# CANARA Springs





# 81<sup>st</sup>

A N N U A L R E P O R T 2 0 2 3 -2 4



# LATE VASANT S. KUDVA

16-10-1965 - 06-08-2024



BOARD OF DIRECTORS : Premnath Srinivas Kudva, Chairman & Managing Director

Venkatesh Pai Mangalore Voderbet Mahesh Kamath

AUDITORS : A. Umanath Rao & Co.

Company Secretaries : Chethan Nayak & Associates

Registrar & Share Transfer Agent: BgSE Financials Ltd.,

51, Stock Exchange Towers, 1st Cross, J. C. Road

Bangalore - 560 027.

Phone: 080 - 41405259, 41329661

E-mail : cs\_rta@bfsl.co.in / avp\_rta@bfsl.co.in

BANKERS : State Bank of India

Canara Bank

**REGISTERED OFFICE** : V. S. Kudva Road,

Maroli, Mangalore - 575 005.

Phone : 0824-2211649

0824-2213402

E-mail: investor@canarasprings.com

canarasprings@gmail.com

Web : www.canarasprings.in

CIN : U51909KA1943PLC001075



### NOTICE

NOTICE IS HEREBY GIVEN THAT THE 81<sup>ST</sup> ANNUAL GENERAL MEETING OF THE CANARA WORKSHOPS LIMITED WILL BE HELD ON SATURDAY, 28<sup>TH</sup> DAY OF SEPTEMBER, 2024 AT 10.00A.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT V.S. KUDVA ROAD, MAROLI, MANGALORE - 575005 TO TRANSACT THE FOLLOWING BUSINESS:

### **ORDINARY BUSINESS:**

- 1. To receive and adopt the Audited Financial Statement of accounts for the year ended 31st March, 2024 together with the Reports of Board of Directors & Auditor's.
- 2. To appoint a Director in place of Sri Venkatesh Pai Mangalore (DIN: 00126551) who retires by rotation and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

### 3. SALE OF PROPERTY LAND SITUATED AT MAROLI, MANGALORE

To consider, if thought fit with or without modification the following resolution as an Special Resolution:

"RESOLVED THAT consent of the Company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and shall always deemed to have been accorded to the Board of Directors of the Company (hereinafter called "the Board") to sell, transfer, lease and/or otherwise dispose of the whole or substantially the whole or any part of the Company's Plant (including all the right, title and interest in the assets, properties and stocks of every kind and description whether tangible or intangible) including the vacant land situated at Maroli, Mangalore with effect from such date and on such terms and conditions as may be considered or deemed expedient, necessary or desirable and finalized by the Board;"

"RESOLVED FURTHER THAT the Board be and is hereby authorised and shall always be deemed to have been authorized to finalize and decide the terms and conditions of sale/transfer/disposition/lease including consideration for the same;"

"RESOLVED FURTHER THAT the Board be and is hereby authorised and shall always be deemed to have been authorised to do all such acts, deeds, matters and things (including finalizing, executing and registering the deeds, documents and writings) as it may, in its sole and absolute discretion deem necessary, proper and/or desirable and to decide and settle any question, doubt or difficulty that may arise in regard to the sale/ transfer/disposition/lease including the retention of any asset or liability as the Board, in its sole discretion, deems fit."

By Order of the Board Directors

Sd/-

PREMNATH SRINIVAS KUDVA
CHAIRMAN & MANAGING DIRECTOR

DIN: 00126024

Place: Mangaluru Date: 10.08.2024

### **NOTES:-**

- 1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and the Circulars issued by the Ministry of Corporate Affairs, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as venue voting system on the date of the AGM will be provided by CDSL.
- 2. A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
- 3. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
- 4. Shareholders are required to intimate changes in their addresses, if any.
- 5. Shareholders are requested to register their E mail ID with the company to enable the company to send all communications including notice of the meetings electronically.
- 6. The members, holding shares in physical form, are requested to intimate any change in their addresses or bank details to the Company's Registrar- BgSE Financials Limited, Stock Exchange Towers, No.51, 1st Cross, J.C.Road, Bangalore- 560027. Ph. No. 080 41329661. E-mail: cs\_rta@bfsl.co.in or vp-rta@bfsl.co.in. Those holding shares in dematerialized form may intimate any change in their addresses or bank details/ mandates to the concerned Depository Participants.
- 7. As per Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the shares of the company should be held in DEMAT form. The ISIN of the company is INE02US01015. Share holders are requested to dematerialize the shares held by them.
- 8. The Notice calling the AGM has been uploaded on the website of the Company at www.canarasprings.in. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
- 9. The Board has appointed Mr. ChethanNayak K (FCS 4736, CP 3140) and failing him, Mrs. Ujala Rani (FCS: 11570, CP: 11814) of Chethan Nayak & Associates, Practising Company Secretaries, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner.
- 10. In terms of Section 110 and other applicable provisions of the Companies Act, 2013, as amended, read together with the Companies (Management and Administration) Rules, 2014 as amended from time to



time, the company is pleased to offer remote e-voting facility to all the members of the company. The company has engaged services of M/s Central Depository Services (India) Limited as its agency for providing or Facilitating e-voting through CDSL to enable the members to cast their votes electronically (hereinafter referred to as the "Remote e-voting").

- 11. E-voting cutoff date: The members may cast their votes on electronic voting system from place other than the venue of the meeting (remote e-voting). The remote e-voting period will commence at 9:00 a.m. on Tuesday, 24th day of September, 2024 and will end at 5:00 p.m. on Friday 27th day of September, 2024. The e-voting module shall be disabled by CDSL for voting thereafter.
- 12. The Members, whose names appear in the Register of Members/ list of Beneficial Owners as on Monday, 23rd day of September, 2024 are entitled to vote on the Resolution set forth in this notice.
- 13. Members joining the meeting physically, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM but shall not be entitled to cast their vote again.
- 14. The Members desiring to vote through electronic mode/ remote e-voting may refer to the detailed procedure on e-voting given hereinafter.

### THE INSTRUCTIONS TO SHAREHOLDERS FOR E-VOTING ARE AS UNDER:

- (i) The voting period begins on 9:00 a.m. on Tuesday, 24th day of September, 2024 and ends on 5:00 p.m. Friday 27<sup>th</sup> day of September, 2024. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Monday 23rd September 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed

to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail ID in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest arehttps://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.
	After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.
	If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration
	Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.



If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Individual You can also login using the login credentials of your demat account through your Shareholders (holding Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful securities in demat login, you will be able to see e-Voting option. Once you click on e-Voting option, mode) login through you will be redirected to NSDL/CDSL Depository site after successful authentication, their **Depository** wherein you can see e-Voting feature. Click on company name or e-Voting service **Participants** provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (v) Login method for e-Voting for Physical shareholders and shareholders other than individual holding in Demat form.
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.

- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant "The CANARA WORKSHOPS LIMITED" on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.



- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

### (xvi) Additional Facility for Non - Individual Shareholders and Custodians -For Remote Voting only.

- Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; canarasprings@gmail.com / investor@canarasprings.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

# INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM PHYSICALLY & E-VOTING DURING MEETING ARE AS UNDER:

- 1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- 2. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- 3. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 10 days prior to meeting mentioning their name, demat account number/folio number, e-mail ID, mobile number at canarasprings@gmail.com/

investor@canarasprings.com . The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, e-mail ID, mobile number at canarasprings@gmail.com/investor@canarasprings.com. These queries will be replied to by the company suitably by e-mail.

- 4. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- 5. Only those shareholders, who are present in the AGM and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- 6. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

# PROCESS FOR THOSE SHAREHOLDERS WHOSE E-MAIL ID/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES

- 1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), Aadhaar (self attested scanned copy of Aadhaar Card) by e-mail to Company at canarasprings@gmail.com / investor@canarasprings.com / RTA at cs\_rta@bfsl.co.in or vp-rta@bfsl.co.in .
- 2. For Demat shareholders Please update your e-mail ID & mobile no. with your respective Depository Participant (DP)
- 3. For Individual Demat shareholders Please update your e-mail ID & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
  - If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. RakeshDalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.



### EXPLANATORY STATEMENT IN PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### ITEM NO 3:

Place: Mangaluru

### SALE OF PROPERTY LAND SITUATED AT MAROLI, MANGALORE

Keeping in view the company's existing and future financial requirements to support its business operations, the Company may need additional funds.

Pursuant to Section 180 (1) (a) of the Companies Act, 2013, the Board of Directors of a company shall exercise the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings only with the consent of the company by a special resolution. Accordingly, the company is the owner of the vacant land situated at Maroli, Mangalore, Since, there are no operations at the vacant land situated at Maroli, Mangalore, it is proposed to sell/dispose the land situated at Maroli, Mangalore as and when there is a competitive buyer subject to the necessary approvals. Hence, the Special Resolution at Item No. 03 of the Notice is being proposed.

The Directors recommend the Special Resolution as set out at Item No. 03 of the accompanying Notice, for members' approval.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution

By Order of the Board Directors

Sd/-

PREMNATH SRINIVAS KUDVA
CHAIRMAN & MANAGING DIRECTOR

Date: 10.08.2024 DIN: 00126024

### **DIRECTORS' REPORT**

To,

The Members,

Your Directors have pleasure in presenting their 81st Annual Report on the business and operations of the Company and the accounts for the Financial Year ended 31st March, 2024.

### 1. a. Performance and Operations of the Company

As mentioned in the Annual Report of the financial year 2022-23, we had implemented the price increase in January 2023 and also brought changes in the benefits given to our customers based on their performance.

But with all these changes, the performance of the company did not improve even till the subsequent three quarters inspite of market demand, but we were able to maintain our cash flow due to improved collections and collecting overdue outstanding of our customers.

Beginning of the 1st quarter financial year 2024-25 has reported with a minor improvement in the turnover. We are also working to procure more raw material to meet market demands in full which will definitely show positive result in current financial year.

Your Directors pleased to inform you that the total revenue is Rs. 22,99,093.07/-(In Hundreds) during the current year as against Rs. 19,50,133.77/- (In Hundreds) during the previous year. The Net Loss of the Company for the current year is Rs. 27,706.12/- (In Hundreds) as against the Net Loss of Rs. 2,42,804.19/- (In Hundreds) for the previous year.

