



Automotive &
Tubular Products
LTD

ANNUAL REPORT 2020-2021



**KLT PROFILE**

CIN No: U34300MH1994PLC081463

BOARD OF DIRECTORS

Mr. Jubin K Thakkar - Chairman & Managing Director
Mrs. Sushila K Thakkar - Director
Ms. Miloni B Thakkar- Joint Managing Director

COMPANY SECRETARY

Mr. Vishal J Borana - VP - Legal & Company Secretary

REGISTERED & CORPORATE OFFICE

B-601, Elegant Business Park, MIDC Road No. 2,
Andheri (East) Mumbai - 400059

AUDITOR:

Todarwal and Todarwal LLP Chartered Accountants
12, Maker Bhavan No:3,
1st floor, 21 New Marine Line,
Mumbai: 400020.

SHARE REGISTRARS:

LINK INTIME INDIA PRIVATE LIMITED.
C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg,
Vikhroli (West) Mumbai – 400083.

PLANT LOCATIONS:

- **PALGHAR- TAAL**
Plot No 1, Survey No - 45/4, 46/1 & 3,
Mehta Industrial Estate Village, Vevoor,
Manor Palghar RD,
Palghar,
District: Palghar.
Pin Code: 401 404
- **PALGHAR - SCORPIO**
Plot No: 8, 17-19, Survey No -
34/2, 35/2, Zorabian Industrial
Estate, Village Vevoor, Manor,
Palghar RD., Palghar,
District: Palghar.
Pin Code: 401 404
- **PALGHAR-TUBE**
Survey No: 6/1/1, 6/1/2, 7/2, 7/3, 8/1,
Village Shelvali,
Manor Road, Palghar,
District: Palghar.
Pin Code: 401 404
- **PUNE-URSE**
Gut No 415, Village - Urse,
Taluka- Maval,
Dist Pune – 410 506
- **CHENNAI**
Building No: 01, Casa Grande Distri
Park, Survey No:
258/3,235/1C,257/3,257/4,
Satharai Village, Thiruvallur Taluka,
Thiruvallur Dist. Tamil Nadu-631 203
- **RUDRAPUR, UTTARAKHAND**
TATA Motors Vendor Park, Plot No: 20,
Sector-11, Integrated Industrial
Estate, Village-Pant Nagar, Rudrapur,
Dist- Udhansingh Nagar,
Uttarakhand-263 153.

INDEPENDENT AUDITOR'S REPORT

To The Members of **KLT AUTOMOTIVE & TUBULAR PRODUCTS LTD.**

REPORT ON THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Standalone IND AS Financial Statements **KLT AUTOMOTIVE & TUBULAR PRODUCTS LTD ("the Company")**, which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss, including Other Comprehensive Income, and the Statement of Cash Flows for the year ended on that date and a summary of the significant accounting policies, and other explanatory information (hereinafter referred to as "the Standalone IND AS Financial Statements")

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

BASIS FOR OPINION

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

EMPHASIS OF MATTERS

The company have defaulted in timely repayment of loan extended by Phoenix ARC Private Limited, Andhra Bank, Bank of Baroda & Religare Finvest Ltd. (the details of the default are attached herewith in Annexure A – point (viii)). The company has not made provision of interest amounting to Rs. 12,62,72,478 and penal interest amounting to Rs. 38,81,33,270 in the profit and loss account.



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KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements for the financial year ended year ended 31st March, 2021. These matters were addressed in the context of our audit of the Standalone Ind As Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed Key Audit Matter
<p>1. Transition to IND AS Accounting Framework</p> <p>The company has adopted IND AS from 1st April 2020 with an effective date of 1st April 2019 for such transition. For the periods up to and including the year ended 31st March 2020, the company had prepared and presented its financial statements in accordance with the erstwhile generally accounting principles in India (Indian GAAP). To give effect of the transition to IND AS, these Financials Statements for the year ended 31st March 2021, together with the comparative financial information for the previous year ended 31st March 2020 and the transition date Balance Sheet as at 1st April 2019 have been prepared under IND AS.</p> <p>The transition has involved significant change in the Company's policies and processes for financial reporting, including generation of supportable information and applying estimates to inter alia determine impact of Ind As on accounting and disclosure requirements prescribed under relevant laws.</p> <p>In view of the complexity involved, Ind AS transition and the preparation of financial statements subsequent to the transition date have been areas of key focus in our audit</p>	<ol style="list-style-type: none"> 1. Read the Ind As impact assessment performed by the Management and the resultant changes made to the accounting policies considering the requirements of the new framework. 2. Evaluated the exemptions and exceptions allowed by IND AS and applied by the Management in applying the First-Time adoption principles of IND AS 101 in respect of fair valuation of assets and liabilities as at the transition date. 3. Tested the accounting adjustments posted as at the transition date and in respect of the previous year to convert the financial information reported under the erstwhile Indian GAAP to Ind AS. 4. Tested the disclosures prescribed under IND AS.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Management and Board of Directors are responsible for preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone IND AS Financial Statements and our auditor's report thereon.



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Our opinion on the Standalone IND AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone IND AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone IND AS 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 STANDALONE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone IND AS Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone IND AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone IND AS Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

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

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



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

Materiality is the magnitude of misstatements in the Standalone IND AS 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 Standalone IND AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors'



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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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 Company has no branch office and hence the company is not required to conduct audit under section 143 (8) of the Act;
- d) The Balance Sheet, the Statement of Profit and Loss and the Cash flow statement dealt with by this Report are in agreement with the books of account;
- e) In our opinion, the aforesaid Standalone IND AS Financial Statements comply with the Accounting Standards prescribed under Section 133 of the Act, read with the Companies (Accounts) Rules, 2014;
- f) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- g) 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"; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position as per the Notes to the Financial Statement. Refer Note 32 to the financial statements.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

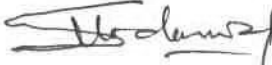


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- (iii) The Company is not required to transfer any amount to the Investor Education and Protection Fund.

