RAMAN S. SHAH & CO
CHARTERED ACCOUNTANTS

CA Raman S. Shah, B. Com, F.C.A.

INDIA

To
The Members of
Krasny Defence Technologies Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements("CFS") of **Krasny Defence Technologies Limited** ("the Holding Company" or "the Company"), it's Subsidiaries (Holding Company and it's subsidiaries together referred to as "the Group") and it's Associates, which comprise of the Consolidated Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements" or the "CFS" or "Statement").

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 of financial statements of such associates 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 Group as at March 31, 2025 and it's profit, and it's 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 Companies Act, 2013. Our responsibilities under those SAs 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 associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements for the year ended March 31, 2025 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports, referred to in 'Other Matters' section below, is sufficient and appropriate to provide a basis for our audit opinion.

Information other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors are responsible for the preparation of the other information, comprising of the information included in the Board's Report including Annexures to the Board's Report and such other disclosures related information, excluding the Consolidated Financial Statements and auditor's report thereon ("the Other Information"). The Other Information is expected to be made available to us after the date of this auditor's report.

Head Office :-A-102,Ist Floor,Inder Darshan Building ,Jamli Gali ,Borivali(W),Mumbai (W) 400092

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 consolidation financial statements, our responsibility is to read the information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidation financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard. The other information is not available as on the date of signing the report, and hence we do not report on the information other than consolidated financial statements and auditor's report thereon.

Responsibility of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of the CFS that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, 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 CFS that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the CFS, management is responsible for assessing the Holding 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.

In preparing the CFS, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the Company's financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the CFS 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 consolidation financial statements.

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

(a) Identify and assess the risks of material misstatement of the CFS, 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.

(b) 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 Companies Act, 2013, 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.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

(d) 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 Group'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 consolidation 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 Group to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the CFS, including the disclosures, and whether the consolidation financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(f) 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 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 be communicated in our report because the adverse consequences of doing so would reasonably be expected outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements of two subsidiaries incorporated in India which are included in the CFS, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 118.55 Lakhs as at March 31, 2025 and total income (before consolidation adjustments) of Rs. 0.05 lakhs for the year ended March 31, 2025 and total net loss after tax of Rs. 3.88 lakhs for the year ended March 31, 2025, as considered in the CFS. The CFS also includes financial statements of 3 associates, whose financial statements and other financial information reflect Group's share of total profit after tax of Rs. 1180.81 Lakhs, for the year ended March 31, 2025, as considered in the CFS, whose financial statements have not been audited by us. These financial statements and other financial information of these entities have been audited by other auditors whose reports have been furnished to us by the Management of the Company and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities for the Audit of the consolidated financial statements section above.

The CFS includes the unaudited financial statements of one subsidiary which is incorporated outside India, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 4.61 lakhs as at December 31, 2024 and total income (before consolidation adjustments) of Rs. 78.72 lakhs for the year ended December 31, 2024 and total net loss after tax of Rs. 19.60 lakhs for the for the period from 1 April 2024 to 31 December 2024, as considered in the CFS. These unaudited financial statements and other financial information have been furnished by the management of the said company and our opinion on the CFS, in so far as it relates to the amounts and disclosures included in respect of these subsidiary is based solely on such unaudited financial statements and other financial information. According to the information and explanations given to us by management, this subsidiary is not material to the Group and the variation, if any, in these financial statements is not expected to be material. Our opinion is not modified in respect of this matter.

Our opinion on the consolidated financial results is not modified in respect of the above matters with respect to the financial results and other financial information certified by the concerned management.

Report on Other Legal & 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 Companies Act 2013, we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by the 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 beliefs were necessary for the purpose ~~of our~~ audit of the aforesaid CFS.

RAMAN S. SHAH & CO. MUMBAI Membership No. 033272

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the pur poses of our audit have been received from the branches not visited by us. The Company maintains backup of books of account and other relevant records in electronic mode on servers physically located in India at periodic intervals; however, such backups are not taken on a daily basis.

(c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss and the consolidated statement of Cash flow 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 consolidation Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.

(e) On the basis of written representations received from the directors of the Holding Company as on 31st March, 2025, and taken on record by the Board of Directors of Holding Company, none of the directors of the group companies are disqualified as on 31st March, 2025, from being appointed as a director in terms of sub-section (2) of section 164 of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the group and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and our report expresses an unmodified opinion on the adequacy & operating effectiveness of the Company's internal financial controls over financial reporting.

(g) With respect to the matter to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) The modification relating to the maintenance of accounts and other matters connected there with are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(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, as amended, 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 other financial information of the subsidiaries as noted in the "other matter" paragraph:

i. The CFS disclose the impact of pending litigations on the consolidated financial position of the Group.

ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company, its subsidiary and associate companies incorporated in India.

iv.

(a) The respective Management of the company, its subsidiaries and associates have represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity (Intermediaries), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other person 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 respective management of the company, its subsidiaries and associates have represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall , whether directly or indirectly, lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiary") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the company and its subsidiaries and associates whose financial statement have been audited by other auditors under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e), as provided under (a) and (b) above, contain any material misstatement.

v. In our opinion and according to the information and explanations given to us, the dividend declared and / or paid during the year by the Company is in compliance with Section 123 of the Act.

vi. Based on our examination, which included test checks, the Holding Company, its subsidiary companies and associate company incorporated in India has used accounting software (Tally Prime Edit Log) for maintaining its books of account for the financial year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility. However, in case of holding company, 2 of its subsidiaries and 1 associate the said feature is not enabled throughout the year.

We have been informed that in Tally Prime Edit Log, once edit log functionality is enabled even admin user has no right to disable the same. Based on our procedures performed for the accounting software, we did not come across any instance of the audit trail feature being tampered with.

vii. Further, during the course of our audit, we and the respective auditors of the above referred subsidiaries and associates did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **Raman S. Shah & Co.**
Chartered Accountants
Firm Registration No.: 111919W

RAMAN S. SHAH & CO. MUMBAI FRN- 111919W Membership No. 033272

Raman S. Shah & Co.
Proprietor
Membership No.: 33272
UDIN: 25033272BMGDVV4196

Place: Mumbai
Date: 29-09-2025

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1 under the heading of "Report on Other Legal & Regulatory Requirements' of our report to the Members of Krasny Defence Technologies Limited of even date)

According to the information and explanations given to us and based on our examination of the records of the Company, there have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order reports of the companies included in the consolidated financial statements.

For **Raman S. Shah & Co.**
Chartered Accountants
Firm Registration No.: 111919W

RAMAN S. SHAH & CO. MUMBAI FRN - 111919W Membership No. 033272

Raman S. Shah
Proprietor
Membership No.: 33272
UDIN: 25033272BMGDVV4196

Place: Mumbai
Date:29-09-2025

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Krasny Defence Technologies Limited** of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls over financial reporting of **Krasny Defence Technologies Limited** ("the Company") for the period ended 31st March, 2025, in conjunction with our audit of the consolidated financial statements (the Holding Company, its subsidiaries together referred to as the "Group") and its associates for the year ended on that date.

In our opinion, to the best of our information and according to the explanation given to us and based on the consideration of reports of the other auditors, as referred to in the Other Matter paragraph, the Group and associates which are incorporated in India, have, in all material aspects, an adequate internal financial control system over financial reporting and such internal financial control over financial reporting were operating effectively as at 31st March, 2025 based on the internal control over financial reporting criteria established by these entities 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.

Management's Responsibility for Internal Financials Controls

The respective Board Of directors of the Companies included in the Group and its associates are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require

MUMBAI FRN - 111519W Membership No. 03321?

that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error.