With this positive note, we hope to surpass the earlier year's performance in the coming financial year.

### b. Working of the Company during the year:

Inspite of the price increases and others set-backs, we have maintained a cash flow and were able to make all statutory payments on time, apart from meeting our customer's requirements on time.

### c. Financial summary or highlights

### Financial Results:

(In Rupees-In Hundred)

S. No.	Particulars	2023-2024	2022-2023
1.	Gross Income	22,99,093.07	19,50,133.77
2.	Profit/ (loss) Before Finance costs and Depreciation	1,56,109.26	(34,328.22)
3.	Finance costs	1,64,428.23	1,86,166.90
4.	Gross Profit/ (loss)before Depreciation	(8,318.97)	(2,20,495.12)
5.	Provision for Depreciation	21,897.78	18,541.51
6.	Net profit / (loss) Before Tax	(30,216.75)	(2,39,036.63)
7.	Provision for Tax/( Deferred Tax credit)	(2,510.63)	3,767.56
8.	Net Profit/ (loss) After Tax	(27,706.12)	(2,42,804.19)
9.	General Reserve Balance including Surplus	(6,66,422.34)	(6,38,716.22)



### 2. Details Of Subsidiary, Joint Venture Or Associate Companies

The Company does not have any Subsidiary, Joint Venture or Associate Company.

### 3. Dividend

As your company has incurred loss during the year under review and due to the accumulated losses, your directors do not recommend any amount as dividend.

### 4. Reserves

For the financial year ended 31st March 2024, the Company has not transferred any sum to General Reserves.

### 5. Brief Description of the Company:

Widening of product mix, meeting new introductions in time, catering to specialty segment and keeping up the regular supplies on schedule. Inventory control both at input area and finished goods area ensured smooth supplies to customers.

### 6. Change in the nature of business, if any

No change in the nature of business of the company during the period under review.

7. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

No material changes and commitments, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

8. 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

No significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

### 9. Deposits

The details relating to deposits, covered under Chapter V of the Act-

- (a) Existing deposits at the beginning of the year- INR 1,42,68,000
- (b) Accepted During the year- NIL
- (c) Repaid During the year 1,41,48,000
- (d) Remained unpaid (Outstanding) as at the end of the year- INR 1,20,000
- (e) Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved:
  - i. at the beginning of the year-Nil
  - ii. maximum during the year-Nil
  - iii. at the end of the year;-Nil

The amount of INR 1,20,000 has been matured on 20.07.2023 but has not yet been claimed by the Depositor Sri M. SubrayaMaiya. The outstanding balance of deposit matured along with the interest as on 31.03.2024 is INR. 164,546.

There are no deposits which are not in compliance with the requirements of Chapter V of the Companies Act 2013.

### 10. Statutory Auditors

M/s. A. Umanath Rao & Co, Chartered Accountants, Mangalore (Firm Reg No: 004454S), who are the statutory auditors of the Company, hold office until the conclusion of the Annual General Meeting to be held in the year 2027. Members appointed them in the Annual General Meeting held on 28.09.2022to hold office till the conclusion of the Annual General Meeting to be held in the year 2027.

### 11. Auditors' Report

The observations of the auditors in their report are self-explanatory and therefore, in the opinion of the Directors, do not call for further comments. There is no major Qualified Opinion in the Auditor's Report which requires comments except the following:

### 1. Point 19 of the Companies (Auditor's Report) Order, 2020

Because of the matter specified in "Material uncertainty relating to Going concern" para of the report, material uncertainty exists as on the date of the audit report which casts serious doubt about the company's ability to meet its liabilities existing at the date of balance sheet

### MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to the financial statements which describe the circumstances under which the financial statements have been prepared adopting the going concern concept despite the networth being eroded. The accounts however have been prepared by the management on a going concern basis for the reason stated in the note no 38. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. We however are unable to obtain sufficient and appropriate audit evidence regarding management's use of the going concern basis of accounting in the preparation of the financial statements.

### Response of Board

Company had implemented the price increase in January 2023 and also brought changes in the benefits given to the customers based on their performance. The performance of the company did not improve even till the subsequent three quarters inspite of market demand, but we were able to maintain our cash flow due to improved collections and collecting overdue outstanding of our customers.

Accordingly a revision in the prices of the products and detailing the product range was implemented. With this price increase things started improving from beginning of the 1st quarter financial year 2024-25

### 2. Point no 2 (h) (g) of OTHER LEGAL AND REGULATORY REQUIREMENTS CARO 2020 APPLICABILITY

Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable



to the Company with effect from April 1, 2023. Based on our examination, the company, has used an accounting softwarewhich is a third party software, for maintaining its books of account and in absence of edit log we are unable to comment whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature been tampered with.

### Response of Board

The Company has an accounting software used for maintaining the Books of Accounts and that necessary steps have been undertaken for replacing the existing software to new software during the year 2024-25, wherein the audit trail facility will be provided.

### 12. Annual return

The draft Annual Return of the Company can be viewed on the Company's website at the following web link: www.canarasprings.in.

### 13. 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:

### i. Conservation of energy, technology absorption

As required in terms of Section 134 of the Companies Act, 2013, a statement showing the required particulars has been annexed hereto and forms part of this report.

### ii. Foreign exchange earnings and Outgo:

There has been no Foreign Exchange Earnings and expenditure during the current year.

### 14. Board of Directors:

As on March 31st, 2024, the strength of the Board of Directors was **four**. The composition of the Board as on 31st March, 2024 is as under:

Name of the director	Designation	Date of Appointment
Sri Premnath Srinivas Kudva	Chairman and Managing Director	09/06/1992
Sri VenkateshPai Mangalore	Director	30/07/2002
Sri Voderbet Mahesh Kamath	Director	30/07/2004
Sri Vasant Srinivas Kudva	Director	05/11/2016

### (i) Changes in the Board of Directors during the year 2023-24:

During the period under review, there were no changes in the Board of Directors of the company. However, Sri Vasant Srinivas Kudva (DIN: 00668434), Director expired on 06.08.2024 and the board noted the same vide board resolution dated 10.08.2024. The board express gratitude towards the valuable contributions made by Late Vasant Srinivas Kudva (DIN: 00668434) during his tenure as director of the company.

### (ii) Proposed reappointment of Director by rotation:

Sri Venkatesh Pai Mangalore (DIN: 00126551) Director, retiring by rotation at the ensuing Annual General Meeting, being eligible, offer himself for re-appointment. Your Board recommends his re-appointment.

### 15. Number of meetings of the Board of Directors

The Board of Directors met four times in the financial year 2023-2024 which is on 29.04.2023, 12.08.2023, 18.11.2023, and 31.01.2024. The maximum interval between any two meetings did not exceed 120 days as specified under sub-section (1) of section 173 of the Companies Act 2013.

### 16. Details of establishment of Vigil Mechanism for directors and employees

Establishment of Vigil Mechanism is not applicable to the Company as it does not satisfy the criteria laid down in Section 177 of Companies Act, 2013, read with Rule 7 of The Companies (Meetings of Board and its Powers) Rules, 2014

### 17. Particulars of loans, guarantees or investments under Section 186

No loans, guarantees or investments were made by the company under Section 186 of the Companies Act, 2013 during the year under review.

### 18. Particulars of contracts or arrangements with related parties:

There are no contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013, however certain Arms length transactions are disclosed in Form AOC -2 attached to this report.

### 19. Particulars Of Employees:

None of the employees have received remuneration exceeding the limit as stated in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

### 20. Risk management policy

Company is regularly reviewing the overall business conditions as well as industrial scenario to cover the risk pertaining to the current business of the company.

### 21. Directors' Responsibility Statement

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, state that—

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) 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 and loss 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;
- d) the directors had prepared the annual accounts on a going concern basis; and
- e) 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.



### 22. Compliance under Secretarial Standard

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

### 23. Cost Records

The company was not required to maintain the cost records as required under sub-section (1) of section 148 of the Companies Act, 2013

# Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has always believed in providing a safe and harassment free workplace for every individual working in the Company's premises through various interventions and practices. The Company endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has in place a robust policy on prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees as well as contract/indirect employees and lays down the guidelines for identification, reporting and prevention of sexual harassment. There is an Internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy.

During the year ended 31st March, 2024 the Internal Complaints Committee have not received any complaints pertaining to sexual harassment.

### 25. Internal Financial Control over financial statements (IFCFR)

The company has adequate internal financial controls with reference to financial statements (IFCFR) that commensurate with the size and operations of the company

26. The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.

There are no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.

27. The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

There was no one time settlement made during the year under review. However the banker has done the valuation at the time of availing the loan.

### 28. Acknowledgements

The Directors wish to place on record their appreciation to the wholehearted help, co-operation and hard work, the Company has received from the stakeholders of the Company.

