



Kanone Technologies Private Limited

Contact : + 91 7420010525 | E-mail:kanonetechologies@gmail.com
PAN/IEC : AAJCK0646C | CIN : U74999KL2021PTC071243

NOTICE

Notice is hereby given that the Second Annual General Meeting of the Members of the Company will be held on **Saturday, 30th September 2023** at 11.00 AM at the Company's registered office at **Building No. 46/2678 B4, Kaniyappilly Road, Chakkaraparambu, Vennala P.O., Ernakulam - 682028, Kerala, India** to transact the following Ordinary Business:

Item No. 1:

Adoption of Annual Accounts:

To consider, and, if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Balance Sheet of the Company as at 31 March 2023, the Statement of Profit and Loss of the Company for the year ended on that date, the Cash Flow Statement, the Notes to Accounts along with the Boards' Report and the Auditors' Report (including all Annexures), be and are hereby approved and adopted."

**BY ORDER OF THE BOARD OF DIRECTORS OF
KANONE TECHNOLOGIES PRIVATE LIMITED**

Sruthi Muhammed Ali
Managing Director
DIN: 09237016

DATE: 5th September 2023
PLACE: Ernakulam



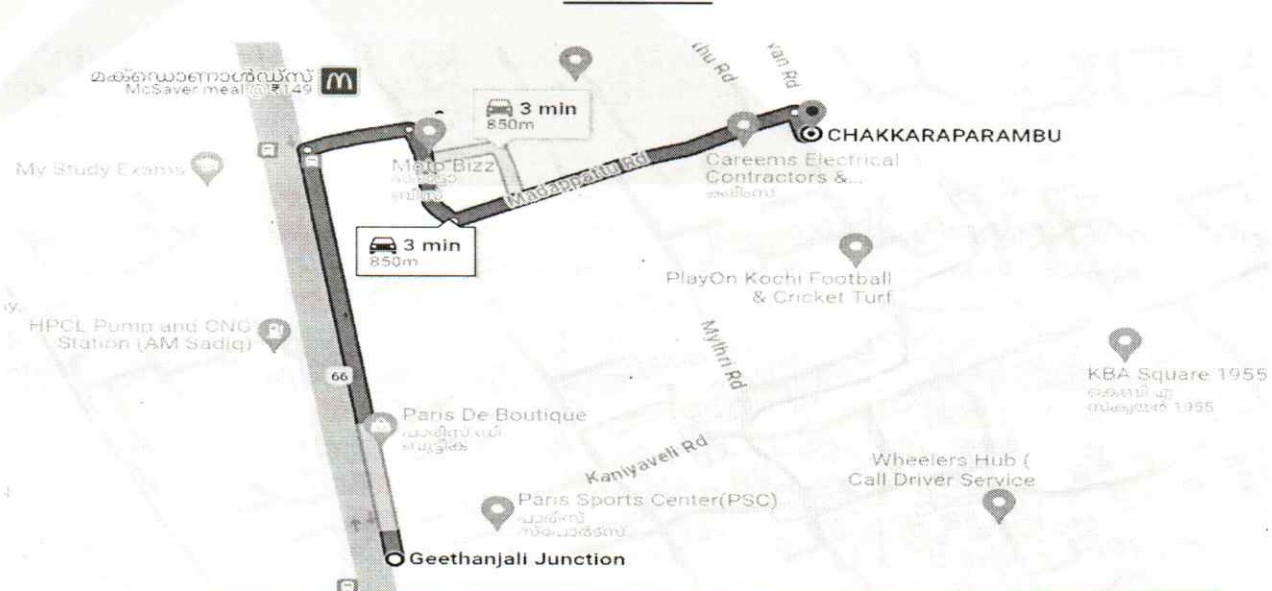
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NOTE-

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The Register of Directors and their shareholding, maintained u/s 170 of the Companies Act, 2013 and Register of Contracts or Arrangements in which Directors are interested maintained u/s 189 of the Companies Act, 2013 and all other documents referred to in the notice and explanatory statement, will be available for inspection by the members of the Company at Registered office of the Company during business hours 10:00 A.M. to 06:00 P.M. (except Saturday and Sunday) up to the date of Annual General Meeting and will also be available during the Annual General Meeting.
3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
5. Members/proxies attending the meeting are requested to bring their duly filled admission/attendance slips sent along with the notice of annual general meeting at the meeting. 6. Corporate members intending to send their authorised representatives to attend the meeting are advised to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the meeting

ROUTE MAP





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BOARDS' REPORT

To,

The Members,
Kanone Technologies Private Limited

Your Directors have pleasure in presenting their First Annual Report and the Audited Statement of Accounts for the financial year ended 31 March 2023.

FINANCIAL HIGHLIGHTS

Particulars	Rupees in Lakhs	
	Year ended 31 March 2023	Year ended 31 March 2022
Total Income	25,694.89	2,355.18
Total Expenditure	25,225.54	2,325.01
Profit before tax and prior period items	469.36	30.17
Prior period expenses /(income), net	-	-
Profit before tax	469.36	30.17
Tax Expense:		
Current Tax	106.81	7.96
Deferred tax charge/(credit)	(0.23)	-
Prior year taxes	-	-
Proposed dividend / dividend paid	-	-
Net profit/(loss) after tax / deferred tax	362.78	22.21

REVIEW OF OPERATIONS

The Company was incorporated on 29 September 2021 as a Private Limited Company. The Company is incorporated to carry on the business of exporters, importers, buyers, distributors, sellers of Technology associated with different types of electronics products and components and customized technology applications as per requirements.