For Todarwal & Todarwal LLP
Chartered Accountants
ICAI Regn No: W100231



Sunil L. Todarwal

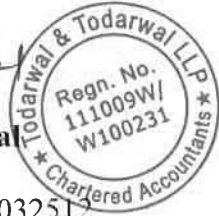
Partner

Membership No: 032512

UDIN: 21032512AAAADV4677

Date: 03thDecember,2021

Place: Mumbai



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ANNEXURE - A TO INDEPENDENT AUDITOR'S REPORT

The 'Annexure A' referred to in Independent Auditor's Report to the Members of the Company on the Financial Statements for the year ended 31st March 2021, we report that:

- i) a) According to the information and explanation given to us and based on the records produced before us, we are of the opinion that the Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

b) According to the information and explanation given to us, the Company was unable to conduct the year end physical verification exercise of fixed assets due to the Covid-19 pandemic lockdown.

c) According to the information and explanation given to us and based on the records produced before us, the title deeds of immovable properties are held in the name of the company.
- ii) According to the information and explanation given to us Inventory has not been able to physically verify Inventories due to the Covid-19 pandemic lockdown.
- iii) According to the information and explanation given to us, the Company has not granted any secured & unsecured loan to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act whose repayment is overdue for more than ninety days during the year. Hence this clause is not applicable to the Company.
- iv) According to the information and explanation given to us, we are of the opinion that in respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- v) According to the information and explanation given to us, the company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and the rules framed there under.
- vi) According to the information and explanation given to us, the Company has maintained cost records as specified by the Central Government under sub-section (1) of section 148 of the Act.
- 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 Provident fund, Employees' State Insurance, Income-tax, Goods and Services tax, duty of Customs, Cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income- tax, Goods and Services tax, duty of Customs, Cess and other material statutory dues were in arrears as at 31st March, 2021, for a period of more than six months from the date they became payable. Except for the following: -



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Name of Statute	Nature of Dues	Amount (Rs.)	Remarks
Employees's Provident Fund & Miscellaneous Provisions Act, 1952	PF	1,57,88,486	Out of these Dues, Rs. 5,77,866 were paid on 06-06-2021
Income Tax Act, 1961	TDS	19,48,127	Entire amount was paid by 29-11-2021
Integrated Goods & Services Act, 2017	IGST	59,23,092	-
Central Goods & Services Act, 2017	CGST	81,61,935	Out of these Dues, Rs. 11,96,947 were paid on 30-06-2021
Maharashtra Goods & Services Act, 2017	SGST	51,10,283	-
Tamil Nadu Goods & Services Act, 2017	SGST	11,98,316	Entire amount was paid on 30-06-2021
Uttarakhand Goods & Services Act, 2017	SGST	23,30,943	-
The Tamil Nadu Panchayats Act, 1994	PT	88,114	-
Maharashtra Labour Welfare Fund Act, 1953	LWF	47,202	-

- (b) According to the information and explanation given to us and the record produced before us, the disputed amount payable in case of Income Tax, Goods & Service Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax which have not been deposited with the appropriate authorities on account of any dispute.

Nature of Statute	Nature of Dues	Amount (Rs.)
Central Sales Tax Act, 1956	Sales Tax/VAT	76,28,684

- viii) According to the information and explanation given to us and based on the records provided before us, the company has defaulted in repayment of dues to financial institutions and banks. The details of the same are stated as follows: -

Name of Lender	Default in		Default from	
	Principal Repayment (₹) (in crores)	Interest (₹) (in crores)	Principal Repayment	Interest
Phoenix ARC-BOI	21.93	20.80	30-06-2019	31-01-2019
Phoenix ARC-KKR	27.52	43.91	30-06-2019	31-01-2019
Phoenix ARC-CORPORATION	15.38	14.20	30-06-2019	31-03-2019
Phoenix ARC-Debentures	20.00	1.95	31-08-2019	31-03-2019
Andhra Bank	47.60	9.57	30-06-2018	30-06-2018
Bank of Baroda	4.58	-	27-03-2018	-
Religare Finvest Ltd.	0.27	0.15	01-02-2021	01-02-2021



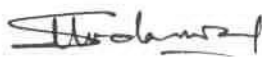
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Total	137.28	90.58		
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- ix) According to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which those were raised. The company has not raised any money by way of initial public offer or further public offer (including debt instrument);
- x) Based upon the audit procedures performed and according to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit that causes the financial statements to be materially misstated.
- xi) The Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company as specified in the Nidhi Rules, 2014. Hence the provision of this clause is not applicable to the company.
- xiii) We have been informed that the company has not formed Audit Committee pursuant to section 177 of the companies Act, 2013. All transactions with related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanation given to us and the record produced before us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence the provision of this clause is not applicable to the company.
- xv) As per the information and explanation given to us and the record produced before us, the company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Todarwal & Todarwal LLP
Chartered Accountants
ICAI Regn No: W100231



Sunil L. Todarwal
Partner

Membership No: 032512

UDIN: 21032512AAAADV4677

Date: 03thDecember,2021

Place: Mumbai



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ANNEXURE – B TO THE INDEPENDENT AUDITORS' REPORT

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls with reference to Standalone IND AS Financial Statements of **KLT AUTOMOTIVE & TUBULAR PRODUCTS LTD ("the Company")**, as of 31st March, 2021 in conjunction with our audit of the Standalone IND AS 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 Standalone IND AS Financial Statements and such internal financial controls were operating effectively as at 31st March, 2021, based on the internal financial controls with reference to Standalone IND AS 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").

OPINION

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

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to Standalone IND AS 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 (hereinafter referred to as "the Act").

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone IND AS 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Standalone IND AS 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



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Standalone IND AS Financial Statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone IND AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone IND AS Financial Statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone IND AS Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Standalone IND AS Financial Statements.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control with reference to Standalone IND AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone IND AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Standalone IND AS Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone IND AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



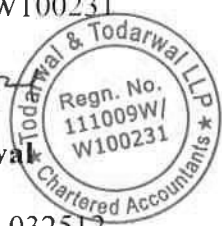
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INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