For and on behalf of the Board of Directors

Place: Mangalore Date: 10.08.2024

Sd/-

Chairman & Managing Director PREMNATH SRINIVAS KUDVA

DIN: 00126024

Sd/-

Director VENKATESH PAI MANGALORE

DIN: 00126551

### ANNEXURE TO DIRECTORS REPORT

Statement containing particulars pursuant to Section 134 (3) (m) of the Companies Act, 2013 and forming part of Directors' Report

### A. CONSERVATION OF ENERGY

We had introduced the use of LPG in the year 2012 for heating as mentioned earlier the result of which is reflected in the figures below:

	willen is reflected in the figures beto		
		2024	2023
1.	ELECTRICITY		<b>5.00</b>
(A)	Purchased (KWH in Lakhs)	5.80	5.98
	Total Amount (Rs in Lakhs)	57.29	55.76
	Rate/KWH (in Rs)	9.87	9.32
(B)	Own Generation		
	i. Through Diesel Generator		-
	Units (in Lakhs)	0.024	0.015
	Units/Ltr. of Diesel Oil	0.76	1.25
	Cost/Unit	42.17	68.16
	ii. Through Steam	-	-
	Turbine/Generator	-	-
	Units	-	-
	Units/Ltr. of Fuel/Gas	-	-
	Cost/Unit	-	-
2.	COAL		
	(Not used)	-	-
3.	FURNACE OIL/LDO		
	I. FURNACE OIL		
	Quantity (In '000 Ltrs)	107.20	167.20
	Total Amount (Rs in Lakhs)	49.82	80.74
	Average Rate/Ltr. (in Rs)	46.25	48.34
	II. Bio-Fuel		
	Quantity (In '000 Ltrs)	0.71	-
	Total Amount (Rs in Lakhs)	30.41	-
	Average Rate/Ltr. (in Rs)	43.12	-
4.	L P G		
	Quantity in (Kg.)	31025	29750
	Total Amount (Rs in Lakhs)	24.00	26.70
	Average Rate/Kg (in Rs)	77.36	89.76
В.	TECHNOLOGY ABSORPTION		
С.	FOREIGN EXCHANGE EARNINGS AND O	UTG0	
	<ol> <li>Foreign Exchange Earnings</li> </ol>	-	-
	2. Foreign Exchange Outgo	-	-
	<ol> <li>CIF Value of Imports</li> </ol>	-	-
	Raw Materials, Components	-	-
	And Spare Parts.(in \$s)	-	-
	ii. Capital Goods	-	-
	iii. Others-	-	-
	Fo	r and on behalf of the Board of Dire	octors

For and on behalf of the Board of Directors Sd/- So

Sd/t Managing Director Sd/Director

Place: Mangalore Chairman & Managing Director Director
Date: 10-08-2024 PREMNATH SRINIVAS KUDVA VENKATESH PAI MANGALORE
DIN: 00126024 DIN: 00126551



### FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under fourth proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis:

SL. No.	Particulars	Details
1)	Name (s) of the related party & nature of relationship	-
2)	Nature of contracts/arrangements/transaction	-
3)	Duration of the contracts/arrangements/transaction	-
4)	Salient terms of the contracts or arrangements or transaction including the value, if any	-
5)	Justification for entering into such contracts or arrangements or transactions'	-
6)	Date of approval by the Board	-
7)	Amount paid as advances, if any	-
8)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	-

2. i. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
1.	Name (s) of the related party	CPC Logistics Ltd
2.	Nature of relationship	Common directors
3.	Nature of contracts/arrangements/transaction	Payment of Freight charges
4.	Duration of the contracts/arrangements/transaction	-
5.	Salient terms of the contracts or arrangements or transaction including the value, if any	Freight charges paid amounting to Rs. Rs. 3,158/-
6.	Date of approval by the Board	Date of approval by the Board is not required as it is in the ordinary course of business
7.	Amount paid as advances, if any	-

For and on behalf of the Board of Directors

Sd/-Sd/-

Place: Mangalore Chairman & Managing Director Director Date: 10-08-2024 PREMNATH SRINIVAS KUDVA VENKATESH PAI MANGALORE DIN: 00126024

DIN: 00126551

### A.UMANATH RAO & CO.

**Chartered Accountants** 

007, Ibrose, 7th Cross, M.G.Road, Kodialbail, Mangalore - 575 003

Tel: 2494157

E-mail:aurao57@gmail.com



# INDEPENDENT AUDITORS' REPORT To The Members of THE CANARA WORKSHOPS LTD.

### Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of THE CANARA WORKSHOPS LIMITED, MANGALORE ("the company") which comprise the Balance Sheet as at March 31, 2024, and the statement of Profit and Loss, and the statement of cash flows for the year ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 state of affairs of the Company as at March 31, 2024 and the loss and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

### Key audit matters

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

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.



### Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the standalone financial statements and our auditor's report thereon. The annual report is to be made available to us after the date of the auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements our responsibility is to read the other information identified above when it becomes available and in doing so consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information identified above if we conclude that there is a material misstatement there in we are required to communicate the matter to those charged with governance and take necessary actions as applicable under the relevant laws and regulations.

### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information of board of director's report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibility of Management for 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 of these 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.

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern

basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



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

### MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to the financial statements which describe the circumstances under which the financial statements have been prepared adopting the going concern concept despite the networth being eroded. The accounts however have been prepared by the management on a going concern basis for the reason stated in the note no 38. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. We however are unable to obtain sufficient and appropriate audit evidence regarding management's use of the going concern basis of accounting in the preparation of the financial statements.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS CARO 2020 APPLICABILITY

- 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 paragraphs 3 and 4 of the Order, to the extent applicable.
- 2. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report is in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (g) Managerial remuneration is in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
  - a. The Company does not have any pending litigations which would impact its financial position;

- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- d. (i) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities.
  - ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (ii) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- f. The company has not declared dividends for the period.
- g. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023. Based on our examination, the company, has used an accounting softwarewhich is a third party software, for maintaining its books of account and in absence of edit log we are unable to comment whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature been tampered with.

For A. Umanath Rao and Co. Chartered Accountants Firm Registration No.004454S

> Sd/-**ASHWIN KINI H.**

Partner Membership No. 236787

UDIN: 24236787BKARD2356

Place: Mangalore Date: 10.08.2024



### ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT\*

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report to the members of The Canara Workshops Limited of even date)

- 1. In respect of the Company's Property, Plant and Equipment:
  - (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
    - (ii) According to the information and explanations given to us, the records examined by us, we report that the Company does not hold any intangible assets in the name of the Company as at the balance sheet date.
  - (b) The Property, Plant and Equipment of the Company were physically verified in full by the management during the year. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us, the records examined by us, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
  - (d) According to the information and explanations given to us, the records examined by us, the company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
  - (e) According to the information and explanations given to us, the records examined by us, 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.
- 2. (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and the coverage and procedure of such verification by the management is appropriate.
  - According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
  - (b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- 3. According to information and explanation given to us, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, paragraph 3 (iii) of the order is not applicable.
- 4. In our opinion and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.
- 5. In our opinion and according to the information and explanations given to us the Company has complied with the provisions of Sections 73 to 76 or other relevant provisions of the Companies Act 2013 and the rules framed thereunder where applicable and the directives issued by the Reserve Bank of India as applicable with regard to deposits or amounts which are deemed to be deposits. As informed to

us there have been no proceedings before the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this matter and no order has been passed by any of the aforesaid authorities in this regard.

- 6. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.
- 7. In respect of statutory dues:
  - (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 provident fund, employees' state insurance, income-tax, salestax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.
    - According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.
- 8. In our opinion and according to the information and explanations given to us, there are no transactions that are recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961),
- In our opinion and according to the information and explanations given to us, with respect to Loans/ Borrowings:
  - The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
  - The company is not been declared as a willful defaulter by any bank or financial institution or other lender.
  - c. Term loans were applied for the purpose for which the loans were obtained and the amount of loan is not diverted.
  - d. Funds raised on short term basis have not been utilized for long term purposes.
  - e. The company has neither taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures nor it has any subsidiaries, associates or joint ventures.
  - f. The company has neither raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies nor it has any subsidiaries, joint ventures or associate companies.
- 10. (a). The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x) (a) of the order is not applicable.
  - (b). The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, paragraph 3 (x)(b) of the order is not applicable.



### 11. Frauds:

- a. According to the information and explanations given to us and the records of the company examined by us, no fraud by or on the company has been noticed or reported during the year.
- b. No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. There were no whistle-blower complaints received during the year by the company. Accordingly, paragraph 3 (xi) (c) of the order is not applicable.
- 12. The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) (a), 3 (xii) (b) and 3 (xii) (c) of the order is not applicable to the Company.
- 13. 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 section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14. As per the Companies Act,2013 internal audit system is not applicable to the company. Accordingly, paragraph 3 (xiv) (a) and 3 (xiv) (b) of the order is also not applicable.
- 15. 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 them. Accordingly, paragraph 3(xv) of the order is not applicable.
- 16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) (a), 3(xvi) (b), 3(xvi) (c) and 3(xvi) (d) of the order is not applicable.
- 17. The company has incurred cash losses in the financial year and in the immediately preceding financial year. The amount of cash loss in the financial year is Rs. 8,31,897.00 and in the immediately preceding financial year is Rs. 2,20,49,512.00.
- 18. There has not been any resignation of the statutory auditors during the year.
- 19. Because of the matter specified in "Material uncertainty relating to Going concern" para of the report, material uncertainty exists as on the date of the audit report which casts serious doubt about the company's ability to meet its liabilities existing at the date of balance sheet.
- 20. Based on our examination of the records of the company, section 135 of the Companies Act, 2013 is not applicable. Accordingly, paragraph 3(xx) (a) and 3(xx) (b) of the order is not applicable.
- 21. There is no consolidation of financial statements, accordingly reporting under clause 3(xxi) is not applicable.

For A. Umanath Rao and Co. Chartered Accountants Firm Registration No.004454S

Sd/-

ASHWIN KINI H.

Partner Membership No. 236787 UDIN: 24236787BKARD2356

Place: Mangalore Date: 10.08.2024

### ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of The Canara Workshops Ltd of even date)

Report on the internal financial controls over financial reporting 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 The Canara Workshops Limited ("the Company") as at March 31, 2024, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's responsibility for internal financial controls

The board of directors of the Company 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. 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, 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 internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 judgement, 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 we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 authorisations of management and directors of the company; and (iii) 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 of 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 and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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.

For A. Umanath Rao and Co. Chartered Accountants Firm Registration No.004454S

Sd/-

ASHWIN KINI H.

