40)
Total	**100%**	**83,044.92**	**100%**	**700.53**	**100%**	**23,831.79**	**100%**	**24,532.32**

Particulars	As at March 31, 2023		Year ended March 31, 2023					
	Net Assets (i.e. Total Assets minus total liabilities)		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	(₹ in Million)	As a % of consolidated profit / (loss)	(₹ in Million)	As a % of consolidated other comprehensive income	(₹ in Million)	As a % of consolidated total comprehensive income	(₹ in Million)
1. Parent								
Kalyani Investment Company Limited	97%	56,704.94	74%	425.79	100%	4,424.78	97%	4,850.57
2. Associate (Domestic)								
Hikal Limited	4%	2,411.68	33%	193.70	—	(1.31)	3%	192.39
Consolidation adjustments	(1%)	(604.02)	(7%)	(38.67)	—	—	—	(38.67)
Total	**100%**	**58,512.60**	**100%**	**580.82**	**100%**	**4,423.47**	**100%**	**5,004.29**

NOTE 28 : RELATED PARTY TRANSACTIONS

A) Name of the related parties and nature of relationship

Holding Company	**Ownership interest held in the Company**	
	March 31, 2024	**March 31, 2023**
Sundaram Trading and Investment Private Limited	60.94%	60.94%

The principal place of business of the holding company is India.

(i) Where control exists

Associate	**Ownership interest held by the Company**	
	March 31, 2024	**March 31, 2023**
Hikal Limited	31.36%	31.36%

The principal place of business of the associate is India.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(ii) Other related parties with whom transactions have taken place during the year

Entities under common control :

i) Bharat Forge Limited
ii) Kalyani Technoforge Limited
iii) Kalyani Strategic Management Services Private Limited
iv) Kalyani Steels Limited

Key Management Personnel :

i) Mr.Amit B. Kalyani, Chairman, Non-Executive Director
ii) Mrs.Deeksha A. Kalyani, Non-Executive Director
iii) Mr.B.B. Hattarki, Independent Director (Upto March 31, 2024)
iv) Mr.R.K. Goyal, Non-Executive Director
v) Mr.S.K. Adivarekar, Independent Director
vi) Mr.S.G. Joglekar, Independent Director
vii) Mrs.Shruti A. Shah, Independent Director
viii) Mr.Shekhar Bhivpathaki, Chief Executive Officer and Chief Financial Officer
ix) Mr. Anirvinna A. Bhave, Company Secretary

(₹ in Million)

a	Remuneration	March 31, 2024	March 31, 2023
i)	Mr.Amit B. Kalyani, Chairman, Non-Executive Director	9.00	5.00
ii)	Mrs.Deeksha A. Kalyani, Non-Executive Director	1.70	1.50
iii)	Mr.B.B. Hattarki, Independent Director	1.70	1.50
iv)	Mr.R.K. Goyal, Non-Executive Director	1.70	1.50
v)	Mr.S.K. Adivarekar, Independent Director	1.70	1.50
vi)	Mr.S.G. Joglekar, Independent Director	1.70	1.50
vii)	Mrs.Shruti A. Shah, Independent Director	1.70	1.50
ix)	Mr.Shekhar Bhivpathaki, Chief Executive Officer and Chief Financial Officer*	3.39	3.13
xi)	Mr.Anirvinna A. Bhave, Company Secretary	0.55	0.48
	Total	**23.14**	**17.61**

* Excludes GST amounting to ₹ 0.61 Million (Previous year ₹ 0.56 Million)

(₹ in Million)

(iii) Compensation to key management personnel	March 31, 2024	March 31, 2023
Nature of transaction		
Short-term employee benefits	3.91	3.58
Post-employment benefits	0.03	0.03
Other long term benefits	—	—
Termination benefits	—	—
Share base payment	—	—

As the future liability for gratuity is provided on an acturial basis for the Company as whole, the amount pertaining to individual is not ascertainable and therefore not included above.

