

Date: 30.05.2024

To,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001

Scrip Code: 590041

To,
The Manager,
Department of Corporate Services,
The National Stock Exchange of India
Limited
BKC Complex, Bandra (East), Mumbai

NSE Symbol: KAVVERITEL

Subject: Outcome of Board Meeting held on May 30, 2024

Dear Sirs,

Pursuant to Regulation 30 read with Regulations 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), this is to inform you that the Board of Directors of the Company at its meeting held today, i.e. May 30, 2024, inter alia, has approved the Audited Financial Results (Standalone and Consolidated) for the Financial Year ended March 31, 2024 together with Auditors' Report thereon, pursuant to Regulation 33 and Regulation 52 of the SEBI Listing Regulations.

A copy of the Audited Standalone and Consolidated Financial Results of the Company for the Financial Year ended March 31, 2024 together with Auditors' Report thereon is enclosed for your information.

The meeting of the Board of Directors commenced at 05:30 PM. and ended at 10.45 P.M.

Kindly take the same on record.

Thanking You,
Yours faithfully,

For Kavveri Telecom Products Limited

Chennareddy Shivakumarreddy
Managing Director
DIN: 01189348

INDEPENDENT AUDITOR'S REPORT

To the Members

Kavveri Telecom Products Limited

Report on Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **M/s. Kavveri Telecom Products Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, and statement of cash flows for the year then 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, ***except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph***, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and loss, and its cash flows for the year ended on that date.

Basis of Qualified Opinion

- i. **Material uncertainty related to Going Concern:** During the year the company has incurred a Net loss of Rs. 84.92 Lakhs resulting into accumulated losses of Rs. 9,108.30 Lakhs, which is after recording all the necessary entries based on the write back off of Deposits, Interest receivables and Trade receivables. There is significant decrease in revenue over the past few years. These conditions indicate the existence of a material uncertainty that may cast a significant doubt on the Company's ability to continue as going concern and therefore may be unable to realize its assets and discharge its liabilities in the normal course of business. The ultimate outcome of these matters is at present not ascertainable. Accordingly, we are unable to comment on the consequential impact, if any, on the accompanying standalone financial statements.*

- ii. *In relation to carrying value of investments held by the company in its subsidiaries, which have been incurring losses and in some of these companies, net worth was fully or substantially eroded. Taking into account the management internal assessment and initiatives to be implemented to improve the profitability in the medium to long term, the management of the company is of the view that carrying value of investments are realizable at the value stated in the books. In the absence of fair valuation of these investments, we are unable to comment upon the carrying value and thus, we are unable to comment whether any provision for impairment in the value of investments is required,*
- iii. *The company has not reinstated the forex balances in respect receivables and payables including the related parties balances which is not in conformity with Indian Accounting Standards 21, we are unable to comment the possible effects on the financial statements as the company does not have the details of the forex receivables and payables, further there are no balance confirmations available,*

Emphasis of Matter

Without qualifying our opinion, we draw attention to the below

- i. **Deposits, Loans and Advances** : We draw attention to Note 3 in the financial statements, which describes the write-off of certain deposits. As disclosed in Note 3, during the current year, the company has recognized a write-off of deposits due to their unrecoverable nature. The total value of Deposits written off during the financial year is Rs. 2.51 Lakhs.
The write-off of deposits represents a significant event that has affected the company's financial position. It reflects management's revised assessment of the recoverability of these deposits based on the current information, contractual status, or disputes.
In the absence of confirmations of Loans and Advances, and various advances, we are unable to comment on the extent to which such balances are recoverable,
- ii. **Interest Receivable from Banks** : We draw attention to Note 9 in the financial statements, which describes the write-off of interest receivable from banks. As disclosed in Note 9, during the current year, the company has recognized a write-off of previously recognized interest receivable from bank. The total value of Interest receivable from bank written off during the financial year is Rs. 1.05 Lakhs.
- iii. **Trade Payable, Advances Received and Confirmation** : We draw attention to Note 15 in the financial statements, which describes the write-back of certain trade payables and advances received. As disclosed in Note 15, during the current year, the company has recognized a

reversal of previously recognized trade payables and advances received due to their no longer being payable or refundable. The total value of trade payables and advances write-back during the financial year is Rs. 0.51 Lakhs.

Further, we draw attention to Note 15 & 16 in the financial statements, which describes the absence of confirmation of Trade Payable and Advances as on 31st March 2024. However, the Company is in the process of obtaining the same, based on that we are unable to comment on the extent to which such balances are payable. The total value of Trade Payable as on 31st March 2024 is Rs.46.10 Lakhs.

In the absence of confirmations of Trade Payables and various advances, we are unable to comment on the extent to which such balances are payable,

iv. **Trade Receivables, Advances and Balance Confirmation** : We draw attention to Note 7 & 9 in the financial statements, which describes the absence of confirmation of Trade Receivables and Advances as on 31st March 2024. However, the Company is in the process of obtaining the same, based on that we are unable to comment on the extent to which such balances are recoverable. The total value of Trade Receivable as on 31st March 2024 is Rs.237.18 Lakhs.

In the absence of confirmations of Trade Receivables we are unable to comment on the extent to which such balances are recoverable,

v. **Borrowings** : In the absence of confirmations of borrowings, we are unable to comment on the extent to which such balances are payable,

vi. **Overseas Investment Audit Report** : In our opinion and according to the information and explanations given to us, the Company has not provided the audit reports of the group companies Hence we are unable to ascertain the details of the same.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the 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.

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.

Management's responsibility for the 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 standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 implementation and maintenance of 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 statement 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 Responsibility 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- 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.
- Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained, ***except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph and Emphasis of matter paragraph above***, all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b) **Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph and Emphasis of matter paragraph above**, In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) **Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph and Emphasis of matter paragraph above**, In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014,
- e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 II**”. Our report expresses a modified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended.
In our opinion and to the best of our information and according to the explanations given to us, the company has not paid/provided any managerial remuneration during the year under Audit.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company has not made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company (Refer Note No.16 to Financial Statements).
 - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other

sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

- v. The company has not declared or paid any dividend during the year which is in contravention of the provisions of section 123 of the Companies Act, 2013.

For J K Chopra & Associates,
Chartered Accountants
ICAI Firm’s Registration No. 016071S

JITENDRA
KUMAR
CHOPRA

Digitally signed
by JITENDRA
KUMAR CHOPRA

Jitendra Kumar Chopra
Proprietor
Membership No: 237068
UDIN: 24237068BKCULD2358

Place: Bangalore
Date: 30th May 2024

Annexure I referred to in paragraph [1] under Report on Other Legal and Regulatory Requirements of our report of even date

Annexure to the Independent Auditor's Report of even date to the members of **M/s Kavveri Telecom Products Limited**, on the financial statements for the year ended 31st March 2024.

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) In respect of Fixed Assets:

- a) *(A) The Company has not maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Hence, we are unable to ascertain the details of quantity and situation of Property, Plant and Equipment.*
(B) The Company has not maintained proper records showing full particulars of Intangible Assets.
- b) *The major Property, Plant and Equipment of the company have not been physically verified by the management at reasonable intervals during the year, however they are in the process of doing the physical verification in the current financial year. We are unable to comment on discrepancies that might be arising on such physical verification of PPE that are lying on all locations where physical verification could not be performed.*
- c) *There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.*
- d) *The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024 and accordingly, the requirement to report on clause 3(i)(d) of the Order is not applicable to the Company.*
- e) *According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.*

(ii) In respect of Inventories:

- a) *There are no inventory in the company in order to perform physically verification during the year by the management.*
- b) *The company has not been sanctioned working capital limits in excess of five crore rupees (at any point of time during the year), in aggregate, from banks or financial institutions on the*

- basis of security of current assets; 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.
- (iii)** According to the information and explanation given to us, the Company has during the year, 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, the provisions of clauses 3(iii) of the Order are not applicable.
- (iv)** In our opinion and according to the information and explanations given to us, the company in respect of loans, investments, guarantees and security, provisions of section 185 and 186 of companies act, 2013 have been complied with.
- (v)** The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013 and rules framed there under to the extent notified.
- (vi)** The Company is not in the business of sale of any goods or provision of such services as prescribed by the Central Government under section 148(1) of the Act. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- (vii)** (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, goods and services tax, service tax, value added tax, cess and any other statutory dues applicable are not regularly in deposited by the Company with the appropriate authorities in India,
- (b) There were no disputed amounts payable in respect of Provident Fund, Professional Tax and TDS dues in arrears as at 31st March 2024 for a period of more than 6 months from the date they became payable:
- According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, and cess were in arrears as at the balance sheet date for a period of more than six months from the date they became payable apart from amounts mentioned above. ***However, in respect of Provident Fund, Sales Tax and TDS the company has dues payable for more than 6 months outstanding as on the date of balance sheet, the details of the same are as under:***

Particulars	FY 2023-24	FY 2022-23
Tax Deducted at Source	1,60,70,295	1,56,58,429
Provident Fund	2,78,752	5,29,117
Central Sales Tax (FY 2010-11)	55,59,004	57,69,004
Professional Tax	32,150	32,150
Employee State Insurance Corporation	-	184
Total	2,19,40,201	2,19,88,884

(c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax and CESS which have not been deposited as on 31st March 2024 on account of disputes are given below:

Direct Taxes

Name of the Statute	Nature of Dues	Amount (Rs. in Lakhs)	Period	Forum where dispute pending
Income Tax Act, 1961	Income Tax	19.09	A.Y 2005-06	CIT (A), Bangalore
Income Tax Act, 1961	Income Tax	133.37	A.Y 2006-07	CIT (A), Bangalore
Income Tax Act, 1961	Income Tax	826.14	A.Y 2008-09	CIT (A), Bangalore
Income Tax Act, 1961	Income Tax	430.80	A.Y 2009-10	CIT (A), Bangalore
Income Tax Act, 1961	Income Tax	346.85	A.Y 2010-11	CIT (A), Bangalore
Income Tax Act, 1961	Income Tax	5474.02	A.Y 2011-12	CIT (A), Bangalore
Income Tax Act, 1961	Income Tax	4677.90	A.Y 2012-13	CIT (A), Bangalore
Income Tax Act, 1961	Income Tax	NIL	A.Y 2013-14	CIT (A), Bangalore
Income Tax Act, 1961	Income Tax	607.58	A.Y 2014-15	CIT (A), Bangalore
Income Tax Act, 1961	Income Tax	584.85	A.Y 2015-16	CIT (A), Bangalore
Income Tax Act, 1961	Income Tax	8624.55	A.Y 2017-18	CIT (A), Bangalore

Indirect Taxes

Name of the Statute	Nature of Dues	Amount (Rs. in Lakhs)	Period	Forum where dispute pending
Central Excise	Irregular availment of CENVAT Credit (Including penalty)	33.2	2010-2011	Commissioner of customs and central excise (Appeals) Bangalore
Central Excise	Irregular availment of CENVAT Credit (Including penalty)	1.27	2012-2013	CESTAT Bangalore
Central Excise	Irregular availment of CENVAT Credit (Including penalty)	2.58	2007-2008	Commissioner of customs and central excise (Appeals) Bangalore
Central Excise	Irregular availment of CENVAT Credit (Including penalty)	10.36	2007-2008 & 2008-2009	CESTAT Bangalore
Central Excise	Irregular availment of CENVAT Credit (Including penalty)	7.92	Jul 2012 to Mar 2013	Commissioner of customs and central excise (Appeals) Bangalore

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

- (ix)** The Company has not taken term loans from Banks and Financial institutions during the financial year. The company has defaulted in payment of dues of interest and principal of cash credit and term loans.
- (x)** (a) During the year the Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments).
(b) The Company has not made any Preferential allotment or Private Placement of shares or fully Convertible Debentures (Partly or optionally convertible debentures) during the year under review.
- (xi)** (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
(b) During the year, no report under sub-section (12) of section 143 of the Act, 2013 has been filed by the secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year
- (xii)** In our opinion, the Company is not a nidhi company as per the provisions of the Act. Therefore, the provisions of clause 3(xii)(a) of the Order are not applicable to the Company and hence not commented upon.
- (xiii)** Transactions with the related parties are in compliance with sections 177 and 188 of Act where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable Ind AS Financial Statement as required under Indian Accounting standard (Ind AS) 24, related party disclosures specified under section 133 of the Act, read with relevant rules issued there under.
- (xiv)** The Company is in the process of having an internal audit system commensurate with the size and nature of its business.
- (xv)** According to the information and explanations given to us and on the basis of our examination of the records, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi)** (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii)** The Company has incurred cash losses in the current year of Rs.65.68 Lakhs. The Company has incurred cash losses in the immediately preceding financial year of Rs.126.80/- Lakhs.
- (xviii)** There has been no resignation of the statutory auditors during the year and accordingly requirement to report on clause 3(xviii) of the Order is not applicable to the Company.
- (xix)** On the basis of the financial ratios disclosed in Note 51 to the standalone financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx)** The provisions of Section 135 towards corporate social responsibility are not applicable on the company. Accordingly, the provisions of clause 3(xx) of the Order is not applicable.

For J K Chopra & Associates

Chartered Accountants

ICAI Firm's Registration No. 016071S

JITENDRA Digitally signed
by **JITENDRA**
KUMAR KUMAR
CHOPRA CHOPRA

Jitendra Kumar Chopra

Proprietor

Membership No.237068

UDIN: 24237068BKCULD2358

Place: Bangalore

Date: 30th May 2024

Annexure II to the Independent Auditor's Report

Report on the Internal Financial Controls over Financial Reporting under clause (i) of the Sub-section 3 of the Section 143 of the Companies Act, 2013 ('The Act')

We have audited the internal financial controls over financial reporting of **M/s. Kavveri Telecom Products Limited ('the company')** as of 31st March 2024 in conjunction with our audit of IND AS Financial Statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our Audit. We conducted our audit in accordance with the Guidance note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an Audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. These standards and guidance note require that we comply with ethical requirements and plan and performed the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our Audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed

risk. The procedures selected depend on the Auditor's Judgment, including the assessment of the risk of material misstatement of the IND AS 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 and 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 Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes these policies and procedures that (1) pertain to the maintenance of records that, in reasonable detailed, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS Financial Statements in accordance with generally accepted principles, and that receipts and expenditures are being made only in accordance with authorization of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Ind AS Financial Statements.

Inherent Limitation of Internal Financial Controls over Financial Reporting

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

Basis for Qualified Opinion:

1. The company did not have appropriate internal controls for confirmation and reconciliation of Trade Receivables, Trade Payables, Deposits, Other Current Assets and Current Liabilities.
2. The company did not have fixed asset register as on 31.03.2024.

As a result of above matters, we have not been able to obtain sufficient and appropriate audit evidence in relation to Internal Financial Controls over Financial Reporting and consequently, we are unable to determine whether the company has established adequate internal financial controls over Financial

Reporting and also whether such internal financial controls were operating effectively as at March 31st, 2024.

Qualified Opinion

In our opinion, as a result of the matters given in the Basis of Qualified opinion paragraph in the Audit report of the company, we have not obtained sufficient appropriate audit evidence in respect of those matters specified in the Basis of Qualified opinion paragraph. We are unable to determine whether the company has established adequate internal financial controls over Financial Reporting and also whether such internal financial controls were operating effectively as at 31st March 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 **J K Chopra & Associates**

Chartered Accountants

ICAI Firm's Registration No. 016071S

JITENDRA Digitally signed
KUMAR by JITENDRA
CHOPRA KUMAR
CHOPRA CHOPRA

Jitendra Kumar Chopra

Proprietor

Membership No.237068

UDIN: 24237068BKCULD2358

Place: Bangalore

Date: 30th May 2024

STANDALONE FINANCIAL STATEMENTS

KAVVERI TELECOM PRODUCTS LIMITED

CIN: L85110KA1996PLC019627

FINANCIAL YEAR 2023-24
ASSESSMENT YEAR 2024-25

KAVVERI TELECOM PRODUCTS LIMITED
CIN: L85110KA1996PLC019627
Standalone Balance Sheet as at

(Amount in lakhs)

PARTICULARS	Note No.	31st Mar 2024	31st Mar 2023
ASSETS			
Non - Current Assets			
Property, Plant and Equipment			
Tangible assets	1	118.18	120.78
Intangible Assets	1	19.03	35.68
Capital Work in Progress		-	-
Intangible assets under development		-	-
Financial Assets			
Investments	2	2,834.07	2,834.07
Loans and advances	3	2,423.71	2,453.47
Other Non Current Assets	4	976.87	1,158.02
Deferred Tax Asset	5	-	-
		6,371.86	6,602.02
Current Assets			
Inventories	6	-	0.01
Financial Assets			
Trade Receivables	7	237.18	239.18
Cash and cash Equivalents	8	17.34	22.63
Other Current Assets	9	12.87	84.05
		267.40	345.87
Total		6,639.26	6,947.89

PARTICULARS	Note No.	31st Mar 2023	31st Mar 2022
EQUITIES AND LIABILITIES			
Shareholders' Funds			
Equity share capital	10	2,012.43	2,012.43
Other equity	11	3,672.76	3,757.68
		5,685.19	5,770.11
Non- Current Liabilities			
Financial Liabilities			
Borrowings			
Provisions	12	-	-
Deferred tax liabilities (Net)	13	-	-
		-	-
Current Liabilities			
Financial liabilities			
Borrowings	14	-	-
Trade Payables	15		
(a) Total outstanding dues of micro enterprises and small enterprises		-	-
(b) Total outstanding dues of creditors other than micro & small enterprises		46.10	48.11
Other Current Liabilities	16	674.90	894.69
Provisions	17	233.08	234.98
		954.07	1,177.78
Total		6,639.26	6,947.89

Corporate Information & Summary of significant accounting policies the accompanying notes are an integral part of the financial statements 25 & 26

For J K Chopra & Associates
Chartered Accountants
ICAI Firm Registration No. 016071S

JITENDRA KUMAR CHOPRA Digitally signed by JITENDRA KUMAR CHOPRA

Jitendra Kumar Chopra
Proprietor
Membership No. 237068
UDIN : 24237068BKULD2358

For and on behalf of the board

CHENNAREDDY SHIVAKUMAR REDDY Digitally signed by CHENNAREDDY SHIVAKUMAR REDDY Date: 2024.05.30 22:06:58 +05'30'

C Shiva Kumar Reddy
Managing Director
DIN: 01189348

KASTURI RAJUPET A Digitally signed by KASTURI RAJUPETA Date: 2024.05.30 22:07:30 +05'30'

R H Kasturi
Director
DIN: 00291851

Place: Bangalore
Date: 30th May 2024

KAVVERI TELECOM PRODUCTS LIMITED
CIN: L85110KA1996PLC019627
Standalone Statement of Profit and Loss for the Period ended

(Amount in lakhs except EPS)

PARTICULARS	Note No.	31st Mar 2024	31st Mar 2023
Revenue			
Revenue from operations	18	-	11.00
Other Income	19	16.03	11.50
Write back of Expenses			
Write Back-Bank Loan		-	20,484.23
Write back-Loans & Advances		-	3.56
Write Back-Provision		-	2,299.13
Write Back-Salaries		-	102.26
Write Back-Staff Advance		-	20.51
Write Back-Trade Payable and Advances		0.51	1,062.82
Write Back-Unsecured Loans		-	19.03
Total Income		16.55	24,014.04
Expenses			
Cost of Material Consumed	20	-	-
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	21	-	-
Employee Benefit Expenses	22	1.56	4.14
Finance Costs	23	0.03	0.13
Other Expenses	24	40.94	288.90
Expenses written off			
Write Off-Branch Balance		-	182.58
Write Off-Deposits		2.51	4.76
Write Off-DTA		-	1,722.29
Write Off-Interest Receivable		1.05	249.59
Write Off-Investments		-	2,548.43
Write Off-Loans & Advances (Asset)		-	1.76
Write Off-Staff		-	7.74
Write Off-Trade Receivables and Advances		11.94	10,015.43
Write Off-WIP/CWIP		-	54.17
Write Off-Inventory		-	5,609.63
Depreciation&Amortisation Expenses		19.25	19.25
Total Expenses		77.28	20,708.80
Profit/(loss) before exceptional items and Tax		(60.73)	3,305.24
AFBC Welfare Fund	25	25.00	-
Prior Period Expenses		-	87.74
		(85.73)	3,217.50
Tax Expense:			
Provision for Tax		(0.81)	0.81
Deferred Tax		-	-
Profit/(Loss) for the period		(84.92)	3,216.70
Other comprehensive income			
Total comprehensive income for the period		(84.92)	3,216.70
Earning per equity share of Rs 10/- each:			
Basic		(0.42)	15.98
Diluted		(0.42)	15.98

