32nd

Annual Report

2019-2020

Intermetal Engineers (I) Pvt. Ltd.

(A wholly owned subsidiary of Orient Refractories Limited)

DIRECTORS' REPORT

To
The Members,
Intermetal Engineers (India) Private Limited

Your Directors have pleasure in presenting the 32nd Annual Report on the business and operations of the Company together with the audited financial statement, for the financial year ended 31 March 2020:

FINANCIAL SUMMARY AND HIGHLIGHTS

The Company's financial performances for the year ended 31 March 2020:

(Amount in Rs. Lacs)

Particulars	2019-20	2018-19
Total Revenue	430.78	465.36
Expenses	370.33	401.69
Profit before Tax	60.45	63.67
Tax Expenses	12.11	12.28
Profit for the year	48.34	51.39

The total revenue earned by your Company during the year under review was Rs. 430.78/- Lacs as against Rs. 465.36/- Lacs earned in the previous year after accounting for the expenditure of Rs. 370.33/- Lacs (Previous Year Rs 401.69/- Lacs), your Company has incurred profit of Rs. 48.34/- Lacs (Previous Year Rs. 51.39/- Lacs). The Company is hopeful to deliver even better results in the years to come.

DIVIDEND

The board of directors does not propose any final dividend this year.

TRANSFER TO RESERVES

During the period under consideration, the directors have not proposed any transfer to reserve.

DEPOSITS

During the period under consideration, your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

NATURE OF BUSINESS

During the period under consideration, there were no changes in nature of the business of the Company.

SHARE CAPITAL & BUY BACK OF EQUITY SHARES

There is no change in the share capital of the Company. Issued, subscribed and paid up share capital of the Company was Rs. 1,59,700/- having 1,597 Equity Shares of face value of Rs. 100/- each as on 31 March 2020.

During the year, the Company did not buy back equity shares of the Company.

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BOARD OF DIRECTORS & KEY MANAGERIAL PERSONAL (KMP)

Mr. Prakash V Koppar (DIN: 01504940), Mrs. Jayalakshmi P Koppar (DIN: 01574778) and Mr. Anand P Koppar (DIN: 02507391) resigned from directorship of the Company on 18 May 2019, the board places on record its appreciation for the services rendered by them during their tenure with the Company, and Dr. Vijay Sharma (DIN: 00880113) Independent Director of ORL and Mr. Parmod Sagar (DIN: 06500871) Managing Director & CEO of ORL were appointed as additional directors of the Company on 18 May 2019, in terms of Section 161 of the Companies Act, 2013. They were reappointed at 31 AGM of the Company held on 20 September 2019.

During the year Mr. Sanjeev Bhardwaj, Chief Financial Officer of Orient Refractories Limited, Holding Company, was appointed as Company Secretary of the Company.

During the year Mr. Parmod Sagar (DIN-06500871) who retires by rotation and, being eligible, offers himself for a re-appointment.

MEETINGS OF THE BOARD

Five (5) board meetings were held during the financial year 2019-20 i.e. (18 May 2019,13 August 2019,30 October 2019 & 8 February 2020 and in respect of such meetings, proper notices were given, and the proceedings were properly recorded and signed including circular resolutions passed in the Minutes Book maintained for the purpose.

The names of members of the Board, their attendance at the board meetings are as under: -

Name of Directors	Number of meetings attended/ total meetings held during the F.Y. 2019-20
Mr. Prakash V. Koppar	1/5
Mrs. Jayalakshmi P Koppar	1/5
Mr. Anand P. Koppar	1/5
Dr. Vijay Sharma	5/5
Mr. Parmod Sagar	5/5

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under section 134(3) (c) read with section 134(5) of the Companies Act, 2013, with respect to Directors Responsibility Statement, your Directors hereby confirm that -

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors had prepared the annual accounts on a going concern basis,
- the Company being an Unlisted Company is not required to make a statement on internal financial controls of the Company and
- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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AUDIT COMMITTEE AND VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with related rules 6 and Rule 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are not applicable to the Company.

SUBSIDIARY COMPANIES, JOINT VENTURE OR ASSOCIATE COMPANIES

The Company does not have any subsidiary company or joint ventures. The Company is 100% wholly-owned subsidiary of Orient Refractories Limited, and RHI Mangesita N.V. is ultimate holding company.

AUDITOR'S REPORT

The auditor has not made any observation in the auditors' report, so no comments is required from your directors pursuant to Section 134(3)(f) of the Companies Act,2013.

There have been no instances of fraud reported by the Auditors under section 143 (12) of the Companies Act, 2013.

SECRETARIAL STANDARDS

The Company complies with all applicable Secretarial Standards.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return in Form MGT-9 as required under Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 for the financial year ending 31 March 2020 is annexed hereto as **Annexure A** and forms part of this report.

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

(A) Energy Conservation and Technology Absorption

Even though operations of the Company are not energy intensive, the management has been highly conscious of the importance of conservation of energy and technology absorption at all operational levels and efforts are made in this direction on a continuous basis. The requirements of disclosure of particulars with respect to conservation of energy and technology absorption are not applicable to the Company and hence the same has not been provided.

(B) Technology Absorption

The provision of Clause B of Sub Rule (3) of Rule 8 of Companies (Accounts) Rules, 2014 are not applicable.

(C) Foreign Exchange Earnings and outgo:

During the period under consideration, there were no foreign exchange earnings and outgo.

PARTICULARS OF EMPLOYEES

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

RISK MANAGEMENT POLICY

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities.

There are no risks which in the opinion of the Board threaten the existence of the Company.

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

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 seeks to protect women colleagues against sexual harassment at their workplace.

Pursuant to the requirements of section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with the rules made thereunder, the Company has not received any complaint of sexual harassment during the period under consideration.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not made any investment, given guarantee and securities during the year under review. Therefore, provisions of Section 186 of Companies Act, 2013 is not applicable.

RELATED PARTY TRANSACTIONS

During the period under consideration, the Company has not entered into any transactions with the related parties.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report.

CORPORATE SOCIAL RESPONSIBILITY

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

EMPLOYEE STOCK OPTION SCHEME

The Company has not issued any Employee Stock Option Scheme.

ACKNOWLEDGEMENT

Your Directors would like to place on record their sincere appreciation for the support and assistance extended by the Bankers and various Government authorities at all levels.

Your Directors are thankful to the esteemed Members for their continued support and confidence reposed in the Company and its management.

By Order of the Board
Intermetal Engineers (India) Pvt. Ltd.

Vijay Sharma

Dr. Vijay Sharma
Chairman
(DIN: 00880113)

Place: Gurugram, Haryana
Date: 25 June 2020

Registered office:
337, Gundecha Industrial Complex,
Akurli Road, Near Grovers Well Company,
Kandivali (East) Mumbai,
Maharashtra-400101
CIN : U28920MH1988PTC047421
Tel No. : (022) 28854905,28463905
Fax No. : (022) 28854905, **Ext. No.** 105
E-mail : sales@intermetal.co.in
Website : www.intermetal.co.in

Intermetal Engineers (India) Pvt. Ltd. Mumbai

Annexure A

Form No. MGT 9
Extract of Annual Return as on 31 March 2020
Pursuant to Section 92(3) of the Companies Act, 2013.
[Read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

CIN	:	U28920MH1988PTC047421
Registration date	:	20 May 1988
Name of the Company	:	**Intermetal Engineers (India) Private Limited**
Category/Sub-category of the Company	:	Private Company/Limited by Shares
Address of the registered office and contact details	:	337, Gundecha Industrial Complex, Akurli Road, Near Grovers Well Co, Kandivali (East) Mumbai 400101 Tel. No. : 022 2885 4905 E-mail: intermetalindia@gmail.com
Whether listed company Yes/No	:	No
Name, address and contact details of the Registrar and Transfer Agent, if any.	:	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr. no.	Name and Description of main products/services	NIC Code of the product /service	% to total turnover of the Company
1.	Manufacturing of Machineries for Steel plants	2822	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sr. no.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	Orient Refractories Limited	L28113MH2010PLC312871	**Holding**	100%	2(46)

Intermetal Engineers (India) Pvt. Ltd. * Mumbai

IV. SHAREHOLDING PATTERN (equity share capital breakup as % of total equity)

(i) Category-wise Share Holding

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1 Indian									
a) Individual/HUF	-	1,597	1,597	100.00	-	1	1	0.01	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Financial Institutions/Banks	-	-	-	-	-	-	-	-	-
d) Any other........	-	-	-	-	-	-	-	-	-
- Body Corporate (Orient Refractories Limited)	-	0	0	0.00	-	1,596	1,596	99.99	-
Sub Total (A) (1)	-	1,597	1,597	100.00	-	1,597	1,597	100.00	-
2 Foreign									
a) Individual/NRI-Individual/Foreign Individual	-	-	-	-	-	-	-	-	-
b) Government	-	-	-	-	-	-	-	-	-
c) Institutions	-	-	-	-	-	-	-	-	-
d) Foreign Portfolio Investor Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
- Bodies Corporate	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1) + (A)(2)	-	1,597	1,597	100.00	-	1,597	1,597	100.00	-
B. Public Shareholding									
1 Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Venture Capital Fund	-	-	-	-	-	-	-	-	-
c) Alternate Investment Funds	-	-	-	-	-	-	-	-	-
d) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
e) Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
f) Financial Institutions/Bank	-	-	-	-	-	-	-	-	-
g) Insurance Companies	-	-	-	-	-	-	-	-	-
h) Provident Fund/Pension Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub Total (B)(1):	-	-	-	-	-	-	-	-	-
2 Central Government/State Government/ President of India	-	-	-	-	-	-	-	-	-
Sub Total (B)(2):	-	-	-	-	-	-	-	-	-
3 Non-Institutions									
a) i) Individual shareholders holding nominal share capital up to Rs.2 lacs	-	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lacs	-	-	-	-	-	-	-	-	-
b) NBFCs Registered with RBI	-	-	-	-	-	-	-	-	-
c) Employee Trusts	-	-	-	-	-	-	-	-	-
d) Overseas Depositories (Holding DRs) (Balancing Figure)	-	-	-	-	-	-	-	-	-
e) Any other (Specify)	-	-	-	-	-	-	-	-	-
Sub Total (B)(3):	-	-	-	-	-	-	-	-	-
Total public shareholding (B)= (B)(1)+(B)(2)+(B)(3)	-	-	-	-	-	-	-	-	-
C. Shares held by custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	1,597	1,597	100.00	-	1,597	1,597	100.00	-