(₹ in Million)

(iv)	Transactions with related parties	March 31, 2024	March 31, 2023
i)	Dividend received from Hikal Limited	46.40	38.67
ii)	Dividend received from Bharat Forge Limited	506.50	443.19
iii)	Dividend received from Kalyani Technoforge Limited	27.78	27.78
iv)	Reimbursement of expenses to Kalyani Steels Limited	4.00	5.53
v)	Branding fees paid to Kalyani Strategic Management Services Private Limited	0.56	0.56
vi)	Akutai Kalyani Charitable Trust	1.00	0.40

(₹ in Million)

(v)	Outstanding balances with related parties	March 31, 2024	March 31, 2023
A	**Key Management Personnel compensation**		
i)	Mr.Amit B. Kalyani, Chairman, Non-Executive Director	9.00	5.00
ii)	Mrs.Deeksha A. Kalyani, Non-Executive Director	1.70	1.50
iii)	Mr.B.B. Hattarki, Independent Director	1.70	1.50
iv)	Mr.R.K. Goyal, Non-Executive Director	1.70	1.50
v)	Mr.S.K. Adivarekar, Independent Director	1.70	1.50
vi)	Mr.S.G. Joglekar, Independent Director	1.70	1.50
vii)	Mrs.Shruti A. Shah, Independent Director	1.70	1.50
	Total Key management personnel compensation	**19.20**	**14.00**
B	**Trade payables**		
	Kalyani Steels Limited	0.39	0.63
C	**Loan given**		
	Azalea Enterprises Private Limited (fully provided)	50.00	50.00

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 29 : FAIR VALUE MEASUREMENTS

Financial assets and liabilities at amortized cost

(₹ in Million)

Particulars	March 31, 2024	March 31, 2023
Financial assets		
Security deposits	0.50	0.50
Cash and cash equivalents	0.87	1.41
Bank balances other than above	1,824.59	1,264.22
Total financial assets	**1,825.96**	**1,266.13**
Financial liabilities		
Trade payables	1.02	1.20
Accrued expenses	20.34	15.08
Total financial liabilities	**21.36**	**16.28**

Financial assets and liabilities classified as FVTPL

(₹ in Million)

Particulars	March 31, 2024	March 31, 2023
Investment in preference shares	559.41	535.65
Investments in mutual funds	7.71	7.53

Financial assets and liabilities classified as FVTOCI

(₹ in Million)

Particulars	March 31, 2024	March 31, 2023
Investment in equity shares	82,744.66	55,862.02

i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(₹ in Million)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3
Investment in preference shares			
March 31, 2024	—	—	559.41
March 31, 2023	—	—	535.65
Investment in mutual funds			
March 31, 2024	7.71	—	—
March 31, 2023	7.53	—	—
Investment in equity shares			
March 31, 2024	76,300.06	—	6,444.60
March 31, 2023	50,619.76	—	5,242.26

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

ii) Valuation process

The finance department of the Company includes a team that performs the valuations of assets and liabilities required for financial reporting purposes. This team appoints external valuation experts whenever the need arises for Level 3 fair valuation. This team reports directly to the Chief Financial Officer (CFO). Discussions of valuation processes and results are held between the CFO and the valuation team at least once every year, in line with the Company's annual reporting period.

iii) Fair value of financial assets and liabilities measured at amortized cost

The carrying amounts of such financial assets and liabilities are a reasonable approximation of their fair values.

iv) Fair value measurements using significant unobservable inputs (Level 3)

The following table presents the changes in Level 3 items :

(₹ in Million)

Particulars	Preference Shares	Equity Shares	Total
As at April 1, 2023	**535.65**	**5,242.26**	**5,777.91**
Gains / (losses) recognized in profit or loss	23.76	—	23.76
Gains / (losses) recognized in other comprehensive income	—	1,202.34	1,202.34
As at March 31, 2024	**559.41**	**6,444.60**	**7,004.01**

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

v) Valuation inputs and relationships to fair value

The following table summarizes the quantitative information about the significant unobservable inputs used in Level 3 fair value

(₹ in Million)

