



INDEPENDENT AUDITOR'S REPORT

To The Members of HTL METAL PRIVATE Limited

Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of HTL METAL PRIVATE Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the Standalone Ind AS financial statements including a summary of significant accounting policies and other explanatory information hereinafter referred to as "Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS"), of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Modified Audit Procedures carried out in light of COVID-19 outbreak:

Due to COVID-19 pandemic State wide lockdown and travel restrictions imposed State Government / Local Authorities during the period of our audit and to facilitate carrying out audit remotely wherever physical access was not possible, audit could not be conducted by visiting the premises of certain Branches/LHOS/ Business Units in the Corporate Office of the Company.

As we could not gather audit evidence in person/physically through discussion and personal interactions with the officials at the Branches/Circle Administrative /Corporate Offices, we have identified such modified audit procedures as a Key Audit Matter.

Accordingly, our audit procedures were modified to carry out the audit remotely.



How the matter was addressed in our audit

Due to the outbreak of COVID-19 pandemic that caused State wide lockdown and other travel restrictions imposed by the State Governments/local administration during the period of our audit, we could not travel to the Branches/Circle /Administrative /Corporate Offices and carry out the audit processes physically at the respective offices.

Wherever physical access was not possible, necessary records/reports/ documents/ certificates were made available to us by the Company through digital medium, emails and remote access and other relevant application software. To this extent, the audit process was carried out on the basis of such documents, reports and records made available to us which were relied upon as audit evidence for conducting the audit and reporting for the current period.

Accordingly, we modified our audit procedures as follows:

- a) Conducted verification of necessary records/ documents and other Application software electronically through remote access/emails in respect of some of the Administrative Offices and other offices of the Company wherever physical access was not possible.
- b) Carried out verification of scanned copies of the documents, deeds, certificates and the related records made available to us through emails and remote access over secure network of the Bank.
- c) Making enquiries and gathering necessary audit evidence through Video Conferencing. Dialogues and discussions over phone calls/conference calls, emails and similar communication channels.
- d) Resolution of our audit observations telephonically through email instead of a face-to-face interaction with the designated officials.

Management's Responsibility for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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

In preparing the Standalone Ind AS 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. Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 standalone Ind AS financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS 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. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiaries, which are companies incorporated in India, have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the standalone Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the standalone Ind AS financial statements; we remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the standalone Ind AS financial statements 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS 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 Section 143(3) of the Act, based on our audit we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company; so far it appears from our examination of these books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Company as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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 A". Our report expresses an unmodified 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 Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, To the extent applicable

For A. N.GARG & COMPANY

Chartered Accountants

FRN- 004616N

UDIN: 21083687AANAFQ5131



A. N. GARG

(FCA, Partner)

M.No.-083687

Place: DELHI

Date: May 31, 2021

Annexure - A
To the Independent Auditor's Report

(Referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

To the Members of HTL METAL PRIVATE Limited

We have audited the internal financial controls over financial reporting of HTL METAL PRIVATE Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone/ standalone Ind AS (retain as applicable) financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company 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". 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 respective company policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company and its joint operations companies incorporated in India (retain as applicable) based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide



reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on "the criteria for internal financial control over financial reporting established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For A. N.GARG & COMPANY

Chartered Accountants

FRN- 004616N

UDIN: 21083687AAA4FQ5131



A. N. GARG

(FCA, Partner)

M.No.-083687

Place: DELHI

Date: May 31, 2021

Annexure "B"
To the Independent Auditor's Report

The Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Report of even date to the financial statements of the company for the period 1st April' 2020 to 31st March'2021.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) These fixed assets have been physically verified by the management at reasonable intervals; any material discrepancies were not noticed on such verification;
- (c) The title deeds of immovable properties are held in the name of the company.
- (ii) Physical verification of inventory has been conducted at reasonable intervals by the management and any material discrepancies were not noticed.
- (iii) As informed, and according to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly paragraph 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable to the Company.
- (iv) Based on information and explanations given to us in respect of loans, investments, guarantees, and security, have been complied with (wherever applicable on the company) necessary provision of section 185 & 186 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year to which directives issued by the Reserve Bank of India and provisions of section 73 to 76 of the Companies Act, 2013 and rules framed there under.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2016, as amended, prescribed by the Central Government under sub - section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) As explained to us and as per the books and records examined by us, undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Custom Duty, Wealth Tax, Sales Tax, GST, Excise duty, Cess and other statutory dues have been generally deposited with the appropriate authority on regular basis.