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares pledged encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares pledged/ encumbered to total shares	
1.	Prakash V. Koppar	1,236	77.41	-	0.00	0.00	-	(77.41)
2.	Jayalakshmi P. Koppar	233	14.59	-	0.00	0.00	-	(14.59)
3.	Anand P. Koppar	64	4.00	-	0.00	0.00	-	(4.00)
4.	Aarti Koppar	64	4.00	-	0.00	0.00	-	(4.00)
5.	Orient Refractories Limited	0	0.00	-	1,596	99.999	-	99.99
6.	Mr. Parmod Sagar (Beneficial owner Orient Refractories Limited)	0	0.00	-	1	0.001	-	0.01
	Total	**1,597**	**100.00**	-	**1,597**	**100.00**	-	-

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(iii) Change in Promoters' Shareholding (please specify if there is no change)

Sr. no.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
Prakash V. Koppar					
1.	At the beginning of the year	1,236	77.41	-	-
2.	Date wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/ decrease *(e.g. allotment/transfer/bonus/sweat equity etc.)* - Transfer on 18 May 2019	1,236	77.41	-	-
3.	At the end of the year	-	-	-	-
Jayalakshmi P. Koppar					
1.	At the beginning of the year	233	14.59	-	-
2.	Date wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/ decrease *(e.g. allotment/transfer/bonus/sweat equity etc.)* - Transfer on 18 May 2019	233	14.59	-	-
3.	At the end of the year	-	-	-	-
Anand P. Koppar					
1.	At the beginning of the year	64	4.00	-	-
2.	Date wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/ decrease *(e.g. allotment/transfer/bonus/sweat equity etc.)* - Transfer on 18 May 2019	64	4.00	-	-
3.	At the end of the year	-	-	-	-
Aarti Koppar					
1.	At the beginning of the year	64	4.00	-	-
2.	Date wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/ decrease *(e.g. allotment/transfer/bonus/sweat equity etc.)* - Transfer on 18 May 2019	64	4.00	-	-
3.	At the end of the year	-	-	-	-
Orient Refractories Limited					
1.	At the beginning of the year	-	-	-	-
2.	Date wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/ decrease *(e.g. allotment/transfer/bonus/sweat equity etc.)* - Transfer on 18 May 2019	1,596	99.99	1,596	99.99
3.	At the end of the year	1,596	99.99	1,596	99.99
Mr. Parmod Sagar (Beneficial Owner Orient Refractories Limited)					
1.	At the beginning of the year	-	-	-	-
2.	Date wise increase/decrease in Promoters' Shareholding during the year specifying the reasons for increase/ decrease *(e.g. allotment/transfer/bonus/sweat equity etc.)* - Transfer on 18 May 2019	1	0.01	1	0.01
3.	At the end of the year	1	0.01	1	0.01

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs & ADRs)

Sr. no.	Name of Shareholder	Remarks	Date*	Shareholding		Cumulative shareholding during the year	
				No. of Shares	%'age of total shares of the Company	No. of Shares	%'age of total shares of the Company
-	-	-	-	-	-	-	-

(v) Shareholding of Directors & Key Managerial Personnel:

Sr. no.	Shareholders' name	Remarks	Date	Shareholding		Cumulative Shareholding during theyear	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. Prakash V. Koppar-Director	At the beginning of the year	1-Apr-2019	1,236	77.41	1,236	77.41
		Transfer of Shares	18 May 2019	(1,236)	(77.41)	-	-
		At the end of the year	31-Mar-2020	-	-	-	-
2.	Mrs. Jayalakshmi P. Koppar - Director	At the beginning of the year	1-Apr-2019	233	14.59	233	14.59
		Transfer of Shares	18 May 2019	(233)	(14.59)	-	-
		At the end of the year	31-Mar-2020	-	-	-	-
3.	Mr. Anand P. Koppar - Director	At the beginning of the year	1-Apr-2019	233	14.59	233	14.59
		Transfer of Shares	18 May 2019	(64)	(4.00)	-	-
		At the end of the year	31-Mar-2020	-	-	-	-
3.	Mr. Parmod Sagar* - Director	At the beginning of the year	1-Apr-2019	-	-	-	-
		Transfer of Shares	18 May 2019	1	0.01	1	0.01
		At the end of the year	31-Mar-2020	1	0.01	1	0.01

*** Holding share on behalf of Orient Refractories Limited**

Intermetal Engineers (India) Pvt. Ltd. * Mumbai

V. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in indebtedness during the financial year				
Additions	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Director and/or Manager

(Amount in Rs. Lacs)

Sr. no.	Particulars of Remuneration	Name		Total Amount
		Mr. Prakash V. Koppar	Mr. Anand P. Koppar	
1.	Gross salary	8.97	4.50	13.47
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2.	Stock option	-	-	-
3.	Sweat equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others (specify)	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	8.97	4.50	13.47
	Ceiling as per the Act			

B. Remuneration to other Directors

1. Independent Directors

(Amount in Rs. Lacs)

Sr.no.	Particulars of Remuneration	Dr. Vijay Sharma-Director	Total Amount (in Rs.)
1.	Fee for attending board committee meetings	0.75	0.75
2.	Commission	-	-
3.	Others, please specify	-	-
	Total (B1)	0.75	0.75

2. Other Non-Executive Directors

(Amount in Rs. Lacs)

Sr. no.	Particulars of Remuneration	Mr. Parmod Sagar-Director	Total Amount
1.	Fee for attending Board/Committee Meetings	-	-
2.	Commission	-	-
3.	Others, please specify.	-	-
	Total (B2)	-	-
	Total (B)=(B1+B2)	0.75	
	Total Managerial Remuneration (A+B)	14.22	
	Overall ceiling as per the Act.	-	

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel	Total Amount (in Rs.)
1.	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2.	Stock option	-	-
3.	Sweat equity	-	-
4.	Commission	-	-
	- as % of profit	-	-
	- others, specify	-	-
5.	Others, please specify....	-	-
	Total	-	-

Intermetal Engineers (India) Pvt. Ltd. * Mumbai

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. Company					
Penalty			None		
Punishment					
Compounding					
B. Directors					
Penalty			None		
Punishment					
Compounding					
C. Other officers in default					
Penalty			None		
Punishment					
Compounding					

By Order of the Board
Intermetal Engineers (India) Pvt. Ltd.

Vijay Sharma

Place: Gurugram, Haryana
Date: 25 June 2020

Sanjeev Bhardwaj
Company Secretary
(ACS:10805)

Vijay Sharma
Chairman
(DIN: 00880113)

Intermetal Engineers (India) Pvt. Ltd. ★ Mumbai

Independent Auditors' Report

To the Members of
Intermetal Engineers (India) Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Intermetal Engineers (India) Private Limited ("the Company"), which comprise the balance sheet as at 31 March 2020, the statement of profit and loss, statement of changes in equity and the cash flow statement for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") or other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, the profit and total comprehensive income, changes in equity and cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SAs") specified under Section 143 (10) of the Act. Our responsibilities under those SAs are further described in the *Auditors' Responsibility 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

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

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

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditors' 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.

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134 (5) of the Act, with respect to the preparation of these financial statements that give a true and fair view of the financial position , financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with Ind AS 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Board of Directors are 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.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Independent Auditors' Report *(Continued)*

Intermetal Engineers (India) Private Limited

Auditors' 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 auditors' 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. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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MUMBAI
Chartered Accountants

Auditors' Responsibility for the Audit of the Financial Statements *(Continued)*

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 auditors' 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, 2016 ('the Order'), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A", a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
   (a) we have sought and obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;

   (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) the balance sheet, the statement of profit and loss including other comprehensive income, statement of changes in equity and the cash flow statement dealt with by this report are in agreement with the books of account;

   (d) in our opinion, the aforesaid financial statements comply with the Ind AS prescribed under Section 133 of the Act;

   (e) on the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act; and

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Independent Auditors' Report *(Continued)*

Intermetal Engineers (India) Private Limited

Report on Other Legal and Regulatory Requirements *(Continued)*

(f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(g) With respect to the matter to be included in the Auditors' Report under Section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

(h) With respect to the other matters to be included in the Auditors' 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 does not have any pending litigations which would impact its financial position;

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 during the year ended 31 March 2020.

For **Saini Pati Shah & Co LLP**
(formerly known as S G J & CO)
Chartered Accountants
Firm's Registration No: 137904W/W100622

SAINI PATI SHAH & CO LLP FRN-137904W/W100622 MUMBAI Chartered Accountants

Som Nath Saini
Partner
Membership No: 093079
UDIN:- 20093079AAAAAX6937

Mumbai, June 25, 2020

Intermetal Engineers (India) Private Limited

Annexure A to the Independent Auditors' Report – 31 March 2020

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2020, we report the following:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) The Company has a regular programme of physical verification of its property, plant and equipment by which property, plant and equipment are verified by the management annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the policy, the Company has physically verified property, plant and equipment during the year and we are informed that no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties as disclosed in the financial statements, are held in the name of the Company.

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. We are informed that the discrepancies noticed on verification between the physical stocks and the book records were not material.

(iii) 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 ('the Act'). Accordingly, paragraphs 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company.

(iv) In our opinion, and according to the information and explanation given to us, the Company has not granted any loans, or provided any guarantees or security to the parties covered under Section 185 of the Act. According to the information and explanations given to us, the provisions of Section 186 of the Act in respect of the loans given, guarantees given, securities provided or investments made during the year are not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.

(vi) To the best of our knowledge and as explained to us, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act for the business activities carried out by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

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MUMBAI
Chartered Accountants

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Income-tax, Provident fund, Employees' State Insurance, Profession tax, Goods and Services tax, Cess and other material statutory dues have been regularly deposited during the year with the appropriate authorities though there has been delays in few instances. As explained to us, the Company did not have any dues on account of wealth tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Provident fund, Employees' State Insurance, Profession tax, Goods and Services tax, Cess and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income-tax, Sales tax, Service tax, Value added tax and Goods and Services tax as at 31 March 2020, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company did not have any outstanding dues to banks, financial institutions, government and debenture holders during the year.

(ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and has not obtained any term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.

(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 material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by applicable Ind AS.