Corporate Information & Summary of significant accounting policies the accompanying notes are an integral part of the financial statements 25 & 26

For J K Chopra & Associates
Chartered Accountants
ICAI Firm Registration No. 016071S

JITENDRA KUMAR CHOPRA Digitally signed by
JITENDRA KUMAR CHOPRA

Jitendra Kumar Chopra
Proprietor
Membership No. 237068
UDIN : 24237068BKCULD2358

For and on behalf of the board

CHENNAREDDY SHIVAKUMAR REDDY Digitally signed by
CHENNAREDDY SHIVAKUMAR REDDY
Date: 2024.05.30 22:07:55 +05'30'

C Shiva Kumar Reddy
Managing Director
DIN: 01189348

KASTURI RAJUPETA Digitally signed by
KASTURI RAJUPETA
Date: 2024.05.30 22:08:18 +05'30'

R H Kasturi
Director
DIN: 00291851

Place: Bangalore
Date: 30th May 2024

KAVVERI TELECOM PRODUCTS LIMITED
CIN: L85110KA1996PLC019627
Standalone Statement of Cash flow for the period ended

(Amount in lakhs)

Particulars	31st Mar	31st Mar
A. Cash flow from operating activities		
Profit / (Loss) before tax	(85.73)	3,217.50
Adjustments to reconcile profit before tax to net cash from / (used in) operating activities.		
Depreciation on property, plant and equipment	2.60	2.60
Amortisation and impairment of intangible assets	16.65	16.65
WIP Written Off	-	54.17
Inventory written off	-	5,609.63
Investments Written off	-	2,548.43
Write off of DTA	-	1,722.29
Interest receivable written off	1.05	249.59
Loans and advance written off	-	1.76
Write Off-Staff	-	7.74
Write Back-Staff Advance	-	(20.51)
Write back-Loans & Advances (Asset)	-	(3.56)
Write back- Bank Loans	-	(20,484.23)
Write Back-Salaries	-	(102.26)
Write Back-Provision	-	(2,299.13)
Write Off-Branch Balance	-	182.58
Write Off-Deposits	2.51	4.76
Write Off-Sundry Crs & Drs	11.94	10,015.43
Prior Period Expenses	-	87.74
Write Back-Sundry Crs & Drs	(0.51)	(1,062.82)
Write Back-Unsecured Loans	-	(19.03)
(Gain)/loss on sale of property, plant and equipment	-	175.03
Finance income (including fair value change in financial instruments)	(9.25)	(7.36)
Finance costs (including fair value change in financial instruments)	-	-
Operating Profit before working capital changes	(60.75)	(103.00)
Working capital adjustments		
Decrease/ (increase) in Inventory	-	-
(Increase) / decrease in Trade Receivables	2.51	(4,385.54)
Decrease/ (increase) in other Current assets	70.13	56.92
Increase/ (decrease) in Trade Payables	(2.01)	(2,590.72)
Increase/ (decrease) in short term provisions	(1.90)	491.20
(Increase) /Decrease in Short term loans and advances	-	-
Increase/ (decrease) Other Current Liabilities	(219.80)	(232.59)
Sub Total	(151.07)	(6,660.73)
Income tax paid	(0.81)	0.81
Net cash flows from operating activities (A)	(211.02)	(6,763.74)
B. Cash flow from investing activities		
(Increase)/ decrease in Capital-work-in-progress/Fixed Assets	-	-
(Increase)/ decrease in Non-current assets	181.16	6,448.24
Proceeds from sale of assets	-	-
Interest received	9.25	7.36
purchase of intangible assets	-	-
(Increase)/ decrease in Long term loans and advances	27.25	206.45
Net cash flows from / (used in) investing activities (B)	217.67	6,662.05
C. Cash flow from financing activities		
(Increase) /Decrease in long term loans and advances	-	-
Increase/ (decrease) in long term provisions	-	57.71
Proceeds from long term loans and borrowings	-	39.13
Interest payment	-	-
Net Cash flows from / (used in) Financing activities (C)	-	96.85
Net increase / (decrease) in cash and cash equivalents (A+B+C)	6.65	(4.85)
Opening Balance of Cash	22.63	28.28
Closing Balance	29.28	24.44
Components of Cash and Cash Equivalents		
Cash on Hand	2.85	1.70
Balances with bank in current account	14.49	20.94
Balance at the end of the year	17.34	22.63

For J K Chopra & Associates
Chartered Accountants
ICAI Firm Registration No. 016071S

JITENDRA KUMAR CHOPRA Digitally signed by JITENDRA KUMAR CHOPRA

Jitendra Kumar Chopra
Proprietor
Membership No. 237068
UDIN : 24237068BKCULD2358

For and on behalf of the board

CHENNAREDDY SHIVAKUMAR REDDY Digitally signed by CHENNAREDDY SHIVAKUMAR REDDY Date: 2024.05.30 22:09:09 +05'30'

C Shiva Kumar Reddy
Managing Director
DIN: 01189348

KASTURI RAJUPETA Digitally signed by KASTURI RAJUPETA Date: 2024.05.30 22:09:25 +05'30'

R H Kasturi
Director
DIN: 00291851

Place: Bangalore
Date: 30th May 2024

10 Share Capital:

Particulars	31-Mar-24	31-Mar-23
Authorised Capital		
2,50,00,000 (March 31, 2023: 2,50,0000) Equity shares of Rs. 10/- each	2,500.00	2,500.00
Issued, subscribed & fully paid up Capital		
2,01,24,260 (March 31, 2023) Equity shares of Rs. 10/- each	2,012.43	2,012.43
Less: Calls Unpaid by others		
Total	2,012.43	2,012.43

a. Terms/ rights attached to the equity shares:

- i) The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- . Each, holder of equity shares is entitled to one vote per share.
- ii) The Company did not declare any dividend during the accounting period under reporting.
- iii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in proportion to the number of equity shares held by the share holders.
- iv) No shares have been issued for consideration other than cash during the immediately preceding five years from the end of the reporting period.

b. Reconciliation of equity shares outstanding as at the beginning and at the end of the reporting Period

Particulars	31-Mar-24	31-Mar-23
	No. of Shares	No. of Shares
Equity shares		
Ordinary equity shares		
Balance at the beginning of the year	201.24	201.24
Issued during the year	-	-
Balance at the end of the year	201.24	201.24

c. Details of Shares held by shareholders, holding more than 5% of the aggregate shares in the Company.

Particulars	No. of shares		Share holding	
	Current Year	Previous Year	Current Year	Previous Year
Ashish Nanda	11,78,307	14,70,000	5.86%	7.30%
C Uma Reddy	17,50,100	17,50,100	8.70%	8.70%
Karjat Trade Place Private Limited	14,34,214	14,34,214	7.13%	7.13%

Shares held by promoters at the end of the year			% Change during the year
Promoter Name	No. of shares	% of Total Shares	
C Uma Reddy	17,50,100	8.70	-
Shiva Kumar Reddy	7,73,854	3.85	-
R H Kasturi	5,21,977	2.59	-
Sankethram Reddy Chenna Reddy	-	-	100%
Mokshit Reddy Channa Reddy	-	-	100%

KAVVERI TELECOM PRODUCTS LIMITED
Statement of changes in Equity

(Amount in lakhs)

A. Equity Share Capital:

Particulars	Shares	Amount
Balance as at April 1, 2022	2,01,24,260	2,012.43
Changes in equity Share Capital	-	-
Balance as at March 31, 2023	2,01,24,260	2,012.43
Balance as at April 1, 2023	2,01,24,260	2,012.43
Changes in equity Share Capital	-	-
Balance as at Mar 31, 2024	2,01,24,260	2,012.43

KAVVERI TELECOM PRODUCTS LIMITED
Statement of changes in Equity

(Amount in lakhs)

Particulars	Reserves & Surplus				Items of Other comprehensive			Total
	General Reserve	Capital Reserve	Securities Premium	Employee Stock Option Outstanding	Retained earnings	Equity Instruments through other comprehensive income	Other items of other comprehensive income	
Balance at April 1, 2022	907.44	73.26	11,800.36	124.61	(12,220.53)	-	-	685.15
Changes in equity for the year ended March 31, 2022								
Transfer to General Reserve	-	-	-	(124.61)	(19.55)	-	-	(144.16)
Equity instruments through other comprehensive income	-	-	-	-	-	-	-	-
Changes in accounting policy / prior period errors	-	-	-	-	3,216.70	-	-	3,216.70
Profit for the period	-	-	-	-	-	-	-	-
Addition to capital reserve	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	907.44	73.26	11,800.36	-	(9,023.38)	-	-	3,757.68
Changes in equity for the Period ended Mar 31, 2024								
Transfer to General Reserve	-	-	-	-	-	-	-	-
Equity instruments through other comprehensive income	-	-	-	-	-	-	-	-
Changes in accounting policy / prior period errors	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	(84.92)	-	-	(84.92)
Addition to capital reserve	-	-	-	-	-	-	-	-
Balance as at Mar 31, 2024	907.44	73.26	11,800.36	-	(9,108.30)	-	-	3,672.76

2 Investments

Particulars	31st Mar 2024	31st Mar 2023
Investment in subsidiaries ¹	2,834.07	2,834.07
Total	2,834.07	2,834.07

¹ (i) The company has recognized a loss and fully written off its investments in certain domestic and overseas subsidiaries. The total value of Investments written off during the financial year is Rs.Nil/- (Previous Year - Rs.2548.43/- Lakhs.) Further, we have not received the balance confirmation for the closing balance of Investments as on 31st March 2024.

(ii) The write-off of the investments in domestic and overseas subsidiaries has resulted in a recognition of loss in the financial statements. Consequently, the financial statements reflect a reduced net profit and an adjustment to the carrying value of the investments.

3 Loans and advances

Particulars	31st Mar 2024	31st Mar 2023
Advances Other than capital advances		
Margin Money Deposits	11.77	10.63
Advances ²	-	-
Other Deposits ³	131.03	111.23
Loans and advances to Related Parties	431.05	484.06
Loans and advances to Subsidiaries ⁴	1,849.85	1,847.56
Advance Given for OTS Proposal ⁵	-	-
Total	2,423.71	2,453.47

² The company has recognized a reversal of previously recognized Advances due to their no longer being recoverable. The total value of Advances written off during the financial year is Rs.Nil/- (Previous Year - Rs. 182.58 Lakhs), balances in the accounts of Advances are subject to confirmation from the respective parties.

³ The company has recognized a reversal of previously recognized Other Deposits due to their no longer being treated as deposits. The total value of Other Deposits written off during the financial year is Rs.2.51 Lakhs (Previous Year - Rs. 14.61 Lakhs)

⁴ The company has recognized a reversal of previously recognized Loans and advances to Subsidiaries due to their no longer being treated as Loans and advances to Subsidiaries. The total value of Loans and advances to Subsidiaries written off during the financial year is Rs.Nil/- (Previous Year Rs. 1.16 Lakhs). Further, we have not received the balance confirmation for the closing balance of Other Deposits as on 31st March 2024.

⁵ Advances given for OTS Proposal have been set off during the previous year 2022-23 after receiving the order of OTS with respective liabilities amounting to Rs.250 Lakhs.

4 Other Non Current Assets

Particulars	31st Mar 2024	31st Mar 2023
Balance with Revenue authorities	1.00	31.39
Excise Duty under Protest	262.62	262.62
Other Non current assets	713.25	864.02
Total	976.87	1,158.03

5 Deferred Tax Asset

Particulars	31st Mar 2024	31st Mar 2023
Deferred Tax Asset ⁶	-	-
Add:- Current Year DTA	-	-
Total	-	-

⁶ The company has written off the deferred tax asset due to the lack of future virtual certainty to earn future taxable income. The total value of Deferred Tax Assets written off during the financial year is Rs. Nil/- (Previous Year Rs. 1,722.29 Lakhs).

6 Inventories⁷

Particulars	31st Mar 2024	31st Mar 2023
Finished Goods	-	-
Work-in-progress	-	-
Raw Materials	-	-
Stock In Trade	-	0.01
Total	-	0.01

⁷ The company has written off the carrying value of inventories that have been transferred to the banks as part of the OTS settlement agreement. The total value of Inventory write-back on OTS Scheme of Cash Credit and Term Loan along with interest due during the financial year is Rs.Nil/- (Previous Year Rs. 5,609.63 Lakhs).

7 Trade Receivables

Particulars	31st Mar 2024	31st Mar 2023
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured and considered good ⁸	237.18	239.18
Other Receivables	-	-
Unsecured and considered good	-	-
Total	237.18	239.18

⁸ The company has written-off of certain trade receivables due to their irrecoverable nature. The total value of trade receivables written off during the financial year is Rs. Nil/- (Previous Year Rs. 3670.44 Lakhs.)

8 Cash and Cash Equivalents

Particulars	31st Mar 2024	31st Mar 2023
Cash & Cash Equivalents :		
Balances with Banks		
In Current Accounts	12.57	18.22
In Unpaid Dividend Account ⁹	1.92	2.72
Cash in Hand	2.85	1.70
Total	17.34	22.63

⁹ The Current year balance of unpaid dividend of Rs. 0.80 Lakhs for the FY 2006-07 is transfer to the Investor Protection and Education Fund and for FY 2008-09 is not transferred to the Investor Protection and Education Fund as the State Bank of India is not able to provide the investor wise dividend due information, hence the liability is still shown in the book of accounts even though it is due beyond 7 years.

9 Other Current Assets

Particulars	31st Mar 2024	31st Mar 2023
a) Income Accrued On Deposits(Unsecured,considered good) ¹⁰	5.59	8.80
b) GST Input Tax Credit	5.43	69.24
c) Loan and advances ¹¹	1.85	6.00
Total	12.87	84.05

¹⁰ The company has written-back interest receivable from its subsidiaries and from SBI bank due to their irrecoverable nature. The total value of Interest receivable from SBI bank and subsidiary written off during the financial year is Rs. 1.05 lakhs (Previous Year Rs.249.59 Lakhs)

¹¹ The company has write-back Loans and Advances of Rs.Nil/- (Previous Year Rs. 3.89 Lakhs) due to their irrecoverable nature.

11 Other Equity

Particulars	31st Mar 2024	31st Mar 2023
Securities Premium		
As per last Balancesheet	11,800.36	11,800.36
Investment Allowance Reserve		
As per last Balancesheet	-	-
Share Application Money Pending Allotment		
As per last Balancesheet	-	-
Capital Reserve		
As per last Balancesheet	73.26	73.26
Employee Stock option outstanding		
Opening balance	-	124.61
Add: New Grants during the year	-	-
Less:- Transfer to Securities premium Account ¹²	-	124.61
Less:- Transfer to Securities premium Account	-	-
Less:- Transfer towards Lapsed options	-	-
Less:- Deferred stock compensation cost	-	-
	-	-
General Reserve		
As per last Balancesheet	907.44	907.44
Retained Earnings/ (Surplus)		
Surplus/(deficit) in the statement of profit and loss:		
Balance as at the beginning of the year	(9,003.83)	(12,220.53)
Changes in accounting policy / prior period errors	-	-
Add: change to profit / (loss) for the year	(84.92)	3,216.70
Balance as at the end of the year	(9,088.76)	(9,003.83)
Total	3,692.31	3,777.23

^{12.} The company has transferred the Employee Stock option outstandings to Reserve amounting to Rs.Nil/- (Previous Year Rs.124.61 Lakhs) as there are no employees in the company and the period to exercise the Employee Stock Options has been lapsed.

12 Provisions -Non Current ¹³

Particulars	31st Mar 2024	31st Mar 2023
Provisions for Gratuity	-	-
Provisions for Leave Encashment	-	-
Provisions for Warranty	-	-
Other Provisions	-	-
Total	-	-

^{13.} The company has reversed previously recognized provisions for Gratuity, Leave encashment, warranty and other provisions due to changes in estimates or settlements. The total value of Gratuity, Leave encashment, warranty and other provisions write-back during the financial year is Rs.Nil/- (Previous Year Rs. 2,241.42 Lakhs.)

13 Deferred Tax Liability

Particulars	31st Mar 2024	31st Mar 2023
Deferred Tax Liability	-	-
Total	-	-

14 Borrowings- Current

Particulars	31st Mar 2024	31st Mar 2023
Loans repayable on Demand		
From Banks ¹⁴	-	-
Total	-	-

^{14.} The Company has defaulted in repayment of cash credit and term loan which were availed from State Bank of India. The Bank has issued notice U/s. 13(2) of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 to recover the amount which includes outstanding interest towards cash credit and term loan availed by the Company. Later on the bank has transferred the outstanding due to Edelweiss Asset Reconstruction Company (EARC) for the purpose of recovery of dues from the Company, further all securities provided by the company to Bank against Term loan and cash credit were also transferred to the Asset Reconstruction Company as informed by Bank to the Company. The Company has approached Edelweiss ARC Ltd for One Time Settlement (OTS) Proposal. The company has paid the Rs. 2.5 Crores to EARC in consonance with the timeline detailed under the acceptance letter. The total value of loan and interest waived off as per books of accounts and credit to profit and loss account for the year is Rs.Nil/- (Previous Year Rs.20,503.62 Lakhs).

15 Trade Payables

Particulars	31st Mar 2024	31st Mar 2023
Trade Payables		
- Dues to MSME'S		-
- Other Payables ¹⁵	46.10	48.11
Total	46.10	48.11

^{15.} The company has written back trade payables as they are no longer payable. The total value of trade payables write-back during the financial year is Rs. 0.51 Lakhs (Previous Year Rs.1122.64 Lakhs.)

16 Other Current Liabilities

Particulars	31st Mar 2024	31st Mar 2023
(a) Term Loan account with State Bank of India ¹⁶	-	-
(b) Unpaid dividend	1.92	2.72
(c) Statutory Dues Payable	143.17	217.82
(d) Others Payable	529.81	674.15
(e) Advance received from customers	-	-
Total	674.90	894.69

^{16.} The company has written back the balance in the Term Loan account with State Bank of India as they are no longer payable. The total value of Term Loan account with State Bank of India write-back during the financial year is Rs.Nil/- (Previous Year Rs. 289.13 Lakhs).

17 Provisions

Particulars	31st Mar 2024	31st Mar 2023
Provisions for Employee Benefits ¹⁷	1.68	1.87
Provisions for Income Tax	231.40	233.11
Total	233.08	234.98

^{17.} The company has written back the balance in salary payable and employee advances as they are not longer being payable. The total value of salary payable and employee advances write-back during the financial year is Rs.Nil/- (Previous Year Rs.95.31 Lakhs.)

18 Revenue From Operations

Particulars	31st Mar 2023	31st Mar 2022
(a) Sale of Products	-	11.00
(b) Sale of Services	-	-
Total	-	11.00

19 Other Income

Particulars	31st Mar 2023	31st Mar 2022
Interest Income From FD	9.25	7.36
Long Term Capital Gain	-	3.87
Dividend Received	-	0.26
Other Income ¹⁸	6.78	-
Total	16.03	11.50

¹⁸ The company has accounted for the GST ITC of earlier years which was charged off to Profit and Loss account amounting to Rs.6.78 Lakhs (Previous Year Rs.Nil/-).