The Company has earned income of Rs. 25,694.89 Lakhs for the financial year ended 31 March 2023 compared to Rs. 2,355.18 Lakhs for the previous year ended 31 March 2022. The Net profit of the Company stood at Rs. 362.78 for the year ended 31 March 2023 compared to Rs 22.21 Lakhs for the previous year ended 31 March 2022.



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OUTLOOK

The Company expects similar or more growth in its business in forthcoming years.

SHARE CAPITAL

During the year under review there was no change in the share capital structure of the Company. The Authorised and Paid-up Capital of the Company Rs. 1,00,00,000/- divided into 10,00,000 Equity Shares of Rs. 10/- each.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

No material changes and commitments affecting the Financial Position of the company occurred subsequent to the close of the financial year on 31 March 2023 and the date of the Board's Report.

CHANGE IN NATURE OF BUSINESS

The Company has not made any changes in its business activity during the year under review.

DIVIDEND

No dividend payout to the shareholders has been recommended by the Board of Directors of the Company for the current year.

TRANSFER TO RESERVE

The Company has not transferred any amount to General Reserves during the current year.

BOARD MEETINGS

The Board of Directors met 5 (Five) times during the year under review.



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Below are the details of attendance by Directors:

Sl. No.	Name of the Director	Number of Board Meetings entitled to Attend	Total Number of Board Meetings Attended by Director
1.	Mr. Faizal Bavaraparambil Abdul Khader	5	5
2.	Mrs. Sruthi Muhammed Ali	5	5

GENERAL MEETING

During the year under review an Extra Ordinary General Meeting was held on 20 July 2022 and the Annual General Meeting was held on 11 November 2022 for the financial year ended 31 March 2022.

DIRECTORS

The members of the Board of Directors are Mr. Faizal Bavaraparambil Abdul Khader and Mrs. Sruthi Muhammed Ali.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES AND THEIR PERFORMANCE

The Company has no subsidiary/Joint Ventures / Associate Companies as prescribed under the Companies Act, 2013

DEPOSITS

The Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013 ('the Act') during the financial year.

STATUTORY AUDITORS

M/s. J. Krishnan & Co., Chartered Accountants (ICAI Firm Registration Number: 001524S), were appointed as the Statutory Auditors of the Company in the First Annual General Meeting of the Company held on 11 Nov 2022 for the period of five years i.e. until the conclusion of sixth Annual General Meeting to be held for the FY 2026-27.



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The requirement for annual ratification of auditor's appointment at the Annual General Meeting has been omitted pursuant to the Companies (Amendment) Act, 2017 notified on 7th May 2018. Accordingly, ratification of appointment of Auditors shall not be considered in the Annual General Meeting.

AUDITORS' REPORT

The Auditors Report appended to the financial statements is self-explanatory. There is no adverse remark in the Auditor's Report, which needs explanation from the Board of Directors.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB SEC 12 OF SECTION 143

The Auditors have not reported cases with respect to material frauds in its audit report as there were no such cases requiring reporting in Audit Report. However, in Note No. 25 to the Financial Statements an incident of fraud involving a senior employee with respect to diversion of incentives and commission income of the Company were reported.

Your Board of Directors would like to state that the necessary steps were taken towards minimizing the risk involved in this regard.

EXTRACT OF THE ANNUAL RETURN

The Company doesn't have any website. Therefore, no need of publication of extract of annual return.

Pursuant to the amendment brought into the Rule 12 of the Companies (Management and Administration) Rules, 2014, the Ministry of Corporate Affairs has done away with the requirement of attaching the extract of annual Return in the form MGT-9 with the Board's Report. Accordingly, this point is not applicable to the Company.



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CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A) Conservation of energy:

The steps taken or impact on conservation of energy	Nil
The steps taken by the company for utilising alternate sources of energy	Nil
The capital investment on energy conservation equipments	Nil

(B) Technology absorption:

The efforts made towards technology absorption	Nil
The benefits derived like product improvement, cost reduction, product development or import substitution etc.	Nil
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)---	Not applicable
The details of technology imported	Not applicable
Year of Import	Not applicable
whether the technology been fully absorbed	Not applicable
If not fully absorbed, areas where has not taken place, reasons thereof.	Not applicable
The expenditure incurred on Research and Development	Not applicable

(C) Foreign exchange earnings and Outgo:

Rupees in Lakhs

Particulars	31 March 2023	31 March 2022
Foreign Exchange earnings	24,198.67	1,757.51
Foreign Exchange Outgo	23.73	Nil



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PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not given any loans, guarantees or made any investment during the period under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The particulars of contract or arrangements with related parties referred to in Section 188 (1) are given in Form AOC 2 and enclosed as *Annexure I* to this Report.

Justification for entering into Related Party transactions:

Company is having common director in Safa Systems & Technologies Limited, purchases materials which was at arm's length basis.

