AS-12: SUMMARY CHART

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LS

Goverment Grant : → Assistance by Government
→ receivable in cash / kind
→ for past or future compliance with certain conditions.

* Assistance by government :- reduction in costs which cannot have value placed upon it } not covered by AS-12.

Recognition of Government Grant :- Reasonable assurance :-

1. Compliance with conditions attached to grant. AND
2. Grant will be received.

* Mere receipt of grant is not sufficient evidence that conditions attached to the grant will be complied / fulfilled.
Such money received will be first treated as a liability - Advance received from Government until we have reasonable assurance regarding compliance of conditions attached.

Type of Government Grant :-

1. Monetary Grant.
2. Non-monetary Grant.

Various types of Monetary Grants :-

1. Related to Depreciable F.A.

Initial Recognition

a. Bank a/c Dr. / Grant Receivable a/c Dr.
To, Fixed Asset a/c

b. Bank a/c Dr. / Grant Receivable a/c Dr.
To, Deferred Government Grant a/c
(DGG will be written off to P&L in proportion to depreciation :- DGG a/c Dr.
To, P&L a/c)

Refund of Grant

a. Fixed Asset a/c Dr.
To, Bank a/c / Grant refund payable a/c

b. DGG (extent of balance) Dr.
P&L Dr.
To, Bank / Grant refund payable a/c

2. Related to Non-Depreciable Fixed Assets

Initial Recognition

1. Bank a/c Dr.
To, Fixed Asset a/c

2. Bank a/c Dr.
To, Capital Reserve a/c

3. Bank a/c Dr.
To, DGG a/c
(This can be done only if there are some associated in proportion to which DGG can be written off to P&L a/c.)

Refund of Grant

1. Fixed Assets Dr.
To, Bank / Grant Payable

2. Capital Reserve Dr. (extent of balance)
P&L Dr.
To, Bank / Grant Payable a/c

3. DGG a/c Dr. (extent of balance)
P&L a/c Dr.
To, Bank / Grant Payable

3. Related to Promoters Contribution

Initial Recognition

Bank / Grant Receivable Dr.
To, Capital Reserve a/c

Refund of Grant

Capital Reserve a/c Dr.
P&L Dr.
To, Bank / Grant payable

4. Grant related to Revenue

Initial Recognition

1. Bank / Grant receivable Dr.
To, P&L a/c

2. Bank / Grant receivable Dr.
To, DGG a/c
(Related costs → proportion to this write off to P&L a/c)

Refund of Grant

1. P&L a/c Dr.
To, Bank / Grant payable

2. DGG (extent of balance) Dr.
P&L Dr.
To, Bank / Grant Payable

5. Grant related to revenue :- No associated present / future costs

* Related costs to the grant have already been incurred in the past.

Initial Recognition

1. Bank / Grant Receivable Dr.
To, P&L a/c

Refund of Grant

1. P&L a/c Dr.
To, Bank / Grant Payable a/c

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Various types of Non-monetary Grants

1. Asset is given at a concessional rate

Initial Recognition

Fixed Asset a/c Dr.
To, Bank a/c
[Concessional Rate]

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Refund of Grant

If the asset is to be returned

1. Bank a/c Dr. (Amt from govt)
P&L a/c Dr. (difference)
To, fixed asset (Carrying Amt)

If the concession amount is to be repaid

2. Fixed Asset Dr. [Concession amount refundable]
To, Bank / Grant payable

2. Asset is given free of cost

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Initial Recognition

Fixed Asset Dr. (Token amt.)
To, Bank

Refund of Grant

If the asset is to be returned

P&L Dr. [Token amount]
To, fixed asset

If the concession amount is to be repaid

Fixed Asset Dr. [Amount to be refunded]
To, Bank / Grant payable

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DRHP KRN Heat Exchangerand Refrigeration Limited...

Revenue from Operations

(₹ in lakhs)

2022-23	2021-22	Variance in %
24748.08	15611.46	58.52

Revenue from Operations has increased by 58.52% to ₹24748.08 Lakhs during the Financial Year 2022-23 from ₹15611.46 Lakhs during the Financial Year 2021-22. Main reasons of increase in sales are by adopting forward integration which entails venturing into the distribution and sales channels. This enables us to capture a greater share of the value chain and establish direct connections with the customers. Our Team of experts works tirelessly to ensure that our products surpass industry standards. We look forward to cater new customers and extending our reach in the global market. Our export turnover has therefore increased by 89% from Rs 1493.63 lakhs during 2021-22 to Rs 2820.26 lakhs during 2022 -23.