Intermetal Engineers (India) Private Limited

Annexure A to the Independent Auditors' Report – 31 March 2020 *(Continued)*

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **Saini Pati Shah & Co LLP**
(formerly known as S G J & CO)
Chartered Accountants
Firm's Registration No: 137904W/W100622

SAINI PATI SHAH & CO LLP
FRN-137904W/W100622
MUMBAI
Chartered Accountants

Som Nath Saini
Partner
Membership No: 093079
UDIN:-20093079AAAAAX6937

Mumbai, June 25, 2020

Intermetal Engineers (India) Private Limited

Annexure B to the Independent Auditors' Report – 31 March 2020

Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph (2)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Intermetal Engineers (India) Private Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements 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 ("the Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with respect to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Intermetal Engineers (India) Private Limited

Annexure B to the Independent Auditors' Report – 31 March 2020 *(Continued)*

Auditors' Responsibility *(Continued)*

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with respect to financial statements and their operating effectiveness. Our audit of internal financial controls with respect to financial statements included obtaining an understanding of internal financial controls with respect to financial statements, 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 auditors' judgement, 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **Saini Pati Shah & Co LLP**
(formerly known as S G J & CO)
Chartered Accountants
Firm's Registration No: 137904W/W100622

SAINI PATI SHAH & CO LLP
FRN-
137904W/
W100622
MUMBAI
Chartered Accountants

Som Nath Saini
Partner
Membership No: 093079
UDIN:- 20093079AAAAAX6937

Mumbai, June 25, 2020

Intermetal Engineers (India) Private Limited

(All amounts are in INR lakhs, unless otherwise stated)

Balance sheet as at 31 March 2020

Particulars	Note No.	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
ASSETS				
Non-current assets				
Property, plant and equipment	4	450.12	421.85	438.63
Financial assets				
Other financial assets	5	-	-	94.39
Total non-current assets		**450.12**	**421.85**	**533.02**
Current assets				
Inventories	6	39.72	22.05	22.40
Financial assets				
Investments	7	-	531.45	530.12
Trade receivables	8	16.58	8.19	23.83
Cash and cash equivalents	9	492.76	17.41	101.86
Bank balances other than cash and cash equivalents above	10	100.00	66.79	-
Loans	11	1.41	1.27	1.53
Other financial assets	12	0.76	2.59	-
Current tax assets (net)	13	22.70	8.82	-
Other current assets	14	14.79	28.53	32.65
Total current assets		**688.72**	**687.10**	**712.39**
Total assets		**1,138.84**	**1,108.95**	**1,245.41**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	15	1.60	1.60	1.88
Other equity	16	979.16	930.82	1,071.49
Total equity		**980.76**	**932.42**	**1,073.37**
Liabilities				
Non-current liabilities				
Deferred tax liabilities (net)	17	84.34	89.65	87.93
Total non-current liabilities		**84.34**	**89.65**	**87.93**
Current liabilities				
Financial liabilities				
Trade payables	18			
- Total outstanding dues of micro, small and medium enterprises		29.68	-	-
- Total outstanding dues of creditors other than micro, small and medium enterprises		20.26	47.51	45.97
Other financial liabilities	19	6.65	22.80	11.89
Other current liabilities	20	14.50	14.27	24.03
Current tax liabilities (net)	21	2.65	2.30	2.22
Total current liabilities		**73.74**	**86.88**	**84.11**
Total liabilities		**158.08**	**176.53**	**172.04**
Total equity and liabilities		**1,138.84**	**1,108.95**	**1,245.41**

Summary of significant accounting policies 3

Notes referred to above form an integral part of the financial statements

As per our report of even date
For Saini Pati Shah & Co LLP
(formerly known as S G J & CO)
Chartered Accountants
Firm Registration No. 137904W/W100622

Som Saini
Partner
Membership No. 093079
UDIN-20093079AAAAAX6937
Place: Mumbai
Date: 25 June 2020

SAINI PATI SHAH & CO LLP FRN-137904W/W100622 MUMBAI Chartered Accountants

For and on behalf of the board of directors
Intermetal Engineers (India) Private Limited

Sanjeev Bhardwaj	Parmod Sagar	Vijay Sharma
Company Secretary	Director	Director
ACS:10805	DIN: 06500871	DIN: 00880113

Place: Gurugram
Date: 25 June 2020

Intermetal Engineers (India) Private Limited

(All amounts are in INR lakhs, unless otherwise stated)

Statement of profit and loss for the year ended 31 March 2020

Particulars	Note No.	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue			
Revenue from operations	22	416.24	412.18
Other income	23	14.54	53.18
Total revenue		**430.78**	**465.36**
Expenses			
Cost of materials consumed	24	241.29	224.99
Changes in inventory of finished goods and work-in-progress	25	(3.25)	-
Employee benefits expenses	26	66.17	128.37
Depreciation and amortization expense	4	17.79	18.33
Other expenses	27	48.33	30.00
Total expenses		**370.33**	**401.69**
Profit before tax		**60.45**	**63.67**
Tax expense:			
- Current tax		28.10	9.83
- Adjustment in respect of current tax of previous years		0.58	0.73
- Deferred tax		(16.57)	1.72
Total tax expense		**12.11**	**12.28**
Profit for the year		**48.34**	**51.39**
Other comprehensive income			
Items that will not be reclassified subsequently to the statement of the profit and loss			
- Remeasurement of the defined benefit plans		-	-
- Income tax relating to the above		-	-
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**48.34**	**51.39**
Basic and diluted earning per share (face value of Rs 100 each)	35	**3,026.85**	**3,108.22**

Summary of significant accounting policies 3

Notes referred to above form an integral part of the financial statements

As per our report of even date
For Saini Pati Shah & Co LLP
(formerly known as S G J & CO)
Chartered Accountants
Firm Registration No. 137904W/W100622

Som Saini
Partner
Membership No. 093079
UDIN - 20093049AAAAAX6937
Place: Mumbai
Date: 25 June 2020

SAINI PATI SHAH & CO LLP FRN-137904W/W100622 MUMBAI Chartered Accountants

For and on behalf of the board of directors
Intermetal Engineers (India) Private Limited

Sanjeev Bhardwaj	**Parmod Sagar**	**Vijay Sharma**
Company Secretary	**Director**	**Director**
ACS:10805	DIN: 06500871	DIN: 00880113

Place: Gurugram
Date: 25 June 2020

Intermetal Engineers (India) Private Limited

(All amounts are in INR lakhs, unless otherwise stated)

Cash flow statement for the year ended 31 March 2020

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Cash flows from operating activities		
Profit before tax for the year	60.45	63.67
Adjustments:		
Depreciation and amortization	17.79	18.33
Allowance for expected credit loss	4.33	-
Sundry balances written back	-	(5.30)
Provision no longer required written back	-	(5.82)
Net gain on disposal off mutual fund units	-	(12.08)
Interest income	(10.66)	(6.02)
Net loss (gain) on financial assets measured at fair value through profit and loss	4.28	(19.33)
Profit on sale of property, plant and equipment	(1.67)	-
Dividend income	(2.15)	(4.33)
Operating cash flows before working capital changes	**72.37**	**29.12**
Working capital movements:		
Increase / (Decrease) in trade payables	2.42	6.85
Increase / (Decrease) in other financial liabilities	(16.15)	10.91
Increase / (Decrease) in other current liabilities	0.23	(9.76)
(Increase) / Decrease in inventories	(17.66)	0.35
(Increase) / Decrease in trade receivables	(12.72)	21.45
(Increase) / Decrease in loans	(0.14)	0.27
(Increase) / Decrease in other current assets	13.75	4.12
Cash generated from operation	**42.10**	**63.29**
Income taxes paid, net	(30.95)	(19.30)
Net cash flows generated from operating activities (A)	**11.15**	**43.99**
Cash flows from investing activities		
Purchase of property, plant and equipment	(46.10)	(1.55)
Proceeds from sale of property, plant and equipment	1.70	-
Purchase of mutual fund units	-	(20.00)
Proceeds from redemption of of mutual fund units	527.17	50.08
(Investment) / withdrawal of fixed deposit (net)	(33.21)	27.60
Dividend received	2.15	4.33
Interest received	12.49	3.43
Net cash flows generated from investing activities (B)	**464.20**	**63.89**
Cash flows from financing activities		
Payment towards buyback of shares at premium	-	(180.83)
Payment of approved dividend	-	(9.56)
Payment of dividend distribution tax	-	(1.95)
Net cash flows (used) in / generated from financing activities (C)	-	**(192.33)**
Net increase/ (decrease) in cash and cash equivalents	475.35	(84.45)
Cash and cash equivalents at the beginning of the year	17.41	101.86
Cash and cash equivalents at the end of the year	**492.76**	**17.41**
Notes to cash flow statement		
Component of cash and cash equivalents		
Cash on hand	0.51	0.09
Balances with banks		
- In current accounts	51.75	17.32
- In fixed deposit accounts (with original maturity of less than 3 months)	440.50	-
Total cash and cash equivalents	**492.76**	**17.41**

SAINI PATI SHAH & CO LLP
FRN-137904W/W100622
MUMBAI
Chartered Accountants

Intermetal Engineers (India) Private Limited

(All amounts are in INR lakhs, unless otherwise stated)

Cash flow statement for the year ended 31 March 2020 *(Continued)*

Notes:

1 The above cash flow statement has been prepared under the indirect method as set out in Ind AS 7 statement of cash flows u/s 133 of Companies Act, 2013 ('Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015 and the relevant provisions of the Act.

2 Reconciliation of movements of liabilities to cash flows arising from financing activities

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Opening balance	-	-
a. Fair value changes	-	-
b. Changes from financing cash flows		
Arising on appropriation from retained earning	-	192.33
Payments made	-	(192.33)
Closing balance	-	-

As per our report of even date
For Saini Pati Shah & Co LLP
(formerly known as S G J & CO)
Chartered Accountants
Firm Registration No. 137904W/W100622

Som Saini
Partner
Membership No. 093079
UDIN-20093079AAAAAX6937
Place: Mumbai
Date: 25 June 2020

SAINI PATI SHAH & CO LLP FRN-137904W/W100622 MUMBAI Chartered Accountants

For and on behalf of the board of directors
Intermetal Engineers (India) Private Limited

Sanjeev Bhardwaj	Parmod Sagar	Vijay Sharma
Company Secretary	**Director**	**Director**
ACS:10805	DIN: 06500871	DIN: 00880113

Place: Gurugram
Date: 25 June 2020

Intermetal Engineers (India) Private Limited

(All amounts are in INR lakhs, unless otherwise stated)

Statement of changes in equity for the year ended 31 March 2020

A. Equity share capital

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Outstanding as at the beginning of the year	1.60	1.88	1.88
Add: Share issued during the year	-	-	-
Less: Share bought back during the year	-	(0.28)	-
Outstanding as at the end of the year	**1.60**	**1.60**	**1.88**

B. Other equity

Particulars	Capital redemption reserve	Retained earnings	Total
Balance as at 1 April 2018 - Previous GAAP	**0.63**	**716.72**	**717.35**
Ind-AS transtion impact:			
Fair valuation of mutual fund units	-	29.40	29.40
Fair valuation of property, plant and equipment	-	317.58	317.58
Allowance for expected credit loss	-	(6.04)	(6.04)
Elimination of proposed dividend and dividend distribution tax	-	13.20	13.20
Balance as at 1 April 2018 - Restated under Ind AS	**0.63**	**1,070.86**	**1,071.49**
Profit for the year	-	51.39	51.39
Transfer to capital redemption reserve for buyback of shares	0.28	(0.28)	-
Payment for buyback of shares at premium	-	(180.55)	(180.55)
Dividend approved during the year for FY 2017-18	-	(9.56)	(9.56)
Dividend distribution tax paid on dividend apporved for FY 2017-18	-	(1.95)	(1.95)
Balance as at 31 March 2019	**0.91**	**929.91**	**930.82**
Profit for the year	-	48.34	48.34
Balance as at 31 March 2020	**0.91**	**978.25**	**979.16**

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Notes to the financial statement for the year ended 31 March 2020

1. **Corporate Information**
Intermetal Engineers (India) Private Limited ('the Company') is domiciled and incorporated in India under the provisions of Indian Companies Act. The registered office of the Company is situated at 337, Gundecha Industrial Complex, Akurli Road, Near Grovers Well Co, Kandivali (East), Mumbai – 400101. The Company is primarily engaged in the business of manufacturing and sale of slide gate mechanics and related components.