Partner

Membership No. 236787 UDIN: 24236787BKARD2356

Place: Mangalore Date: 10.08.2024

### BALANCE SHEET AS AT 31st MARCH, 2024

(Rupees in Hundreds)

Part	Particulars		31st March 2024	31st March 2023
ı.	EQUITY AND LIABILITIES			
(1)	Shareholder's Funds			
(a)	Share Capital	2	146990.90	146990.90
(b)	Surplus	3	-666422.34	-638716.22
(2)	Non-Current Liabilities			
(a)	Long-Term Borrowings	4	502038.52	517857.19
(b)	Long-Term Provisions		314319.71	304979.49
(3)	Current Liabilities			
(a)	Trade Payables	6		
(A)	Total Outstanding Dues of Micro Enterprises		268909.30	141156.96
	and Small Enterprises; and			
(B)	Total Outstanding Dues of Creditors other than		379482.87	382187.81
	Micro Enterprises and Small Enterprises			
(b)	Other Current Liabilities	7	250110.43	159243.04
(c)	Short-Term Provisions	8	112961.76	79331.29
(d)	Short-Term Borrowings		999537.12	1095045.51
	Total		2307928.27	2188075.97
II.	Assets			
(1)	Non-Current Assets			
(a)	Property, Plant and Equipment and			
	Intangible Assets			
(i)	Property, Plant and Equipment	9	204109.09	214840.00
(b)	Non-Current Investments	10	4243.27	4243.27
(c)	Long Term Loans and Advances	11	NIL	NIL
(d)	Deferred Tax Asset (Net)	5	79759.34	77248.71
(2)	Current Assets			
(a)	Inventories	12	1113253.16	1239007.11
(b)	Trade Receivables	13	536968.35	516055.80
(c)	Cash and Cash Equivalents	14	35565.98	35894.88
(d)	Short-Term Loans and Advances	15	334029.09	100786.20
	Total		2307928.27	2188075.97

Significant Accounting Policies

1,25-40

Notes referred to above form an integral part of the Financial Statements.

As per our report of even date

For & On Behalf of the Board

For A. UMANATH RAO & CO., Chartered Accountants, FR No. 004454S

Sd/-PREMNATH SRINIVAS KUDVA Chairman & Managing Directo

Sd/-

Chairman & Managing Director (DIN:00126024)

(ASHWIN KINI H-M.No. 236787)
Partner

Sd/-

CIN: U51909KA1943PLC001075

VODERBET MAHESH KAMATH
Director
(DIN:00192643)

VENKATESH PAI MANGALORE
Director
(DIN:00126551)

Sd/-

Place: Mangalore Date: 10.08.2024

UDIN: 24236787BKARD2356



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

(Rupees in Hundreds)

Particulars	Note No.	31st March 2024	31st March 2023
Revenue From Operations	16	1956686.67	1783514.30
Other Income	17	342406.40	166619.47
Total Income		2299093.07	1950133.77
Expenses:			
Cost of Materials Consumed	18	1014087.77	1118052.64
Changes in Inventories of Finished Goods,			
Work-In-Progress and Stock-In-Trade	19	39762.11	-184697.94
Employee Benefit Expense	20	559798.71	559896.18
Financial Costs	21	164428.23	186166.90
Depreciation and Amortisation Cost	22	21897.78	18541.51
Other Expenses	23	529335.23	491211.11
Total Expenses		2329309.82	2189170.40
Profit Before Tax		-30216.75	-239036.63
Less:Tax Expense			
(1) Current Tax			
(2) Deferred Tax	5	-2510.63	3767.56
Profit From The Period		-27706.12	-242804.19
Profit/(Loss) For The Period		-27706.12	-242804.19
Earning Per Equity Share:	24		
Face Value Per Equity Shares Rs.10/- Fully Paid Up			
(1) Basic		-0.02	-0.17
(2) Diluted		-0.02	-0.17

Notes referred to above form an integral part of the Financial Statements.

As per our report of even date

For & On Behalf of the Board

For A. UMANATH RAO & CO., Chartered Accountants, FR No. 004454S

Sd/-

Sd/-(ASHWIN KINI H-M.No. 236787)

PREMNATH SRINIVAS KUDVA Chairman & Managing Director (DIN:00126024)

Partner

Sd/-

Sd/-

CIN: U51909KA1943PLC001075 Place: Mangalore

VODERBET MAHESH KAMATH Director (DIN:00192643)

VENKATESH PAI MANGALORE Director (DIN:00126551)

UDIN: 24236787BKARD2356

Date: 10.08.2024

### CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31st 2024

(Rupees in Hundreds)

	Particulars	31st March 2024	31st March 2023	
Α.	CASH FLOW FROM OPERATING ACTIVITIES			
_ ^•	Net Profit Before Tax and Extraordinary Items	-30216.75	-239036.63	
	Depreciation and Amortisation Expense	21897.78	18541.51	
	(Profit) / Loss on Sale of Fixed Assets	812.78	0.00	
	(Profit) / Loss on Redemption of Investments	0.00	0.00	
	Interest and Other Income on Investments	-162.48	-22230.00	
	Interest Expenses	164428.23	186166.90	
	Rent and Other Income	-166355.26	-145013.73	
	Kent and Other income	-9595.70	-143013.73	
	Operating Profit / (Loss) Before Working Capital C		-201571.95	
	Changes in Working Capital:	ialiges -9393.70	-2013/1.93	
	Increase / (Decrease) in Trade Payable	125047.40	173082.68	
	Increase / (Decrease) in Short Term Provisions	33630.47	51274.64	
	Increase / (Decrease) in Long Term Provisions	9340.22	-7548.18	
	Increase / (Decrease) in Deferred Tax Liabilities	0.00	0.00	
	Increase / (Decrease) in Other Current Liabilities	90867.39	51632.60	
	(Increase) / Decrease in Short Term Loan And Advances	-233242.89	13798.76	
	(Increase) / Decrease In Trade Receivables	-20912.55	100180.95	
	(Increase) / Decrease In Inventories	125753.95	-173809.69	
	(mereuse) / Decreuse in inventories	130484.00	208611.76	
	CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES	120888.29	7039.81	
	Less: Taxes Paid	0.00	0.00	
	Interest Paid	-86710.13	-97403.76	
	NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES	34178.16	-90363.95	
В.	CASH FLOW FROM INVESTING ACTIVITIES			
	Purchase of Tangible / Intangible Assets	-11868.49	-60583.46	
	Sale of Tangible / Intangible Assets	701.63	0.00	
	Decrease In Investments	0.00	350.00	
	Rent Received	166355.26	145013.73	
	(Profit) / Loss on Sale of Fixed Assets	-812.78		
	Dividend/ Bank Interest Received	162.48	22230.00	
	NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES	154538.10	107010,27	
C.	CASH FLOW FROM FINANCING ACTIVITIES			
	Long Term Borrowings	-15818.67	-40802.77	
	Short Term Borrowings	-95508.39	94563.24	
	Interest and Hire Purchase Charges	-77718.10	-88763.14	
	NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES	-189045.16	-35002.67	
NET INCREAS	E/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	-328.90	-18356.35	
	Cash and Cash Equivalents At Beginning Period (Refer Note 14)		54251.23	
	Cash and Cash Equivalents At End of Period (Refer Note 14)	35565.99	35894.89	
D.	Cash and Cash Equivalents Comprise of			
	Cash on Hand	635.21	565.01	
	Balances With Banks	34930.77	35329.87	
	In Current Accounts			
	Total	35565.99	35894.89	
	low Statement has been prepared as per "Indirect M	ethod" as prescribed by		
Accounting	Standard -3 (revised) "Cash Flow Statements"			

As per our report of even date For A. UMANATH RAO & CO., Chartered Accountants, FR No. 004454S

Sd/-(ASHWIN KINI H-M.No. 236787)

Partner
CIN: U51909KA1943PLC001075
Place: Mangalore

Date: 10.08.2024 UDIN: 24236787BKARD2356 For & On Behalf of the Board

Sd/-

PREMNATH SRINIVAS KUDVA Chairman & Managing Director (DIN:00126024)

VODERBET MAHESH KAMATH
Director

(DIN:00192643)

VENKATESH PAI MANGALORE

Director (DIN:00126551)



### NOTES FORMING PART OF BALANCE SHEET

Note 2:- Share capital

(Rupees in Hundreds)

Particulars	31st March, 2024	31st March, 2023
Authorised share capital 60,000 10% Cumulative Preference shares of Rs.10/-each 49,40,000 Equity shares of Rs.10/-each	6,000.00 4,94,000.00	6,000.00 4,94,000.00
	5,00,000.00	5,00,00,000
Issued, Subscribed & Paid-up Share Capital	1,46,990.90	1,46,990.90
Share holding pattern and details		
14,69,909 Equity Shares of Rs.10/-each Fully Paid-up. Of the above Equity shares,11,89,909 Shares were allotted as fully paid-up Bonus Shares by Capitalisation of Reserves	•	
The company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferencial amount, in proportion to their shareholding		
The details of share holders holding more than 5% shares Shareholder % holding No.of share C.P.C Logistics Limited 13.93 2,04,750 Canara Foundation 9.16 1,34,582 Life Insurance Corporation of India 6.31 92,774	25	
Investor Education and Protection Fund Authority 12.84 1,88,796 Total Share Capital	1,46,990.90	1,46,990.90

### Note 2.1: Reconciliation of number of Shares outstanding is set out below:

Particulars	31st March, 2024	31st March, 2023
Equity shares at the beginning of the year Add: Shares issued during the current financial year	14699.09	14699.09 -
Equity shares at the end of the year	14699.09	14699.09

Note 2.2: The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share.

Note 2.3 : There is no fresh issue or buyback of shares during the year.

### NOTES FORMING PART OF BALANCE SHEET

Note 2.4: The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share.

Note 2.5: There is no change in the number of shares outstanding at the beginning and at the end of the year.

Note 2.6: There is no change in the pattern of shareholding during the year. It is same as the last year.