Name of the entity	Method of valuation - significant unobservable inputs	Fair value as at		Inputs used for fair value	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Equity Shares of Saarloha Advanced Materials Private Limited	Weighted average of Market approach (EV / EBIDTA multiple and price / sales multiple), Income approach (Terminal growth rate and discounting rate) and Asset approach (Fair value of net assets)	1,010.93	1,277.58	5.16 and 0.72 3% and 25.17% Net asset value	4.22 and 0.68
Equity Shares of KSL Holdings Private Limited	Net Asset Value method Inputs considered for NAV : 1) KSL Holdings Private Limited has investment under Saarloha Advanced Materials Private Limited, therefore sensitivity for Saarloha Advanced Materials Private Limited has impact on KSL Holdings Private Limited fair value. 2) KSL Holdings Private Limited has investment under Baramati Speciality Steels Limited which in turn has investment in Saarloha Advanced Materials Private Limited, therefore sensitivity for Saarloha Advanced Materials Private Limited has impact on Baramati Speciality Steels Limited and therefore Baramati Speciality Steels Limited has impact on KSL Holdings Private Limited fair value. 3) KSL Holdings Private Limited also has investment in quoted investment to which considered on the basis of market price.	5,016.00	3,575.72	Fair value of net assets	Fair value of net assets
Equity Shares of Khed Economic Infrastructure Private Limited	Cost approach method Inputs considered for cost approach : Inventory valuation 1) Rate per acre for developed land 2) Rate per acre for land under development	417.67	388.96	Inventory valuation Rate per acre for developed land and land under development in the range of ₹ 1.10 to ₹ 1.26 crore (weighted average ₹ 1.18 crore) per acre	Inventory valuation Rate per acre for developed land and land under development in the range of ₹ 1.06 to ₹ 1.26 crore (weighted average ₹ 1.16 crore) per acre
Preference Shares of Baramati Speciality Steels Limited	Discounted cash flow method	157.19	142.89	10%	10%
Preference Shares of Kalyani Technoforge Limited	Discounted cash flow method	402.22	392.76	10%	10%

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The sensitivity analysis on account of inputs used for fair valuation are as follows:

Particulars	March 31, 2024	March 31, 2023
1. Equity Shares of Saarloha Advanced Materials Private Limited		
Weighted average of Market approach / Income approach / Asset approach		
Increase by 10%	23.44	52.74
Decrease by 10%	(20.51)	(52.74)
2. Equity Shares of KSL Holdings Private Limited		
Fair Value of investments		
Increase by 20%	432.63	320.10
Decrease by 20%	(430.13)	(325.10)
3. Equity Shares of Khed Economic Infrastructure Private Limited		
Rate per acre		
Increase by 5%	1.55	1.50
Decrease by 5%	(1.55)	(1.50)
4. Preference Shares of Baramati Speciality Steels Limited		
Discount rate		
Increase by 1%	(1.99)	(1.23)
Decrease by 1%	1.54	0.96
5. Preference Shares of Kalyani Technoforge Limited		
Discount rate		
Increase by 1%	(5.21)	(6.53)
Decrease by 1%	5.72	7.11

NOTE 30 : FINANCIAL RISK MANAGEMENT

Presented below is a description of the risks (market risk and liquidity risk) together with a sensitivity analysis, performed annually, of each of these risks based on selected changes in market rates and prices. These analyses reflect management's view of changes which are reasonably possible to occur over a one-year period.

I Market Risk

A) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have foreign currency transactions and thereby is not exposed to foreign exchange risk arising from foreign currency transactions.

II Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these debt financing plans.

i) Maturities of financial liabilities

The tables below analyze the Company's financial liabilities into relevant maturity groupings based on their contractual maturities :

(₹ in Million)

March 31, 2024	Less than 1 year	More than 1 year
Non-derivative		
Trade payables	1.02	—
Accrued expenses	20.28	—

(₹ in Million)

March 31, 2023	Less than 1 year	More than 1 year
Non-derivative		
Trade payables	1.20	—
Accrued expenses	15.03	—

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

III Credit Risk

The Company is exposed to credit risk from its activity of giving loans and from its financing activities, including deposits with banks and other financial instruments.