2. **Statement of compliance and basis of preparation and presentation**

2.1 Statement of compliance
The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act") and in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act.

For all periods up to and including the year ended 31 March 2019, the Company prepared its financial statements in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention as a going concern and on accrual basis, unless otherwise stated, and in accordance with the provisions of the Companies Act, 2013, the Accounting Standards specified under section 133 of the Act read with rule 7 of the Companies (Accounts) Rules 2014 (as amended), collectively referred as "Previous GAAP".

These are the first financial statements of the Company prepared in accordance with Ind AS. Accordingly, Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. Refer note 34 for an explanation of how the transition from Previous GAAP to Ind AS has affected the previously reported financial position, financial performance, company's total equity, total comprehensive income and cash flow of the company.

These financial statements for the year ended 31 March 2020 are approved by the Board of Directors at its meeting held on 25 June 2020.

2.2 Basis of preparation and measurement
These financial statements have been prepared on an accrual basis and under the historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period (refer accounting policy regarding financial instruments, refer note 3.10).

Fair value measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted (Unadjusted) marked prices in the active markets for identical assets or liabilities.

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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2.3 Current Versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

2.4 New and amended standards adopted by the Company

The Company has applied the following standards and amendments for the first time for their annual reporting period commencing 1 April 2019:

- Ind AS 116, Leases
- Uncertainty over Income tax treatments – Appendix C to Ind AS 12, Income Taxes
- Plan Amendment, Curtailment or Settlement - Amendments to Ind AS 19, Employee Benefits
- Amendment to Ind AS 12, Income Taxes
- Amendment to Ind AS 23, Borrowing costs
- Amendments to Ind AS 109

The Company has changed its accounting policies as a result of adopting Ind AS 116. Refer note 3.17 for the details of change in accounting policy. The other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2.5 Standards issued but not yet effective:

Certain new standards, amendments to standards and interpretations are not yet effective for annual period beginning after April 1, 2019 and have not been applied in preparing these financial statements. The new standards and amendments to standards are proposed to be effective for reporting periods beginning on or after 1 April 2020. The Company intends to adopt these standards and amendments when they became effective.

The Standards that are issued, but not yet effective, are disclosed below:

A. Issuance of new standard

Ind AS 117 – Insurance Contracts

Ind AS 117 supersedes Ind AS 104 Insurance contracts. It establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the standard. Under the Ind AS 117 model, insurance contract liabilities will be calculated as the present value of future insurance cash flows with a provision for risk.

Application of this standard is not expected to have any significant impact on the Company's financial statements.

B. Amendments to existing standards

Ministry of Corporate Affairs has carried out amendments of the following accounting standards:

(i) *Ind AS 103 – Business Combination*

The amendment is in connection with clarification of business definition, which help in determining whether an acquisition made is of a business or a group of assets. The amendment added a test that makes it easier to conclude that a Company has acquired a group of assets, rather than a business, if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets.

The adoption of amendment to Ind AS 103 is not expected to have any significant impact on the Company's financial statements.

(ii) *Ind AS 1, Presentation of Financial Statements and Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors*

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The amendment is in connection with refinements to the definition of 'Material' and aligns this definition with other Ind AS. These refinements are intended to make the definition easier to understand and are not intended to alter the concept of materiality in Ind AS. The amended definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

The adoption of amendment to Ind AS 1 and Ind AS 8 is not expected to have any significant impact on the Company's financial statements.

(iii) *Ind AS 40 – Investment Property*

Ind AS 40 states that an investment property shall be measured initially at cost and for measurement after recognition, cost model shall be adopted for all the investment property. The amendment is in connection with an addition of option to measure all investment property after recognition as per fair value model. However, the amendment also gives an exception which states that an entity may:

(a) choose either the fair value model or the cost model for all investment property backing liabilities that pay a return linked directly to the fair value of, or returns from, specified assets including that investment property; and

(b) choose either the fair value model or the cost model for all other investment property, regardless of the choice made in (a).

The adoption of amendment to Ind AS 40 is not expected to have any significant impact on the Company's financial statements.

2.6 Critical accounting judgements and use of estimates

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. The actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision or future periods if the revision affects both current and future periods.

Accounting estimates and judgements are used in various line items in the financial statements for e.g.:

Property, plant and equipment

The management engages internal technical team to assess the remaining useful lives and residual value of property, plant and equipment annually in order to determine the amount of depreciation to be recorded during any reporting period. The management believes that the assigned useful lives and residual value are reasonable.

Income taxes

The management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets / liabilities. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

Contingencies

The management's judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

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Expected credit losses on financial assets:
The impairment provisions of financial assets and contract assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment of non-financial assets
Impairment exists when the carrying value of an asset or cash generating unit ("CGU") exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow ("DCF") model. The cash flows are derived from the budget for future years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Investment in equity shares:
The Company is exposed to equity price risk from investments in equity securities measured at fair value through profit and loss. The Management monitors the proportion of equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Board of Directors.

Effective Interest Rate (EIR) Method:
The Company recognizes interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loans given / taken. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well as expected changes to other income/expense that are integral parts of the instrument.

Fair value measurements and valuation processes:
When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation technique that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

3. Significant Accounting Policies

3.1 Functional and presentation currency
These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

3.2 Property, plant and equipment
All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss on the date of disposal or retirement.

Subsequent costs are capitalised on the carrying amount or recognised as a separate asset, as appropriate, only when future economic benefits associated with the item are probable to flow to the Company and cost of the item can be measured reliably. All other repair and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

On transition to Ind AS, the Company has elected to continue with the carrying value of its property, plant and equipment recognised as at April 1, 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of the

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property, plant and equipment except for freehold factory land and building which has been fair valued and considered as deemed cost as per Ind AS 101 principles as on the date of transition.

Depreciation on property, plant and equipment is provided on straight-line basis over the useful lives of assets as determined on the basis of technical estimates which are similar to the useful lives as prescribed under Schedule II to the Companies Act, 2013. Based on past experience and internal technical evaluation, the management believes that these useful lives represent the appropriate period of usage and therefore, considered to be appropriate for charging depreciation. Depreciation on addition (disposal) is provided on a pro-rata basis i.e. from (upto) the date on which assets is ready for use (disposed of).

Assets residual values, depreciation method and useful lives are reviewed at the end of financial year considering the physical condition of the assets or whenever there are indicators for review and adjusts residual life prospectively.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss within other income.

3.3 Intangible Assets

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

At initial recognition, the separately acquired intangible assets are recognised at cost. Following initial recognition, the intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date they are available for use. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the statement of profit and loss.

3.4 Assets held for sale

Non-current assets, or disposal groups are classified as held for sale if its carrying amount will be recovered principally through sale rather than through continuing use, it is available for immediate sale and sale is highly probable within one year.

On initial classification as held for sale, assets and disposal groups are measured at the lower of previous carrying amount and fair value less costs to sell with any adjustments taken to the statement of profit and loss. The same applies to gains and losses on subsequent remeasurement although gains are not recognised in excess of any cumulative impairment loss. Any impairment loss on a disposal group is first allocated to goodwill, and then to remaining assets and liabilities on a pro-rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets and investment property, which continue to be measured in accordance with the accounting policies. Intangible assets and property, plant and equipment once classified as held for sale or distribution are not amortised or depreciated.

3.5 Foreign currency translation

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise except those arising from investments in non-integral operations.

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3.6 Taxes

Tax expense comprises of current and deferred tax.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to 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. 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.

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 in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period 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 the statement of profit and 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.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum alternate tax (MAT) paid in a year is charged to the Statement of profit and loss as current tax. Minimum Alternative Tax ("MAT") credit is recognised as deferred tax asset based on evidence that the Company will pay normal income tax during the specified period. Significant judgments are involved in determining the future taxable income and future book profits, including amount of MAT credit available for set-off.

3.7 Inventories

Inventories are valued at the lower of cost (on first in first out basis in respect of trading goods and on weighted average basis in respect of raw materials, work-in-progress and finished goods) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods, including freight, octroi and other levies. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale. Stores and spares inventory is valued at cost.

3.8 Revenue recognition

Revenue from contract with customers is recognized when the Company satisfies the performance obligation by transfer of control of promised product or service to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Control is defined as the ability to direct the use of and obtain substantially all of the economic benefits from an asset. Revenue excludes taxes collected from customers.

Revenue is measured based on the transaction price, which is the expected consideration to be received, to the extent that it is highly probable that there will not be a significant reversal of revenue in future periods. If the consideration in a contract includes a variable amount, at the inception of the contract, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods or services to the customer.

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At the inception of the contract, the Company identifies the goods or services promised in the contract and assess which of the promised goods or services shall be identified as separate performance obligations. Promised goods or services give rise to separate performance obligations if they are capable of being distinct.

Revenue from the delivery of products is recognised at the point in time when control over the products is passed to the customers, which is determined based on the individual Incoterms agreed in the customer contract.

Contract balances:
The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. A receivable is a right to consideration that is unconditional upon passage of time. Contract asset, which is presented as unbilled revenue, is classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones.

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract. Contract liabilities include, and are presented as 'Revenue received in advance' and 'Advances from customers'.

3.9 Other Income

Dividend income
Dividend income is recognised when the Company's right to receive dividend is established by the reporting date. The right to receive dividend is generally established when shareholders approve the dividend.

Interest income
Interest income is recognized as it accrues in the standalone statement of profit and loss using effective interest rate method.