20 Cost of Materials consumed

Particulars	31st Mar 2023	31st Mar 2022
Material Consumption:		
Opening Stock of Raw Materials	-	552.83
Add: Purchases During the year	-	-
Less: Closing Stock of Raw material	-	-
Less: Inventory written off ¹⁹	-	552.83
	-	-
Packing Materials		
Opening Stock of Raw Materials	-	-
Add: Purchases During the year	-	-
Less: Closing Stock of Raw material	-	-
	-	-
Total	-	-

¹⁹ The company has recognized a loss and written off the carrying value of inventories that have been transferred to the banks as part of the settlement agreement. The total value of Inventory write-back on One Time Settlement Scheme of Cash Credit and Term Loan along with interest due during the financial year is Rs.Nil/- (Previous Year Rs. 552.83 Lakhs).

21 Changes in inventories of finished goods, work-in-progress and stock-in-trade ²⁰

Particulars	31st Mar 2023	31st Mar 2022
<u>Finished Goods</u>		
Finished goods at the beginning of the year	-	343.08
Less: Finished goods at the end of the year	-	-
Less: Inventory written off	-	343.08
	-	-
<u>Work in Progress</u>		
Finished goods at the beginning of the year	-	20.06
Less: Finished goods at the end of the year	-	-
Less: Inventory written off	-	20.06
	-	-
<u>Stock in trade</u>		
Finished goods at the beginning of the year	-	4,693.66
Less: Finished goods at the end of the year	-	-
Less: Inventory written off	-	4,694
	-	-
<u>Increase or Decrease in Inventories - (A - B)</u>	-	-

²⁰ The company has recognized a loss and written off the carrying value of inventories that have been transferred to the banks as part of the settlement agreement. The total value of Inventory write-back on One Time Settlement Scheme of Cash Credit and Term Loan along with interest due during the financial year is Rs.Nil/- (Previous Year Rs. 5057.14 Lakhs).

22 Employee Benefit Expenses

Particulars	31st Mar 2023	31st Mar 2022
(a) Salaries, Wages & Bonus	1.56	4.14
(b) Contribution to Provident & Other Funds	-	-
(c) Staff Welfare Expenses	-	-
Total	1.56	4.14

23 Finance Costs

Particulars	31st Mar 2023	31st Mar 2022
a) Interest Expenses		
- Interest on Long term borrowings	-	-
- Interest on Cash Credit & Packing Credit	-	-
- Bank charges and Processing charges	0.03	0.13
Total	0.03	0.13

24 Other Expenses

Particulars	31st Mar 2023	31st Mar 2022
(a) Telephone & Internet Charges	1.80	1.81
(b) Freight	-	0.44
(c) Rates and Taxes	7.48	23.49
(d) Travelling and Conveyance	0.17	0.05
(e) Statutory Auditors : Audit fees	2.10	1.59
(f) Legal fees & consultancy charges	7.35	1.00
(g) Service Charges	1.06	0.11
(h) Administrative Expenses	3.60	20.57
(j) Other Expenses	0.97	60.41
(k) Advertisement Expenses	0.83	0.77
(l) Foreign loss	0.21	0.39
(m) Listing Fees	4.60	2.03
(n) Director sitting fee	0.80	1.20
(o) Loss on Sale of Assets	-	175.03
(P) Professional Charges	9.97	-
Total	40.94	288.90

25 Exceptional Items

Particulars	31st Mar 2023	31st Mar 2022
AFBC Welfare Fund ²¹	25.00	0
Total	25.00	-

²¹. The company has made a payment of Rs.25 Lakhs to Armed Forces Battle Casualties Welfare Fund based on the order received from Supreme Court dated 12th January 2024 for violation of statutory provision of law for non-depositing the dividend amount for FY 2011-12 within 5 days and also not disbursing within 30 days.

KAVVERI TELECOM PRODUCTS LIMITED

1. Notes to financial statements for the year ended Mar 31, 2023

(Amount in lakhs)

1. Property, Plant and Equipment & Intangible assets	Furnitures	Office Equipment	Plant & Machinery	Land (Lease hold)	Computers	Vehicles	Buildings	Computer Software	Technical Know how	Total tangible assets	Total intangible assets	Capital Work in progress
Cost												
As on April 1, 2021	103.14	6.73	2,986.00	113.78	242.92	146.52	-	288.27	1,044.55	3,599.09	1,332.83	54.17
Additions	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2022	103.14	6.73	2,986.00	113.78	242.92	146.52	-	288.27	1,044.55	3,599.09	1,332.83	54.17
Additions	-	-	-	-	-	-	-	-	-	-	-	-
Disposals ²²	-	-	-	-	-	-	-	-	-	-	-	-
As at Mar 31, 2023	103.14	6.73	2,986.00	113.78	242.92	146.52	-	288.27	1,044.55	3,599.09	1,332.83	54.17
Depreciation / Amortization												
As on April 1, 2021	103.14	5.93	2,658.01	-	242.92	146.52	-	235.94	1,044.55	3,156.53	1,280.49	-
Charge for the year	-	0.08	2.51	-	-	-	-	16.65	-	2.60	16.65	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2022	103.14	6.02	2,660.53	-	242.92	146.52	-	252.59	1,044.55	3,159.12	1,297.14	-
Charge for the period	-	0.08	2.51	-	-	-	-	16.65	-	2.60	16.65	-
Disposals ²⁰	-	-	-	-	-	-	-	-	-	-	-	54.17
As at March 31, 2023	103.14	6.10	2,663.04	-	242.92	146.52	-	269.24	1,044.55	3,161.72	1,313.79	54.17
Net Block												
As at April 01, 2021	0.00	0.80	327.99	113.78	-	-	-	52.33	-	442.56	52.33	54.17
As at March 31, 2022	0.00	0.72	325.47	113.78	-	-	-	35.68	-	439.97	35.68	54.17
As at March 31, 2023	0.00	0.63	322.96	113.78	-	-	-	19.03	-	437.37	19.03	-

²² Out of the total Plant and Machinery disposed amounting to Rs.2950.43 Lakhs, Rs.35.57 Lakhs were sold in the FY 2022-23 and the balance of Rs.2914.86 Lakhs were sold in the earlier years which were not reduced from the Plant and Machinery, has been rectified in the current financial year (2022-23), relevant accumulated depreciation for the Plant and Machinery sold has also been reduced.

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Corporate Information & Summary Of Significant Accounting Policies**All amounts in INR Lakhs, Except No. of shares & EPS****26. Corporate Information**

M/s Kavveri Telecom Products Limited ('company' or 'Kavveri') was incorporated in 1996 and is engaged in the design, development and manufacture of Radio Frequency products and antennae for telecom, defense and space applications in India and abroad. Kavveri enjoys the status of being the largest manufacturer of wireless subsystem products like, Radio frequency products and antenna and Radio Frequency products in India. Kavveri also provides total turnkey solutions for coverage and capacity enhancement requirements for GSM 3G and CDMA carriers in India

27. SIGNIFICANT ACCOUNTING POLICIES**Basis of preparation**

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

(i) Compliance with IndAS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015, 2016 & 2017 and other relevant provisions of the Act.

(ii) Historical cost convention

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

- Certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value;
- Assets held for sale – measured at fair value less cost to sell; and
- Defined benefit plans – plan assets measured at fair value;

Significant Accounting Estimates and Judgments

Estimates, assumptions concerning the future and judgments are made in the preparation of the financial statements. They affect the application of the Company's accounting policies, reporting amounts of assets, liabilities, income and expense and disclosures made. Although these estimates are based on management's best knowledge of current events and actions, actual result may differ from those estimates.

The critical accounting estimates and assumptions used and areas involving a high degree of judgments are described below:

Use of estimation and assumptions

In the process of applying the entity's accounting policies, management had made the following estimation and assumptions that have the significant effect on the amounts recognised in the financial statements.

KAVVERI TELECOM PRODUCTS LIMITED**CIN : L85110KA1996PLC019627****Corporate Information & Summary Of Significant Accounting Policies****All amounts in INR Lakhs, Except No. of shares & EPS****Income tax**

The company recognizes tax liabilities based upon self-assessment as per the tax laws. When the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such final determination is made.

Property, plant and equipment & Intangible Assets

Key estimates related to long-lived assets (property, plant and equipment and intangible assets) include useful lives, recoverability of carrying values and the existence of any retirement obligations. As a result of future decisions, such estimates could be significantly modified. The estimated useful lives of long-lived assets is applied as per the Schedule II of Companies Act, 2013 and estimated based upon our historical experience, engineering estimates and industry information. These estimates include an assumption regarding periodic maintenance and an appropriate level of annual capital expenditures to maintain the assets.

Employee Benefits- Measurement of Defined Benefit Obligation

Management assesses post-employment and other employee benefit obligations using the projected unit credit method based on actuarial assumptions which represent management's best estimates of the variables that will determine the ultimate cost of providing post-employment and other employee benefits.

Critical judgments made in applying accounting policies**Impairments in Subsidiaries and Associates**

When a subsidiary is in net equity deficit and has suffered operating losses, a test is made whether the investment in the investee has suffered any impairment, in accordance with the stated accounting policy. This determination requires significant judgment. An estimate is made of the future profitability of the investee, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, and financing and operational cash flows.

Impairment of plant & equipment and Intangible assets

The company assesses whether plant & equipment and intangible assets have any indication of impairment in accordance with the accounting policy. The recoverable amounts of plant & equipment and intangible asset have been determined based on value-in-use calculations. These calculations require the use of judgment and estimates.

KAVVERI TELECOM PRODUCTS LIMITED**CIN : L85110KA1996PLC019627****Corporate Information & Summary Of Significant Accounting Policies****All amounts in INR Lakhs, Except No. of shares & EPS****Expected credit loss**

Expected credit losses of the company are based on an evaluation of the collectability of receivables. A considerable amount of judgment is required in assessing the ultimate realization of these receivables, including their current creditworthiness, past collection history of each customer and ongoing dealings with them. If the financial conditions of the counterparties with which the Company contracted were to deteriorate, resulting in an impairment of their ability to make payments, additional expected credit loss may be required.

I. Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Cost includes its purchase price (after deducting trade discounts and rebates), import duties & non-refundable purchase taxes, if any costs directly attributable to bringing the asset to the location & condition necessary for it to be capable of operating in the manner intended by management, borrowing costs on qualifying assets and asset retirement costs. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The activities necessary to prepare an asset for its intended use or sale extend to more than just physical construction of the asset. It may also include technical (DPR, environmental, planning, Land acquisition and geological study) and administrative work such as obtaining approvals before the commencement of physical construction.

The cost of replacing a part of an item of property, plant and equipment is capitalized if it is probable that the future economic benefits of the part will flow to the Company and that its cost can be measured reliably. The carrying amount of the replaced part is derecognized.

Costs of day to day repairs and maintenance costs are recognized into the statement of profit and loss account as incurred.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Corporate Information & Summary Of Significant Accounting Policies**All amounts in INR Lakhs, Except No. of shares & EPS**

The residual values, estimated useful lives and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognised in the profit or loss in the year the asset is derecognized.

Assets under installation or under construction as at the Balance Sheet date are shown as Capital Work in Progress.

Depreciation

Depreciation is provided on Straight Line Method, as per the provisions of schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment. Asset class wise useful lives in years are as under:

Plant and Machinery	1 to 25
Buildings	8 to 60
Computers and equipment	3 to 6
Furniture & fixtures	10 to 15
Vehicles	8 to 10
Office equipment	5 to 15

Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use.

In respect of additions / deletions to the fixed assets / leasehold improvements, depreciation is charged from the date the asset is ready to use / up to the date of deletion.

Depreciation on adjustments to the historical cost of the assets on account of reinstatement of long term borrowings in foreign currency, if any, is provided prospectively over the residual useful life of the asset.

II. Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. The company amortizes Computer software using the straight-line method.

Financial Assets

Financial assets comprise of investments in equity and debt securities, trade receivables, cash and cash equivalents and other financial assets.

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Corporate Information & Summary Of Significant Accounting Policies

All amounts in INR Lakhs, Except No. of shares & EPS

Initial recognition:

All financial assets are recognised initially at fair value. Purchases or sales of financial asset that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the assets.

Subsequent Measurement:

(i) Financial assets measured at amortised cost:

Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost using effective interest rate (EIR) method. The EIR amortization is recognised as finance income in the Statement of Profit and Loss.

The Company while applying above criteria has classified the following at amortised cost:

- a) Trade receivable
- b) Cash and cash equivalents
- c) Other Financial Asset

(ii) Financial assets at fair value through other comprehensive income (FVTOCI):

Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, selling the financial assets and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at FVTOCI.

Fair Value movements in financial assets at FVTOCI are recognised in other comprehensive income.

Equity instruments held for trading are classified as at fair value through profit or loss (FVTPL). For other equity instruments the company classifies the same as at FVTOCI. The classification is made on initial recognition and is irrevocable. Fair value changes on equity investments at FVTOCI, excluding dividends are recognised in other comprehensive income (OCI).

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Corporate Information & Summary Of Significant Accounting Policies

All amounts in INR Lakhs, Except No. of shares & EPS

(iii) Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss if it does not meet the criteria for classification as measured at amortised cost or at fair value through other comprehensive income. All fair value changes are recognised in the statement of profit and loss.

(iv) Investment in subsidiaries, joint ventures & associates are carried at cost in the separate financial statements.

Impairment of Financial Assets:

Financial assets are tested for impairment based on the expected credit losses.

(i) Trade Receivables

An impairment analysis is performed at each reporting date. The expected credit losses over life time of the asset are estimated by adopting the simplified approach using a provision matrix which is based on historical loss rates reflecting current condition and forecasts of future economic conditions. In this approach assets are grouped on the basis of similar credit characteristics such as industry, customer segment, past due status and other factors which are relevant to estimate the expected cash loss from these assets.

(ii) Other financial assets

Other financial assets are tested for impairment based on significant change in credit risk since initial recognition and impairment is measured based on probability of default over the life time when there is significant increase in credit risk.

De-recognition of financial assets

A financial asset is derecognized only when:

- The company has transferred the rights to receive cash flows from the financial asset or
- The contractual right to receive cash flows from financial asset is expired or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset and transferred substantially all risks and rewards of ownership of the financial asset, in such cases the financial asset is derecognized. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is also derecognized if the company has not retained control of the financial asset.

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Corporate Information & Summary Of Significant Accounting Policies**All amounts in INR Lakhs, Except No. of shares & EPS****III. Impairment of Non-Financial Assets**

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

IV. Inventories

Raw materials, consumables, stores and spares and finished goods are valued at lower of cost and net realizable value. Cost is determined on weighted average cost method.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

V. Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Deposits with banks subsequently measured at amortized cost and short term investments are measured at fair value through Profit & Loss account.

VI. Share Capital

Equity shares are classified as equity.

VII. Financial Liabilities**Initial recognition and measurement**

Financial liabilities are recognized when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The company determines the classification of its financial liabilities at initial recognition.

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Corporate Information & Summary Of Significant Accounting Policies**All amounts in INR Lakhs, Except No. of shares & EPS**

All financial liabilities are recognized initially at fair value plus any directly attributable transaction costs, such as loan processing fees and issue expenses.

Subsequent measurement – at amortized cost

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the liabilities are derecognized, and through the amortization process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

VIII. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

IX. Employee Benefits

Employee benefits are charged to the statement of Profit and Loss for the year and for the projects under construction stage are capitalised as other direct cost in the Capital Work in Progress / Intangible asset under development.

Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are recognized, when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

Gratuity liability is defined benefit obligations and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Re-measurement in case of defined benefit plans gains and losses arising from experience adjustments and changes in actuarial assumptions

KAVVERI TELECOM PRODUCTS LIMITED**CIN : L85110KA1996PLC019627****Corporate Information & Summary Of Significant Accounting Policies****All amounts in INR Lakhs, Except No. of shares & EPS**

are recognized in the period in which they occur, directly in other comprehensive income and they are included in retained earnings in the statement of changes in equity in the balance sheet.

Compensated absences are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Re-measurement as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The amount of Non-current and Current portions of employee benefits is classified as per the actuarial valuation at the end of each financial year.

X. Stock Option Plan (2008):

The Company instituted the Kavveri ESOS 2008 Plan for all eligible employees in pursuance of the special resolution approved by the shareholders by Postal ballot on 23rd April 2008. The Kavveri ESOS 2008 Plan covers all employees of the company and its subsidiaries and Directors (excluding Promoter Directors) of the Company and its subsidiaries (collectively, “eligible employees”). Under the Scheme, the Compensation Committee of the Board (‘the Committee’) shall administer the Scheme and grant stock options to eligible directors and employees of the Company and its Subsidiaries. The Committee shall determine the employees eligible for receiving the options, the number of options to be granted, the exercise price, the vesting period and exercise period. Vesting of employee stock options granted occurs in tranches as under:

Period	Vesting proportion
At the end of one year from the date of grant	20%
At the end of two years from the date of grant	30%
At the end of three years from the date of grant	50%

The exercise price for the purpose of exercise of options will be at Rs.10/- per share i.e. at par. The employee stock options granted shall be capable of being exercised within a period of 5 years from the date of vesting options or such lesser period as may be decided by the Compensation Committee from time to time.

Under the Scheme 3,07,200 stock options out of the total of 5,00,000 stock options reserved for grant of options having an exercise price equal to the par value of the underlying equity shares on the date of grant (i.e. Rs. 10 per option) are outstanding as at the balance sheet date.

As the number of shares that an individual employee is entitled to receive and the price of the options are known at the grant date, the scheme is considered as a fixed grant.

KAVVERI TELECOM PRODUCTS LIMITED**CIN : L85110KA1996PLC019627****Corporate Information & Summary Of Significant Accounting Policies****All amounts in INR Lakhs, Except No. of shares & EPS**

In the case of termination of employment, all non-vested options would stand cancelled. Options that have been vested but have not been exercised can be exercised within the time prescribed under each option agreement by the Committee or if no time limit is prescribed, within 30 days of the date of employment termination, failing which they would stand cancelled.

The Company follows intrinsic method of accounting based on which the compensation cost is recognized in the Statement of Profit and Loss.

XI. Income Taxes

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current income taxes for the current period, including any adjustments to tax payable in respect of previous years, are recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the tax rates that are enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases using the tax rates that are expected to apply in the period in which the deferred tax asset or liability is expected to settle, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable income will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and reduced accordingly to the extent that it is no longer probable that they can be utilized.

In the situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period.

Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent that it has become reasonably certain, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Corporate Information & Summary Of Significant Accounting Policies**All amounts in INR Lakhs, Except No. of shares & EPS**

Deferred tax assets and liabilities are offset when there is legally enforceable right of offset current tax assets and liabilities when the deferred tax balances relate to the same taxation authority. Current tax asset and liabilities are offset where the entity has legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

XII. Provisions, Contingent Liabilities and Contingent Assets***Provisions***

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense and is recorded over the estimated time period until settlement of the obligation. Provisions are reviewed and adjusted, when required, to reflect the current best estimate at the end of each reporting period.

The Company recognizes decommissioning provisions in the period in which a legal or constructive obligation arises. A corresponding decommissioning cost is added to the carrying amount of the associated property, plant and equipment, and it is depreciated over the estimated useful life of the asset.

A provision for onerous contracts is recognized when the expected benefits to be derived by the company from a contract are lower than the unavoidable cost of meeting its obligations under contract. The provision is measured at the present value of the lower of expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the company recognizes any impairment loss on the assets associated with that contract.

Liquidated Damages / Penalty as per the contracts / Additional Contract Claims / Counter Claims under the contract entered into with Vendors and Contractors are recognized at the end of the contract or as agreed upon.

Contingent Liabilities

Contingent liability is disclosed in case of a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;

A present obligation arising from past events, when no reliable estimate is possible;

KAVVERI TELECOM PRODUCTS LIMITED**CIN : L85110KA1996PLC019627****Corporate Information & Summary Of Significant Accounting Policies****All amounts in INR Lakhs, Except No. of shares & EPS**

A possible obligation arising from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company where the probability of outflow of resources is not remote.

Contingent Assets

Contingent assets are not recognized but disclosed in the financial statements when an inflow of economic benefits is probable.

XIII. Fair Value Measurements

Company uses the following hierarchy when determining fair values:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices); and,

Level 3 – Inputs for the asset or liability that are not based on observable market data.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting dates. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The fair value for these instruments is determined using Level 1 inputs.

The fair value of financial instruments that are not traded in an active market (for example, over the counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is fair valued using level 2 inputs.