We believe that the audit evidence obtained by us and the other auditors in terms of their reports referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's and it's Associates incorporated in India, internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

Internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are ~~be~~ing made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

RAMAN S. SHAH & CO. MUMBAI FRN-111919W Membership No.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness on the internal financial controls over financial reporting in so far as it relates to 2 subsidiary companies and 3 associate companies which are Companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **Raman S. Shah & Co.**
Chartered Accountants
Firm Registration No.: 111919W

Raman S. Shah
Proprietor
Membership No.: 33272
UDIN: 25033272BMGDVV4196

Place: Mumbai
Date: 29-09-2025

Krasny Defence Technologies Limited
CIN : U35110MH1995PLC085711

F.Y. 2024-25

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2025

(Rupees In Lakhs)

	Particulars	Note No.	As at 31.03.2025	As at 31.03.2024
I.	**EQUITY AND LIABILITIES**			
1	Shareholders' funds			
	(a) Share capital	3	3,301.53	3,301.53
	(b) Reserves and surplus	4	8,938.63	6,231.96
	(c) Minority Interest (Non Controlling Interest)		2.53	2.18
2	Non-current liabilities			
	(a) Long-term borrowings	5	204.84	201.68
	(b) Deferred tax liabilities (Net)	6	42.20	59.92
	(c) Other long term liabilities	7	1.00	1.00
	(d) Long-term provisions	8	82.01	62.08
3	Current liabilities			
	(a) Short-term borrowings	9	16.43	7.12
	(b) Trade payables	10		
	Total outstanding dues of micro and small enterprises		17.93	-
	Total outstanding dues of creditors other than micro and small enterprises		127.40	56.84
	(c) Other current liabilities	11	1,497.94	695.44
	(d) Short term provisions	12	346.84	253.97
	TOTAL		**14,579.28**	**10,873.71**
II.	**ASSETS**			
	Non-current assets			
1	(a) Property, Plant and Equipment and Intangible Assets	13		
	(i) Property, Plant and Equipment		978.31	987.59
	(ii) Intangible assets		233.32	238.47
	(iii) Capital work-in-progress		-	-
	(b) Non-current investments	14	3,760.76	2,621.72
	(c) Other non-current assets	15	510.83	296.67
2	Current assets			
	(a) Inventories	16	47.61	45.32
	(b) Trade receivables	17	2,501.96	667.08
	(c) Cash and Bank Balances	18	2,345.80	2,517.33
	(d) Short term loans and advances	19	1,399.35	780.52
	(e) Other current assets	20	2,801.33	2,719.02
	TOTAL		**14,579.28**	**10,873.71**
	Significant Accounting Policies	2		

(As per our report of even date)
For Raman S. Shah & Co.
Chartered Accountants
111919W

Raman S. Shah
Proprietor
Membership No. 33272

Place: Mumbai
Date: 29.09.2025.

For & On behalf of the Board
of Krasny Defence Technologies Limited

G. Jayaprakasan
Managing Director
DIN: 00837992

Place: Mumbai
Date: 29.09.2025

Naveen Jayaprakasan
Director
DIN: 00837932

Place: Mumbai

Shivani Singh
Company Secretary
A65913

Place: Mumbai

CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED March 31, 2025

(Rupees in Lakhs)

	Particulars	Note No.	Year ended 31.03.2025	Year ended 31.03.2024
I.	Revenue from operations	21	10,718.47	4,551.76
II.	Other Income	22	163.89	178.85
III.	**Total Income (I + II)**		**10,882.36**	**4,730.61**
IV.	Expenses:			
	Cost of materials consumed	23	1,242.04	348.03
	Operating Expenses	24	5,058.29	1,790.89
	Employee benefits expense	25	1,054.70	869.46
	Finance costs	26	74.29	52.20
	Depreciation and Amortization expense	13	93.52	95.71
	Other expenses	27	1,233.09	656.91
	Total expenses		**8,755.93**	**3,813.19**
V.	**Profit before tax (VII- VIII)**		2,126.43	917.42
VI.	**Exceptional Items**			
	(a) Preliminary expenses written off		-	(0.51)
VII.	Tax expense:			
	(1) Current tax for current period		(607.68)	(243.64)
	(2) Short Provision for earlier year		(10.80)	-
	(3) Deferred tax		17.71	2.58
VIII.	**Profit (Loss) for the period (XI + XIV)**		**1,525.66**	**675.84**
IX.	**Minority Interest's Share of Net Income**		(0.36)	2.72
X.	**Share in Profit/(Loss) of associate companies**		1,180.92	204.03
XI.	**Profit/Loss for the year transfered to Reserves**		**2,706.22**	**882.59**
XII.	Earnings per equity share:	28		
	(1) Basic		23.50	7.64
	(2) Diluted		23.50	7.64
	Significant Accounting Policies	2		

(As per our report of even date)

For Raman S. Shah & Co.
Chartered Accountants
111919W

Raman S. Shah
Proprietor
Membership No. 33272

Place: Mumbai
Date: 29.09.2025

For & On behalf of the Board
of Krasny Defence Technologies Limited

V.G. Jayaprakasan
Managing Director
DIN: 00837992

Naveen Jayaprakasan
Director
DIN: 00837932

Shivani Singh
Company Secretary
A65913

Place: Mumbai
Date: 29.09.2025.

Place: Mumbai

Place: Mumbai

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED March 31, 2025

(Rupees in Lakhs)

Particulars	For the year ended 31.03.2025		For the year ended 31.03.2024	
A. Cash Flow From Operating Activities				
Net Profit / (Loss) before extraordinary items and tax		3,307.35		1,120.94
Adjusted for :				
Depreciation and amortisation	93.52		95.71	
Finance costs	74.29		52.20	
Interest income	(151.81)		(130.46)	
Dividend income	(0.45)		(40.28)	
Rental income from operating leases	(4.69)		(3.69)	
Investments written off	-		-	
Permanent diminution in value of investments	-		-	
Exchange differences on translation of foreign operations	0.81		-	
Net unrealised exchange (gain) / loss	56.09		0.13	
		67.76		(26.40)
Operating Profit Before Working Capital Changes		3,375.11		1,094.54
Change in Assets & Liabilities				
Inventories	(2.29)		6.55	
Trade receivables	(1,834.88)		865.83	
Short-term loans and advances	(603.95)		(20.37)	
Other current assets	(82.32)		(2,048.84)	
Other non-current assets	(18.66)		(280.44)	
Trade payables	88.50		56.84	
Other current liabilities	802.50		689.99	
Short-term provisions	92.51		(16.28)	
Long-term provisions	19.92		11.55	
		(1,538.66)		(735.19)
Cash Generated from Operation		1,836.45		359.35
Direct Taxes Refund/ (Paid)		(618.49)		(249.73)
Net Cashflow from Operating Activities	(A)	1,217.95	(A)	109.62
B. Cash Flow From Investing Activities				
Capital expenditure on property, plant & equipment and intangible assets	(274.59)		(12.80)	
Net Investments	(1,139.04)		(206.53)	
Loans given				
- Others	(18.53)		-	
Loans realised				
- Associates	3.65		-	
Interest received	151.81		130.46	
Dividend received				
- Subsidiaries	-		40.18	
- Others	0.45		0.10	
Rental income from operating leases	4.69		3.69	
Net Cashflow from Investing Activities	(B)	(1,271.57)	(B)	(44.90)
C. Cash Flow From Financing Activities				
Proceeds from issue of preference shares	-		2,150.00	
Repayment of long-term borrowings	-		(65.11)	
Proceeds from long-term borrowings	3.16		-	
Proceeds from short-term borrowings	9.31		(1,113.18)	
Finance cost	(74.29)		(52.20)	
Minority Interest	-		4.90	
Net Cashflow from Financing Activities	(C)	(61.82)	(C)	924.41
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)		(115.43)		989.13
Cash and Cash equivalent as at the commencement of the year		2,517.33		1,528.33
Add: Exchange differences on translation of foreign currency cash and cash equivalents		(56.09)		(0.13)
Cash and Cash equivalent as at the End of the year		2,345.80		2,517.33

(a) The above Cash Flow Statement are prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on "Cash Flow Statements issued under section 133 of Companies Act read with Rule 7 of Companies (Accounts) Rule,2014.

(b) Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

(c) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.

(d) These earmarked account balances with banks can be utilised only for the specific identified purposes.

(As per our report of even date)

For Raman S. Shah & Co.
Chartered Accountants
111919W

Raman S. Shah
Proprietor
Membership No. 33272

Place: Mumbai
Date: 29.09.2025

For & On behalf of the Board
of Krasny Defence Technologies Limited

V. G. Jayaprakasan
Managing Director
DIN: 00837992

Place: Mumbai
Date: 29.09.2025

Naveen Jayaprakasan
Director
DIN: 00837932

Place: Mumbai

Shivani Singh
Company Secretary
A65913

Place: Mumbai

1 Corporate information

Krasny Defence Technologies Limited is engaged in ship repairing, design and manufacturing of electrical parts & components business and was incorporated on 17th February, 1995, having its place of business at No.1201,1202, GREAT EASTERN SUMMIT 'B' PREMISES, PLOT NO. - 66, SECTOR - 15, CBD BELAPUR, NAVI MUMBAI - 400614.

2 Significant accounting policies

a) Basis of preparation of consolidated financial statements:

The Consolidated Financial Statements ("CFS") have been prepared on accrual basis and are in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act (to the extent notified). In the light of the first proviso to Section 129(1) of the Act and Schedule III to the Act, the items and terms contained in these financial statements are in accordance with the Accounting Standards.

b) Use of estimates and judgments:

The preparation of financial statements is in conformity with Generally Accepted Accounting Principles (GAAP) and requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

c) Revenue Recognition

a) Sales are recorded net of trade discounts, indirect tax, rebates and excise duty. Revenue from sale of products is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and can be reliably measured.

b) Incomes from services are recognised as they are rendered based on agreements/arrangements with the concerned parties and is recognised on the basis of Percentage of Completion Method.

c) Interest income is recognised on accrual basis. Dividend income on investment is considered when right to receive is established.

d) Other income is recognized on accrual basis.

d) Investments:

Investments are classified into non current investments and current investments. Investments which are intended to be held for more than one year are classified as non current investments and investments which are intended to be held for less than one year, are classified as current investments. Non current investments are stated at cost and a provision for diminution in value of non current investments is made only if the decline is other than temporary in the opinion of the management. Current investments are valued at cost or market/fair value whichever is lower. In case of investments in mutual funds, the net asset value of units is considered as market/fair value.

e) Provisions, Contingent Liabilities and Contingent Asset

The Group creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.
A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or present obligation in respect of which the likelihood of outflow of resource is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.
Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the assets and related income are recognized in the period in which the change occurs.

f) Property, Plant and Equipment

Property, Plant and Equipment (PPE) are initially recognized at cost. The initial cost of PPE comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of PPE includes interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets subsequent to initial recognition. PPE are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and impairment losses, if any.