(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income-tax, service tax, sales-tax, GST, duty of custom, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us by the management and relied upon by us, there are no dues of Income Tax, Custom Duty, Wealth Tax, Sales Tax, GST, Excise duty & Cess, which have not been deposited on account of any dispute except the following Statutory dues, which have not been deposited on account of dispute and same is pending before appropriate authority as follows:

Sl. No.	Name of the Statute	Nature of Dues	Amount Disputed (Rs. in Lakhs)	Period to which dues Related	Authority where the dispute is Pending for Decision
1.	VAT (Hindupur)	Advance Against Appeal	Rs. 6.63	February 2016 to June 2017	Assistant Commissioner(CT) (AUDIT) Hindupur

viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues of bank and financial institutions. The Company did not have any outstanding in respect of debentures during the year.

(ix) In our opinion and according to the information and explanations given by the management the company has utilized the money raised by way of initial public issue offer/further public offer and the term loans during the year for the purposes for which they were raised.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) According to the information and explanations given by the management, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

(xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company.

(xiii) According to the information and explanations given by the management, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.



(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company.

(xv) According to the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him during the year.

(xvi) According to the information and explanations given by the management, provision of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to company.

For A. N.GARG & COMPANY

Chartered Accountants

FRN- 004616N

UDIN: 21083687AAAAFQ5131



A. N. GARG

(FCA, Partner)

M.No.-083687

Place: DELHI

Date: May 31, 2021

DESCRIPTION		Notes No.	As at 31.03.2021	Rs. in Lakhs As at 31.03.2020
<u>ASSETS</u>				
I	Non-Current Assets			
	(a) Property, Plant & Equipments	2	3,652.66	3,453.52
	(b) Capital Work-in-Progress	3	7.71	268.15
	(c) Investment Property			
	(d) Intangible Assets			
	(e) Financial Assets			
	i Investments	4	0.03	0.03
	ii Loans	5	48.83	154.56
	(f) Other non-current assets	6	36.90	59.77
	Total Non-Current Asset		3,746.13	3,936.03
	Current Assets			
	(a) Inventories	7	3,801.35	3,886.26
	(b) Financial Assets			
	i Investments			
	ii Trade receivables	8	2,740.98	2,441.84
	iii Cash and cash equivalents	9	4.42	3.67
	iv Other Bank balances	10	-	82.13
	v Loans			
	vi Others Financial Assets			
	(c) Other current assets	11	501.27	2.36
	Total Current Assets		7,048.01	6,416.26
	Total Assets		10,794.14	10,352.29
II	<u>EQUITY AND LIABILITIES:</u>			
	Equity			
	(a) Equity share capital	12	236.00	236.00
	(b) Other Equity	13	3,140.77	2,439.04
	Total Equity		3,376.77	2,675.04
	Non-Current Liabilities			
	(a) Financial Liabilities			
	i Borrowings	14	2,810.97	2,578.21
	ii Trade payables			
	iii Other financial liabilities			
	(b) Provisions	15	4.83	4.76
	(c) Deferred tax liabilities (Net)	18	171.75	69.54
	Total Non-Current Liabilities		2,987.56	2,652.52
	Current Liabilities			
	(a) Financial Liabilities			
	i Borrowings	16	3,242.88	3,967.45
	ii Trade payables	17	93.58	119.42
	iii Other financial liabilities	19	617.42	395.50
	(b) Other current liabilities	20	190.58	256.94
	(c) Provisions	21	144.75	219.35
	(d) Current Tax Liabilities (Net)	18	140.59	66.09
	Total Current Liabilities		4,429.81	5,024.74
	Total Equity & Liability		10,794.14	10,352.29

The accompanying notes are an integral part of the financial statements

As per our report of even date

For A.N. GARG & COMPANY

Chartered Accountants

FRN - 004616N

A.N. GARG

(FCA, Partner)

M. No. 083687

Date: May 31st, 2021

For and on behalf of Board of Directors

Ajay Kumar Bansal

Director

DIN : 01070123

Anish Bansal

Director

DIN : 00670250



HTL METAL PRIVATE LIMITED
STATEMENT OF PROFIT & LOSS
For the Year ended Mar 31, 2021