If one or more of the significant inputs is not based on observable market data, the instrument is fair valued using Level 3 inputs. Specific valuation techniques used to value financial instruments include:

Quoted market prices or dealer quotes for similar instruments;

The fair value of interest rate swaps is calculated as the present value of the estimated future cashflows based on observable yield curves;

The fair value of forward foreign exchange contracts is determined using forward exchange rates at the reporting dates, with the resulting value discounted back to present value;

Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Corporate Information & Summary Of Significant Accounting Policies

All amounts in INR Lakhs, Except No. of shares & EPS

XIV. Revenue Recognition

Revenue is recognized and measured at the fair value of the consideration received or receivable, to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

The company collects GST, service tax, sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. The following specific recognition criteria must also be met before revenue is recognized:

Insurance Claims

Insurance claims are recognized on acceptance / receipt of the claim.

Interest

Revenue is recognized as the interest accrues, using the effective interest method. This is the method of calculating the amortized cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established.

XV. Foreign Currency Transactions

Transactions in foreign currencies are translated to the functional currency of the company, at exchange rates in effect at the transaction date.

At each reporting date monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate in effect at the date of the statement of financial position.

The translation for other non-monetary assets is not updated from historical exchange rates unless they are carried at fair value.

XVI. Minimum Alternative Tax (MAT)

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The company reviews

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Corporate Information & Summary Of Significant Accounting Policies

All amounts in INR Lakhs, Except No. of shares & EPS

the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

XVII. Earnings per Share

Basic earnings per share are calculated by dividing:

The profits attributable to owners of the company

By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

The after income tax effect of interest and other financing costs associated with dilutive potential equity shares

The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

mnb

XVIII. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III of the Companies Act, 2013, unless otherwise stated.

KAVVERI TELECOM PRODUCTS LIMITED
CIN : L85110KA1996PLC019627
Notes To Financial Statements
All amounts in INR Lakhs, Except No. of shares & EPS

28. EARNINGS PER SHARE (All amounts in INR Lakhs, Except No. of shares & EPS)

Particulars	Year Ended March 31st2024	Year Ended March 31st2023
(a) Basic		
Profit after tax	(84.92)	3216.70
Weighted average number of shares outstanding	2,01,24,260	2,01,24,260
Basic EPS	(0.42)	15.98
(b) Diluted		
Profit after tax	(84.92)	3216.70
Adjusted net profit for the year	(84.92)	3216.70
Weighted average number of shares outstanding	2,01,24,260	2,01,24,260
Diluted EPS	(0.42)	15.98
Face value per share	10.00	10.00

29. RELATED PARTIES

(A)LIST OF RELATED PARTIES

Key Management Personnel	Direct Subsidiaries	Indirect Subsidiaries	Other related Associates/Party
Mr.C.Shivakumar Reddy	Eaicom India Private Limited	DCI Digital Communications Inc	SMR Telecom Holdings Private Limited
	Kavveri Technologies Inc.	Spot wave Wireless Ltd.	Samoro Telecoms Private Limited
Ms. R .H Kasturi	Kavveri Telecom Infrastructure Limited	Kavveri Realty 5Inc.	Ms. C. Uma Reddy
	Kavveri Technologies Americas Inc	Tiltek Antennae Inc.	
		Quality Communications Systems	
		New England Communication Systems	

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Notes To Financial Statements**All amounts in INR Lakhs, Except No. of shares & EPS****(B)TRANSACTIONS WITH RELATED PARTIES (as identified by the Company)**

Description of the nature of transaction	Description of Relationship	Related Party	Year ended 2024 (Amt in Lakhs)	Year ended 2023 (Amt in Lakhs)
Sale of goods	Other related party	Samoro Telecoms Private Limited	0.00	11.00
Advances Received	Key Managerial Personnel	Shiva kumar Reddy	11.15	12.58
Advances Received	Key Managerial Personnel	RH Kasturi	(141.73)	(36.57)
	Other related party	SMR Telecom Holdings Pvt Ltd	1.34	13.55
Payable at the year end	Subsidiary	Kavveri Technologies Inc	601.35	601.35
	Other related party	SMR Telecom Holdings Pvt Ltd	27.71	29.05
	Subsidiary	DCI Digital Communication Inc	94.29	94.29
	Subsidiary	Quality Communications Systems	25.17	25.17
	Subsidiary	New England Communication Systems	46.34	46.34
	Key Managerial Personnel	RH Kasturi	34.53	176.27
Receivable at the end	Key Managerial Personnel	Shiva kumar Reddy	731.20	742.35
	Subsidiary	Eaicaom India Private Limited	342.68	342.38
	Subsidiary	Kavveri Technologies Americas Inc	843.45	843.45
	Subsidiary	Kavveri Realty Inc	0.00	0.00
	Subsidiary	Spot wave Wireless Limited	0.00	0.00

30. AMALGAMATION:

Amalgamation with Mega sonic Telecoms Private Limited: - The Company got amalgamated with erstwhile Mega sonic Telecoms Private Limited in the year 2003-04 and as per the scheme of amalgamation 4,935,000 equity shares were issued as consideration.

31. CAPITAL RESERVES:

The Capital Reserve of Rs. 73.26 Lakhs represents the excess of net fair value of assets over the purchase consideration in terms of scheme of amalgamation taken place during the year 2003-04, which was duly approved by the Hon'ble High Courts of Karnataka and Bombay.

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Notes To Financial Statements**All amounts in INR Lakhs, Except No. of shares & EPS****32. INVESTMENTS:****DETAILS OF INVESTMENT IN SUBSIDIARIES:**

Particulars	31st March 2024 (Amount in Lakhs)
M/s. Eaicom India Pvt Ltd	1,457.18
M/s. Kavveri Technologies Inc	880.09
M/s. Kavveri Telecom Infrastructure Limited	0.00
M/s. Kavveri Telecom España	0.00
M/s. Kavveri Technologies America Inc	496.80
TOTAL	2834.07

The following is the list of Subsidiary Companies and percentage shareholding as at the end of the year:

Particulars	Country of Incorporation	2024	2023
EAICOM INDIA PRIVATE LTD	India	100%	100%
KAVVERI TECHNOLOGIES INC	Canada	100%	100%
KAVVERI TECHNOLOGIES AMERICAS INC.	USA	100%	100%

Subsidiaries of wholly owned subsidiary, Kavveri Technologies Inc., Canada.

Particulars	Country of Incorporation	2024	2023
Til-Tek Antennae Inc	Canada	100%	100%
DCI Digital Communications Inc	Canada	100%	100%
Spotwave Wireless Inc	Canada	100%	100%
Kavveri Realty 5 Inc	Canada	100%	100%

Subsidiaries of wholly owned subsidiary, Kavveri Technologies Americas Inc., USA.

Particulars	Country of Incorporation	2024	2023
Quality Communications Systems	USA	100%	100%
New-England Communication Systems	USA	100%	100%

33. CIF VALUE OF IMPORTS

Particulars	2024 (Amount in Lakhs)	2023 (Amount in Lakhs)
Raw materials	Nil	Nil
Components and spare parts	Nil	Nil
Capital Goods	Nil	Nil
Total	Nil	Nil

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Notes To Financial Statements**All amounts in INR Lakhs, Except No. of shares & EPS****34. EXPENDITURE INCURRED IN FOREIGN CURRENCY**

Particulars	2024 (Rs.)	2023 (Rs.)
Technical knowhow/Research and development expenses	Nil	Nil
Professional and consultation fees	Nil	Nil
Travelling expenses	Nil	Nil
Maintenance Charges	Nil	Nil
Total	Nil	Nil

35. DETAILS OF CONSUMPTION

a) Details of Raw Materials Consumed:

Particulars	2024 (Rs.)	2023 (Rs.)
Raw Materials Consumption	Nil	Nil
TOTAL	Nil	Nil

b) Details of value of material consumed (imported and indigenous):

Particulars	Imported (2024)	Indigenous (2024)	Imported (2023)	Indigenous (2023)
Raw Materials	Nil	Nil	Nil	Nil
TOTAL	Nil	Nil	Nil	Nil

36. EARNINGS IN FOREIGN CURRENCY

Particulars	2024 (Rs.)	2023 (Rs.)
Revenue from exports on FOB basis	Nil	Nil
Interest	Nil	Nil
Other Income	Nil	Nil
Total	Nil	Nil

37. Additional Regulatory information

- i. The Company is in possession of immovable property and title deeds are held in the Name of the company.
- ii. The Company has not revalued any of its Property, Plant and Equipment during the year.
- iii. The Company has granted loans or advances in the nature of loans to promoters, directors, KMPs and other related parties.
- iv. There are no proceedings initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.

KAVVERI TELECOM PRODUCTS LIMITED**CIN : L85110KA1996PLC019627****Notes To Financial Statements****All amounts in INR Lakhs, Except No. of shares & EPS**

- v. The Company has no borrowings 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.
- vi. The Company is not declared as wilful defaulter by any bank or financial Institution or other lenders.
- vii. The Company did not have any transactions with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956 considering the information available with the Company.

38. i) Financial risk management objectives and policies

The Company's principal financial liabilities comprise of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents that derive directly from its operations and FVTPL investments.

The Company is exposed to market risk and liquidity risk. The Company's senior management oversees management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures so that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(ii) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency rate risk, interest rate risk and other price risk. Financial instruments affected by market risk include FVTPL financial instruments.

The sensitivity analysis in the following sections relate to the position as at 31 March 2024 and 31 March 2023.

(iii) Equity price risk

The Company's listed equity instruments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification. The Company's Board of Directors reviews and approves all equity investment decisions.

(iv) Liquidity Risk:

The Company's objective is to maintain a balance between continuity of funding and flexibility. The Company has sufficient working capital funds available to honour the debt maturing within 12 months.

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Notes To Financial Statements**All amounts in INR Lakhs, Except No. of shares & EPS****39. DUES TO MICRO AND SMALL ENTERPRISES.**

S.No	Particulars	2024 (Amount in Lakhs)	2023 (Amount in Lakhs)
1	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	Nil	Nil
2	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	Nil	Nil
3	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil
4	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil
5	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil
6	Interest due and payable towards suppliers registered under MSMED Act, for payments already made.	Nil	Nil
7	Further interest remaining due and payable for earlier years.	Nil	Nil

40. MANAGERIAL REMUNERATION

Name	2024		2023	
	Remuneration	Commission	Remuneration	Commission
C.Shiva Kumar Reddy –Managing Director	Nil	Nil	Nil	Nil
H Kasturi – Whole Time Director	Nil	Nil	Nil	Nil
Other NonExecutive Directors	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil

41. UNEXPIRED WARRANTY CHARGES

Particulars	2024 (Amount in Lakhs)	2023 (Amount in Lakhs)
Balance at the beginning of the year	0.00	2,111.77
Additions during the year	-	-
Reversals during the year	0.00	2,111.77
Balance at the end of the year	0.00	0.00

KAVVERI TELECOM PRODUCTS LIMITED**CIN : L85110KA1996PLC019627****Notes To Financial Statements****All amounts in INR Lakhs, Except No. of shares & EPS**

42. The Company does not have any transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.
43. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
44. There are no significant events that occurred after the balance sheet date.
45. The company has not advanced/loans/invested or received funds (either borrowed funds or share premium or any other sources or kind of funds to 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 by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
46. The company has also not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (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
47. In the opinion of the management, the assets As shown in the financial Statements, have a value on realization in the ordinary course of business of atleast equal to the amount at which they are stated in the balance sheet.
48. The Company has not declared any dividend during the year.

49. CONTINGENT LIABILITIES

S.No	Name of Statute	Amount (Amount In Lakhs)	Period to which amount relates	Forum where dispute is pending
1	Central Excise	55.33	Various Assessment Years	CESTAT Bangalore
2	Income Tax	21,725.15	Various Assessment Years	Commissioner of Income Tax Appeals – 1, Bangalore

- (i) M/s. Mahanagar Telephone Nigam Ltd and M/s Bharat Sanchar Nigam Ltd. had invoked bank guarantees totalling to Rs 4.41 Lakhs and Rs. 7.55 Lakhs respectively against which the company has filed cases against such invoking of bank guarantees and is advised that the matter will be resolved in favour of the company in respect of the said amount and hence no provision is made in the books of account.
- (ii) In the Matter of dispute with M/s Bharat Sanchar Nigam Limited (BSNL), the Honourable High Court of Karnataka at Bangalore have referred the matter to the arbitrator to be appointed by M/s BSNL, against invoking of Bank guarantee of a sum of Rs. 22.70 Lakhs.

KAVVERI TELECOM PRODUCTS LIMITED**CIN : L85110KA1996PLC019627****Notes To Financial Statements****All amounts in INR Lakhs, Except No. of shares & EPS**

(iii) Margin Money deposits with the bank amounting to Rs. 11.77 Lakhs (Rs. 10.62 Lakhs) has been given as margin money for the guarantees issued by the bankers.

(iv) (A) Deposit paid against Order in Original No. 94/2012 dt. 31.12.2012 under Protest of Rs. 26.78 Lakhs.

(B) Rs. 2.57 Lakhs Cenvat deposit against O/O no.42/2013 dt: 21.02.2013 stay order no.119/2013 dt: 25.06.2013.

(C) Rs. 1.28 Lakhs deposit against CESTAT Appeal No.E/2210/2012 Stay/Misc/26402/2013 dt: 13.06.2013

(D).Rs. 5.00 Lakhs Cenvat deposit against OIO No.37/2011 dt: 31.03.2011 passed by the Additional Commissioner of Central Excise and CESTAT Miscellaneous Order No.26586/2013 dt: 16.07.2013

50. The Company (KTPL) has defaulted in repayment of cash credit and term loan which were availed from State Bank of India. The Bank has issued notice U/s. 13(2) of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 to recover the amount which includes outstanding interest towards cash credit and term loan availed by the Company. Later on the bank has transferred the outstanding due to Edelweiss Asset Reconstruction Company (EARC) for the purpose of recovery of dues from the Company on 27th June, 2014. Also all securities provided by the company to Bank against Term loan and cash credit are also transferred to the Asset Reconstruction Company as informed by Bank to the Company. The Company has approached Edelweiss ARC Ltd for One Time Settlement (OTS) Proposal in 21st November, 2021 for settlement of loans availed by the company, the settlement proposal had been accepted by the EARC vide it's letter dated 8th December, 2021. As per terms of aforesaid settlement, KTPL was required to pay EARC a sum of Rs. 2.5 Crores on or before 25th March, 2022. The company has paid the Rs. 2.5 Crores to EARC in consonance with the timeline detailed under the acceptance letter. Later, the EARC has issued No Dues Certificate to KTPL on 24th March, 2022 and released the personal guarantees of Mr. C Shivakumar Reddy and Mrs. R.H. Kasturi.

51. Ratios

Ratios	Numerator	Denominator	Current year	Previous year	Variance (in %)
Current ratio (in times)	Total current assets	Total current liabilities	0.28	0.29	4.56
Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities*	Total Equity	-	-	NA
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments*	-	-	NA

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Notes To Financial Statements**All amounts in INR Lakhs, Except No. of shares & EPS**

Ratios	Numerator	Denominator	Current year	Previous year	Variance (in %)
Return on equity ratio (in %)	Net Profits after taxes less Preference dividend (if any)	Average total equity	1.48	90.26	101.64
Inventory Turnover Ratio	Cost of goods sold OR sales	Average Inventory	-	-	NA
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	-	0.01	101.64
Trade payables turnover ratio (in times)	Purchase of Services and other expenses	Average trade payables	-	-	NA
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	-	(0.013)	100.00
Net profit ratio (in %)	Net Profit after tax for the year	Revenue from operations		29,242.69	100
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Tangible Net worth +total debt+ Deferred tax liabilities	(1.07)	57.64	101.86
Return on investment (in %) - Unquoted	Income generated from invested funds	Average invested funds in treasury investments	-	-	NA

52. Previous year's numbers have been regrouped, rearranged, recasted, wherever necessary to conform to Current Year Classification.

53. All the figures are rounded off to the nearest rupees in Lakhs.

As per our report of even date
For J K Chopra & Associates,
Chartered Accountants
ICAI Firm 's Registration No. 016071S

For and on behalf of the Board of Directors of
Kavveri Telecom Products Limited

JITENDRA
KUMAR CHOPRA

Digitally signed
by JITENDRA
KUMAR CHOPRA

Jitendra Kumar Chopra
Proprietor
Membership No. 237068
UDIN: 24237068BKCULD2358

CHENNAREDDY
Y SHIVAKUMAR
REDDY

Digitally signed by
CHENNAREDDY
SHIVAKUMAR REDDY
Date: 2024.05.30
22:12:01 +05'30'

C. Shivakumar Reddy
Managing Director
DIN: 01189348

KASTURI
RAJUPETA

Digitally signed by
KASTURI RAJUPETA
Date: 2024.05.30
22:14:20 +05'30'

R.H.Kasturi
Director
DIN: 0029185

Place: Bangalore
Date: 30th May 2024

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results – (Standalone)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2024

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.

Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. in lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs. in lakhs)
1	Turnover / Total income	16.03	NA
2	Total Expenditure	77.28	NA
3	Net Profit/(Loss)	(84.92)	NA
4	Earnings Per Share	(0.42)	NA
5	Total Assets	6639.26	NA
6	Total Liabilities	6639.26	NA
7	Net Worth	5685.19	NA
8	Any other financial item(s) (as felt appropriate by the management)	-	-

II. Audit Qualification (each audit qualification separately):

Sl No.	Particulars	Remarks
1	Details of Audit Qualification:	<p>Material uncertainty related to Going Concern:</p> <p>During the year the company has incurred a Net loss of Rs. 84.92 Lakhs resulting into accumulated losses of Rs. 9,108.30 Lakhs, which is after recording all the necessary entries based on the write back off of Deposits, Interest receivables and Trade receivables. There is significant decrease in revenue over the past few years. These conditions indicate the existence of a material uncertainty that may cast a significant doubt on the Company's ability to continue as going concern and therefore may be unable to realize its assets and discharge its liabilities in the normal course of business. The ultimate outcome of these matters is at present not ascertainable. Accordingly, we are unable to comment on the consequential impact, if any, on the accompanying standalone financial statements</p>
a.	Type of Audit Qualification : Qualified Opinion /	Qualified Opinion

	Disclaimer of Opinion / Adverse Opinion	
b.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	Repetitive
c.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	NA
e.	For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification:	In respect of qualification 1 above, In the opinion of the management, resolution and revival of the Company is possible in foreseeable future. Rapid increase of competitors in the telecommunication business effects the operations of the company during the previous years. The management of the company is taking steps to improve the business in the year 2024-25 and will improve the operations in the coming years. Hence the company's management is of the opinion that the company is 'Going Concern' only and the accounts have been prepared accordingly.
f.	(ii) If management is unable to estimate the impact, reasons for the same:	NA
g.	(iii) Auditors' Comments on (i) or (ii) above:	

Sl No.	Particulars	Remarks
2	Details of Audit Qualification:	In relation to carrying value of investments held by the company in its subsidiaries, which have been incurring losses and in some of these companies, net worth was fully or substantially eroded. Taking into account the management internal assessment and initiatives to be implemented to improve the profitability in the medium to long term, the management of the company is of the view that carrying value of investments are realizable at the value stated in the books. In the absence of fair valuation of these investments, we are unable to comment upon the carrying value and thus, we are unable to comment whether any provision for impairment in the value of investments is required.

a.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion
b.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	Repetitive
c.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	NA
e.	For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification:	The management of the Company is in communication with such subsidiaries engaged in the other projects to recover the dues and cost incurred by the Company and taking necessary steps to turnaround the loss-making subsidiary Companies. Considering the long-term nature of investments and in view of ongoing discussion, no provision has been considered necessary by the management in respect of impairment in the value of investment.
f.	(ii) If management is unable to estimate the impact, reasons for the same:	NA
g.	(iii) Auditors' Comments on (i) or (ii) above:	

Sl No.	Particulars	Remarks
3	Details of Audit Qualification:	The company has not reinstated the forex balances in respect receivables and payables including the related parties balances which is not in conformity with Indian Accounting Standards 21, we are unable to comment the possible effects on the financial statements as the company does not have the details of the forex receivables and payables, further there are no balance confirmations available.
a.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion

b.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	Repetitive
c.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	NA
e.	For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification:	Company is in the process of arrive at the reinstated forex values. The same shall be taken care in the current financial year.
f.	(ii) If management is unable to estimate the impact, reasons for the same:	NA
g.	(iii) Auditors' Comments on (i) or (ii) above:	

III. Signature Part

For and on behalf of the Board

Sd/-

Managing Director

CHENNAREDDY SHIVAKUMARREDDY

DIN: 01189348

Place: Bangalore

Date: 30.05.2024

For and on behalf of the Board

Sd/-

Chief Financial Officer

RAJPETA KASTURI HANUMENTHAREDDY

PAN: ADDPK6263D

Place: Bangalore
Date: 30.05.2024

For and on behalf of the Board

Sd/-
Director
SHANKARNARAYAN SRIKANTIAH BANGALORE
DIN: 00269705
Place: Bangalore
Date: 30.05.2024

For and on behalf of the Board

Sd/-
Director
LAKSHMIPURAM RAJAGOPALACHAR VENUGOPAL
DIN: 01058716
Place: Bangalore
Date: 30.05.2024

For J K Chopra and Associates.,
Chartered Accountants
Firm Registration No: 016071S

Sd/-
Jitendra Kumar Chopra
Membership No. 237068
Date: 30-05-2024
Place: Bangalore

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors

Kavveri Telecom Products Limited

Report on Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying Consolidated financial statements of **M/s. Kavveri Telecom Products Limited (“Holding company”)** and its subsidiaries (holding company and its subsidiaries together referred to as **“the Group”**) for the quarter ended 31st March, 2024 and for the period from 1st April, 2023 To 31st March, 2024 (**“the Statement”**), being submitted by the **“Holding company”** pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (**“Listing Regulations”**).