(₹ in Lakhs)

Category	FY 2022-23		FY 2021-2022	
	Amount	(%)	Amount	(%)
(A) Domestic sales	21909.86	88.53	14105.54	90.35
(B) Export sales	2820.26	11.40	1493.63	9.57
(C) Others	17.96	0.07	12.29	0.08
TOTAL	24748.08	100.00	15611.46	100.00

Other Income

(₹ in lakhs)

2022-2023	2021-22	Variance in %
240.43	211.07	13.91%

During the year 2022-23 the other income of our company increased to ₹ 240.43 Lakhs from ₹211.07 Lakhs in 2021-22, representing an increase of 13.91%. This was majorly due to increase in revenue from freight on sales by Rs 84.09 lakhs and more subsidy received by Rs 28.75 lakhs. This is despite less income received as foreign exchange rate difference Rs 65.75 lakhs in 2022-23.

Total Expense

(₹ in lakhs)

2022-23	2021-22	Variance in %
20438.84	14325.81	42.67

The total expenditure for the Financial Year 2022-23 was increased to ₹ 20438.84 Lakhs from ₹ 14325.81 Lakhs in 2021-22, representing an increase of 42.67 %, primarily owing to increase in cost of materials consumed by 48% and employees cost by 53%. A further description is given as unde

Cost of material consumed

(₹ in lakhs)

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expenses				
Grand Total	738.84	1259.66	1046.83	495.65

Tax Expenses

Our tax expenses comprise of current tax and deferred tax.

Particulars	September 30, 2023 consolidated	FY 2022-23 standalone	FY 2021-22 standalone	FY 2020-21 standalone
Current tax.	814.82	1325.50	433.66	77.13
Deferred tax/ (Reversal)	(15.46)	(7.18)	4.02	16.39
Total	799.36	1318.32	437.68	93.52

Any significant dependence on a single or few suppliers or customers

We majorly procure our raw materials from our top 10 suppliers and have dependence on them. For further details please refer to **"Risk Factor No. 5 "We are dependent on third parties for the supply of raw materials and such providers could fail to meet their obligations, which may have a material adverse effect on our business, results of operations and financial condition. Further our 78.76%, 78.48%, 70.07% and 78.48% of our total purchases are derived from our top 10 suppliers for the period ended September 30, 2023 and Financial Years ended on March 31, 2023, March 31, 2022 and March 31, 2021 respectively"** on page no 38.

The following is the breakup of top five and top ten customers and suppliers of our Company as on standalone basis on March 31, 2023 are as below:

(₹ in lakhs)

Particulars	Customers		Suppliers	
	Amount	% of Total Sales	Amount	% of Total Purchases
Top 5	13814.21	55.82 %	12178.82	57.98 %
Top 10	17540.09	70.87%	16486.00	78.48%

The following is the breakup of top five and top ten customers and suppliers of our Company as on standalone basis on March 31, 2022 are as below:

(₹ in lakhs)

Particulars	Customers		Suppliers	
	Amount	% of Total Sales	Amount	% of Total Purchases
Top 5	9334.00	59.79%	7277.01	52.38%
Top 10	11835.45	75.82%	9734.18	70.07%

CHANGES IN ACCOUNTING POLICIES IN LAST THREE YEARS

10:26

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sales of high-quality aluminium/copper fins and copper tubes heat exchangers, water coils, condenser and evaporator coils to renowned original equipment manufacturer (OEMs) in the Heating, ventilation, Air conditioning and refrigeration (HVAC&R) industry.

(₹ in Lakhs)

Particulars	For the period ended on September 30, 2023 (Consolidated)		For the Financial Years ended on March 31, (Standalone) 2023		2022		2021	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
Export sales	2372.20	14.77	2820.26	11.40	1493.63	9.57	405.95	5.36
Domestic sales	13675.60	85.13	21909.86	88.53	14105.54	90.35	7176.47	94.64
Other operating revenue	16.44	0.10	17.96	0.07	12.29	0.08	0.00	0.00
Total	16064.24	100%	24748.08	100.00%	15611.46	100.00%	7582.42	100.00%

➢ **Other income –** The other income of our company is less than 10% of the total income of our company. Breakup of other income is set forth for the period indicated:

(₹ in lakhs)

Particulars	For the period ended September 30, 2023 (Consolidated)	For the Financial Year ended March 31, (Standalone) 2023	2022	2021
Subsidy receivable	46.69	80.86	52.11	26.47
Freight on sales	34.18	84.47	0.38	0.00
Duty draw back	0.04	15.80	12.69	3.86
Export duty income	-	-	3.47	-
Income from investment	-	-	16.45	-
Interest on FDR	20.64	35.41	30.08	15.34
Foreign Exchange Gain	109.74	21.90	87.65	50.30
Other income	9.78	0.67	7.04	2.56
Rent income	-	1.32	1.20	-
Total	221.07	240.43	211.07	98.53

Total Expenses

Our total expenses comprise of (i) Cost of materials consumed (ii) Purchase of stock-in-trade (iii) Changes in inventories of Finished Goods and Work in progress. (iv) Employee benefits expense, (v) Finance cost, (vi) Depreciation and Amortization expense and (vii) Other expenses.