RISK MANAGEMENT POLICY

The Company has in place a Risk Management policy, which lays down a robust and dynamic process for identification and mitigation of risks. The Management of the Company reviews the risk management and mitigation plan from time to time.

INTERNAL FINANCIAL CONTROL

The Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. Management of the company has very cordial relations with their personnel and outsiders in respect of business of the company. Internal control system is reviewed by the management at reasonable intervals to ensure the efficient working of the control system.

DISCLOSURE UNDER THE SEXUAL HARRASMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

During the financial year under review there were minimal employees and hence this point is not applicable.



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EMPLOYEES

The particulars required pursuant to Section 134 of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, in respect of employees remuneration, are not applicable to the Company.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There were no orders passed by the regulators or courts or tribunals during the period under review impacting the going concern status and company's operations in future.

DISCLOSURE REGARDING COST RECORDS

The Central Government of India has not specified the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, for any of the products of the Company during the year under review.

COST AUDIT

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Company is not required to have the audit of its cost records and accordingly no further details are required to be given under this para.

SECRETARIAL STANDARDS

Based on the details and information available, the Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to Meetings of the Board of Directors and General Meetings respectively, issued by Institute of Company Secretaries of India have been duly followed by the Company.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE 2016

No application was made and/or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016.



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DIFFERENCE OF AMOUNT OF VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND VALUATION DONE WHILE TAKING LOAN FROM BANK(S) OR FINANCIAL INSTITUTION

During the year under review, no settlement(s) have been done with Bank(s) or Financial Institution(s).

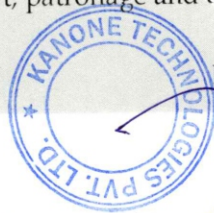
DIRECTORS' RESPONSIBILITY STATEMENT

In Pursuance of Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis; and
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS

The Directors wishes to place on record their appreciation for the sincere and dedicated efforts of all employees. Your Directors would also like to thank the Shareholders, Bankers and other Business associates for their sustained support, patronage and cooperation.



For and on behalf of the Board of Directors of
Kanone Technologies Private Limited

Faizal Bayaraparambil Abdul

Khader

Director

DIN:07729191

Date: 5 Sept 2023

Place: Ernakulam

Sruthi Muhammed Ali

Director

DIN:09237016

Date: 5 Sept 2023

Place: Ernakulam

Independent Auditor's Report

To the Members of

KANONE TECHNOLOGIES PRIVATE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **KANONE TECHNOLOGIES PRIVATE LIMITED** ('the Company'), which comprise the balance sheet as at March 31, 2023, significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order

to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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 state of affairs of the Company as at March 31, 2023 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) on the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. There are no pending litigations which will have an impact of the financial position of the Company;
 - ii. There are no provisions required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;



- iii. There are no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Ernakulam

Date: 27th July 2023

UDIN: 23218068BGWMLJ5578



For J. KRISHNAN & CO
CHARTERED ACCOUNTANTS


NISHANTH SEBASTIAN JOSE, FCA
PARTNER (M.No : 218068)
Firm No : 001524S

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended March 31, 2023, we report that:

- i.
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
 - b. The Company has a regular programmed of physical verification of its fixed assets and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
 - d. The company has not revalued its Property, Plant and equipment or intangible assets or both during the year.
 - e. No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. As explained to us, the stock of finished goods and packing materials in the Company's custody have been physically verified by the Management as at the end of the financial year, before the year-end or after the year-end and for both in the Company's custody there is a perpetual inventory system and a substantial portion of the stocks have been verified during the year. In our opinion, the frequency of verification is reasonable.
- iii. The Company has not granted loans to persons covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not made any investments and accordingly paragraph 3(iv) of the Order is not applicable to the Company.
- v. The Company has not accepted any deposits from the public.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii.
 - a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including income-tax, service tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, The company not have any dues on account of goods and services tax, value added tax, duty of customs, cess and duty of excise.



According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

According to the information and explanations given to us, there are no material dues of income tax, sales tax, duty of excise, service tax, value added tax and duty of customs which have not been deposited with the appropriate authorities on account of any dispute.

- viii. The Company does have loans or borrowings from banks and financial institutions during the year. However, no default in repayment had been occurred.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. The Managerial remuneration has been paid in accordance with the requisite approvals mandated by the provision of Section 197 read with schedule 5 to the Companies Act, 2013.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: Ernakulam

Date: 27th July 2023

UDIN: 23218068BGWMLJ5578



For J. KRISHNAN & CO
CHARTERED ACCOUNTANTS


NISHANTH SEBASTIAN JOSE, FCA
PARTNER (M.No : 218068)
Firm No : 001524S

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **KANONE TECHNOLOGIES PRIVATE LIMITED** ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 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 of the financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls over Financial Reporting

A company's 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 being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Ernakulam