In our opinion and to the best of our information and according to the explanations given to us, **except for the possible effects of the matter described in the “Basis for Qualified Opinion paragraph”** these Statements:

1. includes the Unaudited results of the following entities:
 - a. Kaveri Realty 5 Inc.
 - b. Til - Tek Antennae Inc.
 - c. Kavveri Technologies Inc
 - d. DCI- Digital Communications Ltd
2. is presented in accordance with the requirements of Regulation 33 of the Listing Regulations, as amended; and
3. gives a true and fair view, in conformity with the applicable accounting standards **except for Indian Accounting Standard 21 and 27**, and other accounting principles generally accepted in India, of consolidated total comprehensive income (comprising of net loss and other comprehensive income) and other financial information of **“The Group”** for the quarter and Year ended 31st March, 2024 and for the period from 01-04-2023 to 31-03-2024.

Basis for Qualified Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of **“The Group”**, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to

our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

1. *In the consolidated financial statements, the financial statements/ financial information of the following subsidiaries are not included for the Year ended 31st March, 2024.*
 - a. *Kavveri Telecom Infrastructure Limited*
 - b. *EAICOM India Private Limited*
 - c. *Kavveri Technologies Americans Inc.*
 - d. *New England Communications Systems Inc.*
 - e. *Quality Communications Systems Inc.*
 - f. *Spotwave Wireless Ltd.*
 - g. *Trackcon Systems International Inc.*

As the results/ financial information of the above mentioned subsidiaries are not considered in consolidation for the year ended 31.03.2024, the current year figures are not comparable to previous year.

2. *In respect of preparation of financial statements of "the group" on going concern basis, during the Year ended, "the group" has incurred a Net loss of Rs. 133.50 Lakhs resulting into accumulated losses of Rs. 9,224.81 Lakhs. "The group" has obligations towards fund-based borrowings and significant decrease in revenue over the years. These conditions indicate the existence of a material uncertainty that may cast significant doubt on "the group's" ability to continue as going concern and "the group" may be unable to realize its assets and discharge its liabilities in the normal course of business. The ultimate outcome of these matters is at present not ascertainable. Accordingly, we are unable to comment on the consequential impact, if any, on the accompanying consolidated financial statements.*
3. We refer to "**Qualified Opinion and Emphasis of Matter**" in our Auditor's Report on Standalone financial statements of **M/s. Kavveri Telecom Products Limited** ("the Holding company") for the Year Ended 31st March 2024

"Basis for Qualified Opinion"

- i. ***Material uncertainty related to Going Concern:*** *During the year the company has incurred a Net loss of Rs. 84.92 Lakhs resulting into accumulated losses of Rs. 9,108.30 Lakhs, which is after recording all the necessary entries based on the write back off of Deposits, Interest receivables and Trade receivables. There is significant decrease in revenue over the past few years. These conditions indicate the existence of a material uncertainty that may cast a significant doubt on the Company's*

ability to continue as going concern and therefore may be unable to realize its assets and discharge its liabilities in the normal course of business. The ultimate outcome of these matters is at present not ascertainable. Accordingly, we are unable to comment on the consequential impact, if any, on the accompanying standalone financial statements.

- ii. In relation to carrying value of investments held by the company in its subsidiaries, which have been incurring losses and in some of these companies, net worth was fully or substantially eroded. Taking into account the management internal assessment and initiatives to be implemented to improve the profitability in the medium to long term, the management of the company is of the view that carrying value of investments are realizable at the value stated in the books. In the absence of fair valuation of these investments, we are unable to comment upon the carrying value and thus, we are unable to comment whether any provision for impairment in the value of investments is required,*
- iii. The company has not reinstated the forex balances in respect receivables and payables including the related parties balances which is not in conformity with Indian Accounting Standards 21, we are unable to comment the possible effects on the financial statements as the company does not have the details of the forex receivables and payables, further there are no balance confirmations available,*

Emphasis of Matter

Without qualifying our opinion, we draw attention to the below

- i. Deposits, Loans and Advances :** We draw attention to Note 3 in the financial statements, which describes the write-off of certain deposits. As disclosed in Note 3, during the current year, the company has recognized a write-off of deposits due to their unrecoverable nature. The total value of Deposits written off during the financial year is Rs. 2.51 Lakhs.
The write-off of deposits represents a significant event that has affected the company's financial position. It reflects management's revised assessment of the recoverability of these deposits based on the current information, contractual status, or disputes.
In the absence of confirmations of Loans and Advances, and various advances, we are unable to comment on the extent to which such balances are recoverable,
- ii. Interest Receivable from Banks :** We draw attention to Note 9 in the financial statements, which describes the write-off of interest receivable from banks. As disclosed in Note 9, during the current year, the company has recognized a write-off of previously recognized interest receivable from bank. The total value of Interest receivable from bank written off during the financial year is Rs. 1.05 Lakhs.

iii. **Trade Payable, Advances Received and Confirmation** : We draw attention to Note 15 in the financial statements, which describes the write-back of certain trade payables and advances received. As disclosed in Note 15, during the current year, the company has recognized a reversal of previously recognized trade payables and advances received due to their no longer being payable or refundable. The total value of trade payables and advances write-back during the financial year is Rs. 0.51 Lakhs.

Further, we draw attention to Note 15 & 16 in the financial statements, which describes the absence of confirmation of Trade Payable and Advances as on 31st March 2024. However, the Company is in the process of obtaining the same, based on that we are unable to comment on the extent to which such balances are payable. The total value of Trade Payable as on 31st March 2024 is Rs.46.10 Lakhs.

In the absence of confirmations of Trade Payables and various advances, we are unable to comment on the extent to which such balances are payable,

iv. **Trade Receivables, Advances and Balance Confirmation** : We draw attention to Note 7 & 9 in the financial statements, which describes the absence of confirmation of Trade Receivables and Advances as on 31st March 2024. However, the Company is in the process of obtaining the same, based on that we are unable to comment on the extent to which such balances are recoverable. The total value of Trade Receivable as on 31st March 2024 is Rs.237.18 Lakhs.

In the absence of confirmations of Trade Receivables we are unable to comment on the extent to which such balances are recoverable,

v. **Borrowings** : In the absence of confirmations of borrowings, we are unable to comment on the extent to which such balances are payable,

vi. **Overseas Investment Audit Report** : In our opinion and according to the information and explanations given to us, the Company has not provided the audit reports of the group companies Hence we are unable to ascertain the details of the same.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Management's responsibility for the Financial Statements

These quarterly financial results as well as the year-to-date consolidated financial results have been prepared on the basis of the interim financial statements.

The "**Holding Company's**" Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit/ loss and other comprehensive income and other financial information of "**the Group**" in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in "**the Group**" are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of "**the Group**" and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the "**Holding Company**", as aforesaid.

In preparing the consolidated financial results, the respective Board of Directors of the companies included in "**the Group**" are responsible for assessing the ability of "**the Group**" to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in "**the Group**" are responsible for overseeing the financial reporting process of "**the Group**".

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the

aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.

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

- Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of "the Group" to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause "the Group" to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within "the Group" to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated Financial Results, is based solely on such unaudited interim Financial Statements/Financial Results/financial information have been furnished to us by the Board of Directors.
- Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of

the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

- We communicate with those charged with governance of the “Holding Company” and such other entities included in the consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matter Paragraph

The consolidated Financial Results include the unaudited Financial Results of Four Subsidiaries, whose interim Financial Statements/Financial Results/ financial information reflect “**The Group’s**” share of total assets of Rs. 2,781.12 Lakhs as at 31st March, 2024, “**The Group’s**” share of total revenue of Rs. 158.57 Lakhs and “**The Group’s**” share of total net loss after tax of Rs. 48.58 Lakhs for the for the period from 1st April, 2023 To 31st March, 2024 respectively, as considered in the consolidated Financial Results. These unaudited interim Financial Statements/Financial Results/ financial information have been furnished to us by the management and our opinion on the consolidated Financial Results, in so far as it relate to the amounts and disclosures included in respect of these subsidiaries, is based solely on such unaudited interim Financial Statements/Financial Results/financial information.

For **J K Chopra & Associates,**
Chartered Accountants

ICAI Firm’s Registration No. 016071S

JITENDRA
KUMAR
CHOPRA

Digitally signed
by JITENDRA
KUMAR CHOPRA

Jitendra Kumar Chopra

Proprietor

Membership No: 237068

UDIN: 24237068BKCULE7765

Place: Bangalore

Date: 30th May 2024

CONSOLIDATED FINANCIAL STATEMENTS

KAVVERI TELECOM PRODUCTS LIMITED

CIN: L85110KA1996PLC019627

FINANCIAL YEAR 2023-24
ASSESSMENT YEAR 2024-25

KAVVERI TELECOM PRODUCTS LIMITED
CIN: L85110KA1996PLC019627
Consolidated Balance Sheet as at 31st Mar, 2024

(Amount in lakhs)

PARTICULARS	Note No.	31st Mar 2024	31st Mar 2023
ASSETS			
Non - Current Assets			
Property, Plant & Equipment	1	151.38	153.92
Tangible assets			
Intangible Assets		20.51	39.08
Capital Work in Progress		-	-
Intangible assets under development			
Financial Assets			
Investments	2	2,144.10	2,080.59
Loans and advances		-	-
Other Non Current Assets	3	3,400.58	2,959.64
Deffered Tax Asset	4	-	-
		5,716.56	5,233.23
Current Assets			
Inventories	5	149.81	164.84
Financial Assets			
Trade receivables	6	454.47	168.72
Cash and Cash Equivalents	7	144.78	22.65
Other Current Assets	8	2,074.67	2,312.79
		2,823.73	2,668.99
Total		8,540.28	7,902.22

PARTICULARS	Note No.	31st Mar 2024	31 March, 2022
EQUITIES AND LIABILITIES			
Shareholders' Funds			
Equity share capital	9	2,012.43	2,012.43
Other equity	10	2,691.01	3,212.74
		4,703.44	5,225.17
Non- Current liabilities			
Financial liabilities			
Borrowings	11	-	-
Provisions	12	-	-
Deferred tax liabilities (Net)		-	-
		-	-
Current Liabilities			
Financial Liabilities			
Borrowings	13	-	3.36
Trade Payables	14	527.17	1,055.08
(a)Total outstanding dues of micro enterprises and small enterprises			
(b)Total outstanding dues of creditors other than micro & small enterprises			
Other Financial Liabilities	15	1,751.54	-
Other Current Liabilities	16	1,325.05	1,383.62
Provisions	17	233.08	234.98
		3,836.84	2,677.05
Total		8,540.28	7,902.22

Corporate Information & Summary of significant accounting policies the accompanying notes are an integral part of the financial statements 26 & 27

For J K Chopra & Associates
Chartered Accountants
ICAI Firm Registration No. 016071S
JITENDRA KUMAR CHOPRA Digitally signed by JITENDRA KUMAR CHOPRA
Jitendra Kumar Chopra
Proprietor
Membership No. 237068
UDIN : 24237068BKCULE7765

For and on behalf of the board

CHENNAREDDY SHIVAKUMAR REDDY Digitally signed by CHENNAREDDY SHIVAKUMAR REDDY Date: 2024.05.30 22:15:23 +05'30'
C Shiva Kumar Reddy
Managing Director
DIN: 01189348

KASTURI RAJUPETA Digitally signed by KASTURI RAJUPETA Date: 2024.05.30 22:15:37 +05'30'
R H Kasturi
Director
DIN: 00291851

Place: Bangalore
Date: 30th May 2024

KAVVERI TELECOM PRODUCTS LIMITED

CIN: L85110KA1996PLC019627

Consolidated Statement of Profit and Loss for the Period ended

(Amount in lakhs except EPS)

Particulars	Note	31st Mar 2024	31st Mar 2023
Revenue			
Revenue from operations	18	158.57	282.42
Other Income	19	28.91	89.63
Write back of Expenses		-	-
Write Back-Bank Loan		-	20,484.23
Write back-Loans & Advances		-	3.56
Write Back-Provision		-	2,299.13
Write Back-Salaries		-	102.26
Write Back-Staff Advance		-	20.51
Write Back-Trade Payable and Advances		0.51	1,062.82
Write Back-Unsecured Loans		-	19.03
Total Income		187.99	24,363.60
Expenses			
Cost of Material Consumed	20	97.04	168.30
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	21	-	-
Employee Benefit Expenses	22	78.49	93.14
Administrative and Other Operating Expenditure	23	30.18	433.89
Finance costs	24	3.57	4.07
Other expenses	25	51.34	9.35
Depreciation		21.18	21.16
Expenses written off		-	-
Write Off-Branch Balance		-	182.58
Write Off-Deposits		2.51	4.76
Write Off-DTA		-	1,722.29
Write Off-Interest Receivable		1.05	249.59
Write Off-Investments		-	2,548.43
Write Off-Loans & Advances (Asset)		-	1.76
Write Off-Staff		-	7.74
Write Off-Trade Receivables and Advances		11.94	10,015.43
Write Off-WIP/CWIP		-	54.17
Write Off-WIP/CWIP		-	-
Total Expenses		297.29	15,516.66
Profit/(loss) before Tax		(109.30)	3,237.31
Exceptional Items	26	25.00	-
Prior Period Expenses		-	87.74
		(134.30)	3,149.57
Tax expense:		-	-
Provision for Tax		(0.81)	0.81
Deferred Tax		-	-
Profit/(Loss) for the period		(133.50)	3,148.76
Other comprehensive income		-	-
Total comprehensive income for the period		(133.50)	3,148.76
Loss attributable to:		-	-
Owners of the entity		(133.50)	3,148.76
non-Controlling interest		-	-
Earning per equity share of Rs 10/- each:			
(1) Basic		(0.66)	15.65
(2) Diluted		(0.66)	15.65

Corporate Information & Summary of significant accounting 26 & 27

policies the accompanying notes are an integral part of the financial statements

For J K Chopra & Associates

For and on behalf of the board

Chartered Accountants

ICAI Firm Registration No. 016071S

JITENDRA
KUMAR
CHOPRA

Digitally signed
by JITENDRA
KUMAR CHOPRA

CHENNAREDDY
SHIVAKUMAR
REDDY

Digitally signed by
CHENNAREDDY
SHIVAKUMAR REDDY
Date: 2024.05.30 22:16:16
+05'30'

KASTURI
RAJUPETA

Digitally signed by
KASTURI RAJUPETA
Date: 2024.05.30
22:16:31 +05'30'

Jitendra Kumar Chopra

C Shiva Kumar Reddy

R H Kasturi

Proprietor

Managing Director

Director

Membership No. 237068

DIN: 01189348

DIN: 00291851

UDIN : 24237068BKCULE7765

Place: Bangalore

Date: 30th May 2024

KAVVERI TELECOM PRODUCTS LIMITED
CIN: L85110KA1996PLC019627
Statement of Consolidated Cash flow for the period

(Amount in lakhs)

Particulars	31st Mar 2024	31st March 2023
A. Cash flow from operating activities		
Profit / (Loss) before tax	(134.30)	3,149.57
Adjustments to reconcile profit before tax to net cash from / (used in) operating activities.		
Depreciation on property, plant and equipment	21.18	21.16
WIP Written Off	-	54.17
Inventory written off	-	5,609.63
Investments Written off	-	2,548.43
Write off of DTA	-	1,722.29
Interest receivable written off	1.05	249.59
Loans and advance written off	-	1.76
Write Off-Staff	-	7.74
Write Back-Staff Advance	-	(20.51)
Write back-Loans & Advances (Asset)	-	(3.56)
Write back- Bank Loans	-	(20,484.23)
Write Back-Salaries	-	(102.26)
Write Back-Provision	-	(2,299.13)
Write Off-Branch Balance	-	182.58
Write Off-Deposits	2.51	4.76
Write Off-Sundry Crs & Drs	11.94	10,015.43
Prior Period Expenses	-	87.74
Write Back-Sundry Crs & Drs	(0.51)	(1,062.82)
Write Back-Unsecured Loans	-	(19.03)
(Gain)/loss on sale of property, plant and equipment	-	175.03
Finance income (including fair value change in financial instruments)	-	(7.36)
Finance costs (including fair value change in financial instruments)	3.57	4.07
Foreign Currency Translation adjustments	4,844.97	(30.43)
Operating Profit before working capital changes	4,750.41	(195.38)
Working capital adjustments		
Decrease/ (increase) in Inventory	15.03	1.45
(Increase) / decrease in Trade Receivables	(285.75)	(3,238.44)
Decrease/ (increase) in other Current assets	(6,774.50)	2,662.51
Increase/ (decrease) in Trade Payables	(527.91)	(1,465.27)
(Decrease)/ increase in Short Term Provisions	(1.90)	491.20
Increase/ (decrease) Other Current Liabilities	1,692.98	195.25
Increase/ (decrease) in Short term borrowings	(3.36)	(315.75)
Sub Total	(1,135.02)	(1,864.43)
Income tax paid	0.81	(0.81)
Net cash flows from operating activities (A)	(1,134.21)	(1,865.24)
B. Cash flow from investing activities		
Proceeds from sale/removal of property, plant and equipment	-	(0.10)
Decrease/ (increase) in other Non Current assets	(440.94)	6,348.55
(Increase) / decrease in Investments	(63.51)	(2,080.59)
Net cash flows from / (used in) investing activities (B)	(504.45)	4,267.86
C. Cash flow from financing activities		
Proceeds from long term loans and borrowings	1,751.54	(170.14)
Increase/ (decrease) in long term provisions	-	(2,241.42)
Interest received	9.25	7.36
Interest payment	-	(4.07)
Net Cash flows from / (used in) Financing activities (C)	1,760.80	(2,408.26)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	122.13	(5.64)
Opening Balance of Cash	22.65	28.29
Closing Balance	144.78	22.65
Components of Cash and Cash Equivalents		
Cash on Hand	2.85	1.70
Balances with bank in current account	141.94	20.95
Balance at the end of the year	144.78	22.65

For J K Chopra & Associates

Chartered Accountants

ICAI Firm Registration No. 0160715

JITENDRA
KUMAR
CHOPRA
Jitendra Kumar Chopra
Proprietor
Membership No. 237068
UDIN : 24237068BKCULE7765