SI. No.	Shares held by promoters at the end of the year 31st March 2024			% Change during
	Promoter Name	No. of Shares**	% of total shares**	the year***
1	MR.Premnath S Kudva	54,162.00	3.68	-
	Total	54,162.00	3.68	-

SI. No.	Shares held by Promoters at the end of the year ending 31st March 2023			% Change during
	Promoter Name	No. of Shares**	% of total shares**	the year***
1	Mr. Premnath S Kudva	51,656.00	3.51	-
	Total	51,656.00	3.51	-

### Note 3: Surplus

### (Rupees in Hundreds)

Particulars	31st March, 2024	31st March, 2023
Opening Balance	-907152.38	-664348.19
Add:- Profit for the year	-27706.12	-242804.19
Capital Reserve		
As per last Balance Sheet	1358.87	1358.87
Capital Redemption Reserve		
As per last Balance Sheet	6000.00	6000.00
General Reserve		
As per last Balance Sheet	261077.29	261077.29
Add: Transferred from Surplus		
Total	-666422.34	-638716.22

### Note 4: Long term borrowings

### (Rupees in Hundreds)

Particulars	31st March, 2024	31st March, 2023
(a) TERM LOANS		
Term Loan from State Bank of India		
(secured by hypothication of Vehicle		
Repayable in 84 monthly installments starting from	-	1135.97
2018-2019-CIAZ CAR		



ERTIGA CAR	0.00	454.35
Term Loan with SBI (GECL Ist)		
Canara bank Scooter	163.45	404.38
Term Loan with SBI (GECL IInd)	33355.07	57995.54
COL Free Automatic Loan	0.00	6346.95
( b ) DEPOSITS (Unsecured)		
Inter Corporate Deposits - Related Party	468520.00	451520.00
(Fixed deposits accepted in accordance with the		
provisions of section 73 of the Companies Act 2013 repayable over		
two/three years from 31st march 2015)	502038.52	517857.19
LONG-TERM PROVISIONS		
Provision for Employees benefits	314319.71	304979.49
TOTAL	816358.23	822836.68

## Note 5: Deferred tax liability/ Asset:

## (Rupees in Hundreds)

Particulars	31st March, 2024	31st March, 2023
Opening balance	77248.71	81016.27
Gratuity (Including Tax and Education Cess)	98067.75	95153.60
Total reversible timing difference in books maintained as per Companies Act 2013 Written Down Value as per Companies Act 2013 (Including Tax and Education Cess)	62899.80	66247.85
Total reversible timing difference in books maintained as per Income Tax Act 1961 Written Down Value as per Income Tax Act 1961 (Including Tax and Education Cess)	44591.40	48342.96
Net reversible timing difference	18308.41	17904.89
Deferred tax asset recognised for the year	79759.34	77248.71
Add : Deferred tax (income)/expense	-2510.63	3767.56
Total	79759.34	77248.71

# Note 6 : Trade payables

# (Rupees)

Particulars	31st March, 2024	31st March, 2023
Total outstanding dues of Micro Enterprises and Small Enterprises	268909.30	141156.96
Total outstanding dues of Creditors other than Micro Enterprises For Expenses	379482.87	382187.81
Total	648392.17	523344.77

Note 6.1: Steps have been taken 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. Since no intimation has been received from the suppliers regarding their status under the said Act as at 31st March 2022, disclosures relating to amounts unpaid as at the year end, if any, have not been furnished. In the opinion of the management, the impact of interest, if any,that may be payable in accordance with the provisions of the Act, is not expected to be material.

Trade Payables ageing schedule: As at 31st March, 2024

	Particulars	Outstanding for f	٠, ٠		than ears	Total
		Less than 1 year	1-2 years	2-3	years	
(i)	MSME	151206.36	117702.94	-	-	268909.30
(ii)	Others	-	379482.87	-	-	379482.87
(iii)	Disputed dues- MSME	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-

Trade Payables ageing schedule: As at 31st March 2023

	Particulars	Outstanding for f	<b>5</b> 1		than ears	Total
		Less than 1 year	1-2 years	2-3	years	
(i)	MSME	6052.65	135104.31	-	-	141156.96
(ii)	Others	-	382187.81	-	-	382187.81
(iii)	Disputed dues- MSME	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-

#### Note 7: Other Current Liabilities

Particulars	31st March, 2024	31st March, 2023
Statutory Dues: Outstanding Liabilities	29634.15 128603.66	20585.95 86193.76
Other Dues: Other Liabilities Deposits from Tenants and Contractors	41463.74 50408.88	29881.34 22581.99
*As at the year end there is no amount due for payment to the Investor Education and Protection Fund under section 125 of the Companies Act 2013.		
Total	250110.43	159243.04



Sub-note 7.1 : Outstanding Liabilities

(Rupees in Hundreds)

Particulars	31st March, 2024	31st March, 2023
Contribution to ESI	1121.13	1382.70
Contribution to PF	10482.23	6487.53
Pension Fund	14378.63	9583.24
Tax on Building	75020.48	49540.75
Inspection charges	986.67	661.03
Administration Charges	1036.08	669.63
Professional Charges	1184.49	660.68
CGST Payment	5002.06	2918.31
IGST Payment	4539.50	4.57
SGST Payment	8981.92	12575.46
Interest on other	154.91	683.21
LIC Payable	1226.53	674.16
Professional Tax Payable	71.50	352.49
O/s Interest on Term Loan	486.15	
GST Refundable to Karnataka Agency	1142.96	
GST Refundable to Bharath Auto Cars	1142.96	
Unclaimed deposit	1645.46	
Total	128603.66	86193.76

## Note 8 : Short Term Provisions

Particulars	31st March, 2024	31st March, 2023
Provision for Employee benefits	112961.76	79331.29
Provision for Income tax	-	0.00
	112961.76	79331.29
SHORT-TERM BORROWINGS		
Current maturities of Long-Term Debt (See note 3)		
Deposits	0.00	177039.46
Exempted deposit from Directors	121550.00	124550.00
Term Loan from State Bank of India-ERTIGA CAR	603.10	2124.00
Term Loan from State Bank of India-CIAZ CAR	1332.57	1861.32
Term loan canara bank Scooter motor	313.73	366.48
Term Loan from State Bank of India-(GECL IInd)	19344.00	43080.00
COL Free Automatic Loan	5934.91	0.00
LOANS REPAYABLE ON DEMAND		
From Banks:	850458.81	746024.25
Secured:		
Cash credit from State Bank of India secured by equitable		
mortgage of Mulgeni rights on land and buildings and hypothication		
of plant & machinery, furniture, stocks and receivables		
	999537.12	1095045.51
Total	1112498.88	1174376.80

# NOTES FORMING PART OF BALANCE SHEET

	Not	e 9 :- Pro	perty, P (As pe	Note 9:- Property, Plant & Equipments as on 31st March, 2024 (As per the Companies Act, 2013)	ipments as panies Act,	s on 31st , 2013)	March,	2024		
Tangible Assets								R)	(Rupees in Hundreds)	undreds)
		Gross Block	lock		Acı	Accumulated Depreciation	Deprecia	ation	Net Block	ock
Details of Assets	As on 1st April, 2023	Additions	Deduc- tions	Total	As on 1st April, 2023	For The Year	Deduc- tions	As on 31st March, 2024	As at 31st March, 2024	As At 31st March, 2023
Land	2507.15	00.00	0.00	2507.15	0.00	0.00	0.00	0.00	2507.15	2507.15
Buildings	302711.49		0.00	302711.49	149287.49	7041.26	0.00	156328.76	146382.74	153424.00
Plant & Machinery	529617.27		0.00	529617.27	493947.00	3786.92	0.00	497733.92	31883.36	35670.27
Furniture & Equipments	45277.80	125.98	0.00	45403.78	43153.71	270.30	0.00	43424.01	1979.78	2124.10
Vehicles	198361.63	7333.01	701.63	204993.02	194319.65	3744.73	0.00	198064.37	6928.64	4041.99
Computers	91754.67	4409.50	0.00	96164.17	74682.18	7054.57	0.00	81736.75	14427.42	17072.49
Total	1170230.02	11868.49	701.63	1181396.88	955390.03	21897.78	0.00	977287.80	204109.09	214840.03
INTANGIBLE ASSETS	-	•			•	•		-	-	•
Figures of Previous Year	1109646.56	60583.46		1170230.01	936848.59	18541.44	0.00	955390.02	214840.01	172798.01



Note 10: Non current investment

(Rupees in Hundreds)

Sr. No.	Particulars	31st March, 2024	31st March, 2023
	Quoted Investments:		
	Securities - Quoted - Trade-At cost		
	1,186 Fully paid Equity Shares of Metal Scrap		
	Trade Corporation Ltd. of the face value of Rs.10/- each.	0.00	0.00
	TOTAL (A)	0.00	0.00
	Unquoted Investments:	-	-
	Securities - Unquoted - Non-Trade-At cost		
	32,483 Fully paid Equity Shares of Canara Sales		
	Corporation Ltd., Mangalore of the face value of Rs.10/- each	3205.27	3205.27
	10,000, Fully paid Equity Shares of Canara Public Conveyance Limited of Rs.10/- each	1000.00	1000.00
	Government Securities -Unquoted- Trade:		
	12 Years National Defence Certificate (Deposited with		
	Central Excise Department) 7 Years National Savings Certificates	30.00	30.00
	(Deposited with P & T Department)	8.00	8.00
	National Savings Certificate (Deposited with		
	Commercial Tax Department)	0.00	
	TOTAL (B)	4243.27	4243.27
	TOTAL (A+B)	4243.27	4243.27
	Equity Based Mutual Fund:	0.00	0.00
	Debt based Mutual Fund:	0.00	0.00
	TOTAL	4243.27	4243.27

## All above investments are carried at cost

## Note 10.1 : Other disclosures

(a)	Aggregate cost of Quoted Investment Aggregate Market Value of Quoted Investments	-	-
(b)	Aggregate Amount of Unquoted Investments	4243.27	4243.27
(c)	Aggregate Provision for diminution in value of Investment	-	-
	Total	4243.27	4243.27

## NOTES FORMING PART OF BALANCE SHEET

## Note 11: Long term loans and advances

(Rupees in Hundreds)

Sr. No.	Particulars	31st March, 2024	31st March, 2023
l)	Security deposit a) Unsecured, considered good	NIL	NIL
II)	Other loans & advances	NIL	NIL
	Total	NIL	NIL

## Note 12: Inventories\*

(Rupees in Hundreds)

Sr. No.	Particulars	31st March, 2024	31st March, 2023
	(As taken, valued and Certified by the Management)		
1	Raw Materials	10097.12	45049.76
2	Stores and Spares	19708.93	51357.33
3	Work in Progress	16340.31	30265.75
4	Finished Goods	1052451.12	1078287.79
5	Parabolic	14655.68	34046.48
	*Valued at lower of cost and net realizable value		
	Total	1113253.16	1239007.11