Date: 27th July 2023

UDIN: 23218068BGWMLJ5578

For J. KRISHNAN & CO
CHARTERED ACCOUNTANTSNISHANTH SEBASTIAN JOSE, FCA
PARTNER (M No: 218068)
Firm No: 0015245

Particulars		Rs. (In Lakhs)	
		For the year ended 31 March,2023	For the year ended 31 March,2022
A REVENUE			
1 Income from operations (gross)	27	25,316.83	2,327.87
Less: Excise Duty		-	-
Revenue from operations (net)		25,316.83	2,327.87
2 Other Income	28	378.07	27.31
Total Revenue (1+2)		25,694.89	2,355.18
4 Expenses			
(a) Purchase of Material	29	25,045.93	2,257.44
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	(254.51)	-
(c) Employee benefits expenses	31	26.65	17.87
(d) Finance costs	32	47.09	0.83
(e) Depreciation and amortisation expenses	13	1.99	0.49
(f) Other expenses	33	358.39	48.37
Total Expenses		25,225.54	2,325.01
5 Profit / (Loss) before exceptional and extraordinary items		469.36	30.17
6 Exceptional items		-	-
7 Profit before extraordinary items and tax (5-6)		469.36	30.17
8 Extraordinary items		-	-
9 Profit / (Loss) before tax (7-8)		469.36	30.17
10 Tax Expense:			
(a) Current tax expense		106.81	7.96
(b) (Less) : MAT credit (where applicable)		-	-
(c) Current tax expense relating to prior years		-	-
(d) Net current tax expense		-	-
(e) Deferred tax		(0.23)	-
11 Profit / (Loss) from continuing operations (9-10)		362.78	22.21
12 Profit/(loss) from discontinuing operations		-	-
13 Tax expense of discontinuing operations		-	-
14 Profit/(loss) from Discontinuing operations (after tax)		-	-
15 Profit (Loss) for the period (11+14)		362.78	22.21
16 Earning per equity share:			
(1) Basic		36.28	2.22
(2) Diluted		36.28	2.22

Corporate Information and Significant Accounting policies

1-2

As per our report of even date

See accompanying notes forming part of the financial statements

Faizal B A
Director
DIN: 07729191

Sruthi Muhammed Ali
Director
DIN: 09237016

Date: 27/07/2023
Place: Ernakulam
UDIN:23218068BGWMPW6283



For J. KRISHNAN & CO
CHARTERED ACCOUNTANTS

NISHANTH SEBASTIAN JOSE, FCA
PARTNER (M.No : 218068)
Firm No : 0015245

Particulars	Rs. (In Lakhs)	
	For year ended March 31, 2023	For year ended March 31, 2022
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share capital	3	100.00
(b) Reserves and surplus	4	384.99
(c) Money received against share warrants		-
2 Non-current liabilities		
(a) Long-term borrowings	5	145.16
(b) Deferred tax liabilities	6	-
(c) Other Long term liabilities	7	-
(d) Long-term provisions	8	-
3 Current liabilities		
(a) Short Term Borrowings	9	825.68
(b) Trade payables	10	1,043.67
(c) Other current liabilities	11	26.08
(d) Short-term provisions	12	106.81
TOTAL		2,632.39
B ASSETS		
1 Non-current assets		
(i) Tangible Fixed Assets	13	2.82
(i) Intangible Assets	13	0.28
(iii) Capital work in progress		-
(b) Non-current investments	14	-
(c) Deferred tax assets	6	0.23
(d) Long term loans and advances	15	-
(e) Other non-current assets	16	-
2 Current assets		
(a) Current investments	17	-
(b) Inventories	18	254.51
(c) Trade receivable	19	2,174.30
(d) Cash and cash equivalents	20	16.17
(e) Short term loans and advances	21	43.26
(f) Other current assets	22	140.82
TOTAL		2,632.39
Corporate Information and Significant Accounting policies	1-2	

See accompanying notes forming part of the financial statements

FOR AND ON BEHALF OF BOARD OF DIRECTORS

As per our report of even date

Faizal B A
Director
DIN: 07729191

Sruthi Muhammed Ali
Director
DIN: 09237016

For J. KRISHNAN & CO
CHARTERED ACCOUNTANTS

NISHANTH SEBASTIAN JOSE, FCA
PARTNER(M.No : 218068)
Firm No : 0015245

Date: 27/07/2023
Place: Ernakulam
UDIN:23218068BGWMPW6283



Kanone Technologies Private Limited
Building No. 46/2678 B4, Kaniyappilly Road Chakkaraparambu
Vennala P.O, Ernakulam KL 682028 IN
Standalone Cash flow statement for the year ended March 31,2023
CIN: U74999KL2021PTC071243

Rs. (In Lakhs)