		Rs. in Lakhs	
Particulars	Notes	For the Year ended Mar 31, 2021	For the Year ended March 31, 2020
I Revenue from Operations	22	26,978.25	24,255.11
II Other Operating Income	23	71.13	-
III Total Income(I+II)		27,049.39	24,255.11
IV EXPENSES			
Cost of materials consumed	24	23,293.69	22,242.51
Purchases of stock-in-trade		-	-
Change in inventories of finished goods, traded goods and work in progress	25	612.65	-691.00
Employee benefits expense	26	475.78	471.37
Finance costs	27	629.77	580.15
Depreciation and amortization expenses	28	159.73	152.96
Other expenses	29	894.92	749.12
Total Expenses (IV)		26,066.54	23,505.12
V Profit before Tax(III-IV)		982.85	750.00
VI Tax Expenses	18		
Current Tax		170.03	128.00
Deffered Tax		41.77	-58.00
MAT credit entitlement / utilisation		69.31	45.00
Income Tax Expenses		281.11	115.00
VII Profit for the year		701.73	635.00
VIII Other Comprehensive Income			
i) Items that will not be reclassified to profit or loss viz Remasurement of the Defined Benefits Plan to			
A Employees		-	-
ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Total A		-	-
B i) Items that will be reclassified to profit or loss ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total B		-	-
Total Other comprehensive income / (loss) (A+B)		701.73	635.00
IX Total Comprehensive income / (loss)			
X Earning Per Equity Share (Nominal Value of share Rs.10)			
Basic Rs.		29.73	26.86
Diluted Rs.		29.73	26.86

The accompanying notes are an integral part of the financial statements

As per our report of even date

For A.N. GARG & COMPANY

Chartered Accountants

FRN - 004616N

A.N. GARG

(FCA, Partner)

M. No. 083687

Date: May 31st, 2021

For and on behalf of Board of Directors

Ajay Kumar Bansal

Director

DIN :01070123

Anish Bansal

Director

DIN :00670250



HTL METAL PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MAR 31, 2021
Rs. in Lakhs

PARTICULARS	For the year ended March 31,2021	For the year ended March 31,2020
A. CASH FLOW FROM THE OPERATING ACTIVITIES		
Net Profit Before Tax and Extra Ordinary Activity	982.85	750.00
Add/(Less) Adjustments for:		
Depreciation	159.73	152.96
Interest Received	-	-
Finance Costs	629.77	580.15
Operating Profit Before Working Capital Changes	1,772.35	1,483.11
Adjustments for:-		
Increase / (Decrease) Trade Payables	-25.84	-28.11
Increase / (Decrease) Provision	-83.39	96.46
Increase / (Decrease) Other Current Liabilities	230.06	-182.06
(Increase) / Decrease Loan & Advances	105.73	-4.75
(Increase) / Decrease Trade Receivables	-299.14	1,905.17
(Increase) / Decrease Inventories	84.91	-770.26
(Increase) / Decrease Other Current assets	-476.03	16.29
Cash Generated from Operations	1,308.64	2,515.85
Direct Taxes Paid	170.03	227.00
Net Cash Flow From Operating Activities (A)	1,138.61	2,288.85
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Payment for Property ,Plant & Equipment , Intangible Assets including Capital Advance	-98.43	-177.54
Other Loans and Deposits		
Bank deposits considered other than Cash and cash equivalents	82.13	-57.25
Interest Received	-	-
Net Cash Flow From Investing Activities(B)	-16.30	-234.79
C. CASH FLOW FROM FINANCING ACTIVITIES		
Net Proceeds on issue of Equity Shares	-	-
Dividend Paid (Including taxes)	-	-
Proceed/(Repayment of) non current borrowings	232.77	-453.47
Proceed from/ (Repayment of) current borrowings	-724.57	-1,028.84
Finance Cost	-629.77	-580.15
Net Cash Flow Used In Financing Activities	-1,121.57	-2,062.47
Net Increase/ (Decrease) Changes in Cash & Cash Equivalent (A+B+C)	0.75	-8.41
Cash and Cash Equivalent at the Beginning of the Year	3.67	12.09
Cash and Cash Equivalent at the Closing of the Year	4.42	3.67

The accompanying notes are an integral part of the financial statements

As per our report of even date

For A.N. GARG & COMPANY

Chartered Accountants

FRN - 004616N

A.N. GARG

(FCA,Partner)