Subsequent costs are included in the PPE's carrying amount or recognized as a separate PPE, 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 as a separate PPE is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is recognized so as to write off the cost of assets (other than freehold land and capital work in progress) less their residual values over the useful lives, using written down value ("WDV").

The carrying values of PPE are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of PPE.

An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of PPE is determined as the difference between sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

g) Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment losses, if any. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, known technological advances and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization method and useful life is reviewed periodically including at each financial year end.

h) Depreciation / Amortization

Property, Plant and Equipment

Depreciation on PPE is provided on Written Down Value using the rates arrived at based on the useful lives as specified in the Schedule II of the Companies Act, 2013 or estimated by the management. The Group has used the following useful life to provide depreciation on its PPE.

Category	Estimated useful life (in years)
Building	60 years
Plant & Machinery	15 years
Electrical Installation	10 years
Office Equipments	5 years
Furniture & Fixtures	10 years
Air Conditioner	5 years
Computer	3 years
Vehicles	8 years
Leasehold Premises	60 years

Intangible Assets

Depreciation is provided / amortized under the straight-line method over the useful life of assets as follows:

Category	Estimated useful life (in years)
Software	5 years

The estimated useful life of the intangible assets and its amortization period are reviewed at the end of each fiscal year and the amortization method is revised to reflect the changed pattern.

i) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Finance leases:

Assets acquired under finance leases are capitalised at the lower of the fair value of the leased asset and the present value of minimum lease payments at the inception of the lease, with a corresponding liability recognised as a lease obligation. Such assets are depreciated over the useful life of the asset or the lease term, whichever is shorter. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant periodic rate of interest on the outstanding balance.

Operating leases (as lessee):

Payments made under operating leases are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit.

Operating leases (as lessor):

Lease income from operating leases is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern of the benefit derived from the use of the leased asset.

j) Impairment of assets

The Group assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such condition exists, the Group estimates the recoverable amount of the assets. If such recoverable amount of the asset or recoverable amount of the cash generating units to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Profit and Loss Account.

If at the Balance Sheet date there is an indication that if previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at revised recoverable amount.

k) Foreign currency transactions

a) Transactions denominated in foreign currency are normally recorded at the exchange rate prevailing at the time of transaction.

b) Any income or expenses on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account.

c) Monetary items denominated in foreign currencies at the year end are restated at the year end rates.

d) Non monetary items denominated in foreign currencies are carried at cost.

l) Taxation

a) Current Tax:

Provision for tax is based on the taxable profit for the accounting year after taking into consideration the relevant provisions of the Income Tax Act, 1961.

b) Deferred Tax:

Deferred tax resulting from timing difference between accounting and taxable income is accounted for using the tax rates and laws that are enacted or substantively enacted on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent there is a virtual certainty that the asset will be realised in future.

m) Borrowing Cost:

Interest and other costs incurred in connection with the borrowing of the funds are charged to revenue on accrual basis except those borrowing costs which are directly attributable to the acquisition or construction of those PPE, which necessarily take a substantial period of time to get ready for their intended use. Such costs are capitalized with the PPE.

n) Retirement Benefits:

a) Defined Contribution Plan:

The Group's contributions towards provident fund and ESIC is defined contribution scheme. The Group's contribution paid/payable under the schemes is recognised in the Statement of Profit and Loss on accrual basis during the period in which the employee renders the related service.

b) Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss in the year in which the related service is rendered.

c) Long-term employee benefits: The Group's liabilities under Payment of Gratuity Act and long-term compensated absences are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds where the terms of Government bonds are consistent with the estimated terms of the defined benefit obligation.

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date based on an actuarial valuation carried out by an independent actuary.

o) Government Grants

Government grants are recognised where there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received. Government grants relating to revenue are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the related costs are recognised. Grants relating to specific fixed assets are treated as deferred income and credited to the Statement of Profit and Loss on a systematic basis over the useful life of the related asset or deducted from the cost of the asset as appropriate.

p) Earnings per share

Basic EPS are calculated by dividing the net profit or loss for the period attributable to Equity Share (after deducting Preference Dividend (if any) and attributable taxes) by the weighted average number of equity shares. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a right issue, shares split and consolidation of share as the case may be, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted EPS, the net profit or loss for the period attributable to the Equity Shareholders and weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity

q) Principles of consolidation

1) The financial statements of the company and its subsidiaries are combined on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra- group balances and intra group transactions resulting in unrealized profits or losses in accordance with Accounting Standard (AS) 21 "Consolidated Financial Statements "issued by the Institute of Chartered Accountants of India (ICAI) and notified pursuant to section 133 of the Companies Act, 2013,read with Rule 7 of the Companies (Accounts) Rules, 2014.

As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

Accounts of the subsidiary undertakings are made upto 31st March, 2025, except in case of Krasny Kamen LLC, which has a year end of 31st December and for which, therefore, the group usues accounts drawn upto period ended 31st December.

Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income

2) Significant Accounting Policies and Notes to these CFS are intended to serve as a means of informative disclosure and a guide to better understanding the consolidated position of the Companies. Recognising this purpose, only such Policies and Notes from the individual financial statements are disclosed, for which necessary disclosures are made in the individual financial statements and which fairly present the needed disclosures.

3) **Companies Included in Consolidation**

Sr.No	Name of the Entity	Subsidiary/Associate/ Joint venture	Country of Incorporation	% Holding as at March 31,2025
1	Krasny Kamen LLC	Subsidiary	Russia	100%
2	Keltron Krasny Defence Systems Private Limited	Subsidiary	India	51%
3	Krasny Marine Services Private Limited (Formerly known as Krasny Corporate & Technical Services Pvt. Ltd.)	Subsidiary	India	100%
4	Krasny Paras Defence Technologies Private Limited	Associate	India	47.50%
5	Vimal Fire Krasny Defence Private Limited	Associate	India	50.00%
6	Krasny Subhadra Engineers Private Limited #	Associate	India	50.00%
7	Avrora(I) Systems Private Limited	Associate	India	49.00%
8	Rosoboronservices (India) Limited ##	Associate	India	20.00%

The associates of the Group has been struck off from the register of companies by the Registrar of Companies pursuant to section 248 of the Companies Act, 2013. Accordingly, the investment in the said associate has been written off from the books as nothing is expected to be recovered, and further no financial information of the said entity has been considered for consolidation for the year ended 31st March, 2025.

The associate of the Group has made an application to initiate corporate insolvency resolution process under section 10 of Insolvency and Bankruptcy Code, 2016, as applicable. The management is in the process of evaluating the recoverability of such investment, and any resultant adjustment, if required, will be recognized upon completion of such evaluation. Further no financial information of the said entity has been considered for consolidation for the year ended 31st March, 2025.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(Rupees in Lakhs)

Note 3: Share Capital

Particulars	As at 31.03.2025		As at 31.03.2024	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Authorised Share Capital				
(a) 1,50,00,000 (Previous Year 1,50,00,000) Equity Shares of Rs.10 each	1,50,00,000	1,500.00	1,50,00,000.00	1,500.00
(b) 21,50,000 0.01% Compulsory Convertible Preference Shares (Previous year 21,50,000) of RS. 100 each	21,50,000	2,150.00	21,50,000.00	2,150.00
	1,71,50,000	**3,650.00**	**1,71,50,000.00**	**3,650.00**
Issued, Subscribed and Paid-up Share Capital				
(a) 1,15,15,267 (Previous Year 1,15,15267) Equity Shares of Rs.10 each	1,15,15,267	1,151.53	1,15,15,267.00	1,151.53
(b) 21,50,000 0.01% Compulsory Convertible Preference Shares (Previous year 21,50,000) of RS. 100 each	21,50,000	2,150.00	21,50,000.00	2,150.00
Total	**1,36,65,267**	**3,301.53**	**1,36,65,267.00**	**3,301.53**