For Todarwal & Todarwal LLP
Chartered Accountants
ICAI Regn No: W100231



Sunil L. Todarwal

Partner

Membership No: 032512

UDIN: 21032512AAAADV4677

Date: 03thDecember,2021

Place: Mumbai

KLT AUTOMOTIVE & TUBULAR PRODUCTS LIMITED
BALANCE SHEET AS AT 31ST MARCH 2021

PARTICULARS	NOTE NO.	AS AT	AS AT	AS AT
		31ST MARCH, 2021	31ST MARCH, 2020	1ST APRIL, 2019
		₹	₹	₹
ASSETS				
A. Non Current Assets				
(a) Property, Plant, and Equipments	1	3,483,202,559	4,365,655,792	5,282,288,999
(b) Capital Work in Progress		29,137,446	36,955,878	28,612,618
(c) Other Intangible Assets	1	1,968,227	3,475,055	4,872,777
(d) Right to Use		8,895,087	28,129,973	44,475,442
(e) Financial Assets				
(i) Investments	2	4,351,487,287	4,352,240,287	4,352,240,287
(f) Other non-current assets	3	443,518,419	456,409,256	510,643,875
Total Non Current Assets		8,318,209,025	9,242,866,241	10,223,133,997
B. Current Assets				
(a) Inventories	4	1,355,529,418	2,043,213,039	2,267,676,631
(b) Financial Assets				
(i) Trade Receivable	5	476,113,265	967,735,704	903,137,081
(ii) Cash and Cash Equivalent	6(i)	12,162,087	18,098,150	24,032,843
(iii) Bank Balances other than (ii) above	6(ii)	11,829,891	11,703,905	24,979,457
(iv) Other Financial Assets	7	200,000	200,000	200,000
(v) Short Term Loans & Advances	8	818,858,137	1,180,853,730	1,314,365,889
(c) Other Current Assets	9	33,719,384	107,083,464	106,556,733
Total Current Assets		2,708,412,182	4,328,887,991	4,640,948,634
TOTAL (A to B)		11,026,621,207	13,571,754,232	14,864,082,631
EQUITY AND LIABILITIES				
A. Equity				
(a) Equity Share Capital	10	88,576,020	88,576,020	88,576,020
(b) Other Equity	11	4,261,316,681	6,494,085,218	8,993,229,938
Liabilities				
B. Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	12	1,584,445,532	1,871,661,134	2,103,900,246
(ii) Lease Liabilities		-	10,925,327	31,657,896
(iii) Other Financial Liabilities	13	100,041,400	88,766,995	376,397,576
(b) Provisions	14	50,510,992	43,157,792	37,066,002
(c) Deferred tax Liabilities (net)	15	374,729,702	1,053,128,705	48,330,037
Total Non Current Liabilities		6,459,620,327	9,650,301,191	11,679,157,715
C. Current Liabilities				
(a) Financial Liabilities				
(i) Short-term Borrowings	16	513,052,138	458,248,334	432,159,871
(ii) Lease Liabilities		10,925,327	22,284,294	16,622,101
(iii) Trade and other Payables	17	1,078,703,245	1,375,954,583	1,075,835,318
(iv) Other Financial Liabilities	18	2,961,182,623	2,062,584,124	1,657,576,134
(c) Provisions	19	3,137,548	2,381,707	2,731,492
Total Current Liabilities		4,567,000,881	3,921,453,042	3,184,924,916
TOTAL EQUITY AND LIABILITIES (A+B+C)		11,026,621,207	13,571,754,232	14,864,082,631

OTHER NOTES ON ACCOUNTS & SIGNIFICANT ACCOUNTING POLICIES 28 TO 43

As per our Report attached.

FOR & ON BEHALF OF

TODARWAL & TODARWAL LLP

Chartered Accountants

Firm Registration No. 111009W/W100231

SUNIL TODARWAL

PARTNER

MEMBERSHIP NO. 032517

UDIN: 21032512AAAADV4677

PLACE: MUMBAI

DATED:

03 DEC 2021

FOR AND ON BEHALF OF THE BOARD

JUBIN K. THAKKAR

CHAIRMAN & MANAGING DIRECTOR

MILONTE THAKKAR

JT. MANAGING DIRECTOR

VISHAL J. BORANA

VP: LEGAL & COMPANY SECRETARY



KLT AUTOMOTIVE & TUBULAR PRODUCTS LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

PARTICULARS	NOTE NO.	FOR THE	FOR THE	
		YEAR ENDED 31ST MARCH, 2021	YEAR ENDED 31ST MARCH, 2020	
		₹	₹	
CONTINUING OPERATIONS				
1	Revenue from Operations (Net of GST)	20	1,667,769,962	4,085,477,251
2	Other income	21	27,764,109	9,806,013
3	Total revenue (1+2)		<u>1,695,534,071</u>	<u>4,095,283,264</u>
4	Expenses			
	(a) Cost of materials consumed	22	705,031,145	2,107,919,736
	(b) Changes in inventories of finished goods and work-in-progress	23	288,647,661	(15,984,790)
	(c) Employee benefits expense	24	243,700,475	329,057,430
	(d) Finance costs	25	642,756,666	688,869,542
	(e) Depreciation and amortisation expense	26	269,736,202	274,738,609
	(f) Other expenses	27	1,806,164,350	1,322,605,547
	Total expenses		<u>3,956,036,499</u>	<u>4,707,206,074</u>
5	Profit / (Loss) Before Exceptional Item and Tax (3-4)		(2,260,502,428)	(611,922,810)
6	Exceptional Items (net)		-	(208,647,765)
7	Profit/(Loss) before tax (5 + 6)		(2,260,502,428)	(820,570,575)
8	Tax expense:			
	(a) Current tax			
	(b) Income tax expense relating to prior years		-	(672,944)
	(c) Deferred tax(Credit)		(678,459,428)	1,004,751,638
			<u>(678,459,428)</u>	<u>1,004,078,694</u>
9	Profit/(Loss) for the year (7-8)		<u>(1,582,043,000)</u>	<u>(1,824,649,269)</u>
OTHER COMPREHENSIVE INCOME				
	(i) Items that will be reclassified subsequently to the statement of profit and loss			
	(ii) Income tax on items that will be reclassified subsequently to the statement of profit and loss			
	(iii) Items that will not be reclassified subsequently to the statement of profit and loss		(211,276)	(292,079)
	(iv) Income tax on items that will not be reclassified subsequently to the statement of profit and loss		(60,425)	(47,030)
	TOTAL OTHER COMPREHENSIVE INCOME/(LOSSES)		<u>(271,701)</u>	<u>(339,109)</u>
	TOTAL COMPREHENSIVE INCOME OF THE YEAR		<u>(1,582,314,701)</u>	<u>(1,824,988,378)</u>
EARNING PER SHARE : (FACE VALUE OF SHARE RS. 10/- EACH)				
	Basic		(178.61)	(206.00)
	Diluted		(178.61)	(206.00)

OTHER NOTES ON ACCOUNTS & SIGNIFICANT ACCOUNTING POLICIES 28 TO 43

As per our Report attached.

FOR & ON BEHALF OF

TODARWAL & TODARWAL LLP

Chartered Accountants

Firm Registration No. 11009W/W100231



SUNIL TODARWAL

PARTNER

MEMBERSHIP NO. 033522

UDIN: 21032512AAAADV1677

PLACE: MUMBAI

DATED:

03 DEC 2021

FOR AND ON BEHALF OF THE BOARD

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JUBIN K. THAKKAR

CHAIRMAN & MANAGING DIRECTOR

Milonte

MILONTE THAKKAR

JT. MANAGING DIRECTOR

Vishal

VISHAL J. BORANA

VP. LEGAL & COMPANY SECRETARY



KLT Automotive & Tubular Products Ltd.

CIN:U34300MH1994PLC081463

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2021.