M. No. 083687

Date: May 31st, 2021

For and on behalf of Board of Directors

Ajay Kumar Bansal

Anish Bansal

Director

DIN : 01070123

Director

DIN :00670250



12. Statement of Changes in Equity for the Year Ended 31st March 2021

A. Equity Share Capital

(Rs in Lakh)

As at 01-04-2020	Movement during the year	As at 31.3.2021
236.00	-	236.00

13 .Other Equity

(Rs in Lakh)

Particular	Reserve and Surplus		Total
	Securities Premium reserve	Retained Earnings	
Opening Balance as at 1st April, 2020	65.10	2,373.94	2,439.04
Profit for the year ending 31st Mar, 2021	-	701.73	701.73
Closing Balance as at Mar 31, 2021	65.10	3,075.67	3,140.77

A Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value (June 30, 2020 : ` 10/- per share) (April 1, 2020: ` 10/- per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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. The distribution will be in proportion to the number of equity shares held by the shareholders.

B Details of shareholders holding more than 5% shares in the Company is set out below (representing legal and beneficial ownership):

Name of Shareholder	March 31, 2021		March 31, 2020	
	No of Shares	% holding	No of Shares	% holding
Hi-Tech Pipes Ltd	23,59,994	99.9997%	23,59,994	99.9997%
Ajay Kumar Bansal*	1	0.00004%	1	0.00004%
Anish Kumar Bansal*	1	0.00004%	1	0.00004%
Richi	1	0.00004%	1	0.00004%
Krati	1	0.00004%	1	0.00004%
Kumud	1	0.00004%	1	0.00004%
Naresh	1	0.00004%	1	0.00004%

*Individuals are holding share on behalf of Hi-Tech Pipes Limited

The accompanying notes are an integral part of the financial statements

As per our report of even date

For A.N. GARG & COMPANY

Chartered Accountants

FRN - 004626N

A.N. GARG

(FCA, Partner)

M. No. 083687

Date: May 31st, 2021

For and on behalf of Board of Directors

Ajay Kumar Bansal

Anish Bansal

Director

DIN : 01070123

Director

DIN : 00670250



(Rs. in Lakh)

Particulars	Freehold Land	Factory Shed & Building	Plant & Equipment	Furniture & Fixture	Vehicles	Computer	Total Tangible Asset
Gross carrying amount as at March 31, 2020	214.76	816.57	2,740.58	10.99	91.89	3.05	3,877.83
additions		-	358.40	-		0.46	358.86
Disposals							-
Gross carrying amount as at March 31, 2021	214.76	816.57	3,098.98	10.99	91.89	3.51	4,236.70
Accumulated depreciation/amortisation and impairment							
Balance as at March 31, 2020		87.43	320.58	2.86	12.15	1.30	424.32
Depreciation for the year	-	27.25	119.85	1.03	10.87	0.73	159.73
Depreciation on Disposals							
Balance as at March 31, 2021		114.67	440.43	3.89	23.02	2.04	584.04
Net Carrying Amount							
At March 31, 2021	214.76	701.90	2,658.55	7.10	68.87	1.47	3,652.66
At March 31, 2020	214.76	729.14	2,420.00	8.13	79.74	1.74	3,453.52
Useful life of Assets (in Years)	N/A	30	10-30	10	10	3	
Method of Depreciation	N/A	Straight Line Method					

Notes:

a) The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS i.e 1 April, 2016, measured as per the previous GAAP and use that as its deemed cost as the date of transition.

b) Property, plant & equipment have been pledged as security against certain long term borrowings of the company as at 31st Mar 2021.

HTL Metal Private Limited

3.Capital Work-in-Progress

(Rs in lakhs)

Particulars	Total
Net Carrying Amount	
As at 31.03.2020	268.15
As at 31.03.2021	7.71



NOTES TO THE HTL METAL PVT.LTD.

FINANCIAL STATEMENTS

Background

HTL Metal Private Limited is a private company limited by shares, incorporated and domiciled in India. Its registered office is located at 501, Pearl Towers, New Delhi – 110005, India and principal place of business is located at 501, Pearls Omaxe Tower, Netaji Subhash Place, Pitampura, New Delhi - 110034, India.