## Note 13: Trade receivables

Sr. No.	Particulars	31st March, 2024	31st March, 2023
1	Outstanding for more than six months		
	a) Secured, considered good	0.00	0.00
	b) Unsecured, considered good	122839.45	127061.89
	c) Doubtful	0.00	0.00
2	Others		
	a) Secured, considered good	0.00	0.00
	b) Unsecured, considered good	414128.90	388993.91
	c) Doubtful	0.00	0.00
	Total	536968.35	516055.80



Trade Receivables ageing schedule as at 31st March, 2024

(Rupees in Hundreds)

			Outstanding for	r following per	iods from due	Outstanding for following periods from due date of payment	
	Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	(i) Undisputed Trade receivables- considered good	414128.90	22811.97	,	,	100027.48	536968.35
(ii)	(ii) Undisputed Trade receivables- considered doubtful		·				
(iii)	(iii) Disputed trade receivables- considered good		·				
(ÿ)	<ul><li>(iv) Disputed trade receivables- considered doubtful</li></ul>	·					

Trade Receivables ageing schedule as at 31st March, 2023

			Outstanding fo	r following per	iods from due	Outstanding for following periods from due date of payment	
	Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	(i) Undisputed Trade receivables- considered good	388993.91	12015.81			115046.08	516055.80
(ii)	(ii) Undisputed Trade receivables- considered doubtful		·				
(iii)	(iii) Disputed trade receivables- considered good		·	,	,		
(j.	(iv) Disputed trade receivables- considered doubtful						

# NOTES FORMING PART OF BALANCE SHEET

Note 14: Cash and bank balances

(Rupees in Hundreds)

SI. No.	Particulars	31st March, 2024	31st March, 2023
1	Cash and cash equivalent	635.21	565.01
	Sub total (A)	635.21	565.01
2	Bank balances - current accounts With Scheduled Banks:  1) In Current Account	9132.77	12821.87
	2) In fixed deposit as Security for Loans, L.C and Guarantees	25798.00	22508.00
	Sub total (B)	34930.77	35329.87
	Total [ A + B ]	35565.98	35894.88

## Note 15: Short terms loans and advances

SI. No.	Particulars	31st March, 2024	31st March, 2023
	Unsecured,considered good		
1	Advance to employees	51.83	1524.61
2	Others	283198.01	49434.74
3	Advance Tax & T.D.S	21591.44	21913.10
4	GST Receivable from all depots	0.00	80.24
5	Deposits:		
	Central Excise	0.00	0.00
	Others	29187.81	27833.51
	Total	334029.09	100786.20



## Note 16: Revenue from operations

(Rupees in Hundreds)

Sl. No.	Particulars	31st March, 2024	31st March, 2023
1	Sales of Products (refer sub note 16.1)	1793020.13	1641781.65
2	Sale of services		
3	Other operating revenues -		
	Rental Income:		
	Storage Charges	62818.90	54699.14
	Amenity Charges	100847.64	87033.51
	Sales are net of Goods & Service Tax (GST)		
	Total	1956686.67	1783514.30

## 16.1 Sale of products

(Rupees in Hundreds)

SI. No.	Particulars	31st March, 2024	31st March, 2023
1 2 3	Sale of Springs Sale of Bars Sale of Scrap	1770103.41 18808.30 4108.42	1523449.63 53544.09 64787.93
	Total	1793020.13	1641781.65

## Note 17: Other income

(Rupees in Hundreds)

SI. No.	Particulars	31st March, 2024	31st March, 2023
1	Capital Gain Accrued on sale	336430.87	138733.83
2	Income from Investments	162.48	22230.00
3	Profit on Disposal of Vehicle	812.78	
4	Interest from F.D. with Bank	954.38	922.70
5	Interest on K E B Deposit	706.31	413.83
6	Other Interest	650.86	1038.03
7	Miscellaneous	2688.72	3281.08
	Total	342406.40	166619.47

## Note 18: Cost of material Consumed

SI. No.	Particulars	31st March, 2024	31st March, 2023
1	Cost of materials Consumed: (refer sub note 18.1)	1014087.77	1118052.64
	Total	1014087.77	1118052.64

## NOTES FORMING PART OF STATEMENTS OF PROFIT & LOSS

## 18.1 Cost of materials Consumed

(Rupees in Hundreds)

SI. No.	Particulars	31st March, 2024	31st March, 2023
1	Consumption of raw material		
	Opening stock	45049.76	41419.17
	Add:- Purchase during the year	979135.13	1121683.23
		1024184.89	1163102.40
	Less :- Closing stock	10097.12	45049.76
		1014087.77	1118052.64
	Details of Raw material consumed :		
	M.S.Billets	0.00	0.00
	Steel flats	891294.18	1017040.98
	Parabolic	92215.29	70305.33
	Others	30578.30	30706.33

## Note 19: Change in inventories

(Rupees in Hundreds)

SI. No.	Particulars	31st March, 2024	31st March, 2023
1	Change in Inventories of Finished goods		
	Opening stock	1078287.79	890827.00
	Closing stock	1052451.12	1078287.79
	Sub total (a)	25836.67	-187460.79
2	Changes in inventories of work-in-progress		
	Opening stock	30265.75	33028.60
	Closing stock	16340.31	30265.75
	Sub total (b)	13925.44	2762.85
	Total	39762.11	-184697.94

## Note 20: Employment Benefit Expenses

SI. No.	Particulars	31st March, 2024	31st March, 2023
1	Salaries, Wages and Bonus	434296.17	439277.08
2	Employment provident fund	15581.70	13451.32
3	Incentives to employees	109920.84	107167.78
	Total	559798.71	559896.18

<sup>\*</sup> Considered as Related Party Transaction. Refer to note no. 25 for related party disclosure.



## 20.1 Incentives to employees

## (Rupees in Hundreds)

Sl. No.	Particulars	31st March, 2024	31st March, 2023
1	Gratuity	42733.30	36327.21
2	Welfare Expenses	48385.42	51351.35
3	Pension Fund	18802.12	19489.22
	Total	109920.84	107167.78

## 20.2 Employment provident fund

## (Rupees in Hundreds)

SI. No.	Particulars	31st March, 2024	31st March, 2023
1	Company's Contribution to Provident and Other Funds	15581.70	13451.32
	Total	15581.70	13451.32

## Note 21: Financial cost

# (Rupees in Hundreds)

SI. No.	Particulars	31st March, 2024	31st March, 2023
1	Interest: On Fixed Deposits On Cash credits & Term Loans Bank Charges On Loan from institution	18689.92 86710.13 1008.49 58019.69	30184.10 97403.76 773.95 57805.09
	Total	164428.23	186166.90

## Note 22: Depreciation and amortised cost

# (Rupees in Hundreds)

SI. No.	Particulars	31st March, 2024	31st March, 2023
1	Depreciation	21897.78	18541.51
	Total	21897.78	18541.51

## Note 23: Other Expenses

SI. No.	Particulars	31st March, 2024	31st March, 2023
1	Repairs & maintenance	43839.71	42530.98
2	Insurance Premium	9730.17	10014.01
3	Rent, Rates & Taxes	74813.04	76580.05
4	Miscelleanous Expenses	2993.96	2093.72
5	Auditor's Remuneration	1811.20	2171.20
6	Software Development Expenses	2586.14	0.00
7	Stores and Spares Consumed	62363.00	20706.44
8	Power and Fuel	162615.11	164230.31
9	Freight	76729.15	78413.88
10	Directors' Sitting Fees	250.00	375.00

11	Advertisement	6899.48	7865.89
12	Commission and Discounts	15028.21	21932.08
13	Travelling	34102.70	36946.76
14	Prior period Item (net )	1450.30	168.07
15	Legal and Professional Charges	2946.13	4141.01
16	Printing and Stationery	3006.20	4037.50
17	Postage and Communication Charges	4593.31	4998.43
18	Security Charges	10951.80	11009.10
19	Bad Debts Written Off	12625.62	2996.68
	Total	529335.23	491211.11

## 23.1 Repairs & maintenance

## (Rupees in Hundreds)

SI. No.	Particulars	31st March, 2024	31st March, 2023
1	Repairs and Maintenance:		
	Buildings	12493.28	8797.10
	Machinery	6297.94	6627.78
	Vehicles	10206.22	12464.93
	Others	14842.27	14641.17
	Total	43839.71	42530.98

# 23.2 Insurance premium

## (Rupees in Hundreds)

SI. No.	Particulars	31st March, 2024	31st March, 2023
1	Insurance	9730.17	10014.01
	Total	9730.17	10014.01

## 23.3 Rent, rates & taxes

## (Rupees in Hundreds)

SI. No.	Particulars	31st March, 2024	31st March, 2023
1 2	Rent Rates and Taxes	40245.02 34568.02	41015.88 35564.17
	Total	74813.04	76580.05

## 23.4 Miscelleanous expenses

SI. No.	Particulars	31st March, 2024	31st March, 2023
1	Miscellaneous	2993.96	2093.72
	Total	2993.96	2093.72



## 23.5 Auditor's remuneration

(Rupees in Hundreds)

SI. No.	Particulars	31st March, 2024	31st March, 2023
1	Payments to Auditors Including Service Tax Audit Fees .	1236.20	1492.70
	Company Law Matters	115.00	135.70
	Taxation Matters	115.00	135.70
	Tax Audit	230.00	271.40
	Certification of Statements	115.00	135.70
	Total	1811.20	2171.20

## Note 24: Earning per share

Sl. No.	Particulars	31st March, 2024	31st March, 2023
1	Net Profit after Tax	-27706.12	-242804.19
2	Weighted Average Number of Equity Shares	14699.09	14699.09
	Earning per Share (face value of Rs.10/-fully paid)	-0.02	-0.17