	F.Y. 2020-21		F.Y. 2019-20	
	INR	INR	INR	INR
A. CASH FLOW FROM OPERATING ACTIVITIES				
NET PROFIT BEFORE TAX		(2,260,502,428)		3,354,555,241
Add/(Less) :				
Depreciation /Amortisation	250,501,316		255,503,723	
(Profit) / Loss on Sale of Fixed Assets	(449,957)		183,642	
Interest and Finance expenses	642,756,666		688,869,542	
Interest Income	(3,700,131)		(4,865,999)	
Dividend Income	(997)	889,106,897	(6,000)	939,684,908
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		(1,371,395,531)		4,294,240,149
Adjustment for :-				
Trade and other Receivables	928,897,567		102,444,529	
Inventories	687,683,621		224,463,592	
Trade and other Payables	(128,714,436)	1,487,866,752	(274,782,233)	52,125,888
CASH GENERATED FROM OPERATIONS		116,471,221		1,346,366,037
Direct Taxes Paid (Net of refund)		(14,355,350)		(8,654,565)
NET CASH FROM OPERATING ACTIVITIES		102,115,871		4,337,711,472
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets	9,194,397		(1,817,299)	
Sale of Fixed Assets	1,152,002		6,555,122	
Interest Received	3,700,131		4,865,999	
Investment in shares of Subsidiary (Fair Valuation)	753,000		(4,175,125,816)	
Dividend Received	997		6,000	
NET CASH USED IN INVESTING ACTIVITIES		14,800,527		(4,165,515,994)
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Repayment of long term Borrowings	(15,625,554)		(36,958,173)	
Proceed from short term borrowings (net)	54,803,804		26,088,463	
Loan from Related parties	2,069,264		4,350,974	
Repayment of deferred sales tax	(24,482,019)		(22,233,073)	
Lease Liability	(22,284,294)		33,209,621	
Right to use	19,234,886		(28,129,973)	
Interest and Finance expenses	(136,442,558)		(167,733,560)	
NET CASH GENERATED FROM FINANCING ACTIVITIES		(122,726,471)		(191,405,722)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		(5,810,077)		(19,210,245)
CASH AND CASH EQUIVALENTS (Opening)		29,802,055		49,012,299
CASH AND CASH EQUIVALENTS (Closing)		23,991,978		29,802,055

- Notes:
- 1 Previous year's figures have been re-grouped and/or re-classified wherever applicable.
 - 2 Cash Flow Statement has been prepared following the indirect method except in case of interest paid / received, dividend paid / received, purchase and sale of Investments which have been considered on the basis of actual movements of cash with necessary adjustments in the corresponding assets and liabilities.
 - 3 Purchase of Fixed Assets includes movement of Capital Work in Progress between the beginning and end of the year and net of Creditors for Capital Expenditure
 - 4 Cash and Cash Equivalents represent Cash & Bank balances and bank deposits only.

As per our Report attached.

FOR & ON BEHALF OF
TODARWAL & TODARWAL LLP
 Chartered Accountants
 Firm Registration No. 111009W/1100231

Sunil Todarwal
SUNIL TODARWAL
 PARTNER
 MEMBERSHIP NO. 032842
 UDIN: 21032512AAAA15V467
 PLACE: MUMBAI
 DATED: **03 DEC 2021**



FOR AND ON BEHALF OF THE BOARD

Jubin K. Thakkar
JUBIN K. THAKKAR
 CHAIRMAN & MANAGING DIRECTOR

Milont B. Thakkar
MILONT B. THAKKAR
 JT. MANAGING DIRECTOR

Vishal J. Borana
VISHAL J. BORANA
 VP: LEGAL & COMPANY SECRETARY

KLT AUTOMOTIVE & TUBULAR PRODUCTS LIMITED

Notes to the standalone financial statements

Note :- 1 - Property, Plant and Equipment

	Land & Site Development	Buildings	Plant & Equipments	Electrical Installation	Office equipment	Vehicles	Furniture & fixtures	Computer Software	Total
I. Deemed cost									
Balance at April 1, 2019	1,022,146,232	783,504,070	5,704,122,416	177,281,695	57,705,194	33,327,182	16,995,419	30,620,887	7,825,703,094
Additions	-	1,765,786	15,402,499	550,550	532,445	-	39,088	77,500	18,367,869
Disposals	-	-	37,065,390	1,578,394	1,365,955	1,185,435	125,775	-	41,320,899
Balance at March 31, 2020	1,022,146,232	785,269,856	5,682,459,525	176,253,851	56,871,685	32,141,747	16,908,782	30,698,387	7,802,750,064
Additions	-	918,646	16,114,755	-	641,275	-	22,458	-	17,697,133
Disposals	-	-	5,400,426	581,295	749,493	1,700,016	157,396	-	8,588,626
Balance as at March 31, 2021	1,022,146,232	786,188,502	5,693,173,853	175,672,555	56,763,467	30,441,731	16,773,843	30,698,387	7,811,858,572
II. Accumulated depreciation									
Balance at April 1, 2019	2,623,672	178,654,414	2,138,792,525	98,817,263	52,642,806	27,426,058	13,836,476	25,748,106	2,538,541,320
Depreciation expense	-	14,614,953	231,001,661	3,132,312	2,202,355	2,670,336	406,883	1,475,224	255,503,724
Eliminated on disposals of assets	-	-	30,536,390	1,472,773	1,349,455	1,143,430	80,088	-	34,582,136
Dep on Revalued assets / Adjust/Reclassifications	-	24,617,075	637,128,457	11,858,433	111,564	274,270	166,544	-	674,156,343
Balance at March 31, 2020	2,623,672	217,886,442	2,976,386,253	112,335,236	53,607,270	29,227,234	14,329,815	27,223,330	3,433,619,251
Depreciation expense	-	14,637,182	228,501,324	2,855,207	1,682,338	966,805	351,563	1,506,828	250,501,246
Eliminated on disposals of assets	-	-	4,801,327	581,295	731,548	1,615,015	157,396	-	7,886,581
Dep on Revalued assets / Adjust/Reclassifications	-	24,617,075	614,063,001	11,234,437	111,564	274,270	153,488	-	650,453,835
Balance as at March 31, 2021	2,623,672	257,140,699	3,814,149,250	125,843,584	54,669,624	28,853,294	14,677,470	28,730,158	4,326,687,751
III. Carrying Amount									
Balance at April 1, 2019	1,019,522,560	604,849,656	3,565,329,891	78,464,432	5,062,388	5,901,124	3,158,943	4,872,781	5,287,161,776
Balance at March 31, 2020	1,019,522,560	567,383,415	2,706,073,303	63,918,615	3,264,415	2,914,513	2,578,966	3,475,057	4,369,130,847
Balance as at March 31, 2021	1,019,522,560	529,047,804	1,879,024,567	49,828,972	2,093,843	1,588,437	2,096,373	1,968,229	3,485,170,786

Note :- As per para D5 of Ind AS 101, since the company has adopted Ind AS for the first time it has elected to apply Deemed Cost Method for its property, plant and equipment.