The Company is in the business of manufacturing of ERW Steel Round & Section Pipes, cold Rolled Strips & Engineering products and distribution of the same across India

Note 1 Significant Accounting Policies

This Note provides a list of the significant Accounting Policies adopted by the Company in the preparation of these Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation:

i) **Compliance with Ind AS :**

The Financial Statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The Financial Statements up to the year ended March 31, 2017 were prepared in accordance with the Accounting Standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Companies Act, 2013.

ii) **Accrual basis of accounting**

iii) **Historical cost convention:**

The Financial Statements have been prepared on a historical cost basis except for certain financial assets and liabilities that are measured at fair value

b) Foreign currency transactions:

i) **Functional and presentation currency:**

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('functional currency'). The Financial Statements of the Company are presented in Indian currency (Rs), which is also the functional and presentation currency of the Company.

ii) **Transactions and balances:**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gain | (loss) resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss except that they are deferred in equity if they relate to qualifying cash flow hedges. Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gain | (loss) are presented in the Statement of Profit and Loss on a net basis within other income | (expense). Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain | (loss).

c) **Revenue recognition:**

i) Timing of recognition :

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods, the amount of revenue can be measured reliably and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the activities of the Company.

This generally happens upon dispatch of the goods to customers, except for export sales which are recognised when significant risk and rewards are transferred to the buyer as per the terms of contract.

Revenue from services is recognised in the accounting period in which the services are rendered.

Eligible export incentives are recognised in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability.

ii) **Measurement of revenue:**

Revenue is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the



Government which are levied on sales such as sales tax, value added tax, GST (Goods & Service Tax) etc.

Revenue includes excise duty as it is paid on production and is a liability of the manufacturer, irrespective of whether the goods are sold or not.

Discounts given include rebates, price reductions and other incentives given to customers. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. No element of financing is deemed present as sales are made with a credit term which is consistent with market practice.

d) Income taxes:

The income tax expense or credit for the period is the tax payable on the taxable income of the current period based on the applicable income tax rates adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid will be recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. Such an asset is reviewed at each Balance Sheet date.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax liabilities are not recognised if they arise from the initial recognition of Goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit | (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to

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

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity. In this case, the tax is also recognised in Other Comprehensive Income or directly in equity, respectively.

e) Government grants:

- i) Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.
- ii) Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss in proportion to depreciation over the expected lives of the related assets and presented within other income.
- iii) Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

.f) Leases:

As a lessee:

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate expected inflationary cost increases for the lessor.

As a lessor:

Lease income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the Balance Sheet based on their nature.

Leases of property, plant and equipment where the Company as a lessor has substantially transferred all the risks and rewards are classified as finance lease. Finance leases are capitalised at the inception of the lease at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rent receivables, net of interest income, are included in other financial assets. Each lease receipt is allocated

between the asset and interest income. The interest income is recognised in the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the asset for each period.

Under combined lease agreements, land and building are assessed individually. Lease rental attributable to the operating lease are charged to Statement of Profit and Loss as lease income whereas lease income attributable to finance lease is recognised as finance lease receivable and recognised on the basis of effective interest rate.

g) Property, plant and equipment:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any.

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Acquisition cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when 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. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

Spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

Depreciation methods, estimated useful lives and residual value: Depreciation is provided on the Straight Line Method to allocate the cost of assets, net of their residual values, over their estimated useful lives :

Asset category

Estimated useful life

Factory Buildings	30 years
Plant and equipment vehicle	15 to 30 years
Office equipment and furniture	8 to 10 years
Furniture & Fittings	5 years
Computers	10 years
	3 to 6 years

Land accounted under finance lease is amortized on a straight-line basis over the period of lease.

The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset is greater than its estimated recoverable amount.

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 01, 2016 measured under IGAAP as the deemed cost of the property, plant and equipment.

h) Intangible assets:

Computer software includes enterprise resource planning project and other cost relating to such software which provides significant future economic benefits. These costs comprise of license fees and cost of system integration services. Development expenditure qualifying as an intangible asset, if any, is capitalised, to be amortised over the economic life of the product | patent. Computer software cost is amortised over a period of 5 years using Straight Line Method.