Particulars	For year ended March 31, 2023	For year ended March 31, 2022
<u>Cash flow from operating activities</u>		
Net profit before tax	469.36	30.17
Adjustment for :		
Depreciation	1.99	0.49
Interest expense and finance cost	47.09	0.83
Interest and Other Income	(0.19)	(27.31)
Operating profit before working capital changes	518.24	4.19
Movement in working capital:		
Decrease / (Increase) in Inventories	(254.51)	-
Decrease / (Increase) in Trade receivables	(2,163.40)	(10.90)
Decrease / (Increase) in Other current assets	210.10	(350.92)
Increase/ (Decrease) in Long term borrowings	145.16	-
Increase/ (Decrease) in Short term borrowings	825.48	0.20
Increase/ (Decrease) in Other current liabilities	20.84	5.24
Increase/ (Decrease) in Trade payable and provisions	758.10	285.58
Cash generated from operations	60.00	(66.61)
Income tax paid	(7.96)	-
Net cash from operating activities	52.04	(66.61)
<u>Cash flow from investing activities</u>		
Interest received	0.19	27.31
Fixed asset purchased	-	(5.58)
Decrease/ (Increase) in Loans and advances	(41.46)	(1.80)
Net cash flow investing activities	(41.27)	139.99
<u>Cash flow from financing activities</u>		
Share Issued		100.00
Interest expense and finance cost	(47.09)	(0.83)
Net cash from financing activities	(47.09)	99.17
Net increase / (decrease) in cash & cash equivalents	(36.32)	172.55
Cash & cash equivalents at the beginning of the year	52.49	-
Cash & cash equivalents at the end of the year	16.17	52.49

Notes:

1. The reconciliation to the cash and bank balances as given in Note 20 is as follows:

Cash and bank balances, as per Note 13	16.17	52.49
Cash and cash equivalents, end of the year	16.17	52.49

For and on behalf of the board of directors

As per our report of even date attached

Faizal B A
Director
DIN: 07729191

Sruthi Muhammed Ali
Director
DIN: 09237016

For J. KRISHNAN & CO
CHARTERED ACCOUNTANTS

NISHANTH SEBASTIAN JOSE, FCA
PARTNER(M.No : 218068)
Firm No : 0015245

Date: 27/07/2023
Place: Ernakulam
UDIN:23218068BGWMPW6283



Note 1 Company Information

Kanone Technologies Private Limited (hereinafter referred to "the Company") was incorporated as on 29th day of September 2021 in the state of Kerala under the Companies Act, 2013. Registered address of company is BUILDING No.46/2678 B4,KANIYAPPILLY ROADCHAKKARAPARAMBU, VENNALA P.O.,ERNAKULAM Ernakulam KL 682028 IN. The Company is engaged in the business of exporters, importers, buyers, distributors, sellers of Technology associated with different types of electronics products and components and customized technology applications as per requirements.

Note 2 Significant Accounting Policies

Basis Of Accounting and Preparation of Financial Statements

The financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) under the historical convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss if any. Cost comprises the purchase price and any attributable cost of bringing the assets into its working condition for its intended use. Borrowing costs, if any, relating to acquisition of fixed assets which make substantial period of time to get ready for its intended use are also included to the extent they relate to the period till the assets are ready to be put to use.

Depreciation / Amortisation

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the Written down Value method. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

Foreign Currency Transactions

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss. Asset/Liability in respect of foreign exchange transactions outstanding as at the end of the year is restated at the exchange rate prevailing on that date.

Income taxes

Tax expense comprises current tax and deferred tax. Current income tax is measured at the expected to be paid to the tax authorities in accordance with the Income Tax Act 1961. Deferred income taxes reflects the impact of current year timing differences taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities across various countries of operations are not set off against each other as the Company does have the legal right to do so. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each balance sheet date the company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.



Note 3 SHARE CAPITAL

Particulars	For year ended March 31, 2023		For year ended March 31, 2022	
(a) Authorised	-	-	-	-
Equity shares of Rs.10/- each with voting rights	10,00,000.00	100.00	10,00,000.00	100.00
(b) Issued, Subscribed and Paid up	-	-	-	-
Equity shares of Rs.10/-each with voting rights	10,00,000.00	100.00	10,00,000.00	100.00
Total	10,00,000	100	10,00,000	100

Shares held by promoters at the end of the year

Promoter name	No. of Shares	% of total shares	No. of Shares	-
FAIZAL B A	5,10,000	51%	-	0%
SRUTHI MUHAMMED ALI	4,90,000	49%	-	0%

List of Shareholders holding more than 5% share capital

Name of Shareholders	No. of Shares	%	Value/Share	Total Value
FAIZAL B A	510000	51%	10	51,00,000
SRUTHI MUHAMMED ALI	490000	49%	10	49,00,000
TOTAL	1000000	100%		1,00,00,000



Note 4 Reserves and Surplus

Particulars	For year ended March 31, 2023 Rs. (In Lakhs)	For year ended March 31, 2022 Rs. (In Lakhs)
(A) Securities premium account		
Opening balance	-	-
Closing balance	-	-
(B) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	22.21	
Add: Profit / (Loss) for the year	362.78	22.21
Closing balance	384.99	22.21
TOTAL	384.99	22.21

Note 5 Long Term Borrowing

Particulars	For year ended March 31, 2023 Rs. (In Lakhs)	For year ended March 31, 2022 Rs. (In Lakhs)
<u>SECURED LOANS</u>		
SUBTOTAL	-	-
<u>UNSECURED LOANS</u>		
Loan from Director		
Faizal B A	73	
Sruthi Muhammed Ali	73	
SUBTOTAL	145.16	-
TOTAL	145.16	-

Note 6 DEFERRED TAX

Particulars	For year ended March 31, 2023 Rs. (In Lakhs)	For year ended March 31, 2022 Rs. (In Lakhs)
Opening balance	-	-
Add: Created/(Reversed) during the year	-	-
Depreciation	-	-
TOTAL	-	-