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KLT AUTOMOTIVE & TUBULAR PRODUCTS LIMITED

NOTE : 2 NON CURRENT INVESTMENTS

LONG TERM

Non Trade:

Quoted:

Equity shares fully paid up of:

	Number of Equity Shares Current year	Number of Equity Shares Previous year	Face value of Each Share Rupees	AS AT 31ST MARCH, 2021 ₹	AS AT 31ST MARCH, 2020 ₹	AS AT 1ST APRIL, 2019 ₹
Reliance Capital Ltd	1	1	10	209	209	209
Zee Entertainment Enterprises Ltd	200	200	1	26,652	26,652	26,652
6% Cumulative redeemable Non-convertible preference shares of Zee Entertainment Enterprises Limited	4,200	4,200	10	-	-	-
Zee Learn Limited	25	25	1	610	610	610

Unquoted:

Equity shares fully paid up of:

Shamora Vithal Co-op. Bank Ltd.	2,000	2,000	25	50,000	50,000	50,000
Unquoted Shares in Associate Companies						
Colour Roof India Limited	680,000	680,000	10	21,800,000	21,800,000	21,800,000
CRIL Pre-Finish Metal FZC	822	822	AED1000	9,954,058	9,954,058	9,954,058

Unquoted Shares in Subsidiary Companies

Ordinary shares of AVMY Steel Science (MAURITIUS)		100	Pound Sterling 1	-	653,000	653,000
Ordinary shares of KLT Automotive and Tubular Products (South Africa) Co. Ltd.	4,000	4,000	No Par Value	4,201,778,183	4,201,778,183	4,201,778,183
Equity shares of KLT Automotive FZC-UAE	100,000	100,000	AED 1000	1,274,857	1,274,857	1,274,857
Equity shares of Thakkarson Metal Processors Pvt Ltd.		10,000	10	-	100,000	100,000
Equity shares of MPS Automotive Products Private Limited	10,000	10,000	10	100,000	100,000	100,000

Share Application money with Subsidiary Companies

Share application money -KLT Automotive FZC -UAE

	116,502,718	116,502,718	116,502,718
	4,351,487,287	4,352,240,287	4,352,240,287
Aggregate book value of quoted Investments	27,471	27,471	27,471
Aggregate book value of unquoted Investments	4,351,459,816	4,352,212,816	4,352,212,816
Aggregate Market value of quoted Investments	40,900	119,818	112,899

NOTE : 3 OTHER NON CURRENT ASSETS

(UNSECURED-CONSIDERED GOOD)

Capital advances	37,990,620	63,321,352	92,956,131
Security deposits - long term*	47,576,666	45,646,800	48,620,634
Advances given to subsidiaries	214,452,453	203,942,424	225,568,430
MAT credit Receivable	143,498,680	143,498,680	143,498,680
	443,518,419	456,409,256	510,643,875

*Include security deposits to related parties for office premises Rs. 30,290,000/- (Previous year Rs. 30,290,000/-)

NOTE : 4 INVENTORIES

(Valued at lower of cost and net realisable value)

	AS AT 31ST MARCH, 2021 ₹	AS AT 31ST MARCH, 2020 ₹	AS AT 1ST APRIL, 2019 ₹
Raw materials	618,403,543	978,932,808	1,015,904,179
Works in progress	278,489,085	422,965,200	656,056,475
Finished goods	410,535,697	554,707,243	514,278,943
Stores and spare parts	48,101,093	83,668,591	80,845,479
In transit	-	2,939,197	591,555
	1,355,529,418	2,043,213,039	2,267,676,631
Note: Details of goods in transit			
Raw materials		2,939,197	591,555



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KLT AUTOMOTIVE & TUBULAR PRODUCTS LIMITED

NOTE : 5 TRADE RECEIVABLES

(UNSECURED-CONSIDERED GOOD)

Outstanding for a period exceeding six months
Others

AS AT 31ST MARCH, 2021 ₹	AS AT 31ST MARCH, 2020 ₹	AS AT 1ST APRIL, 2019 ₹
348,060,223	725,675,855	509,723,985
<u>128,053,042</u>	<u>242,059,849</u>	<u>393,413,006</u>
476,113,265	967,735,704	903,137,081

NOTE :6 (i) CASH AND CASH EQUIVALENTS

(a) Balances with banks
In current accounts
(b) Cash on hand

NOTE :6 (ii)

(a) Balances with banks
In margin money deposit accounts

11,720,202	15,114,431	12,877,745
<u>441,885</u>	<u>2,983,719</u>	<u>11,155,098</u>
12,162,087	18,098,150	24,032,843
11,829,891	11,703,905	24,979,457
<u>11,829,891</u>	<u>11,703,905</u>	<u>24,979,457</u>

NOTE : 7 OTHER FINANCIAL ASSETS (CURRENT)

CURRENT INVESTMENTS-AT LOWER OF COST AND NET REALISABLE VALUE

Units of Mutual Funds

Units of Mutual Funds	Number of Units	Number of Units	Face value Rupees
	Current year	Previous year	
Principal growth fund-balance fund growth plan (Market Value Rs 2,42,289/-)	17,621	17,621	10
			200,000
			200,000
			200,000
			200,000

NOTE : 8 SHORT TERM LOANS AND ADVANCES

(UNSECURED-CONSIDERED GOOD)

Security deposits
Advance income tax (net of provisions)
Other loans and advances

6,507,240	15,306,041	11,651,903
82,633,283	68,277,933	58,950,424
729,717,614	1,097,269,756	1,235,925,343
<u>818,858,137</u>	<u>1,180,853,730</u>	<u>1,314,365,889</u>

NOTE : 9 OTHER CURRENT ASSETS

Export benefit receivables

33,719,384	107,083,464	106,556,733
<u>33,719,384</u>	<u>107,083,464</u>	<u>106,556,733</u>



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KLT AUTOMOTIVE & TUBULAR PRODUCTS LIMITED

NOTE : 10 EQUITY SHARE CAPITAL

AUTHORISED:

1400000 (14000000) Equity shares of Rs 10/- each

ISSUED, SUBSCRIBED AND FULLY PAID UP:

8857602 (8857602) Equity shares of 10/- each fully paid up with Voting Rights

AS AT 31ST MARCH, 2021 ₹	AS AT 31ST MARCH, 2020 ₹	AS AT 1ST APRIL, 2019 ₹
140,000,000	140,000,000	140,000,000
88,576,020	88,576,020	88,576,020
88,576,020	88,576,020	88,576,020

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	AS AT 31ST MARCH, 2021		AS AT 31ST MARCH, 2020	
	Number of shares	₹	Number of shares	₹
Equity shares with voting rights				
Equity shares at the beginning of the year	8,857,602	88,576,020	8,857,602	88,576,020
Addition during the year	-	-	-	-
Deduction during the year	-	-	-	-
Equity Shares at the end of the year	8,857,602	88,576,020	8,857,602	88,576,020

(ii) Details of shares held by each shareholder holding more than 5% shares of the Company

Class of shares / Name of shareholder	AS AT 31ST MARCH, 2021		AS AT 31ST MARCH, 2020	
	Number of shares	%age of holding	Number of shares	%age of holding
Equity Mr. Jubin Kishore Thakkar	1,083,843	12.24%	1,083,843	12.24%
Equity Mrs. Sushila Kishore Thakkar	862,192	9.73%	862,192	9.73%
Equity Mrs. Manisha Bhavin Thakkar	631,555	7.13%	631,555	7.13%
Equity Boral Infotech Pvt. Ltd	622,091	7.02%	622,091	7.02%
Equity Amzel Infotech Pvt. Ltd	621,677	7.02%	621,677	7.02%
Equity Tanjore Tradeplace Pvt. Ltd	621,367	7.02%	621,367	7.02%
Equity Reliance Corporate Advisory Services Ltd	525,000	5.93%	525,000	5.93%
Equity Enam Shares & Securities Pvt. Ltd	525,000	5.93%	525,000	5.93%
Equity Mr. Devang Kishore Thakkar	498,080	5.62%	498,080	5.62%
Equity Kish Realty P Ltd	477,586	5.39%	477,586	5.39%
Equity Mr. Rakesh Radheshyam Jhunjhunwala	469,370	5.30%	469,370	5.30%

(iii) Terms/Rights attached to equity shares:

The Company has only one class of share capital namely Equity Share capital having face value of Rs. 10/- per share.

- (a) In respect of every equity share voting right shall be in the same proportion as the capital paid up on such equity share bears to the total paid up equity capital of the Company.
- (b) The dividend if any proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim dividend.
- (c) In the event of liquidation, the shareholders of equity shares are eligible to receive the remaining assets of the company after distribution of all preferential amount in proportion to their shareholdings.

NOTE : 11 OTHER EQUITY

Particulars	Securities Premium	General Reserve	Retained Earning	Items of OCI	Revaluation Reserves	Total
Balance as at 1st April-2020	618,260,568	327,976,809	2,989,784,208	(339,109)	2,558,402,742	6,494,085,218
Profit for the Year			(1,582,043,000)			(1,582,043,000)
Add/Less: Re-measurements of the defined benefit plans				(271,701)		(271,701)
Addition during the year						-
Reduction during the year					(650,453,835)	(650,453,835)
Total for the year			(1,582,043,000)	(271,701)	(650,453,835)	(2,232,768,536)
Balance as at 31st March 2021	618,260,568	327,976,809	1,407,741,208	(610,810)	1,907,948,907	4,261,316,681



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KLT AUTOMOTIVE & TUBULAR PRODUCTS LIMITED

NOTE : 16 SHORT TERM BORROWINGS

Secured:

Loans repayable on demand

Working capital from banks

Unsecured:

Short Term Loans from Banks

Loans and advances from others

Notes:

(i) Details of security:

a) Working capital from banks of Rs. 40,30,52,138/- is secured by way of hypothecation of stocks and book-debits and other movable assets of the Company, present and future and equitable mortgage of staff quarters at Palghar and is further secured by way of second mortgage charge over the immovable properties at Vevoor, Palghar, Maharashtra and personal guarantee of the one directors.

AS AT 31ST MARCH, 2021 ₹	AS AT 31ST MARCH, 2020 ₹	AS AT 1ST APRIL, 2019 ₹
403,052,138	358,248,334	332,159,871
110,000,000	100,000,000	100,000,000
513,052,138	458,248,334	432,159,871

NOTE : 17 TRADE AND OTHER PAYABLES

Acceptances

Trade payables other than acceptances

AS AT 31ST MARCH, 2021 ₹	AS AT 31ST MARCH, 2020 ₹	AS AT 1ST APRIL, 2019 ₹
214,450,481	214,450,481	216,035,070
864,252,764	1,161,504,102	859,800,248
1,078,703,245	1,375,954,583	1,075,835,318

NOTE : 18 OTHER CURRENT FINANCIAL LIABILITIES

Current maturities of long-term debt

Current maturities of deferred sales tax liability

Interest accrued and due on borrowings

Payables on purchase of fixed assets

Advances received from subsidiaries

Advances from customers & customers credit balances

Other payables

1,135,481,482	861,822,170	670,068,028
33,686,304	58,168,323	72,523,650
964,878,490	497,526,490	50,174,490
20,626,124	26,883,758	27,990,075
284,175,348	-	374,323,773
94,197,004	106,653,027	84,330,491
428,142,871	511,530,356	378,165,627
2,961,182,623	2,062,584,124	1,657,576,134

NOTE : 19 SHORT TERM PROVISIONS

Provision for employee benefits:

Provision for leave encashment

Provision for gratuity

942,744	1,042,471	1,097,110
2,194,804	1,339,236	1,634,382
3,137,548	2,381,707	2,731,492



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KLT AUTOMOTIVE & TUBULAR PRODUCTS LIMITED

NOTE : 20 REVENUE FROM OPERATIONS

	FOR THE PERIOD ENDED 31ST MARCH, 2021 ₹	FOR THE YEAR ENDED 31ST MARCH, 2020 ₹
(a) Sale of products	1,412,948,756	3,119,199,159
(b) Sale of services	66,807,909	669,674,097
(c) Other operating revenues	188,013,297	296,603,995
Total revenue from operations	1,667,769,962	4,085,477,251
Note		
(a) Sale of products:		
Sale of manufactured goods		
Frame assembly of chassis	944,295,429	1,994,054,629
ERW/CDW pipes and tubes	22,871,057	255,791,732
Others	445,782,269	869,352,798
Total - Sale of manufactured goods	1,412,948,756	3,119,199,159
Total - sale of products	1,412,948,756	3,119,199,159
(b) Sale of services		
Technical services	-	586,498,660
Labour and Job work Charges	66,807,909	83,175,437
Total - sale of services	66,807,909	669,674,097
(c) Other operating revenues:		
Sale of scrap	61,727,504	92,641,068
Technical knowhow (royalty) Income received	113,531,310	130,236,024
Management service fees	12,085,691	43,226,042
Duty drawback and other export incentives	668,792	30,500,861
Total - Other operating revenues	188,013,297	296,603,995