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of intangible assets recognised as at April 01, 2016 measured under IGAAP as the deemed cost of intangible assets.

i) Investment properties:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not in use by the Company, is classified as investment property. Land held for a currently undetermined future use is also classified as an investment property. Investment property is measured initially at its acquisition cost, including related transaction costs and where applicable borrowing costs.

j) Impairment of assets:

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal | external factors. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated



future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

k) Cash and cash equivalents:

Cash and cash equivalents include cash in hand, demand deposits with bank and other short-term (3 months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

l) Trade receivables:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method, less provision for impairment.

m) Trade and other payables:

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

n) Inventories:

Raw materials, packing materials, purchased finished goods, work-in-progress, manufactured finished goods, fuel, stores and spares other than specific spares for machinery are valued at cost or net realisable value whichever is lower. Cost is arrived at on moving weighted average basis. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs. Due allowances are made for slow moving and obsolete inventories based on estimates made by the Company. Items such as spare parts, stand-by equipment and servicing equipment which is not plant and machinery gets classified as inventory.

o) Investments and other financial assets:

Classification:

The Company classifies its financial assets in the following measurement categories:

Those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss)

Those measured at amortised cost

The classification depends the business model of the entity for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

Initial recognition and measurement:

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Subsequent measurement:

After initial recognition, financial assets are measured at:

Fair value {either through Other Comprehensive Income (FVOCI) or through profit or loss (FVPL)} or,

Amortised cost

Debt instruments:

Subsequent measurement of debt instruments depends on the business model of the Company for managing the asset and the cash flow characteristics of the asset. There are 3 measurement categories into which the Company classifies its debt instruments:

Measured at amortised cost:

Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the EIR method less impairment, if any, the amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.



Measured at fair value through Other Comprehensive Income (OCI):

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income. Fair value movements are recognised in the OCI. Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On de-recognition, cumulative gain | (loss) previously recognised in OCI is reclassified from the equity to other income in the Statement of Profit and Loss.

Measured at fair value through profit or loss:

A financial asset not classified as either amortised cost or FVOCI, is classified as FVPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in the Statement of Profit and Loss.

Equity instruments:

The Company subsequently measures all investments in equity instruments other than subsidiary companies, associate company and joint venture company at fair value. The Management of the Company has elected to present fair value gains and losses on such equity investments in Other Comprehensive Income, and there is no subsequent reclassification of these fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payment is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Investments in subsidiary companies, associate company and joint venture company:

Investments in subsidiary companies, associate company and joint venture company are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies, associate company and joint venture company, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Impairment of financial assets:

The Company assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note _____ details how the Company determines whether there has been a significant increase in credit risk.

For trade and lease receivable only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of such receivables.

De-recognition:

A financial asset is de-recognised only when the Company has transferred the rights to receive cash flows from the financial asset 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, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

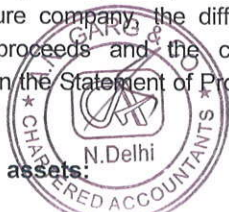
Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Income recognition:

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Financial liabilities:



i) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

De-recognition

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

p) **Offsetting financial instruments:**

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

q) **Borrowings:**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets

transferred or liabilities assumed, is recognised in profit or loss as other income | (expense).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

r) **Borrowing costs:**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

s) **Provisions and contingent liabilities:**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the Management 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.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Employee benefits:

Short-term employee benefits:



All employee benefits payable within 12 months of service such as salaries, wages, bonus, ex-gratia, medical benefits etc. are recognised in the year in which the employees render the related service and are presented as current employee benefit obligations within the Balance Sheet. Termination benefits are recognised as an expense as and when incurred.

Short-term leave encashment is provided at undiscounted amount during the accounting period based on service rendered by employees. Compensation payable under Voluntary Retirement Scheme is being charged to Statement of Profit and Loss in the year of settlement.

Other long-term employee benefits:

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

Defined contribution plan:

Contributions to defined contribution schemes such as contribution to Provident Fund, Superannuation Fund, Employees' State Insurance Corporation, National Pension Scheme and Labours Welfare Fund are charged as an expense to the Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined benefit plan:

Gratuity:

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Balance Sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

t) Research and Development expenditure:

Research and Development expenditure is charged to revenue under the natural heads of account in the year in which it is incurred. Research and Development expenditure on property, plant and equipment is treated in the same way as expenditure on other property, plant and equipment.

u) Earnings per share:

Earnings per share (EPS) is calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of Equity shares outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period and any attributable tax thereto for the period.

v) Contributed equity:

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Critical estimates and judgements

Preparation of the Financial Statements requires use of accounting estimates which, by definition, will seldom equal the actual results. This Note provides an overview of the areas that involved a higher degree of judgements or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

The areas involving critical estimates or judgements are:

Estimation of useful life of tangible assets

Estimation of defined benefit obligation

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances

The Financial Statements were authorised for issue by the Board of Directors on May 31st, 2021.