Net gain loss on fair value change
The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL on net basis. However, net gain / loss on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the statement of profit and loss.

3.10 Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial assets

Initial recognition and measurement
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified as:

- Debt instruments assets at amortised cost
- Equity instrument measured at fair value through profit or loss (FVTPL)

When assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit and loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

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Debt instruments at amortised cost
A debt instrument is measured at amortised cost (net of any write down for impairment) if both the following conditions are met:

- the asset is held to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes), and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit and loss. The losses arising from impairment are recognised statement of profit and loss. This category generally applies to trade and other receivables

Financial assets at fair value through OCI (FVTOCI)
A financial asset that meets the following two conditions is measured at fair value through OCI unless the asset is designated at fair value through profit and loss under fair value option.

- The financial asset is held both to collect contractual cash flows and to sell.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial assets at fair value through profit and loss (FVTPL)
FVTPL is a residual category for company's investment instruments. Any instruments which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

All investments included within the FVTPL category are measured at fair value with all changes recognized in the Profit and Loss

In addition, the company may elect to designate an instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Equity investments
All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company has not made any such election. This classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment, However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investment in subsidiary are measured at cost.

Derecognition
When the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; it evaluates if and to what extent it has retained the risks and rewards of ownership.

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A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- Based on above evaluation, either
  (a) the Company has transferred substantially all the risks and rewards of the asset, or
  (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a bases that reflect the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets
The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 ('Financial instruments') requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii. Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss or at amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Company's financial liabilities include trade payables and other payables.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortised cost
After initial recognition, interest-bearing loans and borrowings and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

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Notes to the financial statement for the year ended 31 March 2020

iii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

iv. Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

3.11 Impairment of non-financial assets

Non-financial assets including Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.
If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the standalone statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the standalone statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

3.12 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, cash in hand and short-term investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.13 Provisions, contingent liabilities and contingent assets

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. Provisions are not recognised for future operating losses. Provision 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. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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If the effect of the time value of money is material, provisions are discounted using a current 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 finance cost.

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 or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements

Contingent assets are not recognized in the financial statements. However, it is disclosed only when an inflow of economic benefits is probable.

3.14 Government grants

Grants from the government are recognised where there is reasonable assurance that the grant will be received and the Company will comply with required conditions. Export incentive under Merchandise Exports from India Scheme (MEIS) and duty drawback are accrued when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist.

3.15 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

3.16 Employee benefits

Short-term employee benefits:
All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. All short-term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees and recognized as expenses in the Statement of profit and loss. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. These benefits include salary and wages, bonus, performance incentives, etc.

Long-term employee benefits:
The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans.

Defined contribution plans
Retirement benefit in the form of provident fund, pension fund and employees' state insurance scheme are defined contribution schemes. The Company has no obligation, other than the contribution payable to the fund. Payments to defined contribution plan are recognised as an expense in the statement of profit and loss when employees have rendered service entitling them to the contributions.

Defined benefit plans
Payment of gratuity to employees is covered by the "Employee's Group Gratuity Assurance Scheme" of LIC of India, which is a defined benefit scheme and the company makes contribution under the said scheme.

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In accordance with the Payment of Gratuity Act, the gratuity plan provides a lumpsum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

Liabilities with regard to the gratuity plan are determined on the basis of valuation given by the LIC of India based upon which, the Company contributes all the ascertained liabilities to the LIC gratuity fund.

3.17 Leases

Till 31 March 2019:

As a Lessee

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to 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 liability for each period.

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 the statement of profit and 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 for the lessor's expected inflationary cost increases.

Leasehold land is amortised over the period of the lease term.

With effective from 1 April 2019:

As a lessee

From April 1, 2019, leases are recognised as a Right-of-Use (RoU) asset at cost with a corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets in accordance with Ind AS 116 'Leases'.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs etc.

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

For lease liabilities at the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

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3.18 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 the statement of profit and loss over the period of the borrowings using the effective interest method.

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 the statement of profit and loss as other gains/(losses).

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.

3.19 Earnings per share

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

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

3.20 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the 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.

3.21 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

3.22 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.

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Notes to the financial statements for the year ended 31 March 2020

4 Property, plant and equipment

Particulars	Factory land	Factory premises	Office premises	Plant and machinery	Furniture and fixtures	Vehicles	Office equipments	Computers	Total
Gross block									
Net block as at 01 April 2018 - Previous GAAP	14.35	0.26	10.17	0.94	0.10	0.69	0.70	0.70	27.91
Ind AS transition impact - Fair valuation (Refer note below)	173.42	100.47	136.83	-	-	-	-	-	410.72
At 01 April 2018 - Restated under Ind AS	**187.77**	**100.73**	**147.00**	**0.94**	**0.10**	**0.69**	**0.70**	**0.70**	**438.63**
Additions	-	1.24	-	-	-	-	0.31	-	1.55
Disposals	-	-	-	-	-	-	-	-	-
As at 31 March 2019	**187.77**	**101.97**	**147.00**	**0.94**	**0.10**	**0.69**	**1.01**	**0.70**	**440.18**
As at 01 April 2019	187.77	101.97	147.00	0.94	0.10	0.69	1.01	0.70	440.18
Additions	43.00	-	-	-	0.64	-	0.65	1.81	46.10
Disposals	-	-	-	-	-	(0.69)	-	-	(0.69)
As at 31 March 2020	**230.77**	**101.97**	**147.00**	**0.94**	**0.74**	**-**	**1.66**	**2.51**	**485.59**
Accumulated depreciation									
Charge for the year	-	13.80	2.93	0.20	0.05	0.65	0.29	0.41	18.33
As at 31 March 2019	**-**	**13.80**	**2.93**	**0.20**	**0.05**	**0.65**	**0.29**	**0.41**	**18.33**
As at 01 April 2019	-	13.80	2.93	0.20	0.05	0.65	0.29	0.41	18.33
Charge for the year	-	13.89	2.93	0.20	0.05	-	0.29	0.43	17.79
Disposals	-	-	-	-	-	(0.65)	-	-	(0.65)
As at 31 March 2020	**-**	**27.69**	**5.86**	**0.40**	**0.10**	**-**	**0.58**	**0.84**	**35.47**
Net block									
As at 1 April 2018	**187.77**	**100.73**	**147.00**	**0.94**	**0.10**	**0.69**	**0.70**	**0.70**	**438.63**
As at 31 March 2019	**187.77**	**88.17**	**144.07**	**0.74**	**0.05**	**0.04**	**0.72**	**0.29**	**421.85**
As at 31 March 2020	**230.77**	**74.28**	**141.14**	**0.54**	**0.64**	**-**	**1.08**	**1.67**	**450.12**

Note:

On transition to Ind AS, the Company has elected to continue with the carrying value of its property, plant and equipment recognised as at April 1, 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment except for freehold factory land and building which has been fair valued and considered as deemed cost as per Ind AS 101 principles as on the date of transition.

The fair value of freehold factory land, factory and office premise has been determined by external, independent property valuers, having appropriate qualifications and experience in the location and category of the property being valued. The fair value has been arrived by the valuer based on comparative market price i.e. selling price method determined based on the market feedback of investigations, local enquiries with architects and real estate consultants, supply and demand in the vicinity etc. The fair value arrived at by the independent valuer has been considered as deemed cost and the incremental amount has been added to opening retained earnings as on the date of transition.

The fair values as at 01 April 2018 as per independent valuer report are as follows:

Factory land - Rs 187.77 lakhs
Factory premises - Rs 100.73 lakhs
Office premises - Rs 147.00 lakhs

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Notes to the financial statements for the year ended 31 March 2020

5 Other non-current financial assets

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Unsecured, considered good:			
Deposits with original maturity of more than 12 months *	-	-	94.39
	-	-	94.39

* During FY 2018-19, these deposits were pre-matured.

6 Inventories

(At cost or net realisable value whichever is lower)

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Raw materials	36.47	22.05	22.40
Finished goods {including goods-in-transit of Rs 3.25 lakhs (31 March 2019: Nil, 01 April 18: Nil}	3.25	-	-
	39.72	22.05	22.40

7 Investments

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Investment measured at fair value through profit or loss:			
Investments in mutual fund units	-	531.45	520.12
Investment measured at amortised cost:			
Investments in debentures or bonds	-	-	10.00
	-	531.45	530.12
Aggregate amount of quoted investments and market value thereof	-	531.45	530.12

8 Trade receivables

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Unsecured, considered good:			
Receivables from related party (Refer note 39)	0.19	-	-
Receivables from others	16.39	8.19	23.83
	16.58	8.19	23.83
Trade receivables - Credit impaired	6.67	2.33	8.15
Allowance for expected credit loss	(6.67)	(2.33)	(8.15)
	-	-	-
	16.58	8.19	23.83

9 Cash and cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Cash on hand	0.51	0.09	0.29
Balances with banks			
In current accounts	51.75	17.32	51.52
In fixed deposit accounts (with original maturity of less than 3 months)	440.50	-	50.05
	492.76	17.41	101.86

10 Bank balances other than cash and cash equivalents above

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Deposits with original maturity of more than three months but less than 12 months	100.00	66.79	-
	100.00	66.79	-

11 Current loans

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Unsecured, considered good:			
Security deposits	1.04	0.74	0.74
Loan and advance to employees	0.37	0.34	0.60
Other loans and advances	-	0.19	0.19
	1.41	1.27	1.53

12 Other current financial assets

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Accrued interest	0.76	2.59	-
	0.76	2.59	-

13 Current tax assets (net)

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Advance tax and tax deducted at source, net of provision	22.70	8.82	-
	22.70	8.82	-

14 Other current assets

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Balances with government authorities	13.84	28.22	31.82
Advances to suppliers	-	0.27	0.83
Prepaid expenses	0.95	0.04	-
	14.79	28.53	32.65

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Notes to the financial statements for the year ended 31 March 2020

15 Equity share capital

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Authorised:			
5,000 (31 March 2019: 5,000 and 01 April 2018: 5,000) equity shares of Rs. 100 each	5.00	5.00	5.00
	5.00	**5.00**	**5.00**
Issued, subscribed and paid-up:			
1,597 (31 March 2019: 1,597 and 01 April 2018: 1,875) equity shares of Rs. 100 each, fully paid-up	1.60	1.60	1.88
	1.60	**1.60**	**1.88**

a) Reconciliation of the number of shares outstanding at the beginning and at the end of the period:

Particulars	As at 31 March 2020		As at 31 March 2019		As at 01 April 2018	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Outstanding as at the beginning of the year	1,597	1.60	1,875	1.88	1,875	1.88
Add: Share issued during the year	-	-	-	-	-	-
Less: Share bought back during the year	-	-	(278)	(0.28)	-	-
Outstanding as at the end of the year	1,597	1.60	1,597	1.60	1,875	1.88

b) Rights, preference and restrictions attached to the equity shares:

The Company has single class of equity shares having a par value of Rs. 100 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the 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.

c) List of shareholders holding more than 5% shares of a class of shares

Particulars	As at 31 March 2020		As at 31 March 2019		As at 01 April 2018	
	No. of shares	% Holding	No. of shares	% Holding	No. of shares	% Holding
Equity shares of Rs 100 each fully paid-up held by						
Mr. Prakash Koppar	-	-	1,236	77.40%	1,450	77.33%
Ms. Jayalakshmi Koppar	-	-	233	14.59%	275	14.67%
Mr. Anand Koppar	-	-	64	4.01%	75	4.00%
Ms. Aarti Koppar	-	-	64	4.01%	75	4.00%
M/s Orient Refractories Limited	1,596	99.94%	-	-	-	-
Mr. Pramod Sagar (as nominee of Orient Refractories Limited)	1	0.06%	-	-	-	-

d) The Company has not allotted any fully paid-up equity share by way of bonus shares, or in pursuant to contract without payment being received in cash.

e) The Company bought back 903 number of shares in aggregate during the five years immediately preceding the balance sheet date. 625 number of shares were bought back by the Company on 21 February 2017 at a buy-back price of Rs 30,720 per share. 278 number of shares were bought back by the Company on 14 June 2018 at a buy-back price of Rs 65,045 per share.