Note 1 : Significant	Significa		Accounting Policies	olicies											
Note 25: Disclosure as required by Para Companies (Accounting Standard) Rules, 2006:-CIN: U51909KA1943PLC001075	: Disc is (Acco	Disclosure ( Accounting Si 19KA1943PLCC	as requi Standard) :001075	required by Para idard) Rules, 2006:- 075	, Para 2006:-	20	of Accounting		Standard-AS		18 "Rel	"Related Parties"	Partie	s" of	the
Names of related parties and description of relationship:	relatec	1 parties	and des	cription	of rel	ationsh		elevant	Para o	f the C	Relevant Para of the CARO 2020 - 3(xiii)	20 - 3	(xiii)		
SI. No.	Name	Je			Re	Relation									
_	Mr.	Mr. Premnath	h S. Kudva	dva	Ke	/ Manag	Key Management Personnel	Personn	el						
2	Ms.	Ms. Sneha P Kudva	Kudva		Re	atives	Relatives of the Key Management Personnel	ey Man	agemen	t Perso	nnel				
8	Ms.Kavy	(avya P	/a P Kudva		Re	atives	Relatives of the Key Management Personnel	ey Man	agemen	t Perso	nnel				
4	V. S Pvt.	V. S. Kudva Investments Pvt.Limited	Investme	ents	Sig	terprise: nificant	Enterprises of Related parties who significant influence	ated pa	arties w		can exercise control or	e cont	rol or		
2	CPC	CPC Logistics Ltd.	s Ltd.		Ent	terprise: nificant	Enterprises of Related parties who significant influence	ated parce	arties w		can exercise control or	e cont	rol or		
Transactions with related parties for the year ended March 31st,	ons with	ו related	d parties	for the	year (	y papua	Aarch 3	1st, 2024	24			(Rup	(Rupees in Hundreds)	Hund	reds)
SI. Darticulars	2.0	Borrowings	wings	Interest Expenses	xbenses	Salary/ Remunera- tion Expenses	emunera- penses	Frieght Expenses	xbenses	Exempted Deposits at the year end	xempted Deposits at the year end	Deposits at the year end	at the end	Godown Rent Collected	n Rent cted
	5	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24 2022-23		2023-24	2022-23
1 V. S Kudva Investments (P) Ltd.,	(P) Ltd.,	468520.00	451520.00	58019.69	57805.09		·								
2 CPC Logistics Ltd	5 Ltd	•	•	•		•	•	31.58	11194.51						•
3 Mr. Premnath S. Kudva	h S. Kudva	•	•	10903.02	7032.17	13568.70	13588.68	•		94550.00	94550.00	•	•	•	•
4   Sri M. Venkatesh Pai	tesh Pai	•	•	3173.81	3450.00	•			•	27000.00	30000.00	•	i		•
5 Ms. Sneha P Kudva	Kudva	•	•	225.12	690.36	•		•	•	•	•	•	47.50		•
6 MsKavya P Kudva	Kudva	•	•	372.04	1140.91								78.50		•
Total		468520.00	451520.00	72693.68	70118.53	13568.70	13588.68	31.58		11194.51   121550.00   124550.00	124550.00		126.00	•	•



#### 26 SYSTEM OF ACCOUNTING:

The Company follows mercantile system of accounting.

#### 27 ACCOUNTING POLICIES:

#### **Fixed Assets**

Fixed assets are stated at their original cost of acquisition, construction or installation as the case may be, reduced by GST, sales/discard and accumulated depreciation.

#### Depreciation

Depreciation on assets is provided at the rates set out in **Schedule II** to the **Companies Act,2013** on written down value method.

#### Investments

Investments are stated at cost of acquisition.

#### Inventories

- i) Stores and sparesAt cost and on FIFO basis.
- ii) Raw Materials

At cost including incidental expenses like freight, transport, etc., and on FIFO basis.

iii) Work in progress and Finished Goods:

Work in progress at cost, finished goods at cost or market value whichever is lower and waste at estimated realisable value. Cost is determined on the basis of absorption costing method. Market value is based on available market price.

#### Taxation:

Tax expenses for the year, comprising current tax and deferred tax is included in determining the net profit for the year. A provision is made for the current tax based on tax liability computed in accordance with the relevant tax rates and tax laws. A provision is made for deferred tax for all timing differences arising between taxable income and accounting income at current tax rates. Deferred tax assets are recognised only if there is reasonable certainty that they will be realised and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

## Segment Accounting:

The Company has only one line of product viz., manufacture of leaf springs and is managed organisationally as a single unit. Therefore, no separate segment is identifiable as required by Accounting Standard 17 issued by the Institute of Chartered Accountants of India.

## Earning per share:

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

Disclosure in accordance with accounting standards as notified by the company's (Accounting Standard) Rules 2006

## 28 Accounting Standard (AS ) 15 on Employee Benefits:

- i) The company's contributions to Provident Fund, Superannuation Fund and Pension Fund are charged to Profit & Loss Account.
- ii) The Company has set up an Employee Group Gratuity Trust Fund under Group Grauity (Cash Accumulation ) Scheme of Life Insurance Corporation of India. Provision has been made for Gratuity upto 31.03.2024 based on actuarial valuation received from LIC of India.
- iii) Liability on account of leave encashment benefits of employees on retirement is accounted on cash basis. The liability on this account, if any, is not capable of being quantified. However, the said liability is not material.

#### Defined Contribution Plans:

#### (Rupees in Hundreds)

Contribution to Employees' Provident Fund
Contribution to Employees' State Insurance Fund
Contribution to Employees' Superannuation Fund

As on 31-03-2024	As on 31-03-2023
13373.99	13398.07
7458.08	8011.73
20832.07	21409.80

## Defined Benefit Plans: Gratuity

## a) Liability recognised in the balance sheet

(Rupees in Hundreds)

336147.06

As on 31-03-2023

Present Value of obligations as at 01-04-2023
Interest Cost
Current service cost
Benefit paid
Actuarial loss/(gains) due to change in assumptions
Actuarial (gain) /loss on obligations
Present Value of obligations As at 31-03-2024
h) Fair value of also seeds

	21845.39	20868.16
	11180.69	10999.54
	0.00	-26202.61
umptions	2990.80	-11855.29
	-28826.56	-22827.49
2024	314319.70	307129.37
		ı
	2149.89	23619.39
	0.00	1825.40
	0.00	5000.00
	0.00	-26202.61

As on 31-03-2024

307129.37



c) Actuarial gain/loss recognised 31-03-2024

Actuarial gain (loss) -obligations Actuarial gain (loss) -plan assets Total (gain) / loss for the year Actuarial (gain) / loss recognised

d) Expenses during the year

Current service cost

Interest cost

Expected return on plan assets

Net actuarial (gain)/ loss

Total

-25835.76	-34682.77
0.00	2092.29
-25835.76	-32590.48
25835.76	32590.48
11180.69	10999.54
21845.39	20868.16
0.00	-1825.40
-25835.76	-32590.48
7190.32	-2548.18

e) Principal acturial assumptions

Discounting rate Salary escalation

As on 31-03-2024	As on 31-03-2023
0.07	0.07
0.07 0.04	0.04

The above figures are based on valuation done by the Life Insurance Corporation of India.

## 29 Exempted Deposits from Directors:

Name	Amount	Accounting Head
Sri M. Venkatesh Pai	27000.00	Fixed Deposits
Total	27000.00	

30 Value of Imports on C.I.F. basis

NIL

31 Expenditure in foreign currency

NIL

32 Accounting Standard (AS ) 29: Provisions, Contingent Liabilities and Contingent Assets

(Rupees in Hundreds)

Particulars	As at 01/04/2023	Additions	Used	As at 31/03/2024
Income Tax				NIL
Gratuity	304979.49	9340.22		314319.71
	312527.68	-2548.18	5000.00	304979.50

## Contingent Liabilities and Commitments:

	Particulars	31.03.2024	31.03.2023
A)	Contingent Liabilities (1) LC & Guarantees	103172.34	90016.71
B)	Commitments Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil

# NOTES TO THE FINANCIAL STATEMENTS

## 33 Raw Materials Consumed:

	202	24	20	)23
	Quantity	Value	Quantity	Value
	M.T.	"	M.T.	"
a) Raw Materials:				
Steel Flats & Clips	1,251.09	891294.18	1,333.00	1017040.98
Bushes (Nos.)	72109 Nos	22039.45	71,580.00	19118.50
Others		8538.85		11587.82
Sheared Flats	86.611	92215.29	65.00	70305.33
		1014087.77		1118052.64
b) Percentage of Raw Materials	Value "	Percentage	Value "	Percentage
Consumed:	-		-	
Imported Indigenous	1014087.77	100.00	1118052.64	100.00
	1014087.77	100.00	1118052.64	100.00

# 34 Opening and Closing Stock of goods produced and Turnover:

OPENING STOCK		CLOSING STOCK		TURNOVER		
	Quantity	Value	Quantity	Value	Quantity	Value
	M.T.	"	M.T.	"	M.T.	"
Laminated Leaf Springs	589.00	10,78,287.79	575.00	10,52,451.12	1,327.00	22,71,178.11
	(487.00)	(8,90,82,700.00)	(589.00)	(10,78,28,779.00)	(1,254.00)	(20,84,83,397.00)
Process Rejection & Scrap					76.00	26,424.19
					(60.00)	(20,95,830.00)
Miscellaneous Items						424.61
						(40,491.00)
						22,98,02,691.00
						(21,06,19,718.00)



- Based on the data received from the vendors there are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors. However as per the outstanding dues to MSME Reporting the MSME Creditors as on 31/03/24 is Rs. 2,68,909.30/-, which is paid subsequently within the stipulated time.
- 36 Sundry debtors and creditors balances are subject to confirmation and reconciliation.
- 37 Sales from operation includes Rental income (Schedule number 16)
- The Company's net worth is eroded. The company is confident of its recovery and meeting its obligations. Hence, the company continues to prepare the financial statements on going concern basis.