Note 7 Other Long Term Liabilities

Particulars	For year ended March 31, 2023 Rs. (In Lakhs)	For year ended March 31, 2022 Rs. (In Lakhs)
TOTAL	-	-

Note 8 Long Term Provisions

Particulars	For year ended March 31, 2023 Rs. (In Lakhs)	For year ended March 31, 2022 Rs. (In Lakhs)
TOTAL	-	-



Note 9 Short Term Borrowings

Particulars	For year ended March 31, 2023 Rs. (In Lakhs)	For year ended March 31, 2022 Rs. (In Lakhs)
EPC State Bank of India	674.21	-
State Bank of India CC/OD	151.47	-
Advanced Received	-	0.20
TOTAL	825.68	0.20

Note 10 Trade Payables

Particulars	For year ended March 31, 2023 Rs. (In Lakhs)	For year ended March 31, 2022 Rs. (In Lakhs)
(i) Dues to Micro, Small and Medium Enterprises (MSME)		
- Disputed dues		
Less than 1 year		
1-2 Years		
2-3 Years		
More Than 3 Years		
- Undisputed dues		
Less than 1 year		
1-2 Years		
2-3 Years		
(ii) Dues to Others		
- Disputed dues		
Less than 1 year		
1-2 Years		
2-3 Years		
- Undisputed dues		
Less than 1 year	1,043.67	285.58
1-2 Years		
2-3 Years		
Trade payables for materials and services received		
TOTAL	1,043.67	285.58

Note 10.1 :- The company has taken steps to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006. In the opinion of management there are no amounts paid or payable towards interest under the said statutes.

Note 11 Other Current Liabilities

Particulars	For year ended March 31, 2023 Rs. (In Lakhs)	For year ended March 31, 2022 Rs. (In Lakhs)
Electricity Bill / Charges Payable	0.03	0.03
House Keeping Exp Payable	-	0.01
Professional Tax Payable	-	0.16
Salary Payable	0.40	3.53
Mobile Bill Payable	-	0.61
Freight Charges Payable	1.51	-
GST Payable	4.71	-
Business Support Services Payable	13.78	-
Audit fee Payable	0.30	0.50
TDS Payable	5.34	0.40
TOTAL	26.08	5.24
Amounts due to related parties		

Note 12 Short Term Provisions

Particulars	For year ended March 31, 2023 Rs. (In Lakhs)	For year ended March 31, 2022 Rs. (In Lakhs)
Provision for Taxation	106.81	7.96
TOTAL	106.81	7.96



Note - 13
Statement of Fixed Assets, as on 31st March 2023

Particulars	Gross Block				Accumulated Depreciation					Net Block			
	Balance as at 01/04/2022	Additions/ Adjustments	Deletion	Balance as at 31/03/2023	%	Days	Depreciation Upto 31/03/2022	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Upto 31/03/2023	Balance as at 31/03/2023	Balance as at 31/03/2022
Tangible Assets													
Air Conditioner	0.54		-	0.54	25.89	365	0.05	0.14	-	-	0.19	0.40	0.54
Battery For Inverter	0.09		-	0.09	25.89	365	0.01	0.02	-	-	0.03	0.07	0.09
CCTV - Pune	0.28		-	0.28	18.10	365	0.01	0.05	-	-	0.06	0.23	0.28
CCTV - Kerala	0.19		-	0.19	18.10	365	0.11	0.03	-	-	0.14	0.15	0.19
Computer- Pune	0.30		-	0.30	63.16	365	0.07	0.19	-	-	0.26	0.11	0.30
Computer- Kerala	1.73		-	1.73	63.16	365	0.07	1.09	-	-	1.16	0.64	1.73
Furniture And Fittings	0.77		-	0.77	18.10	365	0.06	0.14	-	-	0.20	0.63	0.77
Inverter	0.05		-	0.05	25.89	365	0.00	0.01	-	-	0.02	0.04	0.05
Office Chairs	0.37		-	0.37	18.10	365	0.03	0.07	-	-	0.10	0.31	0.37
Machines	0.10		-	0.10	18.10	365	0.01	0.02	-	-	0.02	0.08	0.10
Television TCL 43	0.20		-	0.20	18.10	365	0.01	0.04	-	-	0.05	0.16	0.20
	4.62	-	-	4.62			0.42	1.80	-	-	2.22	2.82	4.62
Intangible Assets													
Tally Software	0.47		-	0.47	39.30	365	0.07	0.18	-	-	0.26	0.28	0.47
	0.47		-	0.47			0.07	0.18	-	-	0.26	0.28	0.47
	-		-	-	-	-	-	-	-	-	-	-	-
	-		-	-	-	-	-	-	-	-	-	-	-
TOTAL	5.09	-	-	5.09	351.89	4,380.00	0.49	1.99	-	-	2.48	3.10	5.09
NIL	-		-	-			-	-	-	-	-	-	-
Amortization	-		-	-			-	-	-	-	-	-	-
NIL	-		-	-			-	-	-	-	-	-	-



Note 14 Non-current investments

Particulars	For year ended March 31, 2023	For year ended March 31, 2022
	Rs. (In Lakhs)	Rs. (In Lakhs)
Investment	-	-
Total	-	-