16 Other equity

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Retained earnings	978.25	929.91	1,070.86
Capital redemption reserve	0.91	0.91	0.63
	979.16	**930.82**	**1,071.49**
Retained earnings			
Balance at the beginning of the year	929.91	1,070.86	1,070.86
Add: Profit for the year	48.34	51.39	-
Less: Transfer to capital redemption reserve for buyback of shares	-	(0.28)	-
Less: Payment for buyback of shares at premium	-	(180.55)	-
Less: Dividend approved during the year for FY 2017-18	-	(9.56)	-
Less: Dividend distribution tax paid on dividend approved for FY 2017-18	-	(1.95)	-
Balance at the end of the year	**978.25**	**929.91**	**1,070.86**
Capital redemption reserve			
Balance at the beginning of the year	0.91	0.63	0.63
Add: Addition during the year	-	0.28	-
Balance at the end of the year	**0.91**	**0.91**	**0.63**

Retained earnings:

Retained earnings represents surplus / accumulated earnings of the Company and are available for distribution to shareholders.

Capital redemption reserve:

During financial year ended 31 March 2017 and 31 March 2019, the Company bought back certain shares and in order to comply with the requirements of the Companies Act, 2013, the Company created Capital Redemption Reserve.

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Notes to the financial statements for the year ended 31 March 2020

17 Deferred tax liabilities (net)

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Deferred tax liabilties:			
Fair valuation of investments in mutual fund units	-	11.74	7.72
Fair valuation of property, plant and equipment	86.07	89.78	94.04
Total deferred tax liabilities - (A)	86.07	101.52	101.76
Deferred tax assets:			
Allowance for expected credit loss	1.73	0.61	2.12
Total deferred tax assets - (B)	1.73	0.61	2.12
Deferred tax liabilities (net) - (A-B)	84.34	100.91	99.64
Minimum alternate tax credit entitlement	-	(11.26)	(11.71)
	84.34	**89.65**	**87.93**

18 Trade payables

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Total outstanding dues of micro, small and medium enterprises (Refer note 29)	29.68	-	-
Total outstanding dues of creditors other than micro, small and medium enterprises	20.26	47.51	45.97
	49.94	**47.51**	**45.97**

19 Other current financial liabilities

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Unpaid dividend	-	0.26	-
Accrued expenses	3.43	0.74	0.75
Employee dues payable	3.22	21.80	11.14
	6.65	**22.80**	**11.89**

20 Other current liabilities

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Contract liabilities	13.16	11.29	20.38
Statutory liabilities	1.34	2.98	3.65
	14.50	**14.27**	**24.03**

21 Current tax liabilities (net)

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Provision for taxation, net of advance tax	2.65	2.30	2.22
	2.65	**2.30**	**2.22**

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Notes to the financial statements for the year ended 31 March 2020

22 Revenue from operations

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue from contract with customers		
- from related parties (Refer note 39)	0.39	-
- from others	414.80	412.18
Other operating revenue:		
Sale of scrap	1.05	-
	416.24	**412.18**

Disaggregation of revenue:

In the following tables, revenue is disaggregated by product group and by geography. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Disaggregation of revenue by product group:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Shaped products	415.19	412.18
Others	1.05	-
	416.24	**412.18**

Disaggregation of revenue by geography:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Within India	358.21	359.88
Outside India	58.03	52.30
	416.24	**412.18**

Timing of revenue recognition:

Revenue from sale of products is transferred to the customers at a point in time.

Performance obligations

Revenue from the sale of products is recognised at the point in time when control over the products is passed to the customers, which is determined based on the individual Incoterms agreed in the customer contract. Control is defined as the ability to direct the use and obtain substantially all the economic benefits from an asset.

Transaction price allocated to the remaining performance obligations

Transaction price is the expected consideration to be received in exchange for transferring goods or services, to the extent that it is highly probable that there will not be a significant reversal of revenue.

Reconciliation of revenue recognised with contract price

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Contract price	416.24	412.18
Adjustments for:		
Claims and rebates	-	-
Performance bonus	-	-
	416.24	**412.18**

23 Other income

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Net gain on redemption of mutual fund units	-	12.08
Fair value gain on financial instruments at fair value through profit or loss	-	19.33
Government incentives on export	0.05	0.22
Interest on term deposits	10.66	4.98
Interest on bond / debentures	-	1.04
Interest on loan to employees	0.01	0.08
Provision no longer required written back	-	5.82
Sundry balances written back	-	5.30
Dividend income	2.15	4.33
Profit on sale of property, plant and equipment	1.67	-
	14.54	**53.18**

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Notes to the financial statements for the year ended 31 March 2020

24 Cost of materials consumed

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Inventory of materials at the beginning of the year	22.05	22.40
Add: Purchases	255.71	224.64
	277.76	247.04
Less: Inventory of materials at the end of the year	36.47	22.05
	241.29	**224.99**

25 Changes in inventory of finished goods and work-in-progress

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
(Increase) / Decrease in inventory		
Inventory at the end of the year:		
Finished goods	3.25	-
	3.25	-
Inventory at the beginning of the year:		
Finished goods	-	-
	-	-
	(3.25)	**-**

26 Employee benefits expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries and wages	61.59	123.52
Contribution to provident and other funds	3.50	3.70
Staff welfare expense	1.08	1.15
	66.17	**128.37**

27 Other expenses

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Foreign exchange loss (net)	0.02	0.34
Net loss on redemption of mutual fund units	4.28	-
Power and fuel	0.88	1.61
Rent (Refer note 31)	0.64	-
Legal and professional fees	5.44	6.90
Director sitting fees	0.75	-
Computer expenses	1.11	0.82
Repair and maintenance	3.84	0.82
Motor car expense	0.16	1.36
Postage and communication	0.69	0.86
Travelling and conveyance	7.51	2.42
Internet charges	0.19	0.30
Insurance	0.08	0.97
Sales promotion and advertisement expenses	0.03	0.06
Rates and taxes	3.34	5.19
Payment to auditors (Refer note 37)	5.07	0.65
Sundry balances written off	2.17	-
Bank charges	0.15	0.29
Printing and stationery	0.58	0.45
Freight and transport charges	5.18	5.20
Packing and forwarding expenses	0.31	0.33
Allowance for expected credit loss	4.33	-
Office expenses	1.30	0.94
Miscellaneous expenses	0.28	0.49
	48.33	**30.00**

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Notes to the financial statements for the year ended 31 March 2020

28 Income tax

The major components of income tax expense for the years ended 31 March 2020 and 31 March 2019 are:

Statement of profit and loss section

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Current income tax:		
Current income tax charge	28.10	9.83
Adjustment in respect of current tax of previous years	0.58	0.73
Deferred tax:		
Relating to origination and reversal of temporary differences	(16.57)	1.72
Income tax expense reported in the statement of profit and loss	**12.11**	**12.28**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Accounting profit before tax	60.45	63.67
Computed tax expense	16.82	16.55
At India's statutory income tax rate of 27.82% (31 March 2019: 26.00%)		
Adjustments for:		
Tax effect of amounts which are not deductible (taxable) in calculating income	1.33	(3.99)
Adjustment in respect of current tax of previous years	0.58	0.73
Tax impact of capital gain on redemption of mutual fund units	5.69	0.24
Minimum alternate tax credit netted off against provision for tax	(11.06)	-
Others	(1.25)	(1.25)
At the effective income tax rate of 20.04% [31 March 2019: 19.28%]	**12.11**	**12.28**
Income tax expense reported in the statement of profit and loss	**12.11**	**12.28**

Deferred tax relates to the following

Particulars	Balance sheet			Statement of profit and loss	
	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018	For the year ended 31 March 2020	For the year ended 31 March 2019
Fair valuation of property, plant and equipment	(86.07)	(89.78)	(94.04)	3.71	4.26
Fair valuation of investment in mutual fund units	-	(11.74)	(7.72)	11.74	(4.02)
Allowance for expected credit loss	1.73	0.61	2.12	1.12	(1.51)
Minimum alternate tax credit *	-	11.26	11.71	-	(0.45)
Net deferred tax expense / (income)				**16.57**	**(1.72)**
Net deferred tax assets / (liabilities)	**(84.34)**	**(89.65)**	**(87.93)**		

* Minimum alternate tax credit for current year has been netted off against provision for tax.

Reflected in the balance sheet as follows

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred tax liability	(86.07)	(101.52)
Deferred tax assets	1.73	11.87
Deferred tax liabilities, net	**(84.34)**	**(89.65)**

Reconciliation of deferred tax (liabilities) / assets, net

Particulars	As at 31 March 2020	As at 31 March 2019
Opening balance as of April 1	(89.65)	(87.93)
Tax (income) / expense during the period recognised in statement of profit and loss	(16.57)	1.72
Minimum alternate tax credit netted off against provision for tax	(11.26)	-
Closing balance	**(84.34)**	**(89.65)**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

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Notes to the financial statements for the year ended 31 March 2020

29 Dues to micro, small and medium enterprises

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at period end	29.68	-
(ii) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.08	-
(iii) Principal amount paid to supplier registered under the MSMED Act, beyond the appointed day during the year.	12.34	-
(iv) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the period	-	-
(v) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the period	-	-
(vi) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	0.08	-
(vii) Further interest remaining due and payable for earlier years	-	-

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Notes to the financial statements for the year ended 31 March 2020

30 Segment reporting

The Company is primarily engaged in the business of manufacturing slide gate mechanics and related components. Based on the information reported to the chief operating decision maker (CODM) for the purpose of resources' allocation and assessment of performance, there is single business segment in accordance with the requirements of Indian Accounting Standard (Ind AS) 108 on 'Operating Segment Reporting' notified under the Companies (Indian Accounting Standard) Rules, 2015.