➢ **Cost of material consumed –** The following table sets forth a breakdown of our cost of materi consumed for the periods indicated:

→ Segment Identification ✓

→ Segment Identity : { Asset ✓, Liability ✓, Revenue ✓, Expenses ✓ }

→ Segment Report : How to make

↓

→ Reportable Segment (Important Segment)

Additional Information: WIPRO

Particulars	Three months ended March 31, 2023	December 31, 2022	March 31, 2022	Year ended March 31, 2023	March 31, 2022
	Audited	Audited	Audited	Audited	Audited
Revenue					
IT Services					
Americas 1	66,430	67,788	58,342	261,270	217,874
Americas 2	70,563	71,168	63,963	278,374	239,404
Europe	67,562	66,323	60,743	256,845	233,443
APMEA	25,889	25,278	23,560	100,989	91,103
Total of IT Services	**230,444**	**230,557**	**206,608**	**897,478**	**781,824**
IT Products	1,131	1,721	1,201	6,047	6,173
ISRE	1,318	1,403	1,868	5,823	7,295
Reconciling Items	-	-	(2)	-	(3)
Total Revenue	**232,893**	**233,681**	**209,675**	**909,348**	**795,289**
Other operating income					
IT Services	-	-	7	-	2,186
Total Other operating income	**-**	**-**	**7**	**-**	**2,186**
Segment Result					
IT Services					
Americas 1	12,890	12,986	11,530	49,264	42,820
Americas 2	15,118	14,776	12,150	56,567	47,376
Europe	10,314	9,485	9,056	35,048	35,739
APMEA	2,671	2,476	1,946	8,945	10,523
Unallocated	(3,347)	(2,219)	361	(9,041)	434
Other operating income	-	-	7	-	2,186
Total of IT Services	**37,646**	**37,504**	**35,050**	**140,783**	**139,078**
IT Products	(59)	41	(22)	(176)	115
ISRE	20	102	171	441	1,173
Reconciling Items	(30)	(11)	(88)	(1,442)	(80)
Total Segment result	**37,577**	**37,636**	**35,111**	**139,606**	**140,286**
Finance expenses	(2,860)	(2,902)	(1,717)	(10,077)	(5,325)
Finance and Other Income	5,463	4,992	3,946	18,185	16,257
Share of net profit/ (loss) of associates accounted for using the equity method	4	26	(16)	(57)	57
Profit before tax	**40,184**	**39,752**	**37,324**	**147,657**	**151,275**

imp { Americas 1, Americas 2, Europe, APMEA } Segment Identify

LSI

Segment Identification - 2 methods

Products & Services

Geographical Area

Haldirams : Sweets → S1
Namkeen → S2
fast food rest. → S3
↓
Risk & Rewards alag alag
↓
" Business Segmenting "

→ Jab segmenting : Product & services ke basis pe hoti hein
↓
kyu karuga
↓
P&S : Risk & Reward that is different from other products & services (other segments)

ShehadRam's : sweets sell → R&R ×

North India

East India

South India

China

↓

Geographical Area / Economic Environment
↓
" Risks & Rewards change "
↓
Geographical Segmenting

Component
sell product
R&R are different
on the basis of economic envit.

AS-24: SUMMARY CHART

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Discontinuing Operation :- Component of the Entity

Decision to discontinue as per a Single Plan

methods

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- Abondonment
- Selling off in its entirety.
- selling off its assets piece by piece.

Component

1. Separate major line of business
   OR
2. Geographical area of operations

Distinguishable

- Operating Purpose
- AND
- Financial Reporting Purpose.

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* A discontinuing product is not considered a discontinuing operation. Hence disclosure under AS-24 is not required for the same.

* If a component of the entity is discontinued abruptly, then no disclosure is required under AS-24.

Initial Disclosure Event

Earlier of the two :-

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1. When the entity enters into a binding sale agreement.
2. BOD have approved the decision of discontinuing and made a public announcement for the same.

Information to be disclosed

1. Major Assets affected.
2. Method of disposal.
3. Period of disposal.
4. Amount realisable from disposal.
5. Principal Locations affected.
6. Compensation to employees.

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