Digitally signed
by JITENDRA
KUMAR CHOPRA

For and on behalf of the board

CHENNAREDDY
Y SHIVAKUMAR
REDDY
C Shiva Kumar Reddy
Managing Director
DIN: 01189348

Digitally signed by
CHENNAREDDY
SHIVAKUMAR REDDY
Date: 2024.05.30 22:17:08
+05'30'

KASTURI
RAJUPETA
R H Kasturi
Director
DIN: 00291851

Digitally signed by
KASTURI
RAJUPETA
Date: 2024.05.30
22:17:27 +05'30'

Place: Bangalore

Date: 30th May 2024

KAVVERI TELECOM PRODUCTS LIMITED
Notes to Financial Statement as at

9 Share Capital:

Particulars	31-Mar-24	31-Mar-23
Authorised Capital		
2,50,00,000 (March 31, 2024: 5,000,000) Equity shares of Rs. 10/- each	2,500.00	2,500.00
Issued, subscribed & fully paid up Capital		
2,01,24,260 (March 31, 2024: 1783530) Equity shares of Rs. 10/- each	2,012.43	2,012.43
Less: Calls Unpaid by others		
Total	2,012.43	2,012.43

a. Terms/ rights attached to the equity shares:

- i) The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-. Each, holder of equity shares is entitled to one vote per share.
- ii) The Company did not declare any dividend during the accounting period under reporting.
- iii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in proportion to the number of equity shares held by the share holders.
- iv) No shares have been issued for consideration other than cash during the immediately preceding five years from the end of the reporting period.

b Reconciliation of equity shares outstanding as at the beginning and at the end of the reporting Period:

Particulars	31-Mar-24	31-Mar-23
	No. of Shares	No. of Shares
Equity shares		
Ordinary equity shares		
Shares at the beginning of the year	20124260	2,01,24,260
Issued during the year		
Shares outstanding as at end of the period	2,01,24,260	2,01,24,260

c Details of Shareholders holding more than 5% Shares in the Company

Name of the Shareholder	31-Mar-24		31-Mar-23	
	No. of Shares	% of holding	No. of Shares	% of holding
Ashish Nanda	1178307	5.86%	14,70,000	7.30%
C Uma Reddy	1750100	8.70%	17,50,100	8.70%
Kariat Trade Place Pvt Ltd	14,34,214	7.13%	14,34,214	7.13%

d

Shares held by promoters at the end of the year			% Change during the year
Promoter Name	No. of shares	% of Total	
C Uma Reddy	17,50,100	8.70	-
Shiva Kumar Reddy	7,73,854	3.85	-
R H Kasturi	5,21,977	2.59	-
Sankethram Reddy Chenna Reddy	-	-	100%
Mokshit Reddy Channa Reddy	-	-	100%

2 Investments

Particulars	31st Mar 2024	31st Mar 2023
Investment in subsidiaries ¹	2,144.10	2,080.59
Total	2,144.10	2,081

¹ Previous year's numbers have been regrouped, rearranged, recasted, wherever necessary to conform to Current Year Classification

3 Other Non-Current Assets

Particulars	31st Mar 2024	31st Mar 2023
Advances Otherthan capital advances		
Margin Money Deposits	11.77	10.63
Earnest Money deposits	-	-
Other Advances ²	-	1,801.60
Other Deposits ³	131.03	111.23
Other Non Current Assets ⁴	2,280.91	1,036.18
Total	2,423.71	2,959.64

² The company has recognized a reversal of previously recognized Advances due to their no longer being recoverable. The total value of Advances written off during the financial year is Rs.Nil/- (Previous Year - Rs. 182.58 Lakhs), balances in the accounts of Advances are subject to confirmation from the respective parties.

³ The company has recognized a reversal of previously recognized Other Deposits due to their no longer being treated as deposits. The total value of Other Deposits written off during the financial year is Rs.2.51 Lakhs (Previous Year - Rs. 14.61 Lakhs)

⁴ The company has recognized a reversal of previously recognized Loans and advances to Subsidiaries due to their no longer being treated as Loans and advances to Subsidiaries . The total value of Loans and advances to Subsidiaries written off during the financial year is Rs.Nil/- (Previous Year Rs. 1.16 Lakhs). Further, we have not received the balance confirmation for the closing balance of Other Deposits as on 31st March 2024.

4 Deferred Tax Asset

Particulars	31st Mar 2024	31st Mar 2023
Deferred Tax Asset ⁵	-	-
Add: Current Year	-	-
Total	-	-

⁵ The company has written off the deferred tax asset due to the lack of future virtual certainty to earn future taxable income. The total value of Deferred Tax Assets written off during the financial year is Rs. Nil/- (Previous Year Rs. 1,722.29 Lakhs).

5 INVENTORIES⁶

Particulars	31st Mar 2024	31st Mar 2023
Finished Goods	51.80	48.90
Work-in-progress	-	0.38
Raw Materials	98.01	115.56
Stock in Trade	-	-
Total	149.81	164.84

⁶ The company has written off the carrying value of inventories that have been transferred to the banks as part of the OTS settlement agreement. The total value of Inventory write-back on OTS Scheme of Cash Credit and Term Loan along with interest due during the financial year is Rs.Nil/- (Previous Year Rs. 5,609.63 Lakhs).

6 Trade Receivables

Particulars	31st Mar 2024	31st Mar 2023
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured and considered good ⁷	454.47	168.72
Other Receivables	-	-
Unsecured and considered good	-	-
Provision for bad and Doubtfuldebts	-	-
Total	454.47	168.72

⁷ The company has written-off of certain trade receivables due to their irrecoverable nature. The total value of trade receivables written off during the financial year is Rs. Nil/- (Previous Year Rs. 3670.44 Lakhs.)

7 Cash and Cash Equivalents

Particulars	31st Mar 2024	31st Mar 2023
Cash & Cash Equivalents :		
Balances with Banks		
In Current Accounts	140.02	18.22
In Unpaid Dividend Account ⁸	1.92	2.72
Cash on hand	2.85	1.71
	-	-
Total	144.78	22.65

⁸ The Current year balance of unpaid dividend of Rs. 0.80 Lakhs for the FY 2006-07 is transfer to the Investor Protection and Education Fund and for FY 2008-09 is not transferred to the Investor Protection and Education Fund as the State Bank of India is not able to provide the investor wise dividend due information, hence the liability is still shown in the book of accounts even though it is due beyond 7 years.

8 Other Current Assets

Particulars	31st Mar 2024	31st Mar 2023
a) Advances to Employees	-	-
b) Advances to Suppliers	-	-
c) Income Accrued On Deposits(Unsecured,conidered good) ⁹	5.59	8.80
d) Other Advances	2,040.01	1,260.42
e) R & D expenses	19.99	-
f) Other curent assets ¹⁰	-	974.32
g) Prepaid Expenses	-	-
h) Balance with Revenue	-	-
i) GST Input	9.08	69.24
j) Excise duty under protest	-	-
k) Forein Exchange on USD	-	-
l)Advance Given for OTS Proposal	-	-
Total	2,074.67	2,312.79

⁹ The company has writen-back interest receivable from its subsidiaries and from SBI bank due to their irrecoverable nature. The total value of Interest receivable from SBI bank and subsidiary written off during the financial year is Rs. 1.05 lakhs (Previous Year Rs.249.59 Lakhs)

¹⁰ The company has write-back Loans and Advances of Rs.Nil/- (Previous Year Rs. 3.89 Lakhs) due to their irrecoverable nature.

10 Other Equity

Particulars	31st Mar 2024	31st Mar 2023
Securities Premium		
As per last Balancesheet	11,800.36	11,800.36
General reserve		
As per last Balancesheet	430.43	430.43
Capital Reserve		
As per last Balancesheet	73.26	73.26
Foreign Currency Translation reserve	-	-
Fall in Value of investment	-	-
Employee stock option outstanding ¹¹	-	-
Deferred stock compensation cost	-	-
Surplus/(deficit) in the statement of profit and loss:		
Balance as at the beginning of the year	(9,091.32)	(12,220.53)
Changes in accounting policy / prior period errors	-	(19.55)
Add: change to profit / (loss) for the year	(133.50)	3,148.76
Balance as at the end of the year	(9,224.81)	(9,091.32)
Total	3,079.24	3,212.74

^{11.} The company has transferred the Employee Stock option outstandings to Reserve amounting to Rs.Nil/- (Previous Year Rs.124.61 Lakhs) as there are no employees in the company and the period to exercise the Employee Stock Options has been lapsed.

11 Borrowings (Non Current)

Particulars	31st Mar 2024	31st Mar 2023
Term Loans		
i) From Banks	-	-
ii) From other parties		
Loans from related parties	-	-
Other Loans	-	-
Total	-	-

12 Provisions (Non Current)¹²

Particulars	31st Mar 2024	31st Mar 2023
(a) Provision for Employee benefit	-	-
(b) Provision for Leave encashment	-	-
(c) Deposits	-	-
(d) Other Provisions	-	-
Total	-	-

^{12.} The company has reversed previously recognized provisions for Gratuity, Leave encashment, warranty and other provisions due to changes in estimates or settlements. The total value of Gratuity, Leave encashment, warranty and other provisions write-back during the financial year is Rs.Nil/- (Previous Year Rs. 2,241.42 Lakhs.)

13 Borrowing (Current)

Particulars	31st Mar 2024	31st Mar 2023
Secured Loans		
(a) From banks - Secured Loans ¹³	-	471.27
	-	-
Unsecured Loans		
(a) Loans from Directors & Other Parties	-	(467.91)
Total	-	3.36

^{13.} The Company has defaulted in repayment of cash credit and term loan which were availed from State Bank of India. The Bank has issued notice U/s. 13(2) of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 to recover the amount which includes outstanding interest towards cash credit and term loan availed by the Company. Later on the bank has transferred the outstanding due to Edelweiss Asset Reconstruction Company (EARC) for the purpose of recovery of dues from the Company, further all securities provided by the company to Bank against Term loan and cash credit were also transferred to the Asset Reconstruction Company as informed by Bank to the Company. The Company has approached Edelweiss ARC Ltd for One Time Settlement (OTS) Proposal. The company has paid the Rs. 2.5 Crores to EARC in consonance with the timeline detailed under the acceptance letter. The total value of loan and interest waived off as per books of accounts and credit to profit and loss account for the year is Rs.Nil/- (Previous Year Rs.20,503.62 Lakhs).

14 Trade Payables

Particulars	31st Mar 2024	31st Mar 2023
Trade Payables		
- Dues to MSME'S		
- Other Payables ¹⁴	527.17	1,055.08
Total	527.17	1,055.08

^{14.} The company has written back trade payables as they are no longer payable. The total value of trade payables write-back during the financial year is Rs. 0.51 Lakhs (Previous Year Rs.1122.64 Lakhs.)

15 Other Financial Liabilities (Current)

Particulars	31st Mar 2024	31st Mar 2023
Term Loan account with State Bank of India ¹⁵	-	-
Interest on term loans payable	-	-
Others	1,751.54	-
Total	1,751.54	-

^{15.} The company has written back the balance in the Term Loan account with State Bank of India as they are no longer payable. The total value of Term Loan account with State Bank of India write-back during the financial year is Rs.Nil/- (Previous Year Rs. 289.13 Lakhs).

16 Other Current Liabilities

Particulars	31st Mar 2024	31st Mar 2023
Other Payables	674.19	666.54
Statutory dues (Including Provident Fund, Withholding and other taxes payable)	154.25	228.75
Unpaid dividend	1.92	2.72
Interest Payable	491.95	484.97
Diferred Revenue	-	-
Forein Exchange on USD	-	0.64
Total	1,322.31	1,383.62

17 Provisions

Particulars	31st Mar 2024	31st Mar 2023
Provisions for Employee Benefits ¹⁶	1.68	1.87
Income Tax Payable	231.40	233.11
Dues to Key managerial personnel	-	-
Others	-	-
Total	233.08	234.98

^{16.} The company has written back the balance in salary payable and employee advances as they are not longer being payable. The total value of salary payable and employee advances write-back during the financial year is Rs.Nil/- (Previous Year Rs.95.31 Lakhs.)

18 Revenue From operations

Particulars	31st Mar 2023	31st Mar 2022
Revenue From operations		
(a) Sale of Products	158.57	282.42
(b) Sale of Services	-	-
	158.57	282.42
Less: Excise Duties & Service tax Collected	-	-
VAT, CST & GST Collected	-	-
Total	158.57	282.42

19 Other Income

Particulars	31st Mar 2023	31st Mar 2022
Interest Income	9.25	7.36
Rental Income	12.83	12.71
Other Income ¹⁷	6.82	6.68
Freight Income	-	28.03
Non Recurring Engg (NRE)	-	4.16
Dividend Received	-	0.26
Insurance Claim	-	-
Scrap sales	-	-
Foreign exchange gain	-	30.43
Total	28.91	89.63

^{17.} The company has accounted for the GST ITC of earlier years which was charged off to Profit and Loss account amounting to Rs.6.78 Lakhs (Previous Year Rs.Nil/-).

20 Cost of Materials consumed¹⁸

Particulars	31st Mar 2023	31st Mar 2022
Material Consumption	-	-
Opening Stock of Raw Materials	106.10	659.43
Add: Purchases During the year	78.65	167.10
Less: Closing Stock of Raw material	87.71	105.41
Less: Inventory written off	-	552.83
Purchases During the year	-	-
Total	97.04	168.30

^{18.} The company has recognized a loss and written off the carrying value of inventories that have been transferred to the banks as part of the settlement agreement. The total value of Inventory write-back on One Time Settlement Scheme of Cash Credit and Term Loan along with interest due during the financial year is Rs.Nil/- (Previous Year Rs. 552.83 Lakhs).

21 Changes in inventories of finished goods, work-in-progress and stock-in-trade ¹⁹

Particulars	31st Mar 2023	31st Mar 2022
<u>Finished Goods</u>	-	-
Finished goods at the beginning of the year	-	343.08
Less: Finished goods at the end of the year	-	-
Less: Inventory written off	-	343.08
Sub Total (A)	-	-
<u>Work in Progress</u>		
Finished goods at the beginning of the year	-	20.06
Less: Finished goods at the end of the year	-	-
Less: Inventory written off	-	20.06
Sub Total (B)	-	-
<u>Stock in trade</u>		
Finished goods at the beginning of the year	-	4,693.66
Less: Finished goods at the end of the year	-	-
Less: Inventory written off	-	4,693.66
Sub Total (C)	-	-
Increase or Decrease in Inventories (A + B + C)	-	-

¹⁹ The company has recognized a loss and written off the carrying value of inventories that have been transferred to the banks as part of the settlement agreement. The total value of Inventory write-back on One Time Settlement Scheme of Cash Credit and Term Loan along with interest due during the financial year is Rs.Nil/- (Previous Year Rs. 5057.14 Lakhs).

22 Employee Benefit Expenses

Particulars	31st Mar 2023	31st Mar 2022
Salaries & Wages	78.49	92.66
Contribution to Provident & Other Funds	-	-
Staff Welfare Expenses	-	0.48
Total	78.49	93.14

23 Other Operating Expenses

Particulars	31st Mar 2023	31st Mar 2022
Repairs and maintenance	2.37	1.04
Foreign Exchange (Gain/Loss)	(15.08)	0.65
Insurance	8.19	4.80
R&D Expenses	0.04	0.05
Telephone & Internet Charges	0.45	5.96
Freight	3.28	23.23
Rates and Taxes	-	23.49
Travelling and Conveyance	3.38	3.45
Statutory Auditors : Audit fees	-	1.59
Legal fees & consultancy charges	2.44	43.82
Service Charges	-	0.11
Administrative Expenses	7.72	23.83
Other Expenses	5.08	93.02
Advertisement Expenses	-	9.79
Listing Fees	-	2.03
Director sitting fee	-	1.20
Loss on Sale of Assets	-	175.03
Rent	11.00	10.89
Credit card Charges	0.13	9.89
Professional Charges	1.16	-
Total	30.18	433.89

24 Finance Costs

Particulars	31st Mar 2023	31st Mar 2022
a) Interest Expenses		
- Interest on Long term borrowings	-	-
- Interest on Cash Credit & Packing Credit	-	-
- Loan Processing Charges & Bank Charges	3.57	4.07
b) Other Borrowing costs	-	-
Total	3.57	4.07

25 Other Expenses

Particulars	31st Mar 2023	31st Mar 2022
Administrative expenses	4.43	-
Travelling and Conveyance	0.17	-
Rates & Taxes (excluding Income Tax)	17.45	9.35
Office Rent & Others	-	-
General Expenses	0.43	-
Advertisement Expenses	-	-
Professional Fee	17.32	-
Other Expenses	1.18	-
Freight Inwards	-	-
Renewal & Subscription charges	-	-
Statutory Auditors : Audit fees	2.10	-
Telephone & Internet charges	1.80	-
Payroll expenses	-	-
Electricity charges	-	-
Postage & Courier	-	-
Listing fees	4.60	-
Service Charge	1.06	-
Director sitting fee	0.80	-
Credit card charges	-	-
Total	51.34	9.35

26 Exceptional Items

Particulars	31st Mar 2023	31st Mar 2022
AFBC Welfare Fund ²⁰	25.00	-
Total	25.00	-

²⁰. The company has made a payment of Rs.25 Lakhs to Armed Forces Battle Casualties Welfare Fund based on the order received from Supreme Court dated 12th January 2024 for violation of statutory provision of law for non-depositing the dividend amount for FY 2011-12 within 5 days and also not disbursing within 30 days.

KAVVERI TELECOM PRODUCTS LIMITED**Statement of changes in Equity***(Amount in lakhs)***A. Equity Share Capital:**

Particulars	Number of	Amount
Balance as at April 1, 2022	2,01,24,260.00	2,012.43
Changes in equity Share Capital	-	-
Balance as at March 31, 2023	2,01,24,260.00	2,012.43
Balance as at April 1, 2023	2,01,24,260.00	2,012.43
Changes in equity Share Capital	-	-
Balance as at Mar 31st, 2024	2,01,24,260.00	2,012.43

KAVVERI TELECOM PRODUCTS LIMITED
Statement of changes in Equity

(Amount in lakhs)

Particulars	Reserves & Surplus				Items of Other comprehensive income			Total
	General Reserve	Capital Reserve	Securities Premium	Employee Stock Option Outstanding	Retained earnings	Equity Instruments through other comprehensive income	Other items of other comprehensive income	
Balance at April 1, 2022	0.01	0.00	0.12	0.00	(0.13)	(0.00)	-	(0.01)
Changes in equity for the Period ended March 31, 2022								
Transfer to General Reserve	-	-	-	-	-	-	-	-
Equity instruments through other comprehensive income	-	-	-	-	-	-	-	-
Changes in accounting policy / prior period	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	(1,809.10)	176.87	-	(1,632.23)
Addition to capital reserve	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	0.01	0.00	0.12	0.00	(1,809.23)	176.87	-	(1,632.23)
Changes in equity for the Period ended 31st Mar, 2023								
Transfer to General Reserve	-	-	-	-	-	-	-	-
Equity instruments through other comprehensive income	-	-	-	-	4,844.97	-	-	4,844.97
Changes in accounting policy / prior period	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	(133.50)	-	-	(133.50)
Addition to capital reserve	-	-	-	-	-	-	-	-
Balance as at Mar 31, 2024	0.01	0.00	0.12	-	2,902.25	176.87	-	3,079.24

KAVVERI TELECOM PRODUCTS LIMITED

1. Notes to financial statements for the year ended Mar 31, 2024

(Amount in lakhs)

1. Property, Plant and Equipment & Intangible assets	Furnitures	Office Equipment	Plant & machinery	Land (Lease hold)	Computers	Vehicles	Buildings	Computer Software	Technical Know how	Total tangible assets	Total intangible assets
Cost											
As on April 1, 2022	103.14	9.52	2,986.00	113.78	242.92	175.55	-	288.27	1,044.55	3,630.91	1,332.83
Additions	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
Foreign Exchange Impact	-	-	-	-	.00	-	-	-	.00	-	.00
As at March 31, 2023	103.14	9.52	2,986.00	113.78	242.92	175.55	-	288.27	1,044.55	3,630.91	1,332.83
Additions	-	-	-	-	-	-	-	-	-	-	.00
Disposals ²¹	-	-	-	-	-	-	-	-	-	-	.00
Foreign Exchange Impact	-	-	-	-	-	-	-	-	-	-	.00
As at March 31, 2024	103.14	9.52	2,986.00	113.78	242.92	175.55	-	288.27	1,044.55	3,634.41	1,334.30
Depreciation / Amortization											
As on April 1, 2022	103.14	5.96	2,658.01	-	242.92	148.37	-	235.94	1,044.55	3,158.40	1,280.49
Charge for the year	-	0.08	2.48	-	-	-	-	16.65	-	2.56	18.60
Disposals	-	-	(2,631.24)	-	-	-	-	-	-	(2,631.24)	-
As at March 31, 2023	103.14	6.04	29.26	-	242.92	148.37	-	252.59	1,044.55	529.73	1,299.09
Charge for the period	-	0.40	2.51	-	-	-	-	16.65	-	2.91	18.27
Disposals ²⁰	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2024	.00	.00	.00	.00	.00	.00	-	.00	.01	.01	.01
Net Block											
As at April 01, 2022	0.00	3.56	327.99	113.78	-	27.18	-	52.33	-	472.51	52.33
As at March 31, 2023	0.00	3.48	2,956.74	113.78	-	27.18	-	35.68	-	3,101.18	35.68
As at March 31, 2024	0.00	3.08	2,954.23	113.78	-	27.18	-	19.03	-	3,098.27	20.51

²¹ Out of the total Plant and Machinery disposed amounting to Rs.2950.43 Lakhs, Rs.35.57 Lakhs were sold in the FY 2022-23 and the balance of Rs.2914.86 Lakhs were sold in the earlier years which were not reduced from the Plant and Machinery, has been rectified in the current financial year (2022-23), relevant accumulated depreciation for the Plant and Machinery sold has also been reduced.