Note 3.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Particulars	As at 31.03.2025		As at 31.03.2024	
	Equity Shares	Preference Shares	Equity Shares	Preference Shares
	Number	Number	Number	Number
Shares outstanding at the beginning of the year	1,15,15,267	21,50,000	1,15,15,267.00	-
Shares Issued during the year	-	-	-	21,50,000.00
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	**1,15,15,267**	**21,50,000**	**1,15,15,267.00**	**21,50,000.00**

Note 3.2 Shareholders holding more than 5% Equity Shares

Name of Shareholder	As at 31.03.2025		As at 31.03.2024	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. V. G. Jayaprakasan	82,09,000	71.29%	82,09,000.00	71.29%
Mrs. Sarala Jayaprakash	7,55,000	6.56%	18,55,000.00	16.11%
Mr. Naveen Jayaprakasan	11,70,000	10.16%	70,000	0.61%
Total	**1,01,34,000**	**88.00%**	**1,01,34,000**	**88.00%**

Terms / Rights attached to Equity shares:

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Note 3.3 Shareholders holding more than 5% Preference Shares

Name of Shareholder	As at 31.03.2025		As at 31.03.2024	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Maharashtra Defence and Aerospace Venture Fund	21,50,000	100%	21,50,000.00	1.00
Total	**21,50,000**	**100%**	**21,50,000.00**	**1.00**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(Rupees in Lakhs)

Terms / Rights attached to Preference Shares

The preference shares shall rank in priority to the equity shares for repayment of share capital in a winding up. The preference shares shall be redeemable at any time at the option of the company but not later than 4 years from the date of issue.

Note 3.4 Shares held by promoters at the end of the year March 31, 2025

Promoter Name	Type of Shares	No. of Shares at the beginning of the year	No. of Shares at the end of the year	% of total shares	% Change during the year
Mr. V. G. Jayaprakasan	Equity	82,09,000	82,09,000	71.29%	-
Mrs. Sarala Jayaprakash	Equity	18,55,000	7,55,000	6.56%	-59%
Mr. Naveen Jayaprakasan	Equity	70,000	11,70,000	10.16%	1571%

Note 3.5 No ordinary share have been reserved for issue under option and contract/commitments for the sale of share/disinvestment as at the balance sheet date.

Note 3.6 No shares have been allotted for consideration other than cash or has been bought back by the Group during the period of 5 years preceding the year as at which the balance sheet is prepared.

Note 3.7 No bonus shares have been allotted by the Group during the period of 5 years preceding the year as at which the balance sheet is prepared.

Note 3.8 No calls are unpaid by any Director or Officer of the company during the period.

Note 3.9 No amount are Forfeited on Shares issued

Note 3.10 Terms of Issue of Preference Shares:
The Company has only one class of Compulsory Convertible Preference Shares (CCPS) with a par value of Rs.100/- per share. The terms

3.10.1. CCPS shall be converted into fully paid-up Equity Shares of the Company at a post-money valuation based on the following:

Period of Conversion	36(thirty-six) months from the	48(forty-eight) months from the
Basis of Conversion	Profit and Loss accounts for the	Profit and Loss accounts for the
Valuation of the Company's equity share capital	5(five) times the profit after tax of the previous 12 months	4(four) times the profit after tax of the previous 12 months
Extent of Conversion	50% (fifty per cent) of the CCPS	Balance 50% (fifty per cent) of the

3.10.2. If the IPO/Offer for Sale happens prior to conversion as per above point 3.10.1, then discounted price for conversion of CCPS into

3.10.3. Prior to any of the events as stated in point 3.10.1 and 3.10.2 above the Company and/or Promoters may redeem/purchase the

Date	Between 13th month to 36th months	Between 36th month to 48th months
Investment IRR p.a. (computed from the transaction date by Investor of the respective tranche of fund to the date of redemption/purchase)	14%	14%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 4: Reserves & Surplus

(Rupees in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
(a) Securities Premium		
Opening Balance		
Add : Premium on shares issued during the year	1,835.13	-
Less: Utilised / transferred during the year	-	1,835.13
Closing Balance (A)	-	-
	1,835.13	**1,835.13**
(b) Surplus in the Statement of Profit and Loss		
Opening balance		
(+) Net Profit/(Loss) For the current year	4,396.83	3,520.33
Less: (Short)/ excess provision of tax for prior years	2,706.22	882.59
Balance available for appropriation	-	(6.09)
Less: Appropriation for Dividend on Preference Shares	7,103.05	4,396.83
Net Surplus in the Statement of Profit and Loss (B)	(0.36)	-
	7,102.70	**4,396.83**
(c) Exchange differences on translation of foreign operations		
Opening Balance		
Add: Current year	-	-
Less: Share of Non- Controlling Interest	0.81	-
Closing Balance (C)	-	-
	0.81	**-**
TOTAL (A+B+C)	**8,938.63**	**6,231.96**

Note 5: Long term Borrowings

Particulars	As at 31.03.2025	As at 31.03.2024
Secured		
(a) From Bank	8.16	13.42
Unsecured		
(a) Loans and advances from related parties	-	-
(b) Loans and advances from directors	188.26	188.26
(c) Loans and advances from others	8.41	-
Total	**204.84**	**201.68**

Note 5.1.1: Terms of secured long term borrowings from banks as on March 31, 2025

From Bank:

Particulars	Nature and Terms of Security
ICICI Bank - (Car Loan):	Secured against hypothecation of 2 Maruti Suzuki Ertiga of the company. The loan amount is payable in 60 equal monthly instalments of INR 43,806/-

Note 5.1.2: Terms of secured long term borrowings from banks as on March 31, 2024

From Bank:

Particulars	Nature and Terms of Security
ICICI Bank - (Car Loan):	Secured against hypothecation of 2 Maruti Suzuki Ertiga of the company. The loan amount is payable in 60 equal monthly instalments of INR 43,806/-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 6: Deferred Tax Liabilities (Net)

(Rupees in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
On account of timing difference	42.20	59.92
Total	42.20	59.92

Note 7: Other long term liabilities

Particulars	As at 31.03.2025	As at 31.03.2024
Security Deposits	1.00	1.00
Total	1.00	1.00

Note 8: Long-term provisions

Particulars	As at 31.03.2025	As at 31.03.2024
(a) Provision for Employee Benefits		
i. Provision for Post Retirement Benefit Scheme	73.42	62.08
ii. Provision for Leave Salary Encashment	8.58	-
Total	82.01	62.08

Note 9: Short term Borrowings

Particulars	As at 31.03.2025	As at 31.03.2024
(a) Bank overdraft/ Cash Credit	11.17	3.27
(b) Current maturities of long term borrowings (Refer note 5.1.1)	5.26	3.84
Total	16.43	7.12

Note 9.1.1: Terms of secured short term borrowings from banks and other parties as on March 31, 2025

Particulars	Nature and Terms of Security
Axis Bank (Cash Credit):	Secured against hypothecation of current assets of the company, equitable mortgage on commercial property of office nos. 1201 and 1202, 12th Floor, B Wing, Great Eastern Summit, Plot No. 66, sector 15, CBD Belapur, Navi Mumbai 400614 admeasuring 2545 Sq Ft., equitable mortgage of plot of land at plot no. 16 in Goa And residential flat at Powai, Mumbai of Managing Director (Mr. V. G. Jayaprakasan). Shortfall of collateral security shall be covered through Cash margin or collateral property.
Yes Bank (Cash Credit):	1. Pari-passu charge on CA and MFA both present and future with Axis Bank. 2. Equitable / Registered Mortgage on Property situated at: i) Survey No. 357, 358,Old Somnath Ice Plant, Six Mile, Chendia, Karwar, Karnataka, Karwar, Karnataka, 581324 ii) Unit No. 329, 3rd Floor, Tesla Building No1, Edison Tesla Industrial, Plot No. GEN 2/1/C Part MIDC, Navi Mumbai, Jui Nagar, Navi Mumbai, Navi Mumbai, Maharashtra,400705 iii) Office No. 306, 3rd Floor, Punit Chambers Premises CHSL, Opp. Yogi Hotel, Plot No. C- 796, Near MAFCO Market, Sector No.18, Mumbai - 400705,Navi Mumbai, Maharashtra, 400 705 iv) Office No. 305, 3rd Floor, Punit Chambers Premise CHSL, Opp Yogi Hotel, Plot No. C-796, MAFCO Market, Sector No. 18, Sanpada, Navi Mumbai, Navi Mumbai, Maharashtra,400705 v) Plinth No. 204,Ambivali,Sahara Star, TalukaMulshi, Lonavala, Pune, Lonavala,Maharashtra,410401 vi) Unit No. 330, 3rd Floor, Tesla Building Nol, Edison Tesla Industrial, Plot No. GEN2/1/c Part MIDC, Jui Nagar, Navi Mumbai -400705,Navi Mumbai
Kotak Bank (Cash Credit):	First pari passu hypothecation charge to be shared with Axis Bank and Yes Bank on all existing and future current assets and moveable fixed assets of the borrower. First pari passu Equitable/ Registered mortgage charge to be shared with Axis Bank on immoveable properties.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(Rupees in Lakhs)

Note 9.1.2: Terms of secured short term borrowings from banks and other parties as on March 31, 2024

Particulars	Nature and Terms of Security
Axis Bank (Cash Credit):	Secured against hypothecation of current assets of the company, equitable mortgage on commercial property of office nos. 1201 and 1202, 12th Floor, B Wing, Great Eastern Summit, Plot No. 66, sector 15, CBD Belapur, Navi Mumbai 400614 admeasuring 2545 Sq Ft., equitable mortgage of plot of land at plot no. 16 in Goa And residential flat at Powai, Mumbai of Managing Director (Mr. V. G. Jayaprakasan).
Yes Bank (Cash Credit):	Secured against Fixed Deposit held by Company.
Kotak Bank (Cash Credit):	First pari passu hypothecation charge to be shared with Axis Bank and Yes Bank on all existing and future current assets and moveable fixed assets of the borrower. First pari passu Equitable/ Registered mortgage charge to be shared with Axis Bank on immoveable properties.