The balances with banks are subject to low credit risk since the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil. Hence, no provision has been created for expected credit loss for credit risk arising from these financial assets.

A Loans

i) Expected credit loss for loans

(₹ in Million)

Particulars	March 31, 2024	March 31, 2023
Gross carrying amount	50.00	50.00
Expected loss rate	100.00%	100.00%
Expected credit losses (loss allowance provision)	50.00	50.00
Carrying amount of loans (net of impairment)	—	—

ii) Reconciliation of loss allowance provision - loans

(₹ in Million)

Loss allowance as on April 1, 2023	50.00
Changes in loss allowance	—
Loss allowance as on March 31, 2024	50.00

NOTE 31 : CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets.

The capital structure of the Company is as follows :

(₹ in Million)

Particulars	As at March 31, 2024	As at March 31, 2023
Share Capital	43.65	43.65
Other Equity	83,001.27	58,468.95
Total	83,044.92	58,512.60
Debt equity ratio	—	—

NOTE 32 : CORPORATE SOCIAL RESPONSIBILITY (CSR)

(₹ in Million)

Sr. No.	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
i)	Amount required to be spent by the company during the year	0.80	0.40
ii)	Amount of expenditure incurred (including set off availed)	1.00	0.40
iii)	Shortfall / (Excess) at the end of the year	(0.20)	—
iv)	Total of previous years shortfall / (excess)	—	—
v)	Nature of shortfall	NA	NA
vi)	Nature of CSR activities	Health and Education	Health and Education
vii)	Details of related party transactions, e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Akutai Kalyani Charitable Trust	Akutai Kalyani Charitable Trust
viii)	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	NA	NA

NOTE 33 : SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Board of Directors has been identified as the Chief Operating Decision Maker.

The Company is in the business of making investments in group companies, focusing on earning income through dividends, interest and gains on investment held, which is a single segment in accordance with Ind AS 108 - "Operating segment" notified pursuant to Companies (Indian Accounting Standards) Rules, 2015 as amended.

All assets are in India.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

NOTE 34

As per the information available with the company, no transactions have been entered with any company struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the year.

The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

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.

There is 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 books of account.

NOTE 35

Section 2(6) of the Companies Act, 2013 defines Associate Company in relation to another company as a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company. As per explanation to Section 2(6), significant influence means control of at least twenty percent of paid-up equity share capital and convertible preference share capital or of business decisions under an agreement.

The Company holds investments in below mentioned entities which by share ownership are deemed to be Associate Companies :

Sr. No.	Name of the company	Ultimate holding as on March 31, 2024
i)	Dandakaranya Investment and Trading Private Limited	23.92%
ii)	Hastinapur Investment and Trading Private Limited	23.92%
iii)	Dronacharya Investment and Trading Private Limited	23.92%
iv)	Campanula Investment and Finance Private Limited	23.91%
v)	Cornflower Investment and Finance Private Limited	23.91%

However, the Company does not exercise significant influence in any of the above entities, as demonstrated below :

i) The Company does not have any representation on the Board of Directors or corresponding governing body of the investee.

ii) The Company does not participate in policy making process.

iii) The Company does not have any material transaction with the investee.

iv) The Company does not interchange any managerial personnel.

v) The Company does not provide any essential technical information to the investee.

Accordingly, the above entities have not been considered to be Associate Companies.

NOTE 36

Previous year figures have been regrouped / reclassified wherever necessary to conform with current year's classification / disclosure.

As per our attached Report of even date

For P G Bhagwat LLP
Chartered Accountants
Firm Registration No.101118W/W100682

Purva Kulkarni
Partner
Membership No.138855

Place : Pune
Date : May 30, 2024

On behalf of the Board of Directors

Anirvinna A. Bhave
Company Secretary

Shekhar Bhivpathaki
Chief Executive Officer & Chief Financial Officer

Amit B. Kalyani
Chairman

R.K. Goyal
Director

Place : Pune
Date : May 30, 2024

PRABODH 9881062744

KALYANI INVESTMENT COMPANY LIMITED

Mundhwa, Pune - 411036

Maharashtra, India