Geographical Segments:
The analysis of geographical segment is based on the geographical location of the customers. The Company operates primarily in India and has presence in international markets as well. Its business is accordingly aligned geographically, catering to two markets i.e. India and Outside India. For customers located outside India, the Company has assessed that they carry same risk and rewards. The Company has considered domestic and exports markets as geographical segments and accordingly disclosed these as separate segments. The geographical segments considered for disclosure are as follows:
- Sales within India include sales to customers located within India.
- Sales outside India include sales to customers located outside India.

Secondary Segment Reporting (by Geographical Segments)

The following is the distribution of the Company's total revenue of operations by geographical market, regardless of where the goods were produced:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Within India	358.21	359.88
Outside India	58.03	52.30
	416.24	**412.18**

The following table shows the carrying amount of trade receivables by geographical segments

Particulars	As at 31 March 2020	As at 31 March 2019
Within India	16.58	8.19
Outside India	-	-
	16.58	**8.19**

All other assets (other than trade receivables) used in the Company's business are located in India and are used to cater to both the categories of customers (within India and outside India), accordingly the total cost incurred during the year to acquire tangible and intangible fixed assets has not been disclosed.

31 Leases

Except as specified below, the Company has consistently applied the accounting policies to all periods presented in this financial statements. The Company has applied Ind AS 116 with the date of initial application of 1 April, 2019. As a result, the Company has changed its accounting policy for lease contracts.

Company as lessee
The Company during the year has leased a premise on finance lease. This lease have a term of 11 months with a lock-in period of 3 months.

Amount recognized in statement of profit and loss

Particulars	For the year ended 31 March 2020
Expense relating to short-term leases and low value assets	0.64

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32 Financial instruments - fair value measurement

Accounting classifications and fair values

Particulars	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets measured at amortized cost:						
Trade receivables	16.58	16.58	8.19	8.19	23.83	23.83
Cash and cash equivalents	492.76	492.76	17.41	17.41	101.86	101.86
Bank balances other than cash and cash equivalents	100.00	100.00	66.79	66.79	-	-
Loans	1.41	1.41	1.27	1.27	1.53	1.53
Other financial assets						
- Accrued interest	0.76	0.76	2.59	2.59	-	-
Investments in debentures or bonds	-	-	-	-	10.00	10.00
Financial assets measured at FVTPL:						
Investment in mutual fund units	-	-	475.00	531.45	483.00	520.12
Total	**611.51**	**611.51**	**571.25**	**627.70**	**620.22**	**657.34**
Financial liabilities measured at amortized cost:						
Trade payables	49.94	49.94	47.51	47.51	45.97	45.97
Other financial liabilities	6.65	6.65	22.80	22.80	11.89	11.89
Total	**56.59**	**56.59**	**70.31**	**70.31**	**57.86**	**57.86**

The fair value of deposit with open ended mutual fund schemes classified as level 1 in the fair value hierarchy. The value is measured using Net Asset Value (NAV) as disclosed by the mutual fund house. The management assessed that carrying amounts of cash and cash equivalents, trade receivables, trade payables, loans and other financial assets and liabilities approximate their fair value largely due to the nature and short-term maturities of these instruments.

Fair value hierarchy

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

Financial instruments - risk management

The Company has exposure to the following risks arising from financial instruments: credit risk (refer note (b) below); liquidity risk (refer note (c) below); market risk (refer note (d) below).

(a) Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(b) Credit risk

Credit risk on cash and cash equivalent and bank balances is not significant as it majorly includes deposits with banks with high credit ratings assigned by international and domestic credit rating agencies.

Investments primarily includes investments in mutual fund units, which are with registered fund houses and therefore risk of any loss is low.

Credit risk arise from possibility that customer may default on its obligation to make timely payments, resulting into financial loss. The maximum exposure to the credit risk is primarily from trade receivables.

The credit risk is managed by the Company through credit term approvals, establishing the financial reliability of the customers taking into account the financial condition, analysis of historical bad debts and ageing of account receivables. Outstanding customer receivables are regularly monitored. Individual credit terms are set accordingly by the Company's credit control department.

i) Expected credit loss (ECL) assessment for customers as at 1 April 18, 31 March 2019 and 31 March 2020

The Company allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of loss (including but not limited to past payment history, security by way of deposits, audited financial statements, management accounts and cash flow projections) and applying experienced credit judgment. The following table provides information about the exposure to credit risk and expected credit loss for trade receivables

Particulars	As at 31 March 2020		As at 31 March 2019		As at 1 April 2018	
	Gross carrying amount	Provision amount	Gross carrying amount	Provision amount	Gross carrying amount	Provision amount
Up to 180 days	17.00	(0.42)	9.05	(0.84)	29.36	(5.53)
More than 180 days	6.25	(6.25)	1.49	(1.49)	2.62	(2.62)
	23.25	**(6.67)**	**10.54**	**(2.33)**	**31.98**	**(8.15)**

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Notes to the financial statements for the year ended 31 March 2020

32 Financial instruments - fair value measurement *(Continued)*

ii) Cash and cash equivalents

The Company holds cash and cash equivalents of Rs. 492.76 lakhs at 31 March 2020 (31 March 2019: Rs. 17.41 lakhs and 1 April 2018: Rs. 101.86 lakhs). The cash and cash equivalents are mainly held with banks. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of counterparties.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to settle or meet its obligations on time. The Company's primary sources of liquidity are cash generated from operations. The cash flows from operating activities are driven primarily by operating results and changes in the working capital requirements.

The Company believe that its liquidity position is adequate to fund the operating and investing needs and to provide with flexibility to respond to further changes in the business environment.

Maturities of financial liabilities

Particulars	Carrying amount	Total	0–12 months	1–2 years	3–5 years	> 5 years
As at 31 March 2020						
Trade payables	49.94	49.94	49.94	-	-	-
Other financial liabilities	6.65	6.65	6.65	-	-	-
	56.59	56.59	56.59	-	-	-

Particulars	Carrying amount	Total	0–12 months	1–2 years	3–5 years	> 5 years
As at 31 March 2019						
Trade payables	47.51	47.51	47.51	-	-	-
Other financial liabilities	22.80	22.80	22.80	-	-	-
	70.31	70.31	70.31	-	-	-

Particulars	Carrying amount	Total	0–12 months	1–2 years	3–5 years	> 5 years
As at 1 April 2018						
Trade payables	45.97	45.97	45.97	-	-	-
Other financial liabilities	11.89	11.89	11.89	-	-	-
	57.86	57.86	57.86	-	-	-

(d) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, which will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i) Currency risk

Majority of the transactions entered into by the Company are denominated in Indian Rupees. Accordingly, the Company does not have any currency risk.

ii) Interest rate risk

The Company's does not have any borrowings and accordingly does not have any interest rate risk.

iii) Price risk

Mutual funds price risk sensitivity analysis

The Company's exposure to price risk arises from investments held by the Company and classified in the balance sheet as fair value through profit or loss.

Particulars	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
Increase by 10% (31 March 2019: 10%, 01 April 2018: 10%)	-	53.15	52.01
Decrease by 10% (31 March 2019: 10%, 01 April 2018: 10%)	-	(53.15)	(52.01)

33 Capital management

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that it can continue to provide adequate returns to the shareholders.

The Company does not have any borrowings and the entire capital comprises of equity.

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34 First time adoption of Ind AS

As stated in Note 2.1, these are the Company's first financial statements prepared in accordance with Ind AS. For the year ended upto and including 31 March 2019, the Company had prepared its financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('previous GAAP').

The accounting policies set out in Note 3 have been applied in preparing these financial statements for the year ended 31 March 2020 including the comparative information for the year ended 31 March 2019 and the opening Ind AS balance sheet on the date of transition i.e. 1 April 2018.

In preparing its Ind AS balance sheet as at 1 April 2018, and in presenting the comparative information for the year ended 31 March 2019, the Company has adjusted amounts reported previously in financial statements prepared in accordance with previous GAAP as detailed hereunder and accordingly the impact of such transition the Company's financial position, financial performance and cash flows is listed hereunder.

In preparing these financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

A Optional exemptions availed:

Ind AS 101 allows first-time adopters certain optional exemptions from the retrospective application of certain requirements under Ind AS for transition from the previous GAAP (IGAAP). The Company has availed the following:

(i) Property, plant and equipment

In accordance with Ind AS 101, the Company has elected to continue with the carrying value of its property, plant and equipment recognised as at April 1, 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment except for freehold factory land and building which has been fair valued and considered as deemed cost as per Ind AS 101 principles as on the date of transition.

B Mandatory exceptions:

In accordance with Ind AS 101, the Company has applied following mandatory exceptions for transition from the previous GAAP (GAAP):

(i) Classification and measurement of financial assets

In accordance with Ind AS 101, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

(ii) Estimates

In accordance with Ind AS 101, the Company's estimates are consistent with those made under previous GAAP and where necessary, appropriate adjustments are made to carrying value as at the date of transition.

As per Ind AS 101, the Company is required to make certain estimates that were not required under previous GAAP, which should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

Further estimates considered in preparation of the financial statements that were not required under the previous GAAP are: Fair valuation of financial instruments carried at FVTPL and/or FVOCI; impairment of financial assets based on the expected credit loss model; and determination of the discounted value for financial instruments carried at amortised cost.