Note 11: Other Current Liabilities

Particulars	As at 31.03.2025	As at 31.03.2024
(a) Statutory liabilities		
i. Withholding taxes / Tax deducted at source	32.61	13.68
ii. GST Payable	0.70	4.61
iii. Contribution to labour welfare funds	2.93	2.45
(b) Sundry Creditors for Expenses	893.36	203.15
(c) Accrued Expenses	319.92	383.68
(d) Advance from Debtors	161.80	36.07
(e) Employee Benefits Payable	71.62	51.80
(f) Deferred Government Grant*	15.00	-
Total	1,497.94	695.44

* During the year, the Company received a government grant amounting to INR 15 Lakhs. The grant remained unutilised as at the year-end and is presented as Deferred Government Grant under "Other Current Liabilities" in the Balance Sheet. The utilisation of the grant is expected in the next financial year in accordance with the terms of the grant. The accounting policy is to recognise the grant in the Statement of Profit and Loss on a systematic basis over the periods in which the related costs are recognised. As at the balance sheet date, the unutilised balance stands at INR 15 Lakhs.

Note 12: Short term provisions

Particulars	As at 31.03.2025	As at 31.03.2024
(a) Provision for employee benefits		
i. Provision for Post Retirement Benefit Scheme	10.66	11.04
ii. Provision for bonus	30.00	-
iii. Provision for Leave Salary Encashment	2.44	-
(b) Dividend payable on Preference Shares	0.36	-
(c) Provision for Tax (net off taxes paid)	303.39	242.93
Total	346.84	253.97

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(Rupees in Lakhs)

Note 14: Non-current Investments

Particulars	As at 31.03.2025	As at 31.03.2024
I. Investments in Equity Instruments		
Unquoted Investments:		
(i) Associates:		
Krasny Paras Defence Technologies Pvt Ltd	52.25	52.25
Add: Share in Profit/(Loss)	(15.38)	(17.92)
	36.87	**34.33**
Vimal Fire Krasny Defence Pvt Ltd (Share) 2,50,000 (Previous Year 2,50,000) Equity Shares of Rs.10 each	25.00	25.00
Add: Share in Profit/(Loss)	(25.00)	(10.05)
	-	**14.95**
Krasny Subhadra Engineers Pvt Ltd (Share) 25,000 (Previous Year 25,000) Equity Shares of Rs.10 each #	2.50	2.50
Add: Share in Profit/(Loss)	(2.50)	(0.80)
	-	**1.70**
Avrora (I) Marine Systems Pvt. Ltd. 79,625 (Previous Year 79,625) Equity Shares of Rs.10 each	53.90	53.90
Add: Share in Profit/(Loss)	3,662.96	2,509.81
	3,716.86	**2,563.71**
Rosoboronservice India Limited ##	13.50	13.50
Add: Share in Profit/(Loss)	(13.50)	(13.50)
	-	-
ii. Others		
Dombivli Nagri Sahakari Bank Limited	4.99	4.99
SNGC Bank Limited	1.05	1.05
North Canara Bank	0.99	0.99
Total	**3,760.76**	**2,621.72**
Aggregate Cost of Quoted Investments	-	-
Aggregate Market Value of Quoted Investments	-	-
Aggregate amount of unquoted investments	3,760.76	2,621.72
Aggregate provision for diminution in value of investments	-	-

The associates of the Group has been struck off from the register of companies by the Registrar of Companies pursuant to section 248 of the Companies Act, 2013. Accordingly, the investment in the said associate has been written off from the books as nothing is expected to be recovered, and further no financial information of the said entity has been considered for consolidation for the year ended 31st March, 2025.

The associate of the Group has made an application to initiate corporate insolvency resolution process under section 10 of Insolvency and Bankruptcy Code, 2016, as applicable. The management is in the process of evaluating the recoverability of such investment, and any resultant adjustment, if required, will be recognized upon completion of such evaluation. Further no financial information of the said entity has been considered for consolidation for the year ended 31st March, 2025.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(Rupees In Lakhs)

Note 15: Other non-current assets

Particulars	As at 31.03.2025	As at 31.03.2024
Unsecured, Considered good		
(a) Security Deposits	28.77	16.36
(b) Capital Advances	195.50	-
(c) Deposits with bank	286.41	280.31
(d) Others	0.15	-
Total	**510.83**	**296.67**

Note 16: Inventories

Particulars	As at 31.03.2025	As at 31.03.2024
Stores, spares, tools and jigs	47.61	45.32
Total	**47.61**	**45.32**

Note 18: Cash & Bank Balances

Particulars	As at 31.03.2025	As at 31.03.2024
(a) Cash and Cash Equivalents		
i. Balances with banks		
- In current accounts	141.67	314.53
- In deposit accounts (with original maturity period of three months or less)	5.57	3.02
ii. Cash on hand	52.34	11.67
(b) Other Bank Balances		
i. Bank deposits (due to mature within 12 months of reporting date)	2,146.21	2,188.11
Total	**2,345.80**	**2,517.33**

Note 19: Short Term Loans and Advances

Particulars	As at 31.03.2025	As at 31.03.2024
Unsecured, Considered Good		
(a) Loans and advances		
-to Employees	46.71	28.18
-to Related Parties	25.00	28.65
(b) Balance with Government authorities	787.19	441.82
(c) Advance to suppliers	540.45	281.87
Total	**1,399.35**	**780.52**

Note 20: Other current assets

Particulars	As at 31.03.2025	As at 31.03.2024
Unsecured, Considered good unless otherwise specified		
Prepaid Expenses	14.53	9.14
Other Receivables	27.59	16.60
Interest accrued on deposits	30.00	7.22
Unbilled Revenue	2,701.16	2,686.06
Intercompany adjustments	28.05	-
Total	**2,801.33**	**2,719.02**

Note 10: Trade Payables

(Rupees in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Trade Payables		
(a) Total outstanding dues of micro enterprises and small enterprises	17.93	-
(b) Total outstanding dues of creditors other than micro & small enterprises	127.40	56.84
Total	**145.34**	**56.84**

Note 10.1: Details of the dues to Micro and Small, as defined in the Micro, Small and Medium Enterprises Development Act, 2006, based on available information with the Company are as under:

Particulars	As at 31.03.2025	As at 31.03.2024
(a) Principal amount remaining unpaid to any supplier under MSMED	17.93	-
(b) Interest due on principal amount remaining unpaid to any supplier under MSMED	Refer Note 1	
(c) Interest paid by the buyer in terms of section 16 of the MSMED Act 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(d) Amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)		
(e) Interest accrued and remaining unpaid	-	-
(f) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-
Total	**17.93**	-

Note 10.2: Ageing for trade payables outstanding as at March 31, 2025 is as follows:

Particulars	Outstanding for the following period from the due date of payment / date of transaction, as the case may be						Total
	Unbilled	Not Due	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Undisputed Dues:							
MSME	-	-	17.93	-	-	-	17.93
Others	-	-	126.69	0.49	0.23	-	127.40
Disputed Dues:							
MSME	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	-	-	144.62	0.49	0.23	-	145.34

Note 10.3: Ageing for trade payables outstanding as at March 31, 2024 is as follows:

Particulars	Outstanding for the following period from the due date of payment / date of transaction, as the case may be						Total
	Unbilled	Not Due	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Undisputed Dues:							
MSME	-	-	-	-	-	-	-
Others	-	-	53.32	3.51	-	-	56.84
Disputed Dues:							
MSME	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	-	-	53.32	3.51	-	-	56.84

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(Rupees in Lakhs)