NOTE : 21 OTHER INCOME

Interest income		
(a) Interest from banks on deposits	73,325	562,882
Interest from others	3,626,806	4,303,117
(b) Dividend income from long-term Investments		
Subsidiaries	-	-
Other investments	997	6,000
(c) Gain on foreign exchange fluctuation [net]	17,785,813	-
(d) Other non-operating income		
Liabilities / provisions no longer required written back	1,702,203	-
Miscellaneous income	4,125,008	4,934,014
Profit on sale of fixed assets [net]	449,957	-
	27,764,109	9,806,013



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KLT AUTOMOTIVE & TUBULAR PRODUCTS LIMITED

NOTE : 22 COST OF MATERIALS CONSUMED

Raw materials consumed

	FOR THE PERIOD ENDED 31ST MARCH, 2021	FOR THE YEAR ENDED 31ST MARCH, 2020
	₹	₹
Raw materials consumed	705,031,145	2,107,919,736
	705,031,145	2,107,919,736

Raw material consumed comprises:

Steel

129,228,666

1,587,634,545

Bought out components

550,008,247

500,728,234

Others

25,794,232

19,556,957

Total

705,031,145

2,107,919,736

NOTE : 23 CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

Closing stocks:

Finished goods

410,535,697

554,707,243

Works in progress

278,489,085

422,965,200

689,024,782

977,672,443

LESS:

Opening stocks:

Finished goods

554,707,243

514,278,943

Works in progress

422,965,200

656,056,475

977,672,443

1,170,335,418

(288,647,661)

(192,662,975)

Excise duty on increase/Decrease of finished goods

(288,647,661)

(192,662,975)

Add:

Exceptional item

208,647,765

(288,647,661)

15,984,790

NOTE : 24 EMPLOYEES BENEFITS EXPENSES

Salaries, wages, bonus & gratuity

220,743,339

300,755,449

Contribution to provident & other funds

11,023,588

15,546,543

Workmen and staff welfare expenses

11,933,548

12,755,438

243,700,475

329,057,430

NOTE : 25 FINANCE COSTS

Interest expenses

639,778,886

687,678,345

Other borrowing costs

2,977,780

1,191,197

642,756,666

688,869,542



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KLT AUTOMOTIVE & TUBULAR PRODUCTS LIMITED

NOTE 26 DEPRECIATION AND AMORTISATION

Depreciation and amortisation on tangible assets
 Amortisation on intangible assets
 Deprecitcion (Ind AS-Rent)

	FOR THE PERIOD ENDED 31ST MARCH, 2021	FOR THE YEAR ENDED 31ST MARCH, 2020
	₹	₹
Depreciation and amortisation on tangible assets	248,994,488	252,928,133
Amortisation on intangible assets	1,506,828	2,575,590
Deprecitcion (Ind AS-Rent)	19,234,886	19,234,886
	269,736,202	274,738,609

NOTE : 27 OTHER EXPENSES

Consumption of consumables, stores and spares
 Labour and slitting Charges
 Power & fuel
 Rent
 Rates & taxes
 Insurance
 Freight outward (net)
 Miscellaneous expenditure
 Repairs to machinery
 Repairs to buildings
 Repairs others
Auditors remuneration:
 Audit fees
 Tax audit fees
 GST/Vat audit fees
 Taxation matters
 Donation
 Bad debts written off
 Loss on foreign exchange fluctuation [net]

Consumption of consumables, stores and spares	78,013,002	78,017,170
Labour and slitting Charges	159,963,683	850,634,582
Power & fuel	60,837,959	82,536,761
Rent	7,956,204	9,225,383
Rates & taxes	2,708,760	856,963
Insurance	4,468,273	4,998,321
Freight outward (net)	60,725,819	106,532,476
Miscellaneous expenditure	792,998,203	110,863,304
Repairs to machinery	5,793,049	37,147,621
Repairs to buildings	1,129,886	821,221
Repairs others	1,486,650	5,097,234
Auditors remuneration:		
Audit fees	450,000	450,000
Tax audit fees	200,000	200,000
GST/Vat audit fees	200,000	250,000
Taxation matters	300,000	300,000
Donation	548,000	530,487
Bad debts written off	628,384,862	-
Loss on foreign exchange fluctuation [net]	-	34,144,024
	1,806,164,350	1,322,605,547



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KLT AUTOMOTIVE & TUBULAR PRODUCTS LTD.

NOTE 28 : SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with Ind AS as notified under the Companies (Indian Accounting Standards) Rules, 2015(as amended from time to time) read with Section 133 of the Companies Act, 2013.

(b) Basis of preparation:

The financial statements are prepared under the historical cost convention, except for certain financial instruments which are measured at fair values at the end of each reporting, as explained in accounting policies below. Historical cost is generally based on fair value of the consideration given in exchange for goods and services. 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.

The financial statements are presented in Indian Rupees (₹) which is the Company's functional and presentation currency and all amounts are rounded to the nearest rupee except as otherwise stated.

Impairment of Non Financial Assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets. In view of the impact of COVID-19, the Company has assessed the carrying amounts of non-financial assets. In assessing the recoverable value of such assets, the Company has considered various internal and external information and possible future uncertainties in economic conditions because of the pandemic including lockdowns and supply chain disruptions across various geographies. As per the Company's current assessment of recoverability of these assets, no significant impact on carrying amounts of these assets is expected.

Impairment of Investments

- (c) The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of financial assets , useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities, Defined Benefit Obligation(DBO).

Useful lives of property, plant and equipment.

The Company reviews the useful life of property, plant and equipment at the end of each reporting period.This reassessment may result in change in depreciation expense in future periods.

Valuation of deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.



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(d) Revenue Recognition:

The Company identifies contract with customers based on the provisions of Ind-AS 115 " Revenue from contracts with customer". An entity shall recognise revenue when (or as) the entity satisfies a performance obligation by transferring promised Goods or service(ie an Asset) to a customer. As asset is transferred when (or as) the customer obtains control of that asset.