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Notes to the financial statements for the year ended 31 March 2020

34 First time adoption of Ind AS (Continued)

C Reconciliations

(i) Reconciliation of balance sheet as at 1 April 2018 (date of transition)

Particulars	Note	Previous GAAP*	Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment	1	27.91	410.72	438.63
Financial assets				
- Other financial assets		-	94.39	94.39
		27.91	**505.11**	**533.02**
Current assets				
Inventories		22.40	-	22.40
Financial assets				
- Investments	2	493.00	37.12	530.12
- Trade receivables		31.98	(8.15)	23.83
- Cash and cash equivalents		196.25	(94.39)	101.86
- Bank balance other than cash and cash equivalents		-	-	-
- Loans		1.53	-	1.53
- Other financial assets		-	-	-
Current tax assets (net)		-	-	-
Other current assets		74.72	(42.07)	32.65
		819.88	**(107.49)**	**712.39**
		847.79	**397.62**	**1,245.41**
EQUITY & LIABILITIES				
EQUITY				
Equity share capital		1.88	-	1.88
Other equity		717.35	354.14	1,071.49
		719.23	**354.14**	**1,073.37**
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Deferred tax liabilities (net)	3	0.90	87.02	87.93
		0.90	**87.02**	**87.93**
Current liabilities				
Financial liabilities				
- Trade payables				
Dues to micro enterprises and small enterprises		-	-	-
Dues to others		45.97	-	45.97
- Other financial liabilities		-	11.89	11.89
Other current liabilities		24.03	-	24.03
Provisions		57.65	(57.65)	-
Current tax liabilities (net)		-	2.22	2.22
		127.66	**(43.54)**	**84.11**
		847.79	**397.62**	**1,245.41**

* The previous GAAP figures have been reclassified to reconform to Ind AS presentation requirements for the purpose of this note.

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Notes to the financial statements for the year ended 31 March 2020

34 First time adoption of Ind AS (Continued)

(ii) Reconciliation of balance sheet as at 31 March 2019

Particulars	Note	Previous GAAP*	Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment	1	27.91	393.94	421.85
Financial assets				
- Other financial assets		-	-	-
		27.91	**393.94**	**421.85**
Current assets				
Inventories		22.05	-	22.05
Financial assets				
- Investments	2	475.00	56.45	531.45
- Trade receivables		10.53	(2.33)	8.19
- Cash and cash equivalents		84.20	(66.79)	17.41
- Bank balance other than cash and cash equivalents		-	66.79	66.79
- Loans		1.27	-	1.27
- Other financial assets		-	2.59	2.59
Current tax assets (net)		-	8.82	8.82
Other current assets		61.04	(32.51)	28.53
		654.08	**33.02**	**687.10**
		681.99	**426.96**	**1,108.95**
EQUITY & LIABILITIES				
EQUITY				
Equity share capital		1.60	-	1.60
Other equity		582.47	348.35	930.82
		584.07	**348.35**	**932.42**
LIABILITIES				
Non-current liabilities				
Deferred tax liabilities (net)	3	1.20	88.45	89.65
		1.20	**88.45**	**89.65**
Current liabilities				
Financial liabilities				
- Trade payables				
Dues to micro enterprises and small enterprises		-	-	-
Dues to others		47.51	-	47.51
- Other financial liabilities		-	22.80	22.80
Other current liabilities		14.27	-	14.27
Provisions		34.93	(34.93)	-
Current tax liabilities (net)		-	2.30	2.30
		96.72	**(9.83)**	**86.88**
		681.99	**426.96**	**1,108.95**

* The previous GAAP figures have been reclassified to reconform to Ind AS presentation requirements for the purpose of this note.

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Notes to the financial statements for the year ended 31 March 2020

34 First time adoption of Ind AS (Continued)

(iii) Reconciliation of total comprehensive income for the year ended 31 March 2019

Particulars	Note	Previous GAAP*	Adjustments	Ind AS
Income				
Revenue from operations		412.18	(0.00)	412.18
Other income		31.46	21.72	53.18
Total income		**443.64**	**21.72**	**465.36**
Expenses				
Cost of material consumed		232.50	(7.51)	224.99
Employee benefits expense		128.37	(0.00)	128.37
Finance cost		0.29	(0.29)	-
Depreciation and amortization		1.43	16.90	18.33
Other expenses		25.63	4.37	30.00
		388.22	**13.47**	**401.69**
Profit before tax		**55.42**	**8.25**	**63.67**
Tax expense:				
Current tax		10.28	(0.45)	9.83
Tax adjustments relating to previous year		0.73	-	0.73
Deferred tax	3	0.30	1.42	1.72
		11.31	**0.97**	**12.28**
Profit for the year		**44.11**	**7.28**	**51.39**
Other comprehensive income		-	-	-
Total comprehensive income for the year		**44.11**	**7.28**	**51.39**

* The previous GAAP figures have been reclassified to reconform to Ind AS presentation requirements for the purpose of this note.

(iv) Reconciliation of total equity as at 31 March 2019 and 1 April 2018

Particulars	As at 31 March 2019	As at 1 April 2018
Total equity as per previous GAAP	**584.07**	**719.23**
Adjustments:		
Fair value gain on property, plant and equipment	393.94	410.72
Fair value gain on investments measured at FVTPL	56.45	37.12
Allowance for expected credit loss	(2.33)	(8.15)
Reversal of proposed dividend including dividend distribution tax	-	13.20
Minimum alternate tax credit entitlement reclassified to deferred tax	(11.71)	(11.71)
Deferred tax under Ind AS	(87.99)	(87.02)
Equity under Ind AS	**932.42**	**1,073.37**

(v) Reconciliation of profit

Particulars	Year ended 31 March 2019
Total profit as per previous GAAP	**44.11**
Adjustments:	
Increase in depreciation on account of fair valuation of property, plant and equipment	(16.90)
Fair value gain on investments measured at FVTPL	19.33
Movement in allowance for expected credit loss	5.82
Deferred tax under Ind AS	(0.97)
Profit as per Ind AS	**51.39**

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34 First time adoption of Ind AS (Continued)

(vi) Reconciliation of cash flow for the year ended 31 March 2018

There were no reconciliation items between cash flows prepared under Indian GAAP and those prepared under Ind AS.

Notes:

1 Under the previous GAAP, property, plant and equipment were carried at cost less accumulated depreciation and impairment losses, if any. On transition to Ind AS, the Company has elected to continue with the carrying value of its property, plant and equipment recognised as at April 1, 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment except for freehold factory land and building which has been fair valued and considered as deemed cost as per Ind AS 101 principles as on the date of transition.

2 Under the previous GAAP, investments in mutual funds were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in statement of profit and loss as at the date of transition and subsequently in the retained earnings for year ended 31 March 2018.

3 Under previous GAAP, deferred taxes were recognised for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognised using the balance sheet approach for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of the other Ind AS transitional adjustments lead to temporary differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or through profit or loss. For transactions and other events recognised outside profit or loss (either in other comprehensive income or directly in equity), related tax effects are also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively).

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Notes to the financial statements for the year ended 31 March 2020

35 Earnings per share

The following table sets forth the computation of basic and dilutive earnings per share:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Net profit for the year attributable to equity shareholders	48.34	51.39
Weighted average number of shares	1,597	1,653
Earnings per share, basic and diluted (Rupees)	3,026.85	3,108.22

Note: Basic and diluted earnings per share during the current year are same as the Company has no potentially dilutive equity shares outstanding as at the year end.

Reconciliation of shares used in computing earnings per share

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
No. of equity shares at the beginning of the year	2,153	1,875
Add: Shares issued during the year	-	-
Less: Shares bought back during the year	-	(278)
No. of equity shares at the end of the year	2,153	2,153
Weighted average number of equity shares of Rs 100 each used for calculation of basic and diluted earnings per share	1,597	1,653

36 Contingent liabilities and commitments

Contingent liabilities:

Claims against the Company not acknowledged as debts: Nil (Previous year: Nil)

Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for: Nil (Previous year: Nil)

37 Payment to Auditors

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
For statutory audit	2.45	0.30
For limited review	0.60	-
For tax audit	0.50	0.35
For other matters	1.50	-
Reimbursement of expenses	0.02	-
	5.07	**0.65**

38 Event after reporting date

Estimation uncertainty relating to the global health pandemic on COVID-19

The Company has evaluated the possible impact of this pandemic on the business operations and the financial position of the Company and based on its initial assessment, believes that there is no significant impact on the financial statements of the Company, as at and for the year ended 31 March 2020. However, the impact assessment of COVID-19 is an on-going process given the uncertainties associated with its nature and duration. Given the uncertainty because of COVID-19, the final impact on the Company's operations may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes resulting from the future economic conditions and future uncertainty, if any.

SAINI PATI SHAH & CO LLP
FRN-
137904W/
W100622
MUMBAI
Chartered Accountants

Intermetal Engineers (India) Private Limited
(All amount are in INR lakhs, unless otherwise stated)

Notes to the financial statements for the year ended 31 March 2020

39 Related party disclosure

i) Names of related parties and description of relationship

A Related parties where control exists

Mr. Prakash Koppar, individuals having significant influence over the Company (upto 17.05.2019)
Orient Refractories Limited, Holding Company (w.e.f. 18.05.2019)

B Key Managerial Personnel (KMP):

Mr. Prakash Koppar	: Executive director (upto 17.05.2019)
Mr. Anand Koppar	: Executive director (upto 17.05.2019)
Mr. Vijay Sharma	: Non-executive director (w.e.f. 18.05.2019)
Mr. Parmod Sagar	: Non-executive director (w.e.f. 18.05.2019)
Mr. Sanjeev Bhardwaj	: Company secretary (w.e.f. 30.10.2019)

C Enterprises over which key management personnel or their relatives exercise significant influence

Prakash V. Koppar HUF (upto 17.05.2019)

ii) Related parties transactions entered into by the Company for the year ended 31 March 2020

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Sales		
Orient Refractories Limited *	0.39	-
* Amount disclosed is inclusive of goods and service tax of Rs 0.06 lakhs (Previous year: Rs Nil)		
Compensation of key management personnel		
(i) Director remuneration		
- Mr. Prakash Koppar	8.97	41.50
- Mr. Anand Koppar	4.50	56.00
(ii) Director sitting fees		
- Mr. Vijay Sharma	0.75	-
Loans repaid		
Prakash V. Koppar HUF	0.19	-

iii) Related party balances

Amounts due to or due from related parties are as follows:

Particulars	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Trade receivables			
Orient Refractories Limited	0.19	-	-
Loans			
Prakash V. Koppar HUF	-	0.19	0.19

40 Previous year's figures

Previous year's figures have been regrouped / restated / reclassified, wherever necessary, to confirm to the current year's presentation.

As per our report of even date
For Saini Pati Shah & Co LLP
(formerly known as S G J & CO)
Chartered Accountants
Firm Registration No. 137904W/W100622

Som Saini
Partner
Membership No. 093079
UDIN - 20093079AAAAAX6937
Place: Mumbai
Date: 25 June 2020

SAINI PATI SHAH & CO LLP FRN-137904W/W100622 MUMBAI Chartered Accountants

For and on behalf of the board of directors
Intermetal Engineers (India) Private Limited

Vijay Sharma

Sanjeev Bhardwaj
Company Secretary
ACS:10805

Parmod Sagar
Director
DIN: 06500871

Vijay Sharma
Director
DIN: 00880113

Place: Gurugram
Date: 25 June 2020