Note 15 Long term loans and advances

Particulars	For year ended March 31, 2023	For year ended March 31, 2022
	Rs. (In Lakhs)	Rs. (In Lakhs)
Deposits	-	1.80
Total	-	1.80

Note 16 Other non-current assets

Particulars	For year ended March 31, 2023	For year ended March 31, 2022
	Rs. (In Lakhs)	Rs. (In Lakhs)
Retention money receivable	-	-
Total	-	-

Note 17 Current investments

Particulars	For year ended March 31, 2023	For year ended March 31, 2022
	Rs. (In Lakhs)	Rs. (In Lakhs)
	-	-
Total	-	-

Note 18 Inventories

(At lower of cost and net realisable value)

Particulars	For year ended March 31, 2023	For year ended March 31, 2022
	Rs. (In Lakhs)	Rs. (In Lakhs)
Raw Materials (including Packing Material)	-	-
Mobiles	254.51	-
TOTAL	254.51	-



Note 19 Trade Recievables

Particulars	For year ended March 31, 2023	For year ended March 31, 2022
	Rs. (In Lakhs)	Rs. (In Lakhs)
(i) Undisputed Trade Recievable - considered goods		
Less than 6 months	2,174.30	10.90
6 months- 1 year		
1-2 Years		
2-3 Years		
More than 3 Years		
(ii) Undisputed Trade Recievable - considered doubtful		
Less than 6 months		
1-2 Years		
2-3 Years		
More than 3 Years		
(iii) Disputed Trade Recievable - considered goods		
Less than 6 months		
6 months- 1 year		
1-2 Years		
2-3 Years		
More than 3 Years		
(iv) Disputed Trade Recievable - considered doubtful		
Less than 6 months		
6 months- 1 year		
1-2 Years		
2-3 Years		
More than 3 Years		
Trade payables for materials and services received		
TOTAL	2,174.30	10.90

Note 20 Cash and Cash Equivalents

Particulars	For year ended March 31, 2023	For year ended March 31, 2022
	Rs. (In Lakhs)	Rs. (In Lakhs)
A) Cash In Hand	-	0.25
B) Bank		
ICICI Bank - 4133	-	0.52
ICICI Bank - 2541	-	0.13
HDFC Bank	-	51.49
State Bank of India 4767	16.17	0.10
TOTAL	16.17	52.49



Note 21 Short Term Loans & Advances

Particulars	For year ended March 31, 2023	For year ended March 31, 2022
	Rs. (In Lakhs)	Rs. (In Lakhs)
Deposits	29.50	
Nikhil Sarge Advance	5.50	
Tushar Jadhav	8.26	
TOTAL	43.26	-

Note 22 Other current assets

Particulars	For year ended March 31, 2023	For year ended March 31, 2022
	Rs. (In Lakhs)	Rs. (In Lakhs)
Advance Tax	32.00	0.10
Advance Salary	0.71	
TCS on Purchase	0.29	
TDS Deducted on Sales U/s 194Q	0.57	
TDS U/s 194A Recievable	0.07	
TDC/TCS	0.41	1.81
GST Refund	-	307.21
Prepaid Broadband Charges	0.30	0.06
Prepaid subscription	0.03	0.03
Duty Dbk Receivable	65.51	
Rodtep Receivable	5.17	
Prepaid Insurance		0.92
ITC	17.82	1.81
Advance to Suppliers	17.95	38.98
TOTAL	140.82	350.92

Note 23: Disclosure as per Ind AS 24 – Related party disclosures**Name of related parties**

Description of relationship	Names of related parties
Key Managerial Person	FAIZAL B A, Director SRUTHI MUHAMMED ALI, Director
Associate company	Safa Systems & Technologies Limited

Transactions with related parties for the year ended March 31, 2022

Particulars	For year ended March 31, 2023	For year ended March 31, 2022
	Rs. (In Lakhs)	Rs. (In Lakhs)
Transactions during the year		
a. Safa Systems & Technologies Limited		
Value of purchase	14,609.50	1,207.84
Amount paid	13,861.43	2,251.73
Balances outstanding at the end of the year		
Payable for purchase		
a. Safa Systems & Technologies Limited	1,028.17	280.10



Note 24: Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March, 2023	As at 31 March, 2022
	Rs. (In Lakhs)	Rs. (In Lakhs)
(i) Principal amount remaining unpaid to any supplier at the end of the accounting year	1,028.17	280.10
(ii) Interest due thereon remaining unpaid to any supplier at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Note 25: Report of Fraud

DURING THE CURRENT YEAR, there was an incident of fraud involving a senior employee, diverting the incentives and commission income of the company. The internal control system helped the company to identify the fund diversion and rectify the system. the amount pending for recovery from the defaulting employee has been booked as receivable and provision has been made for writeoff of the same on a conservative basis as decided by the management.