The Accounting Policies set out in Note 1 have been applied in preparing the Financial Statements for the year ended March 31, 2021 & the comparative information presented in these Financial Statements for the year ended March 31, 2021.



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A N G

Particular	Face Value	As at March 31,2021		As at March 31,2020	
		No of Shares / Units	Rs in Lakh	No of Shares / Units	Rs in Lakh
A. Investment in Equity Shares (Unquoted)					
Un-quoted(At Cost or deemed Cost)					
Investment in 100 equity shares of SVC Co-Op Bank Ltd	Rs. 25 each	100.00	0.03	100.00	0.03
Total Investments			0.03		0.03

5. LOANS (NON-CURRENT)

(Rs in Lakh)

Particulars	As at 31-03-2021	As at 31-03-2020
Unsecured considered good:		
Loan to related parties	0.00	102.00
Security Deposit	48.83	52.56
Total	48.83	154.56

6. OTHER NON-CURRENT ASSETS

(Rs in Lakh)

Particulars	As at 31-03-2021	As at 31-03-2020
Unsecured considered good:		
Capital Advance	36.90	59.77
Others	-	-
Total	36.90	59.77

7. INVENTORIES

Particulars	As at 31-03-2021	As at 31-03-2020
Inventories (at lower of cost and net realisable value)		
Raw materials	1,998.00	1,485.26
Finished Goods/Semi Finished Goods	1,372.35	2,105.00
Waste and Scape	236.00	116.00
Stores & Spare	195.00	180.00
Total	3,801.35	3,886.26

Notes:

- a) The stock of scrap materials have been taken at net realisable value
b) Inventories are hypothecated with the bankers against working capital limits.

8. TRADE RECEIVABLE (CURRENT)

Particulars	As at 31-03-2021	As at 31-03-2020
Unsecured:		
Considered Good	2,740.98	2,441.84
Less: Allowance for doubtful debts	-	-
Total	2,740.98	2,441.84

Notes

Trade receivables are usually non-interest bearing and are on trade terms of 30 to 60 days

09. CASH AND CASH EQUIVALENT

Particulars	As at 31-03-2021	As at 31-03-2020
Balances with banks:		
Current accounts	2.73	1.62
Cash on hand	1.68	2.05
Total	4.42	3.67

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Particulars	As at 31-03-2021	As at 31-03-2020
Fixed Deposit	-	82.13
Total	-	82.13

11. OTHER CURRENT ASSETS

Particulars	As at 31-03-2021	As at 31-03-2020
Unsecured, considered good		
Advance other than capital advances:		
Advance for purchase	494.38	-
Prepayment and others	0.26	2.36
Balances with government authorities	6.63	0.00
Total	501.27	2.36

12. EQUITY SHARE CAPITAL

Particulars	As at 31-03-2021		As at 31-03-2020	
	No of Shares	(Rs in Lakh)	No of Shares	(Rs in Lakh)
Authorised Share Capital :				
Equity Shares of Rs 10/- each	30,00,000	300.00	30,00,000	300.00
Issued, subscribed and Paid up Capital:				
Equity Shares of Rs 10/-each, fully paid	23,60,000	236.00	23,60,000	236.00

Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at 31-03-2021		As at 31-03-2020	
	No of Shares	(Rs in Lakh)	No of Shares	(Rs in Lakh)
Balance At the beginning of the year	23,60,000.00	236.00	23,60,000.00	236.00
Add : Equity share issued during the year	-	-	-	-
Balance At the end of the year	23,60,000.00	236.00	23,60,000.00	236.00

13. OTHER EQUITY

Particulars	As at 31-03-2021	As at 31-03-2020
General Reserve		
Retained Earnings	3,075.67	2,373.94
OTHER RESERVES		
Securities Premium Account	65.10	65.10
Total	3,140.77	2,439.04

14. BORROWINGS (NON -CURRENT)

Particulars	As at 31-03-2021	As at 31-03-2020
TERM LOAN :		
Secured loan from bank	1,439.07	1,187.98
Unamortised upfront Fees on Borrowing	(6.67)	(8.89)
VEHICLE LOAN	42.42	
UNSECURED LOAN		
From Directors	1,137.66	1,197.66
From Holding Company	198.48	201.46
From Other Bodies Corporate	-	-
Total	2,810.97	2,578.21

Terms and Security	Current	Non -Current
TOTAL	617.42	1,439.07

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15. PROVISIONS (NON CURRENT)