Note 13: Property, Plant and Equipment and Intangible Assets

13.1: Property, Plant and Equipment

Details of Assets	Gross Block				Accumulated Depreciation				Net Block	
	As At 01.04.2024	Additions	Disposals	As At 31.03.2025	As At 01.04.2024	Additions	Disposals	As At 31.03.2025	As At 31.03.2025	As At 31.03.2024
Land	111.96	-	-	111.96	-	-	-	-	111.96	111.96
Leasehold Land	198.26	-	-	198.26	-	-	-	-	198.26	198.26
Building	313.21	20.00	-	333.21	158.13	19.86	-	177.98	155.23	155.08
Leasehold Premises	285.52	-	-	285.52	48.50	-	-	48.50	237.02	237.02
Plant & Machinery	435.45	35.69	-	471.14	249.37	34.19	-	283.56	187.58	186.08
Electrical Installation	10.37	-	-	10.37	9.73	0.12	-	9.84	0.53	0.65
Office Equipments	33.74	1.88	-	35.62	29.57	1.95	-	31.52	4.10	4.17
Furniture & Fixtures	154.37	-	-	154.37	140.09	2.71	-	142.81	11.56	14.27
Air Conditioner	20.05	1.91	-	21.96	17.59	1.38	-	18.97	3.00	2.46
Computer	135.88	12.97	-	148.85	129.93	6.35	-	136.28	12.56	5.95
Vehicles	285.54	6.65	-	292.19	213.85	21.82	-	235.67	56.53	71.69
Total (Rs.)	1,984.35	79.10	-	2,063.44	996.76	88.37	-	1,085.13	978.31	987.59

Details of Assets	Gross Block				Accumulated Depreciation				Net Block	
	As At 01.04.2023	Additions	Disposals	As At 31.03.2024	As At 01.04.2023	Additions	Disposals	As At 31.03.2024	As At 31.03.2024	As At 01.04.2023
Land	103.81	8.15	-	111.96	-	-	-	-	111.96	103.81
Leasehold Land	198.26	-	-	198.26	-	-	-	-	198.26	198.26
Building	311.71	1.50	-	313.21	149.76	8.37	-	158.13	155.08	161.96
Leasehold Premises	285.52	-	-	285.52	36.37	12.13	-	48.50	237.02	249.15
Plant & Machinery	435.45	-	-	435.45	211.32	38.06	-	249.37	186.08	224.13
Electrical Installation	10.37	-	-	10.37	9.65	0.07	-	9.73	0.65	0.72
Office Equipments	33.07	0.67	-	33.74	29.06	0.66	(0.16)	29.57	4.17	4.01
Furniture & Fixtures	154.37	-	-	154.37	137.06	3.04	-	140.09	14.27	17.31
Air Conditioner	19.80	0.25	-	20.05	16.68	0.91	-	17.59	2.46	3.12
Computer	133.74	2.14	-	135.88	128.05	1.88	-	129.93	5.95	5.70
Vehicles	285.54	-	-	285.54	183.11	30.74	-	213.85	71.69	102.43
Total (Rs.)	1,971.64	12.71	-	1,984.35	901.05	95.87	(0.16)	996.76	987.59	1,070.59

13.2: Intangible Assets

Details of Assets	Gross Block				Accumulated Depreciation				Net Block	
	As At 01.04.2024	Additions	Disposals	As At 31.03.2025	As At 01.04.2024	Additions	Disposals	As At 31.03.2025	As At 31.03.2025	As At 31.03.2024
Goodwill on consolidation	233.32	-	-	233.32	-	-	-	-	233.32	233.32
Computer Software	5.15	-	-	5.15	-	5.15	-	5.15	-	5.15
Total (Rs.)	238.47	-	-	238.47	-	5.15	-	5.15	233.32	238.47

Details of Assets	Gross Block				Accumulated Depreciation				Net Block	
	As At 01.04.2023	Additions	Disposals	As At 31.03.2024	As At 01.04.2023	Additions	Disposals	As At 31.03.2024	As At 31.03.2024	As At 01.04.2023
Goodwill on consolidation	233.22	0.09	-	233.32	-	-	-	-	233.32	233.22
Computer Software	5.15	-	-	5.15	-	-	-	-	5.15	5.15
Total (Rs.)	238.38	0.09	-	238.47	-	-	-	-	238.47	238.38

Note 17: Trade Receivables

(Rupees in Lakhs)

Particulars	As at 31.03.2025	As at 31.03.2024
Unsecured		
i. Considered good	2,501.96	667.08
ii. Considered doubtful	-	-
Less : Provision for Doubtful Debts and disallowances	-	-
Total	2,501.96	667.08

Note 17.1: Ageing of current trade receivables outstanding as at March 31, 2025 is as follows:

Particulars	Unbilled	Not Due	Outstanding for the following period from the due date of payment / date of transaction, as the case may be					Total
			Less than 6 months	6 months to 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Undisputed trade receivables - considered good	-	-	2,404.56	13.98	45.37	26.05	12.00	2,501.96
Undisputed trade receivables -- considered doubtful	-	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
Disputed trade receivables - considered doubtful	-	-	-	-	-	-	-	-
Total	-	-	2,404.56	13.98	45.37	26.05	12.00	2,501.96

Note 17.2: Ageing of current trade receivables outstanding as at March 31, 2024 is as follows:

Particulars	Unbilled	Not Due	Outstanding for the following period from the due date of payment / date of transaction, as the case may be					Total
			Less than 6 months	6 months to 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Undisputed trade receivables - considered good	-	-	605.23	23.49	26.35	-	12.00	667.08
Undisputed trade receivables - considered doubtful	-	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
Disputed trade receivables - considered doubtful	-	-	-	-	-	-	-	-
Total	-	-	605.23	23.49	26.35	-	12.00	667.08

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Note 21: Revenue from Operations

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Sale of stores, spares and services	8,017.31	1,865.70
Unbilled income	2,701.16	2,686.06
Total	10,718.47	4,551.76

Note 22: Other Income

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
(a) Interest income	151.81	130.46
(b) Rent Income	4.69	3.69
(c) Dividend Income:		
- From Related Parties	-	40.18
- From Others	0.45	0.10
(d) Income Tax Refund	0.67	-
(e) Miscellaneous Income	6.27	4.42
Total	163.89	178.85

Note 23: Cost of materials consumed

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Consumption of Stores & Spares		
Opening Stock	45.32	51.87
Add: Purchases during the year	1,244.33	341.47
Less: Closing stock	(47.61)	(45.32)
Total	1,242.04	348.03

Note 24: Opearting Expenses

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Transport, clearing and forwarding Expenses	92.24	22.19
Dock, refit and other operating expenses	4,943.84	1,753.53
Liquidated damages	22.20	15.17
Total	5,058.29	1,790.89

Note 25: Employee Benefit Expenses

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Director's Remuneration	114.00	114.00
Salaries and Wages	771.04	640.96
Bonus to Employees	60.32	28.36
Contribution to Provident and Other Funds	30.39	31.71
Leave Encashment	16.64	-
Gratuity Expense	26.04	20.86
Staff Welfare Expense	36.27	33.57
Total	1,054.70	869.46

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(Rupees in Lakhs)

Note 26: Finance Cost

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Interest Expenses on		
(i) Loan from bank	1.41	6.83
(ii) Bank overdraft	45.14	-
Bank charges & processing fees	27.74	45.37
Total	74.29	52.20

Note 27: Other Expenses

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Advertisement expenses	2.05	6.86
Payment to auditor (Refer Note No. 27.1)	6.45	7.95
Bad Debts W/ off	3.91	3.14
Business promotion expenses	83.88	24.86
CSR Expenses (Refer Note No. 27.2)	13.00	13.50
Director Sitting Fees	0.60	1.10
Donation	0.97	8.89
Investments written off	1.70	-
Fines & Penalties	2.97	0.20
Foreign Exchange Fluctuation loss	56.09	0.13
Insurance	10.89	14.92
Legal & Professional charges	338.80	80.05
Lodging & boarding	-	-
Membership and Subscription	2.30	2.85
Miscelleneous Expenses	7.28	4.36
Office Expenses	119.52	75.64
Postage & Courier Charges	1.91	2.80
Power and fuel	11.56	10.85
Printing & Stationery	8.60	4.41
Rent, Rates and Taxes	108.39	23.77
Repairs & Maintainance	13.61	14.19
Security charges	3.36	3.06
Statmp duty & registration charges	-	24.94
Telephone & Internet Expenses	4.03	4.62
Travelling & Conveyance	431.23	323.82
Total	1,233.09	656.91

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(Rupees in Lakhs)

Note 27.1: Payment to Auditor as:

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
(a) Statutory Audit Fees	3.45	5.45
(b) Tax Audit Fees	2.00	2.50
(c) Transfer Pricing Audit Fees	1.00	-
(d) Other matters	-	6.65
Total	6.45	14.60

Note 27.2: Corporate Social Responsibility (CSR) Expenditure:

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
(a) Gross amount required to be spent by the company during the year	12.78	12.33
(b) Amount of expenditure incurred by the company during the year (Refer Note No. 27.2.1)	13.00	13.50
(c) Amount of shortfall at the end of the year	-	-
(d) Total of previous years' shortfall	-	-
(e) Reason for above shortfalls	-	-
- Shortfall amount in respect of other than ongoing projects, transferred to a Fund specified in Schedule VII to the Act, as per section 135(5) of the Companies Act, 2013	-	-
- Shortfall amount pursuant to any ongoing project, transferred to special account as per section 135(6) of the Companies Act, 2013	-	-

Note 27.2.1 : Details of amount of CSR expenditure incurred by the company during the year:

The amount recognised as expense in the Statement of Profit and Loss on CSR related activities is INR 13 Lakhs (Previous Year INR 13.5 Lakhs) towards promoting health care including preventive health care, promoting education, eradicating hunger, poverty and malnutrition, comprising of:

Particulars	Year Ended 31.03.2025			Year Ended 31.03.2024		
	Paid in cash	Yet to be paid in cash	Total	Paid in cash	Yet to be paid in cash	Total
Construction/acquisition of any asset	-	-	-	-	-	-
On purposes other than above	13.00	-	13.00	13.50	-	13.50
TOTAL	13.00	-	13.00	13.50	-	13.50

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(Rupees in Lakhs)

Note 28: Earnings per share

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Profit excluding exceptional and extra-ordinary items attributable to Equity Shares for calculation of Basic Earnings per Share (Basic EPS)	2,706.22	879.87
Adjusted profit excluding exceptional items and extra-ordinary items attributable to Equity Shares for calculation of Diluted Earnings per Share (Diluted EPS)	2,706.58	879.87
Weighted average number of equity shares for basic EPS (in No.)	1,15,15,267	1,15,15,267
Weighted average number of equity shares for diluted EPS (in No.) *	1,15,15,267	1,15,15,267
Face value of equity shares (in Rs.)		
Earnings per share Basic (in Rs.)	23.50	7.64
Earnings per share Diluted (in Rs.)	23.50	7.64

* Since there is an option to buyback the preferences shares with company under certain circumstances as referred to in note 3.10.3, the potential conversion of preference shares (if any) has not been considered for the purpose of calculation of diluted equity shares.

Reconciliation between Net Profit for calculating basic and diluted EPS	Year Ended 31.03.2025	Year Ended 31.03.2024
Profit after tax as per statement of profit and loss	2,706.58	879.87
(-) Preference Dividend	(0.36)	-
Profit after tax as per statement of profit and loss for Basic EPS	2,706.22	879.87
(+) Preference Dividend	0.36	-
Profit after tax as per statement of profit and loss for Diluted EPS	2,706.58	879.87

Note 29: Leasehold Land

The Group holds leasehold land located, with a lease tenure of 999 years. Given the exceptionally long lease period, the leasehold land is considered to have an indefinite useful life for accounting purposes. Accordingly, no amortization has been provided in the Statement of Profit and Loss, and the leasehold land continues to be carried at cost. The carrying value of the leasehold land is reviewed for any indication of impairment in accordance with applicable accounting standards.

For details of gross block of leasehold land, Refer note 13.

Note 30: Leases

Lease rentals in respect of assets that are in the nature of operating leases are expensed in the Statement of Profit and Loss with reference to lease terms. Payments made towards operating lease arrangements are charged to the Statement of Profit and Loss on straight line basis over the period of lease.

NOTES TO CONSOUDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(Rupees in Lakhs)

Note 31: Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
(a) Contingent Liabilities		
i. Claims against the Group not acknowledged as debt	-	-
Service Tax		
a) Order for Service Tax demand pertaining to F.Y. 2015-16	117.13	117.13
b) Order for Service Tax demand pertaining to F.Y. 2016-17	0.54	0.54
c) Order for Service Tax demand pertaining to Period April 17 to June 17 F.Y. 2016-17	13.72	13.72
(b) Commitment		
i. Estimated amount of contracts remaining to be executed on capital account and not provided for:		
- Tangible assets	122.00	-
Total	**253.39**	**131.38**

Note 32: Details Of Provisions Added, Utilised, Written Back

Particulars	As at 01.04.2024	Additions	Utilised/ Written Back	As at 31.03.2025
Provision for Gratuity	73.12	26.04	15.08	84.09
Provision for Leave Salary Encashment	-	16.64	5.62	11.02
Provision for Bonus	-	30.00	-	30.00
Dividend payable on Preference Shares	-	0.36	-	0.36
Provision for Tax (net off taxes paid)	242.93	303.39	242.93	303.39

Particulars	As at 01.04.2023	Additions	Utilised/ Written Back	As at 31.03.2024
Provision for Gratuity	55.99	20.86	3.73	73.12
Provision for Leave Salary Encashment	-	-	-	-
Provision for Tax (net off taxes paid)	135.10	242.93	135.10	242.93

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(Rupees in Lakhs)

Note 33: Retirement Benefits

i) Defined Contribution Plan:
During the period, the Company's contribution to Provident Fund and ESIC is recognized in the statement of Profit and loss under the head Employee Benefit Expense.

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
- Employer's contribution to Provident Fund and other funds	30.39	31.71

ii) Defined Benefit Plan:
(A) Every employee is entitled to the benefit equivalent to 15 days of total gross salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the company on retirement or separation or death or permanent disablement in terms of the provisions of the payment of Gratuity Act.

Valuation in respect of gratuity has been carried out by an independent actuary, as at the balance sheet date, based on the following assumptions:-

Change in Defined Benefit Obligation during the Period	Gratuity (Unfunded)	
Particulars	**Year Ended 31.03.2025**	**Year Ended 31.03.2024**
Defined Benefit Obligation, Beginning of the Period	73.12	55.99
Total Expense/(Income) Recognised in Profit & Loss	26.04	20.86
Benefits Paid	(15.08)	(3.73)
Defined Benefit Obligation, End of Period	**84.09**	**73.12**

Reconciliation of Amounts recognised in Balance Sheet

Particulars	As at 31.03.2025	As at 31.03.2024
Balance Sheet (Asset)/Liability, Beginning of Period	73.12	55.99
Total Expense/(Income) Recognised in Profit & Loss	26.04	20.86
Benefits Paid	(15.08)	(3.73)
Balance Sheet (Asset)/Liability, End of Period	**84.09**	**73.12**

Amounts Recognised in Statement of Profit & Loss at Period-End

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Total Expense/(Income) Recognised in Profit & Loss	26.04	20.86
Total Expense/(Income) included in "Employee Benefit Expense"	**26.04**	**20.86**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(Rupees in Lakhs)

Actuarial Assumptions

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Discount Rate (per annum)	6.83%	7.22%
Salary Escalation	5.00%	5.00%
Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement Age	60 years	60 years
Employee turnover/ Withdrawal Rate	2.00%	2.00%

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation as shown below.

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Increase in		
Discount rate (1% movement)	(6.95)	(5.66)
Future salary growth (1% movement)	8.18	6.68
Employee Turnover (1% movement)	0.85	0.98
Decrease in		
Discount rate (1% movement)	8.11	6.60
Future salary growth (1% movement)	(7.12)	(5.83)
Employee Turnover (1% movement)	(1.01)	(1.13)

(B) Every employee is entitled to the benefit equivalent to leave balance multiplied by Monthly Basic Salary divided by 30. All employee are entitled to 15 days leave with maximum accumulation limit of 30 days.

Valuation in respect of leave encashment has been carried out by an independent actuary, as at the balance sheet date, based on the following assumptions:-

Change in Defined Benefit Obligation during the Period

	Leave Encashment (Unfunded)	
Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Defined Benefit Obligation, Beginning of the Period	-	-
Total Expense/(Income) Recognised in Profit & Loss	16.64	-
Interest Cost		
Actuarial (Gains)/Losses		
Benefits Paid	(5.62)	
Defined Benefit Obligation, End of Period	11.02	-

Reconciliation of Amounts recognised in Balance Sheet

Particulars	As at 31.03.2025	As at 31.03.2024
Balance Sheet (Asset)/Liability, Beginning of Period	-	-
Total Expense/(Income) Recognised in Profit & Loss	16.64	-
Benefits Paid	(5.62)	-
Balance Sheet (Asset)/Liability, End of Period	11.02	-

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Amounts Recognised in Statement of Profit & Loss at Period-End

(Rupees in Lakhs)

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Total Expense/(Income) Recognised in Profit & Loss	16.64	-
Total Expense/(Income) included in "Employee Benefit Expense"	**16.64**	-

Actuarial Assumptions

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Discount Rate (per annum)	6.83%	NA
Salary Escalation	5.00%	NA
Mortality Rate	IALM (2012-14) Ultimate	NA
Retirement Age	60 years	NA
Employee turnover/ Withdrawal Rate	2.00%	NA

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation as shown below.