N 10	NOTE- 39 Ratio Analysis					
	Ratio Analysis	Numerator	(Rupees)	Denominator	(Rupees)	31-Mar-24
-	Current Ratio	Current Assets Inventories Sundry Debtors Cash and Bank balances Loans and Advances	11,13,25,315.50 5,36,96,835.00 35,56,598.00 3,34,02,908.83 20,19,81,657.33	Current Liabilities Creditors for goods and services Short term loans Cash Credit Outstanding Expenses Provision for Employee benefits Any other current liabilities	6,48,39,217.00 1,49,07,830.89 8,50,45,881.00 1,28,60,366.00 1,12,96,176.00 1,21,50,677.00	1.00
7	Debt Equity Ratio	Total Liabilities Total Outside Liabilities	28,27,35,970.89	Sharholder's Equity Total Shareholders Equity	(5,19,43,143.58)	(5.44)
m	Debt Service Coverage Ratio	Net Operating Income Net Profit after tax + non-cash operating expenses like depreciation and other amortizations + Interest+other adjustments like loss on sale of fixed assets,etc.	1,58,61,989.03	Debt Service Current Debt Obligation (Interst+ Installments)	5,02,03,852.00	0.32
4	Return on Equity Ratio	Profit for the period  Net Profit after taxes - preference dividend (if any)	(27,70,611.51)	Avg. Shareholders Equity (Beginning shareholders' equity + Ending shareholders' equity +	(5,05,57,837.82)	0.05
2	Inventory Turnover Ratio (Opening Stock + Purchases) - Closing Stock	Cost of Goods sold	11,04,88,908.19	Average Inventory (Opening Stock + Closing Stock)/2	11,76,13,013.17	0.94
9	Trade Receivables Turnover Ratio	Net Credit Sales Credit Sales	17,93,02,012.88	Average Trade Receivables (Beginning Trade Receivables + Ending Trade Receivables) / 2	5,26,51,207.50	3.41
7	Trade Payables Turnover Ratio	Total Purchases Annual Net Credit Purchases	9,79,13,512.86	Average Trade Payables (Beginning Trade Payables + Ending Trade Payables) / 2	3,80,83,534.00	2.57
∞	Net Capital Turnover Ratio	Net Sales Total Sales - Sales Return	19,56,68,666.88	Average Working Capital Current Assets-Current Liabilities	8,81,509.44	221.97
6	Net Profit Ratio	<b>Net Profit</b> Profit After Tax	(27,70,611.51)	Net Sales Sales	19,56,68,666.88	(1.42)
9	Return on Capital employed	EBIT Profit before Interest and Taxes	1,34,21,148.08	Capital Employed Total Assets - Current Liabilities	2,96,92,679.42	0.45
	Return on Investment	Return/Profit/Earnings		Investment	4,24,327.00	

Note: The formulas are as per Guidance Note on Division I - Non Ind AS Schedule III to the Companies Act, 2013 and Financial Management Study Module. The cells highlighted in orange have not been linked.



### NOTE-40 ADDITIONAL REGULATORY INFORMATION:

### IV. Additional Regulatory Info

(i) Title deeds of Immovable Property not held in name of the Company

Relevant line intem in Balance Sheet	Description of item of property	Gross Carrying Value	Title deeds held in the name of promoter/ director	Whether title deed holder is a promoter, director or relative of promoter/director or employee	Property held since which date	Reasons for not being held in the name of the company**
PPE	-	-	-	-	-	-
Investment property	-	-	-	-	-	-
PPE retired from active use and held for disposal	-	-	-	-	-	-
Others	-	-	-	-	-	-

<sup>\*\*</sup>also indicate if in dispute

- (ii) Where the Company has revalued its Property, Plant and Equipment, the company shall disclose as to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017-Not applicable.
- (iii) Following disclosures shall be made where Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:
  - (a) repayable on demand or
  - (b) without specifying any terms or period of repayment

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loan and Advances in the nature of loans
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	-	-

(iv) & (v) Capital-Work-in Progress (CWIP) / Intangible assets under development (ITAUD)

(Rupees in Hundreds)

(a) For Capital-work-in progress / Intangible assets under development (ITAUD), following ageing schedule shall be given:

## CWIP/ITAUD aging schedule:

CWIP/ITAUD	Amount in CWIP for a period of					
	Less than 1 year 1-2 years 2-3 years More than 3 years Total					
Projects in progress	-	-	-	-	-	
Projects temporarily suspended	-	-	-	-	-	

<sup>\*</sup>Total shall tally with CWIP amount in the balance sheet.

(b) For Capital-work-in progress / Intangible assets under development (ITAUD), whose completion is overdue or has exceeded its cost compared to its original plan, following completion schedule should be given:

#### CWIP/ITAUD completion schedule shall be given\*\*:

(Rupees in Hundreds)

CWIP/ITAUD	To be completed in					
	Less than 1 year 1-2 years 2-3 years More than 3 year					
Projects 1	-	-	-	-		
Projects 2	-	-	-	-		

<sup>\*\*</sup>Details of projects where activity has been suspended shall be given separately.

### (vi) Details of Benami Property held

Where any proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder, the company shall disclose the following:-

- (a) Details of such property, including year of acquisition,
- (b) Amount thereof,
- (c) Details of Beneficiaries,
- (d) If property is in the books, then reference to the item in the Balance Sheet,
- (e) If property is not in the books, then the fact shall be stated with reasons,
- (f) Where there are proceedings against the company under this law as an abetter of the transaction or as the transferor then the details shall be provided,
- (g) Nature of proceedings, status of same and company's view on same.
- (vii) Where the Company has borrowings from banks or financial institutions on the basis of security of current assets, it shall disclose the following:-
  - (a) whether quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
  - (b) if not, summary of reconciliation and reasons of material discrepancies, if any to be adequately disclosed.

## (viii) Wilful Defaulter\*

Where a company is a declared wilful defaulter by any bank or financial Institution or other lender, following details shall be given:

- (a) Date of declaration as wilful defaulter,
- (b) Details of defaults (amount and nature of defaults),



\* "wilful defaulter" here means a person or an issuer who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under the Act) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by

## (ix) Relationship with struck off companies

Name of struck off Company	Nature of transactions with struck off Company	Balance Outstanding	Relationship with struck off company,if any,to be disclosed
	Investment in securities	•	-
	Receivables	•	-
	Payables	-	-
	Shares held by stuck off company	-	-
	Other outstanding balances (to be specified)	-	-

## (x) Registration of charges or satisfaction with Registrar of Companies

Where any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period, details and reasons thereof shall be disclosed.

## (xi) Compliance with number of layers of companies

Where the company has not complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, the name and CIN of the companies beyond the specified layers and the relationship/extent of holding of the company in such downstream companies shall be disclosed.

## (xii) Compliance with approved Scheme(s) of Arrangements

Where any Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, the Company shall disclose that the effect of such Scheme of Arrangements have been accounted for in the books of account of the Company 'in accordance with the Scheme' and 'in accordance with accounting standards' and deviation in this regard shall be explained.

## (xiii) Utilisation of Borrowed funds and share premium:

- (A) Where company has advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries; the company shall disclose the following:-
- (I) date and amount of fund advanced or loaned or invested in Intermediaries with complete details of each Intermediary.
- (II) date and amount of fund further advanced or loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries alongwith complete details of the ultimate beneficiaries.
- (III) date and amount of guarantee, security or the like provided to or on behalf of the Ultimate Beneficiaries
- (IV) declaration that relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering act, 2002 (15 of 2003).;
- (B) Where a company has received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, the company shall disclose the following:-
  - (I) date and amount of fund received from Funding parties with complete details of each Funding party.
  - (II) date and amount of fund further advanced or loaned or invested other intermediaries or Ultimate Beneficiaries alongwith complete details of the other intermediaries' or ultimate beneficiaries.
  - (III) date and amount of guarantee, security or the like provided to or on behalf of the Ultimate Beneficiaries
  - (IV) declaration that relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering act, 2002 (15 of 2003).;

For A. UMANATH RAO & CO., Chartered Accountants, FR No. 004454S Sd/-PREMNATH SRINIVAS KUDVA Chairman & Managing Director (DIN:00126024)

Sd/(ASHWIN KINI H-M.No. 236787)
Partner

Sd/-VODERBET MAHESH KAMATH Director (DIN:00192643) Sd/-VENKATESH PAI MANGALORE Director (DIN:00126551)

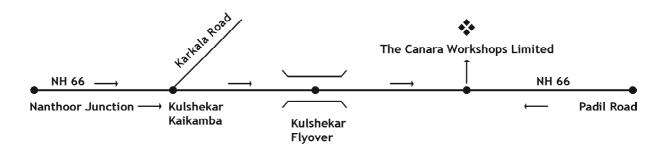
Date: 10.08.2024

UDIN: 24236787BKARD2356



# ROUTE MAP TO THE VENUE OF THE MEETING

(As per clause 1.2.10 of SS2)



NH 66, Nanthoor Cross proceed towards Kaikamba Junction, take flyover and proceed for about 200 meters till you reach the company gate.

From Padil junction take NH 66 travel for about 1.6 kms. till you reach company gate.

## Address:

The Canara Workshops Limited V. S. Kudva Road Maroli Mangalore - 575 005

## Land marks:

• Near Aspinwall



CIN: U51909KA1943PLC001075

# ATTENDANCE SLIP

Annual General Meeting: 28-09-2024

DP. ID		Name & address of the shareholders
Client ID/Regd. Folio. No.		
No. of Shares held		
I certify that I am a membe	r/proxy for the	member of the company.
I hereby record my preser	nce at the 81st	Annual general meeting of the company on Saturday,
28th day of September 2024	at 10.00 a.m. a	t the registered office of the company situated at V.S. Kudva
Road, Maroli, Mangalore-575	005.	
Name of the member/proxy		
(In block letters)		
		Signature of the member/proxy

 $\underline{\text{Note:}} \ \ \text{Please complete this and hand it over at the entrance of the hall}$ 



# Form No. MGT-11 Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : U51909KA1943PLC001075					
Name of the company : THE CANARA WORKSHOPS LIMITED  Registered office : V S Kudva Road, Maroli Mangalore- 575005					
Name of the member (s):					
Registered address :					
E-mail Id :					
Folio No/ Client Id :					
DP ID :					
I/We, being the member (s) of shares of the above named	company, hereby appoint				
1. Name :					
Address :					
E-mail Id :					
Signature :	or failing him				
2. Name :					
Address :					
E-mail Id :					
Signature :	or failing him				
3. Name :					
Address :					
E-mail ld :					
Signature :					
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf to be held on Saturday, 28th day of September 2024 at10.00 A.M. at the Registe situated at V. S. Kudva Road Maroli Mangalore 575005 and at any adjournment to resolutions as are indicated below:	red office of the company				
Resolution No. :-					
1					
2	Affix				
3	Revenue Stamp				
4					
Signed thisday of2024					

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.