Particulars	As at 31-03-2021	As at 31-03-2020
Provision for Employee benefits		
Provision for Gratuity	4.50	3.74
Provision for leave encashment	0.33	1.02
Total	4.83	4.76

16. BORROWINGS (CURRENT)

Particulars	As at 31-03-2021	As at 31-03-2020
SECURED LOAN		
Working Capital Loans Repayable on demand From Bank	3,242.88	3,967.45
Total	3,242.88	3,967.45
Notes :		
Facility	Security	Security
CC limit; WCDL for 90 days as sub limit of CC.	Hypothecation of Stock & book debts	Hypothecation of Stock & book debts

17. TRADE PAYABLES

Particulars	As at 31-03-2021	As at 31-03-2020
Creditors for Raw Material	10.24	17.84
Sundry Creditors for Others	83.34	101.57
Total	93.58	119.42

19. OTHER FINANCIAL LIABILITIES (CURRENT)

Particulars	As at 31-03-2021	As at 31-03-2020
Current maturities of long-term borrowings	617.42	395.50
Total	617.42	395.50

20. OTHER CURRENT LIABILITIES

Particulars	As at 31-03-2021	As at 31-03-2020
Advance from customer	-	81.48
Statutory Dues	25.37	9.18
Creditors for capital goods	165.21	166.28
Total	190.58	256.94

21. PROVISION (CURRENT)

Particulars	As at 31-03-2021	As at 31-03-2020
Provision for employee benefits	19.36	24.06
Provision for CSR	-	15.19
Provision for Bonus	5.51	4.64
Provision for Gratuity	0.05	0.01
Provision for Leave encashment	0.04	0.11
Other	119.80	175.33
Total	144.75	219.35

for use

for use



22.REVENUE FROM OPERATIONS

Particulars	Rs. in Lakh	
	Year ended March 31,2021	Year ended March 31,2020
Sale of products	26,978.25	24,227.96
Job work	-	27.16
Revenue from Operations (Gross)	26,978.25	24,255.11

23.OTHER INCOME

Particulars	Rs. in Lakh	
	Year ended March 31,2021	Year ended March 31,2020
Government Subsidy Received	71.13	-
	71.13	-

24.COST OF MATERIAL CONSUMED

Particulars	Rs. in Lakh	
	Year ended March 31,2021	Year ended March 31,2020
Indigenous Raw Material	23,293.69	22,242.51
	23,293.69	22,242.51

25.CHANGE IN INVENTORIES OF FINISHED GOODS, TRADED GOODS & WIP

Particulars	Increase / Decrease	Rs. in Lakh	
		Year ended March 31,2021	Year ended March 31,2020
Inventories at the end of the year			
Finished goods	(732.65)	1,372.35	2,105.00
Scrap Material	120.00	236.00	116.00
	(612.65)	1,608.35	2,221.00

26.EMPLOYEE BENEFIT EXPENSES

Particulars	Rs. in Lakh	
	Year ended March 31,2021	Year ended March 31,2020
Salaries, Wages, Bonus and Other Benefits	451.74	446.76
Staff Welfare Expenses	14.39	16.93
Provisions for Employees Benefits	5.55	5.07
Contribution towards Provident & Other Funds	4.10	2.60
	475.78	471.37





Particulars	Rs. in Lakh	
	Year ended March 31,2021	Year ended March 31,2020
Interest on borrowings	578.11	533.36
Other borrowings cost	51.66	46.79
	629.77	580.15

28.DEPRECIATION & AMORTISATION EXPENSES

Particulars	Rs. in Lakh	
	Year ended March 31,2021	Year ended March 31,2020
Depreciation Expenses	159.73	152.96
	159.73	152.96

29.OTHER EXPENSES

Particulars	Rs. in Lakh	
	Year ended March 31,2021	Year ended March 31,2020
Power and Fuel	159.05	180.11
Insurance	32.00	28.94
Repairs to:		
Machinery	11.77	9.20
Others	2.20	0.60
Sales Promotion	17.12	11.82
CSR	19.56	15.19
Freight and Cartage Outward	365.28	396.79
Fee & Subscription	4.94	0.25
Travelling and Conveyance	10.40	13.27
Rent	12.34	20.45
Legal or Professional Consultation Charges	1.03	8.18
Vehicle Running and Maintenance	41.81	39.51
Security Services	8.79	8.30
Others	208.63	16.51
	894.92	749.12

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