Kanone Technologies Private Limited**Note 26: Ratios**

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

Particulars	Numerator	Denominator	As at March 31, 2023
Current Ratio	Current assets	Current liabilities	1.186
Debt-Equity Ratio	Borrowings	Networth (Capital+Reserves)	1.702
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	8.75
Return on Equity Ratio	Net profits after taxes	Shareholder's Equity	3.628
Inventory turnover ratio	Cost of goods sold	Average Inventory	NA
Trade payables turnover ratio	Net Credit Purchases	Average Creditors	NA
Net capital turnover ratio	Net Sales	Working capital	69.016
Net profit ratio	Net Profit After tax	Net Sales	0.014
Return on Capital employed	Profit before interest and tax	Average Capital Employed	0.968
Return on investment	Net return on investment	Average Cost of Investment	NA
Leverage Ratio	Current liabilities	Networth (Capital+Reserves)	



Note 27 Income from Operations

Particulars	For the year ended 31	For the year ended 31
	March, 2023	March, 2022
	Rs. (In Lakhs)	Rs. (In Lakhs)
Income	-	-
Revenue From Operations		
Domestic Sales	1,120.07	581.50
Export Sales	24,198.67	1,757.51
Exchange Rate Debit/ Credit Note	(1.92)	(11.14)
TOTAL- Sale of products	25,316.83	2,327.87

Note 28 Other Income

Particulars	For the year ended 31	For the year ended 31
	March, 2023	March, 2022
	Rs. (In Lakhs)	Rs. (In Lakhs)
Delayed payment penalty	0.26	-
Excess Income Tax Provision W/back	0.02	-
Interest received on FD	0.19	-
Commission Income From Reliance JioMart	13.40	-
Drawback	74.41	-
Rodtep	5.17	-
Foreign Exchange Gain/ Loss	284.61	27.25
Discount Received	-	0.06
TOTAL	378.07	27.31

Note 29 Purchase of Material

Particulars	For the year ended 31	For the year ended 31
	March, 2023	March, 2022
	Rs. (In Lakhs)	Rs. (In Lakhs)
Purchases		
Purchase of Materials	25,045.93	2,257.44
Cost of material consumed	25,045.93	2,257.44

Note 30 Change in inventories of finished goods

Particulars	For the year ended 31	For the year ended 31
	March, 2023	March, 2022
	Rs. (In Lakhs)	Rs. (In Lakhs)
Inventories at the end of the year:		
Mobiles	254.51	-
	254.51	-
Inventories at the beginning of the year:		
Mobiles	-	-
	-	-
Net (increase) / decrease	(254.51)	-

Note 31 Employee Benefit Expenses

Particulars	For the year ended 31	For the year ended 31
	March, 2023	March, 2022
	Rs. (In Lakhs)	Rs. (In Lakhs)
Salaries and wages	26.65	-
Travel Reimbursement Expense	-	-
Transportation Reimbursement Expense	-	-
Staff Welfare	-	17.87
Incentives	-	-
TOTAL	26.65	17.87



Note 32 Finance Cost

Particulars	For the year ended 31	For the year ended 31
	March, 2023	March, 2022
	Rs. (In Lakhs)	Rs. (In Lakhs)
Interest	46.51	0.83
Interest on Bill Discounting	0.58	
TOTAL	47.09	0.83

Note 33 OTHER EXPENSES

Particulars	For the year ended 31	For the year ended 31
	March, 2023	March, 2022
	Rs. (In Lakhs)	Rs. (In Lakhs)
A) Direct Expense		
Air Freight Export Charges	111.06	16.55
Business Support Services	81.03	-
AMS Charges	-	0.05
CHA Agency and Clearing Charges	17.45	1.81
CHA Agency and Clearing Charges- Non GST	0.11	-
CHA Agency and Clearing Charges- SEA	1.50	-
Freight Charges- Domestic	12.46	8.83
Loading And Unloading Charges	-	0.02
Packing Charges	3.00	0.10
Sea Freight Charges	0.23	1.38
Seaway BL Charges	-	0.06
Shipping Line Charges	-	0.38
B) Indirect Expense		
Audit Fee	0.91	0.50
Airtel Broadband Internet Charges	0.14	
Courier Charges	0.14	
Electricity Bill / Charges	0.40	
Internet Charges-Kochi	0.03	
Late Fees and Penalty	0.001	
Legal Charges	0.53	
Mobile Bills	0.08	
Mobile Bills-Reimbursement	0.67	
Office Exp	0.84	
Office Internet Expenses	0.10	
Round Off	0.00	
Sales Promotion Exp	38.00	
Staff Welfare	0.07	
Subscription Charges	3.00	
Administrative Expense	-	1.74
Printing And stationary	0.31	0.20
Telephone Charges	1.32	3.40
Comission	1.58	1.76
ROC Charges	-	2.06
Rent Expense	5.59	2.95
Office Expenses	0.19	-
Consultancy Charges	0.20	-
Installation Charges	0.13	-
TAB-Jio	0.05	-
Travelling Charges	2.24	2.00
Goods Lost In Transit- Export	-	0.99
Bank Charges	27.54	-
ECGC Premium	3.65	-
Interest on Income Tax	0.61	-
Interest on Late Payment of Tds	0.02	-



Fees for technical service	13.63	-
Insurance (Export Marines)	17.02	0.45
Professional Charges	11.47	3.13
Warehousing Charges	1.11	-
TOTAL	358.39	48.37