Particulars	Year Ended 31.03.2025	Year Ended 31.03.2024
Increase in		
Discount rate (1% movement)	(0.89)	NA
Future salary growth (1% movement)	1.06	NA
Employee Turnover (1% movement)	0.18	NA
Decrease in		
Discount rate (1% movement)	1.05	NA
Future salary growth (1% movement)	(0.91)	NA
Employee Turnover (1% movement)	(0.19)	NA

Note 34: Regrouping / Reclassification

Previous year's figures have been regrouped & rearranged, wherever necessary to correspond with the current year's classification.

Note 35: Segment Reporting

The Group's operation comprise of only one segment - ship repairing, design and manufacturing of electrical parts & components business and therefore there are no other business/geographical segments to be reported as required under Accounting Standard 17 "Segment Reporting" as prescribed by Company (Accounting Standard) Rules, 2006.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(Rupees in Lakhs)

Note 36: Related Party Disclosures

As per Accounting Standard (AS-18) on Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provision of the Companies Act, 2013 the disclosures of transactions with the related party as defined in Accounting Standard are given below:

Note 36.1: Name of related party and nature of relationship where control exists:

Description Of Relationship	Sr. No	Names of related parties
(a) Associates	i.	Krasny Paras Defence Technologies Private Limited
	ii.	Vimal Fire Krasny Defence Private Limited
	iii.	Krasny Subhadra Engineers Private Limited
	iv.	Avrora(I) Systems Private Limited
(b) Key management personnels (KMP)	i.	Naveen Jayaprakasan
	ii.	V G Jayaprakasan
	iii.	Sarala Jayaprakash
	iv.	Sajeev Menon
	v.	Mathew Lathra
	vi.	Shivani Singh *
		* Appointed Shivani Singh as a Company Secretary as on dated 26/09/2023.
(c) Entities owned and controlled by directors and their relatives	i.	Rosoboronservices (India) Limited

Krasny Defence Technologies Limited
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(Rupees in Lakhs)

Note 36.2: Name of related party and nature of relationship where control exists:

Sr. No.			Particulars	Relationship for year ended 31.03.2025	Amount for year ended 31.03.2025	Relationship for year ended 31.03.2024	Amount for year ended 31.03.2024
I			Revenue from Operations				
	a		Sale of Goods				
		i	Vimal Fire Krasny Paras Defence	Associate Company	25.50	Associate Company	-
		ii	Krasny Paras Defence Technologies Private Limited	Associate Company	113.20	Associate Company	-
II			Other Income				
	a		Rent Income				
		i	Krasny Paras Defence Technologies Private Limited	Associate Company	1.80	Associate Company	1.80
	b		Dividend Income				
		i	Avrora(I) Systems Private Limited	Associate Company	40.18	Associate Company	40.18
III			Expenditure				
	a		Procurement of Good & Services				
		i	Vimal Fire Krasny Defence Private Limited	Associate Company	16.24	Associate Company	-
	c		Salary				
		i	Naveen Jayaprakasan	Key Managerial Personnel	12.00	Key Managerial Personnel	12.00
		ii	V G Jayaprakasan	Key Managerial Personnel	90.00	Key Managerial Personnel	90.00
		iii	Sarala Jayaprakash	Key Managerial Personnel	12.00	Key Managerial Personnel	12.00
		iv	Sajeev Menon	Key Managerial Personnel	8.59	Key Managerial Personnel	7.77
		v	Mathew Lathra	Key Managerial Personnel	40.09	Key Managerial Personnel	39.98
		vi	Shivani Singh	Key Managerial Personnel	4.88	Key Managerial Personnel	3.11
IV			Others				
	a		Purchase of Fixed Assets				
		i	Krasny Paras Defence Technologies Private Limited	Associate Company	35.81	Associate Company	-
	b		Permanent decline in value of investments				
		i	Krasny Subhadra Engineers Private Limited	Associate Company	2.50	Associate Company	-
V			Finance				
	a		Loans and Advances (Given)				
		i	Krasny Paras Defence Technologies Private Limited	Associate Company	-	Associate Company	28.65
	b		Loans and Advances (Repaid)				
		i	Krasny Paras Defence Technologies Private Limited	Associate Company	3.65	Associate Company	-

Krasny Defence Technologies Limited
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Note 36.2: Name of related party and nature of relationship where control exists:

(Rupees in Lakhs)

Sr. No.			Particulars	Relationship for year ended 31.03.2025	Amount for year ended 31.03.2025	Relationship for year ended 31.03.2024	Amount for year ended 31.03.2024
VI			Balances				
	a		Trade Receivables				
		i	Krasny Paras Defence Technologies Private Limited	Associate Company	152.18	Associate Company	18.07
	b		Others				
		i	Salary Payable				
			Naveen Jayaprakasan	Key Managerial Personnel	0.88	Key Managerial Personnel	0.88
			V.G. Jayaprakasan	Key Managerial Personnel	15.61	Key Managerial Personnel	9.07
			Sarala Jayaprakash	Key Managerial Personnel	1.76	Key Managerial Personnel	*0.00
			Sajeev Menon	Key Managerial Personnel	0.63	Key Managerial Personnel	0.63
			Mathew Lathra	Key Managerial Personnel	2.56	Key Managerial Personnel	2.50
			Shivani Singh	Key Managerial Personnel	0.43	Key Managerial Personnel	0.45
	c		Loans and Advances (Given)				
		i	Krasny Paras Defence Technologies Private Limited	Associate Company	25.00	Associate Company	28.65
	d		Trade Payables				
		i	Krasny Paras Defence Technologies Private Limited	Associate Company	42.26	Associate Company	-
	e		Investment in Equity Instruments				
		iv	Krasny Paras Defence Technologies Private Limited	Associate Company	52.25	Associate Company	52.25
		v	Vimal Fire Krasny Defence Private Limited	Associate Company	25.00	Associate Company	25.00
		vi	Krasny Subhadra Engineers Private Limited	Associate Company	-	Associate Company	2.50
		vii	Avrora(I) Systems Private Limited	Associate Company	53.90	Associate Company	53.90
		viii	Rosoboronservices (India) Limited	Entities owned and controlled by directors and their relatives	13.50	Entities owned and controlled by directors and their relatives	13.50
	f		Other receivables				
		i	Vimal Fire Krasny Defence Private Limited	Associate Company	1.35	Associate Company	1.35

* Indicates amount less than Rs 5,000

Note 37: Additional Information as required by Paragraph 2 of Part III - General Instruction for Preparation of CFS of Schedule III of the Companies Act, 2013

Entity Name	Proportion of Ownership Interest (%) - Equity	Net Assets i.e., total assets minus total liabilities		Share in profit or loss	
		As % of Consolidated net assets	Amount (Rs.)	As % of Consolidated profit or loss	Amount (Rs.)
a) Parent					
Krasny Defence Technologies Limited		70.29%	8,603.55	61.10%	1,653.74
a) Subsidiary:					
Foreign:					
Krasny Kamen LLC	100.00%	-0.05%	(5.96)	-3.63%	(98.32)
Indian:					
Keltron Krasny Defence Systems Private Limited	51.00%	0.16%	19.34	0.01%	0.37
Krasny Marine Services Private Limited (Formerly known as Krasny Corporate & Technical Services Pvt. Ltd.)	100.00%	-1.18%	(144.87)	-0.17%	(4.61)
Sub Total			8,472.05		1,551.18
b) Associate:					
Krasny Paras Defence Technologies Private Limited	47.50%	0.30%	36.87	0.09%	2.55
Vimal Fire Krasny Defence Private Limited	50.00%	0.00%	-	-0.55%	(14.95)
Krasny Subhadra Engineers Private Limited	50.00%	0.00%	-	0.00%	-
Avrora(I) Systems Private Limited	49.00%	30.37%	3,716.86	44.09%	1,193.32
Rosoboronservices (India) Limited	20.00%	0.00%	-	0.00%	-
Sub Total			3,753.73		1,180.92
Inter Group Elimination		0.12%	14.37	-0.94%	(25.52)
Consolidated Net Asset/ Profit After Tax		100.00%	12,240.16	100.00%	2,706.58

Note 38: Other additional regulatory information

38.1 The Group has not revalued any Property, Plant & Equipment nor any Intangible assets.

38.2 The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

38.3 The Group does not hold any intangible assets under development and accordingly, no ageing nor completion schedule is provided.

38.4 The Group 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 Group (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

38.5 The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall: (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

38.6 The Group has not utilised funds for purpose other than the specific purpose for which it was obtained.

38.7 The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

38.8 The Group does not have any transactions with companies struck off.

38.9 The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

38.10 The Group has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

38.11 The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

38.12 The Group has not entered into any scheme of arrangement.

Raman S. Shah
Proprietor
Membership No. 33272

Place: Mumbai
Date: 29.09.2025

V. G. Jayaprakasan
Managing Director
DIN: 00837992

Place: Mumbai
Date: 29.09.2025

Naveen Jayaprakasan
Director
DIN: 00837932

Place: Mumbai

Shivani Singh
Company Secretary
A65913

Place: Mumbai