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Corporate Information & Summary Of Significant Accounting Policies**All amounts in INR Lakhs, Except No. of shares & EPS****27. Corporate Information**

M/s Kavveri Telecom Products Limited ('company' or 'Kavveri') was incorporated in 1996 and is engaged in the design, development and manufacture of Radio Frequency products and antennae for telecom, defense and space applications in India and abroad. Kavveri enjoys the status of being the largest manufacturer of wireless subsystem products like, Radio frequency products and antenna and Radio Frequency products in India. Kavveri also provides total turnkey solutions for coverage and capacity enhancement requirements for GSM 3G and CDMA carriers in India

28. SIGNIFICANT ACCOUNTING POLICIES**Basis of preparation**

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

(i) Compliance with IndAS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015, 2016 & 2017 and other relevant provisions of the Act.

(ii) Historical cost convention

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

- Certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value;
- Assets held for sale – measured at fair value less cost to sell; and
- Defined benefit plans – plan assets measured at fair value;

(iii) Recent accounting pronouncements

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notified IND AS 115 'Revenue from Contracts with Customers' and its impact on other IND AS Standards, which shall come into force from April 01, 2018. The company is evaluating the requirement of standard and its implications on the financial statements.

Significant Accounting Estimates and Judgments

Estimates, assumptions concerning the future and judgments are made in the preparation of the financial statements. They affect the application of the Company's accounting policies, reporting amounts of assets, liabilities, income and expense and disclosures made. Although these estimates are based on management's best knowledge of current events and actions, actual result may differ from those estimates.

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Corporate Information & Summary Of Significant Accounting Policies**All amounts in INR Lakhs, Except No. of shares & EPS**

The critical accounting estimates and assumptions used and areas involving a high degree of judgments are described below:

Use of estimation and assumptions

In the process of applying the entity's accounting policies, management had made the following estimation and assumptions that have the significant effect on the amounts recognised in the financial statements.

Income tax

The company recognizes tax liabilities based upon self-assessment as per the tax laws. When the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such final determination is made.

Property, plant and equipment & Intangible Assets

Key estimates related to long-lived assets (property, plant and equipment and intangible assets) include useful lives, recoverability of carrying values and the existence of any retirement obligations. As a result of future decisions, such estimates could be significantly modified. The estimated useful lives of long-lived assets is applied as per the Schedule II of Companies Act, 2013 and estimated based upon our historical experience, engineering estimates and industry information. These estimates include an assumption regarding periodic maintenance and an appropriate level of annual capital expenditures to maintain the assets.

Employee Benefits- Measurement of Defined Benefit Obligation

Management assesses post-employment and other employee benefit obligations using the projected unit credit method based on actuarial assumptions which represent management's best estimates of the variables that will determine the ultimate cost of providing post-employment and other employee benefits.

Critical judgments made in applying accounting policies**Impairments in Subsidiaries and Associates**

When a subsidiary is in net equity deficit and has suffered operating losses, a test is made whether the investment in the investee has suffered any impairment, in accordance with the stated accounting policy. This determination requires significant judgment. An estimate is made of the future profitability

KAVVERI TELECOM PRODUCTS LIMITED**CIN : L85110KA1996PLC019627****Corporate Information & Summary Of Significant Accounting Policies****All amounts in INR Lakhs, Except No. of shares & EPS**

of the investee, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, and financing and operational cash flows.

Impairment of plant & equipment and Intangible assets

The company assesses whether plant & equipment and intangible assets have any indication of impairment in accordance with the accounting policy. The recoverable amounts of plant & equipment and intangible asset have been determined based on value-in-use calculations. These calculations require the use of judgment and estimates.

Expected credit loss

Expected credit losses of the company are based on an evaluation of the collectability of receivables. A considerable amount of judgment is required in assessing the ultimate realization of these receivables, including their current creditworthiness, past collection history of each customer and ongoing dealings with them. If the financial conditions of the counterparties with which the Company contracted were to deteriorate, resulting in an impairment of their ability to make payments, additional expected credit loss may be required.

I. Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Cost includes its purchase price (after deducting trade discounts and rebates), import duties & non-refundable purchase taxes, if any costs directly attributable to bringing the asset to the location & condition necessary for it to be capable of operating in the manner intended by management, borrowing costs on qualifying assets and asset retirement costs. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The activities necessary to prepare an asset for its intended use or sale extend to more than just physical construction of the asset. It may also include technical (DPR, environmental, planning, Land acquisition and geological study) and administrative work such as obtaining approvals before the commencement of physical construction.

The cost of replacing a part of an item of property, plant and equipment is capitalized if it is probable that the future economic benefits of the part will flow to the Company and that its cost can be measured reliably. The carrying amount of the replaced part is derecognized.

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Corporate Information & Summary Of Significant Accounting Policies

All amounts in INR Lakhs, Except No. of shares & EPS

Costs of day to day repairs and maintenance costs are recognized into the statement of profit and loss account as incurred.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, estimated useful lives and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognised in the profit or loss in the year the asset is derecognized.

Assets under installation or under construction as at the Balance Sheet date are shown as Capital Work in Progress.

Depreciation

Depreciation is provided on Straight Line Method, as per the provisions of schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment. Asset class wise useful lives in years are as under:

Plant and Machinery	1 to 25
Buildings	8 to 60
Computers and equipment	3 to 6
Furniture & fixtures	10 to 15
Vehicles	8 to 10
Office equipment	5 to 15

Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use.

In respect of additions / deletions to the fixed assets / leasehold improvements, depreciation is charged from the date the asset is ready to use / up to the date of deletion.

Depreciation on adjustments to the historical cost of the assets on account of reinstatement of long term borrowings in foreign currency, if any, is provided prospectively over the residual useful life of the asset.

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Corporate Information & Summary Of Significant Accounting Policies

All amounts in INR Lakhs, Except No. of shares & EPS

II. Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. The company amortizes Computer software using the straight-line method.

Financial Assets

Financial assets comprise of investments in equity and debt securities, trade receivables, cash and cash equivalents and other financial assets.

Initial recognition:

All financial assets are recognised initially at fair value. Purchases or sales of financial asset that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the assets.

Subsequent Measurement:

(i) Financial assets measured at amortised cost:

Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost using effective interest rate (EIR) method. The EIR amortization is recognised as finance income in the Statement of Profit and Loss.

The Company while applying above criteria has classified the following at amortised cost:

- a) Trade receivable
- b) Cash and cash equivalents
- c) Other Financial Asset

(ii) Financial assets at fair value through other comprehensive income (FVTOCI):

Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, selling the financial assets and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at FVTOCI.

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Corporate Information & Summary Of Significant Accounting Policies

All amounts in INR Lakhs, Except No. of shares & EPS

Fair Value movements in financial assets at FVTOCI are recognised in other comprehensive income.

Equity instruments held for trading are classified as at fair value through profit or loss (FVTPL). For other equity instruments the company classifies the same as at FVTOCI. The classification is made on initial recognition and is irrevocable. Fair value changes on equity investments at FVTOCI, excluding dividends are recognised in other comprehensive income (OCI).

(iii) Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss if it does not meet the criteria for classification as measured at amortised cost or at fair value through other comprehensive income. All fair value changes are recognised in the statement of profit and loss.

(iv) Investment in subsidiaries, joint ventures & associates are carried at cost in the separate financial statements.

Impairment of Financial Assets:

Financial assets are tested for impairment based on the expected credit losses.

(i) Trade Receivables

An impairment analysis is performed at each reporting date. The expected credit losses over life time of the asset are estimated by adopting the simplified approach using a provision matrix which is based on historical loss rates reflecting current condition and forecasts of future economic conditions. In this approach assets are grouped on the basis of similar credit characteristics such as industry, customer segment, past due status and other factors which are relevant to estimate the expected cash loss from these assets.

(ii) Other financial assets

Other financial assets are tested for impairment based on significant change in credit risk since initial recognition and impairment is measured based on probability of default over the life time when there is significant increase in credit risk.

De-recognition of financial assets

A financial asset is derecognized only when:

- The company has transferred the rights to receive cash flows from the financial asset or
- The contractual right to receive cash flows from financial asset is expired or

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Corporate Information & Summary Of Significant Accounting Policies**All amounts in INR Lakhs, Except No. of shares & EPS**

- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset and transferred substantially all risks and rewards of ownership of the financial asset, in such cases the financial asset is derecognized. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is also derecognized if the company has not retained control of the financial asset.

III. Impairment of Non-Financial Assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

IV. Inventories

Raw materials, consumables, stores and spares and finished goods are valued at lower of cost and net realizable value. Cost is determined on weighted average cost method.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

V. Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Deposits with banks subsequently measured at amortized cost and short term investments are measured at fair value through Profit & Loss account.

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Corporate Information & Summary Of Significant Accounting Policies

All amounts in INR Lakhs, Except No. of shares & EPS

VI. Share Capital

Equity shares are classified as equity.

VII. Financial Liabilities

Initial recognition and measurement

Financial liabilities are recognized when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value plus any directly attributable transaction costs, such as loan processing fees and issue expenses.

Subsequent measurement – at amortized cost

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the liabilities are derecognized, and through the amortization process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

VIII. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Corporate Information & Summary Of Significant Accounting Policies**All amounts in INR Lakhs, Except No. of shares & EPS****IX. Employee Benefits**

Employee benefits are charged to the statement of Profit and Loss for the year and for the projects under construction stage are capitalised as other direct cost in the Capital Work in Progress / Intangible asset under development.

Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are recognized, when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

Gratuity liability is defined benefit obligations and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Re-measurement in case of defined benefit plans gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income and they are included in retained earnings in the statement of changes in equity in the balance sheet.

Compensated absences are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Re-measurement as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The amount of Non-current and Current portions of employee benefits is classified as per the actuarial valuation at the end of each financial year.

X. Stock Option Plan (2008):

The Company instituted the Kavveri ESOS 2008 Plan for all eligible employees in pursuance of the special resolution approved by the shareholders by Postal ballot on 23rd April 2008. The Kavveri ESOS 2008 Plan covers all employees of the company and its subsidiaries and Directors (excluding Promoter Directors) of the Company and its subsidiaries (collectively, "eligible employees"). Under the Scheme, the Compensation Committee of the Board ('the Committee') shall administer the Scheme and grant stock options to eligible directors and employees of the Company and its Subsidiaries. The Committee shall determine the employees eligible for receiving the options, the number of options to be granted, the exercise price, the vesting period and exercise period. Vesting of employee stock options granted occurs in tranches as under:

Period	Vesting proportion
At the end of one year from the date of grant	20%
At the end of two years from the date of grant	30%
At the end of three years from the date of grant	50%

KAVVERI TELECOM PRODUCTS LIMITED**CIN : L85110KA1996PLC019627****Corporate Information & Summary Of Significant Accounting Policies****All amounts in INR Lakhs, Except No. of shares & EPS**

The exercise price for the purpose of exercise of options will be at Rs.10/- per share i.e. at par. The employee stock options granted shall be capable of being exercised within a period of 5 years from the date of vesting options or such lesser period as may be decided by the Compensation Committee from time to time.

Under the Scheme 3,07,200 stock options out of the total of 5,00,000 stock options reserved for grant of options having an exercise price equal to the par value of the underlying equity shares on the date of grant (i.e. Rs. 10 per option) are outstanding as at the balance sheet date.

As the number of shares that an individual employee is entitled to receive and the price of the options are known at the grant date, the scheme is considered as a fixed grant.

In the case of termination of employment, all non-vested options would stand cancelled. Options that have been vested but have not been exercised can be exercised within the time prescribed under each option agreement by the Committee or if no time limit is prescribed, within 30 days of the date of employment termination, failing which they would stand cancelled.

The Company follows intrinsic method of accounting based on which the compensation cost is recognized in the Statement of Profit and Loss.

XI. Income Taxes

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current income taxes for the current period, including any adjustments to tax payable in respect of previous years, are recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the tax rates that are enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases using the tax rates that are expected to apply in the period in which the deferred tax asset or liability is expected to settle, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable income will be available against which they can be utilized. Deferred tax assets are reviewed at

KAVVERI TELECOM PRODUCTS LIMITED**CIN : L85110KA1996PLC019627****Corporate Information & Summary Of Significant Accounting Policies****All amounts in INR Lakhs, Except No. of shares & EPS**

each reporting date and reduced accordingly to the extent that it is no longer probable that they can be utilized.

In the situations where the Company is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax (asset or liability) is recognized in respect of temporary differences which reverse during the tax holiday period, to the extent the company's gross total income is subject to the deduction during the tax holiday period.

Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognized in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent that it has become reasonably certain, that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

Deferred tax assets and liabilities are offset when there is legally enforceable right of offset current tax assets and liabilities when the deferred tax balances relate to the same taxation authority. Current tax asset and liabilities are offset where the entity has legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

XII. Provisions, Contingent Liabilities and Contingent Assets***Provisions***

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense and is recorded over the estimated time period until settlement of the obligation. Provisions are reviewed and adjusted, when required, to reflect the current best estimate at the end of each reporting period.

The Company recognizes decommissioning provisions in the period in which a legal or constructive obligation arises. A corresponding decommissioning cost is added to the carrying amount of the associated property, plant and equipment, and it is depreciated over the estimated useful life of the asset.

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Corporate Information & Summary Of Significant Accounting Policies**All amounts in INR Lakhs, Except No. of shares & EPS**

A provision for onerous contracts is recognized when the expected benefits to be derived by the company from a contract are lower than the unavoidable cost of meeting its obligations under contract. The provision is measured at the present value of the lower of expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the company recognizes any impairment loss on the assets associated with that contract.

Liquidated Damages / Penalty as per the contracts / Additional Contract Claims / Counter Claims under the contract entered into with Vendors and Contractors are recognized at the end of the contract or as agreed upon.

Contingent Liabilities

Contingent liability is disclosed in case of

A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;

A present obligation arising from past events, when no reliable estimate is possible;

A possible obligation arising from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company where the probability of outflow of resources is not remote.

Contingent Assets

Contingent assets are not recognized but disclosed in the financial statements when as inflow of economic benefits is probable.

XIII. Fair Value Measurements

Company uses the following hierarchy when determining fair values:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices); and,

Level 3 – Inputs for the asset or liability that are not based on observable market data.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting dates. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The fair value for these instruments is determined using Level 1 inputs.

KAVVERI TELECOM PRODUCTS LIMITED**CIN : L85110KA1996PLC019627****Corporate Information & Summary Of Significant Accounting Policies****All amounts in INR Lakhs, Except No. of shares & EPS**

The fair value of financial instruments that are not traded in an active market (for example, over the counter derivatives) is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is fair valued using level 2 inputs.

If one or more of the significant inputs is not based on observable market data, the instrument is fair valued using Level 3 inputs. Specific valuation techniques used to value financial instruments include:

Quoted market prices or dealer quotes for similar instruments;

The fair value of interest rate swaps is calculated as the present value of the estimated future cashflows based on observable yield curves;

The fair value of forward foreign exchange contracts is determined using forward exchange rates at the reporting dates, with the resulting value discounted back to present value;

Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments

XIV. Revenue Recognition

Revenue is recognized and measured at the fair value of the consideration received or receivable, to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

The company collects GST, service tax, sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. The following specific recognition criteria must also be met before revenue is recognized:

Insurance Claims

Insurance claims are recognized on acceptance / receipt of the claim.

Interest

Revenue is recognized as the interest accrues, using the effective interest method. This is the method of calculating the amortized cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Dividends

Dividends are recognised in profit or loss only when the right to receive payment is established.

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Corporate Information & Summary Of Significant Accounting Policies

All amounts in INR Lakhs, Except No. of shares & EPS

XV. Foreign Currency Transactions

Transactions in foreign currencies are translated to the functional currency of the company, at exchange rates in effect at the transaction date.

At each reporting date monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate in effect at the date of the statement of financial position.

The translation for other non-monetary assets is not updated from historical exchange rates unless they are carried at fair value.

XVI. Minimum Alternative Tax (MAT)

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

XVII. Earnings per Share

Basic earnings per share are calculated by dividing:

The profits attributable to owners of the company

By the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

The after income tax effect of interest and other financing costs associated with dilutive potential equity shares

The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

XVIII. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III of the Companies Act, 2013, unless otherwise stated.

KAVVERI TELECOM PRODUCTS LIMITED
CIN : L85110KA1996PLC019627
Notes To Financial Statements
All amounts in INR Lakhs, Except No. of shares & EPS

29. EARNINGS PER SHARE

Particulars	Year Ended March 31st 2024	Year Ended March 31st 2023
(a) Basic		
Profit after tax	(133.49)	3148.76
Weighted average number of shares outstanding	2,01,24,260	2,01,24,260
Basic EPS	(0.66)	15.65
(b) Diluted		
Profit after tax	(133.49)	3148.76
Adjusted net profit for the year	(133.49)	3148.76
Weighted average number of shares outstanding	2,01,24,260	2,01,24,260
Diluted EPS	(0.66)	15.65
Face value per share	10.00	10.00

30. RELATED PARTIES

(A) LIST OF RELATED PARTIES

Key Management Personnel	Direct Subsidiaries	Indirect Subsidiaries	Other related Associates/ Party
Mr.C.Shivakumar Reddy	Eaicom India Private Limited	DCI Digital Communications Inc	SMR Telecom Holdings Private Limited
	Kavveri Technologies Inc.	Spot wave Wireless ltd.	Ms. C. Uma Reddy
Ms. R .H Kasturi	Kavveri Telecom Infrastructure Limited	Kavveri Realty 5Inc.	
	Kavveri Technologies Americas Inc	Tiltek Antennae Inc.	
		Quality Communications Systems	
		New England Communication Systems	

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Notes To Financial Statements**All amounts in INR Lakhs, Except No. of shares & EPS****(B)TRANSACTIONS WITH RELATED PARTIES (as identified by the Company)**

Description of the nature of transaction	Description of Relationship	Related Party	Year ended 2024 (Amt in Lakhs)	Year ended 2023 (Amt in Lakhs)
Sale of goods	Subsidiary	Tiltek Antennae Inc	NIL	NIL
Purchase of goods	Subsidiary	Tiltek Antennae Inc	NIL	NIL
Advances given	Subsidiary	Trackcom Systems International Inc	NIL	NIL
Advances Received	Key Managerial Personnel	Shiva kumar Reddy	11.15	12.58
Advances Received	Key Managerial Personnel	RH Kasturi	(141.73)	(36.57)
	Other related party	SMR Telecom Holdings Pvt Ltd	1.34	13.55
Payable at the year end	Subsidiary	Kavveri Technologies Inc	601.35	601.35
	Other related party	SMR Telecom Holdings Pvt Ltd	27.71	29.05
	Subsidiary	DCI Digital Communication Inc	94.29	94.29
	Subsidiary	Quality Communications Systems	25.17	25.17
	Subsidiary	New England Communication Systems	46.34	46.34
	Key Managerial Personnel	RH Kasturi	34.53	176.28
Receivable at the end	Key Managerial Personnel	Shiva kumar Reddy	731.20	742.35
	Subsidiary	Eaicaom India Private Limited	342.38	342.38
	Subsidiary	Kavveri Technologies Americas Inc	843.45	843.45
	Key Managerial Personnel	RH Kasturi	0.00	0.00
	Subsidiary	Kavveri Realty Inc	0.00	0.00
	Subsidiary	Spot wave Wireless Limited	0.00	0.00

31. In accordance with Accounting Standard 22(AS 22) issued by the ICAI, the Company has reversed the deferred income tax during the year. The reversal of deferred income tax provision for the current year Rs.262.14 Lakhs towards deferred tax Liability and Rs. 262.14 Lakhs towards deferred tax liability in the previous year.

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Notes To Financial Statements**All amounts in INR Lakhs, Except No. of shares & EPS****32. AMALGAMATION:**

Amalgamation with Mega sonic Telecoms Private Limited: - The Company got amalgamated with erstwhile Mega sonic Telecoms Private Limited in the year 2003-04 and as per the scheme of amalgamation 4,935,000 equity shares were issued as consideration.

33. CAPITAL RESERVES:

The Capital Reserve of Rs. 73.26 Lakhs represents the excess of net fair value of assets over the purchase consideration in terms of scheme of amalgamation taken place during the year 2003-04, which was duly approved by the Hon'ble High Courts of Karnataka and Bombay.

34. INVESTMENTS:**DETAILS OF INVESTMENT IN SUBSIDIARIES:**

Particulars	31st March 2024 (Amount in Lakhs)
M/s. Eaicom India Pvt Ltd	1,457.18
M/s. Kavveri Technologies Inc	880.09
M/s. Kavveri Telecom Infrastructure Limited	-
M/s. Kavveri Telecom Espana	-
M/s. Kavveri Technologies America Inc	496.80
TOTAL	2,834.07

The following is the list of Subsidiary Companies and percentage shareholding as at the end of the year:

Particulars	Country of Incorporation	2024	2023
EAICOM INDIA PRIVATE LTD	India	100%	100%
KAVVERI TECHNOLOGIES INC	Canada	100%	100%
KAVVERI TECHNOLOGIES AMERICAS INC.	USA	100%	100%

Subsidiaries of wholly owned subsidiary, Kavveri Technologies Inc., Canada.

Particulars	Country of Incorporation	2024	2023
Til-Tek Antennae Inc	Canada	100%	100%
DCI Digital Communications Inc	Canada	100%	100%
Spotwave Wireless Inc	Canada	100%	100%
Kavveri Realty 5 Inc	Canada	100%	100%

Subsidiaries of wholly owned subsidiary, Kavveri Technologies Americas Inc., USA.

Particulars	Country of Incorporation	2024	2023
Quality Communications Systems	USA	100%	100%
New-England Communication Systems	USA	100%	100%

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Notes To Financial Statements**All amounts in INR Lakhs, Except No. of shares & EPS****35. CIF VALUE OF IMPORTS**

Particulars	2024 (Amount in Rs.)	2023 (Amount in Rs.)
Raw materials	Nil	Nil
Components and spare parts	Nil	Nil
Capital Goods	Nil	Nil
Total	Nil	Nil

36. EXPENDITURE INCURRED IN FOREIGN CURRENCY

Particulars	2024 (Rs.)	2023 (Rs.)
Technical knowhow/Research and development expenses	Nil	Nil
Professional and consultation fees	Nil	Nil
Travelling expenses	Nil	Nil
Maintenance Charges	Nil	Nil
Total	Nil	Nil

37. DETAILS OF CONSUMPTION

a) Details of Raw Materials Consumed:

Particulars	2024 (Rs.)	2023 (Rs.)
Raw Materials Consumption	Nil	Nil
TOTAL	Nil	Nil

b) Details of value of material consumed (imported and indigenous):

Particulars	Imported(2024)	Indigenous(2024)	Imported(2023)	Indigenous(2023)
Raw Materials	Nil	Nil	Nil	Nil
TOTAL	Nil	Nil	Nil	Nil

38. EARNINGS IN FOREIGN CURRENCY

Particulars	2024 (Rs.)	2023 (Rs.)
Revenue from exports on FOB basis	Nil	Nil
Interest	Nil	Nil
Other Income	Nil	Nil
Total	Nil	Nil

39. Additional Regulatory information

- i. The Company is in possession of immovable property and title deeds are held in the Name of the company.
- ii. The Company has not revalued any of its Property, Plant and Equipment during the year.
- iii. The Company has granted loans or advances in the nature of loans to promoters, directors, KMPs and other related parties.
- iv. There are no proceedings initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.
- v. The Company has no borrowings 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.
- vi. The Company is not declared as wilful defaulter by any bank or financial Institution or other lenders.
- vii. The Company did not have any transactions with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956 considering the information available with the Company.

40. i) Financial risk management objectives and policies

The Company's principal financial liabilities comprise of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents that derive directly from its operations and FVTPL investments.

The Company is exposed to market risk and liquidity risk. The Company's senior management oversees management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures so that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

(ii) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency rate risk, interest rate risk and other price risk. Financial instruments affected by market risk include FVTPL financial instruments.

The sensitivity analysis in the following sections relate to the position as at 31 March 2023 and 31 March 2024.

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Notes To Financial Statements**All amounts in INR Lakhs, Except No. of shares & EPS****(iii)Equity price risk**

The Company's listed equity instruments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification. The Company's Board of Directors reviews and approves all equity investment decisions.

(iv)Liquidity Risk:

The Company's objective is to maintain a balance between continuity of funding and flexibility. The Company has sufficient working capital funds available to honour the debt maturing within 12 months.

41. DUES TO MICRO AND SMALL ENTERPRISES.

S.No	Particulars	2024 (Rs.)	2023 (Rs.)
1	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	Nil	Nil
2	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	Nil	Nil
3	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil
4	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil
5	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	Nil	Nil
6	Interest due and payable towards suppliers registered under MSMED Act, for payments already made.	Nil	Nil
7	Further interest remaining due and payable for earlier years.	Nil	Nil

42. MANGERIAL REMUNERATION

Name	2024		2023	
	Remuneration	Commission	Remuneration	Commission
C.Shiva Kumar Reddy - Managing Director	Nil	Nil	Nil	Nil
H Kasturi - Whole Time Director	Nil	Nil	Nil	Nil
Other Non-Executive Directors	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil

KAVVERI TELECOM PRODUCTS LIMITED**CIN : L85110KA1996PLC019627****Notes To Financial Statements****All amounts in INR Lakhs, Except No. of shares & EPS****43. UNEXPIRED WARRANTY CHARGES**

Particulars	2024 (Rs.)	2023 (Rs.)
Balance at the beginning of the year	-	2,111.77
Additions during the year	-	-
Reversals during the year	-	2111.77
Balance at the end of the year	-	-

44. The Company does not have any transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.

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

46. There are no significant events that occurred after the balance sheet date.

47. The company has not advanced/loans/invested or received funds (either borrowed funds or share premium or any other sources or kind of funds to 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 by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

48. The company has also not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (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.

49. In the opinion of the management, the assets as shown in the financial Statements, have a value on realization in the ordinary course of business of at least equal to the amount at which they are stated in the balance sheet.

50. The Company has not declared any dividend during the year.

51. CONTINGENT LIABILITIES

S.No	Name of Statute	Amount (Rs. In Lakhs)	Period to which amount relates	Forum where dispute is pending
1	Central Excise	55.33	Various Assessment Years	CESTAT Bangalore
2	Income Tax	21725.15	Various Assessment Years	Commissioner of Income Tax Appeals - 1, Bangalore

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Notes To Financial Statements

All amounts in INR Lakhs, Except No. of shares & EPS

- (i) M/s. Mahanagar Telephone Nigam Ltd and M/s Bharat Sanchar Nigam Ltd. had invoked bank guarantees totalling to Rs. 4.41 Lakhs and Rs. 7.55 Lakhs respectively against which the company has filed cases against such invoking of bank guarantees and is advised that the matter will be resolved in favour of the company in respect of the said amount and hence no provision is made in the books of account.
- (ii) In the Matter of dispute with M/s Bharat Sanchar Nigam Limited (BSNL), the Honourable High Court of Karnataka at Bangalore have referred the matter to the arbitrator to be appointed by M/s BSNL, against invoking of Bank guarantee of a sum of Rs. 22.70 Lakhs.
- (iii) Margin Money deposits with the bank amounting to Rs. 11.77 Lakhs (Rs. 10.62 Lakhs) has been given as margin money for the guarantees issued by the bankers.
- (iv) (A) Deposit paid against Order in Original No. 94/2012 dt. 31.12.2012 under Protest of Rs.26.78 Lakhs .
- (B) Rs. 2.57 Lakhs /- Cenvat deposit against O/O no.42/2013 dt: 21.02.2013 stay order no.119/2013 dt: 25.06.2013.
- (C) Rs.1.28 Lakhs /-deposit against CESTAT Appeal No.E/2210/2012 Stay/Misc/26402/2013 dt: 13.06.2013
- (D).Rs. 5.00 Lakhs /- Cenvat deposit against OIO No.37/2011 dt: 31.03.2011 passed by the Additional Commissioner of Central Excise and CESTAT Miscellaneous Order No.26586/2013 dt: 16.07.2013

52. The Company (KTPL) has defaulted in repayment of cash credit and term loan which were availed from State Bank of India. The Bank has issued notice U/s. 13(2) of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 to recover the amount which includes outstanding interest towards cash credit and term loan availed by the Company. Later on the bank has transferred the outstanding due to Edelweiss Asset Reconstruction Company (EARC) for the purpose of recovery of dues from the Company on 27th June, 2014. Also all securities provided by the company to Bank against Term loan and cash credit are also transferred to the Asset Reconstruction Company as informed by Bank to the Company. The Company has approached Edelweiss ARC Ltd for One Time Settlement (OTS) Proposal in 21st November, 2021 for settlement of loans availed by the company, the settlement proposal had been accepted by the EARC vide it's letter dated 8th December, 2021. As per terms of aforesaid settlement, KTPL was required to pay EARC a sum of Rs. 2.5 Crores on or before 25th March, 2022. The company has paid the Rs. 2.5 Crores to EARC in consonance with the timeline detailed under the acceptance letter. Later, the EARC has issued No Dues Certificate to KTPL on 24th March, 2022 and released the personal guarantees of Mr. C Shivakumar Reddy and Mrs. R.H. Kasturi.

KAVVERI TELECOM PRODUCTS LIMITED

CIN : L85110KA1996PLC019627

Notes To Financial Statements

All amounts in INR Lakhs, Except No. of shares & EPS

53. In the preparation of consolidated financial statements, the financial statements or financial information of the following subsidiaries are not included for the Year ended 31st March 2023.

- I. Kavveri Telecom Infrastructure Limited
- II. EAICOM India Private Limited
- III. Kavveri Technologies Americans Inc.
- IV. New England Communications Systems Inc.
- V. Quality Communications Systems Inc.
- VI. Spotwave Wireless Ltd.

As the financial statements/ financial information of the above-mentioned subsidiaries are not considered in consolidation for the year ended 31.03.2023, the current year figures are not comparable to previous year.

54. The Previous year's numbers have been regrouped, rearranged, recasted, wherever necessary to conform to Current Year Classification.

55. All the figures are rounded off to the nearest rupees in Lakhs.

As per our report of even date

For J K Chopra & Associates,

Chartered Accountants

ICAI Firm 's Registration No. 016071S

JITENDRA
KUMAR
CHOPRA

Digitally signed
by JITENDRA
KUMAR
CHOPRA

Jitendra Kumar Chopra

Proprietor

Membership No. 237068

UDIN: 24237068BKCULE7765

**For and on behalf of the Board Directors of
Kavveri Telecom Products Limited**

CHENNAREDDY
Y SHIVAKUMAR
REDDY

Digitally signed by
CHENNAREDDY
SHIVAKUMAR REDDY
Date: 2024.05.30
22:18:54 +05'30'

C. Shivakumar Reddy

Managing Director

DIN: 01189348

KASTURI
RAJUPETA

Digitally signed
by KASTURI
RAJUPETA
Date: 2024.05.30
22:18:38 +05'30'

R.H.Kasturi

Director

DIN: 0029185

Place: Bangalore

Date: 30th May 2024

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results – (Consolidated)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2024

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

I.

Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications) (Rs. in lakhs)	Adjusted Figures (audited figures after adjusting for qualifications) (Rs. in lakhs)
1	Turnover / Total income	187.48	NA
2	Total Expenditure	297.29	NA
3	Net Profit/(Loss)	(133.50)	NA
4	Earnings Per Share	(0.66)	NA
5	Total Assets	8540.28	NA
6	Total Liabilities	8540.28	NA
7	Net Worth	4703.44	NA
8	Any other financial item(s) (as felt appropriate by the management)	NA	-

II. Audit Qualification (each audit qualification separately):

Sl No.	Particulars	Remarks
1	Details of Audit Qualification:	<p>In the consolidated financial statements, the financial statements/ financial information of the following subsidiaries are not included for the Year ended 31st March, 2024.</p> <ul style="list-style-type: none"> a. Kavveri Telecom Infrastructure Limited b. EAICOM India Private Limited c. Kavveri Technologies Americans Inc. d. New England Communications Systems Inc. e. Quality Communications Systems Inc. f. Spotwave Wireless Ltd. g. Trackcon Systems International Inc. <p>As the results/ financial information of the above mentioned subsidiaries are not considered in consolidation for the year ended 31.03.2024, the current year figures are not comparable to previous year.</p>

a.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion
b.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	New
c.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	NA
e.	For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification:	In respect of qualification above, the opinion of the Management is as follows: Kavveri Telecom Infrastructure Limited is undergoing Insolvency process Under IBC 2016 and Spotwave Wireless Ltd is undergoing bankruptcy proceedings in Canada and other companies are non-operating companies currently, hence the same is not considered for the consolidated financials.
f.	(ii) If management is unable to estimate the impact, reasons for the same:	NA
g.	(iii) Auditors' Comments on (i) or (ii) above:	

Sl No.	Particulars	Remarks
2	Details of Audit Qualification:	In respect of preparation of financial statements of "the group" on going concern basis, during the Year ended, "the group" has incurred a Net loss of Rs. 133.50 Lakhs resulting into accumulated losses of Rs. 9,224.81 Lakhs. "The group" has obligations towards fund-based borrowings and significant decrease in revenue over the years. These conditions indicate the existence of a material uncertainty that may cast significant doubt on "the group's" ability to continue as going concern and "the group" may be unable to realize its assets and discharge its liabilities in the normal course of business. The ultimate outcome of these matters is at present not ascertainable.

		Accordingly, we are unable to comment on the consequential impact, if any, on the accompanying consolidated financial statements.
a.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion
b.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	Repetitive
c.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	NA
e.	For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification:	In respect of qualification above, In the opinion of the management, resolution and revival of the Company is possible in foreseeable future. Rapid increase of competitors in the telecommunication business effects the operations of the company during the previous years. The management of the company is taking steps to improve the business in the year 2024-25 and will improve the operations in the coming years. Hence the company's management is of the opinion that the company is 'Going Concern' only and the accounts have been prepared accordingly.
f.	(ii) If management is unable to estimate the impact, reasons for the same:	NA
g.	(iii) Auditors' Comments on (i) or (ii) above:	

Sl No.	Particulars	Remarks
3	Details of Audit Qualification:	Material uncertainty related to Going Concern: During the year the company has incurred a Net loss of Rs. 84.92 Lakhs resulting into accumulated losses of Rs. 9,108.30 Lakhs, which is after recording all the necessary entries based on the write back off of Deposits, Interest receivables and Trade receivables.

		There is significant decrease in revenue over the past few years. These conditions indicate the existence of a material uncertainty that may cast a significant doubt on the Company's ability to continue as going concern and therefore may be unable to realize its assets and discharge its liabilities in the normal course of business. The ultimate outcome of these matters is at present not ascertainable. Accordingly, we are unable to comment on the consequential impact, if any, on the accompanying standalone financial statements.
a.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion
b.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	Repetitive
c.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	NA
e.	For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification:	In respect of qualification above, In the opinion of the management, resolution and revival of the Company is possible in foreseeable future. Rapid increase of competitors in the telecommunication business effects the operations of the company during the previous years. The management of the company is taking steps to improve the business in the year 2024-25 and will improve the operations in the coming years. Hence the company's management is of the opinion that the company is 'Going Concern' only and the accounts have been prepared accordingly.
f.	(ii) If management is unable to estimate the impact, reasons for the same:	NA
g.	(iii) Auditors' Comments on (i) or (ii) above:	

Sl No.	Particulars	Remarks
---------------	--------------------	----------------

4	Details of Audit Qualification:	In relation to carrying value of investments held by the company in its subsidiaries, which have been incurring losses and in some of these companies, net worth was fully or substantially eroded. Taking into account the management internal assessment and initiatives to be implemented to improve the profitability in the medium to long term, the management of the company is of the view that carrying value of investments are realizable at the value stated in the books. In the absence of fair valuation of these investments, we are unable to comment upon the carrying value and thus, we are unable to comment whether any provision for impairment in the value of investments is required.
a.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion
b.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	Repetitive
c.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	NA
e.	For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification:	The management of the Company is in communication with such subsidiaries engaged in the other projects to recover the dues and cost incurred by the Company and taking necessary steps to turnaround the loss-making subsidiary Companies. Considering the long-term nature of investments and in view of ongoing discussion, no provision has been considered necessary by the management in respect of impairment in the value of investment. Further, depending upon the future the management of the company shall take the necessary modifications if required.
f.	(ii) If management is unable to estimate the impact, reasons for the same:	NA
g.	(iii) Auditors' Comments on (i) or (ii) above:	

Sl No.	Particulars	Remarks
5	Details of Audit Qualification:	The company has not reinstated the forex balances in respect receivables and payables including the related parties balances which is not in conformity with Indian Accounting Standards 21, we are unable to comment the possible effects on the financial statements as the company does not have the details of the forex receivables and payables, further there are no balance confirmations available.
a.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion
b.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	New
c.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	NA
e.	For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification:	Company is in the process of arrive at the reinstated forex values. The same shall be taken care in the current financial year.
f.	(ii) If management is unable to estimate the impact, reasons for the same:	NA
g.	(iii) Auditors' Comments on (i) or (ii) above:	

III. Signature Part

For and on behalf of the Board

Sd/-
Managing Director
CHENNAREDDY SHIVAKUMARREDDY
DIN: 01189348
Place: Bangalore
Date: 30.05.2024

For and on behalf of the Board

Sd/-
Chief Financial Officer
RAJPETA KASTURI HANUMENTHAREDDY
PAN: ADDPK6263D
Place: Bangalore
Date: 30.05.2024

For and on behalf of the Board

Sd/-
Director
SHANKARNARAYAN SRIKANTIAH BANGALORE
DIN: 00269705
Place: Bangalore
Date: 30.05.2024

For and on behalf of the Board

Sd/-
Director
LAKSHMIPURAM RAJAGOPALACHAR VENUGOPAL
DIN: 01058716
Place: Bangalore
Date: 30.05.2024

For J K Chopra and Associates.,

Chartered Accountants
Firm Registration No: 016071S

Sd/-
Jitendra Kumar Chopra
Membership No. 237068
Date: 30-05-2024
Place: Bangalore