A customer of the Company is a party that has contracted with the Company to obtain goods or services that are an output of the Company's ordinary activities in exchange for consideration. The core principle of recognizing revenue from contracts with customers is that the Company recognizes revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

At contract inception, the Company assesses the goods or services promised in a contract with a customer to identify as a performance obligation each promise to transfer to the customer either a good or service (or a bundle of goods or services) that is distinct; or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, indirect taxes). The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

If there is variable consideration, the Company includes in the transaction price some or all of that amount of estimated variable consideration only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

"In determining the transaction price, the Company adjusts the promised amount of consideration for the company with a significant benefit of financing the transfer of goods ore effects of the time value of money if the timing of payments agreed to by the parties to the contract (either explicitly or implicitly) provides the customer or the services to the customer."

"The transaction price is allocated by the Company to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods or services to the customer."

For each performance obligation identified, the Company determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If an entity does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time.

For each performance obligation satisfied over time, the Company recognises revenue over time by measuring the progress towards complete satisfaction of that performance obligation. The progress towards complete satisfaction is measured using appropriate methods which include input and output methods.

The Company recognises as an asset the incremental costs of obtaining a contract with a customer if it expects to recover those costs. However, as a practical expedient, the incremental costs of obtaining a contract are recognised as an expense when incurred if the amortisation period of the asset otherwise would have been one year or less.

The costs to fulfil a contract are recognised as an asset if the costs relate directly to a contract or to an anticipated contract that the Company can specifically identify; the costs generate or enhance resources of the Company that will be used in satisfying performance obligations in the future; and the costs are expected to be recovered.

(e) Dividend income is recorded when the right to receive payment is established.

(f) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 and uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The lease term is determined by considering the non-cancellable period of a lease, together with both periods covered by an option, i.e., to extend the lease if exercise of the option is reasonably certain; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option, i.e., to extend a lease, or not to exercise an option, i.e., to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option, or not. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specignizes the lease payments as an operating expense on a straight line basis over the term of



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i) Lease Rentals - Ind AS 116

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as a lessee

The Company's classes of lease assets primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all the economic benefits from use of the asset during the lease period and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. The ROU assets are initially recognized at cost. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the 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. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

(g) Government Grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Government grants are not recognised until there is a reasonable assurance that the company will comply with the conditions attached to them and the grants will be received.

Government Grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate.

Government grants relating to tangible fixed assets are treated as deferred income and released to statement of profit and loss over the expected useful life of the assets concerned.

(h) Foreign Currency Loans/Transactions:

The functional currency of the Company is Indian rupee (₹).

Import Transactions & Export Transactions: Material Imports and Exports are accounted at the custom exchange rates prevailing at the time of receipts and despatch. Exchange Fluctuations, if any, at the time of retirement, are recognised in the statement of profit & loss.

Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss.

Investment in equity capital of company registered outside India is carried in the Balance Sheet at the exchange rates at which transactions have been executed.

(i) Employee Benefits:

Short Term Employee Benefits

Short term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.



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Long Term Employee Benefits

The liability towards gratuity and leave encashment is not funded. The present value of these defined benefit obligations are ascertained by an independent actuarial valuation as per the requirement of IND AS 19- Employee Benefits. The liability recognized in the balance sheet is the present value of the defined benefit obligations on the balance sheet date less fair value of the plan assets (for funded plans), together with adjustments for unrecognized past service costs. Gains and losses through re-measurements of net defined benefit liability/(asset) are recognized in other comprehensive income. The effects of any plan amendments are recognised in the Statement of Profit & Loss.

(j) Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment loss, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

Advances paid towards the acquisition of property, plant & equipment outstanding at each balance sheet date is classified as capital advances under other non current assets and cost of assets not put to use before such date are disclosed under Capital work-in-progress. Subsequent expenditure relating to property, plant & equipment is capitalised only when it is probable that future economic benefit associate with this will flow to the company and the cost of item can be measured reliably. Repairs and maintenance cost are recognised in statement of profit & loss when incurred. The cost and related accumulated depreciation are eliminated from financial statement upon sale or retirement of the asset and resultant gains and losses are recognised in the statement of profit & loss. Assets to be disposed off are reported at lower of carrying value or fair value less cost to sell.

Depreciation is provided for property, plant and equipment so as to expense the cost over their estimated useful lives based on evaluation. The estimated useful lives of property, plant & equipment is taken as prescribed under Schedule II of the Companies Act , 2013. The estimated useful lives and residual value are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Cost excludes Goods and Service Tax, Cenvat credit, sales tax and service tax credit, Custom Duty entitlement and such other levies / taxes. Depreciation on such assets is claimed on 'reduced' cost.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

Depreciation on assets acquired during the year has been provided on pro-rata basis; from the date on which it is 'Put to Use'.

Capital Goods imported are accounted inclusive of benefits availed under EPCG scheme.

(k) Intangible Assets

Intangible assets purchased are measured at cost or fair value as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

Intangible assets mainly consist of software licences which are amortised over a period ranging from 3 to 6 years on straight line basis.

(l) Impairment

Financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises 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.

Non Financial assets

Tangible and intangible assets

Property, plant and equipment and intangible assets 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 cash generating unit (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 statement of profit and loss.



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(m) Investment in subsidiaries:

Investment in subsidiaries are measured at cost as per Ind AS 27 - Separate Financial Statements.

(n) Inventories:

Inventories are valued as under after adjusting excesses/shortages and providing for obsolescence:

- i. Raw Materials At Cost (Weighted Average Method)
- ii. Stores Spares etc. At Cost(Weighted Average Method)
- iii. Finished Goods At Lower of cost or Net realizable value. Cost is inclusive of any taxes and duties incurred
- iv. Work-In-Progress - At Material Cost plus labour and other appropriated portion of production and administrative overheads and depreciation.

Cost of inventories includes in case of raw material, cost of purchase and incidental expenses; in case of work-in-progress, estimated direct cost and appropriate proportion of administrative and other overheads; in case of finished goods, estimated direct cost and appropriate administrative and other overheads and excise duty; and in case of traded goods, cost of purchase and other costs.

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

Raw-materials include stock-in-transit and goods lying at Port.

Raw Materials and Work in process are valued exclusive of input tax credit.

Finished goods include stock-in-transit at Docks awaiting Shipment.

Inventory includes goods lying with job workers.

(o) Income Taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current Income Taxes

Income tax expense is the aggregate amount of Current tax. Current tax is the amount of Income Tax determined to be payable in respect of the taxable income for an accounting period or computed on the basis of the provisions of Section 115JB of Income Tax Act, 1961 by way of minimum alternate tax (MAT) at the prescribed percentage on the adjusted book profits of a year, when Income Tax liability under the normal method of tax payable basis works out either a lower amount or nil amount compared to the tax liability u/s 115 JA .

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred Income Taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

The Company recognises interest levied and penalties related to income tax assessments in interest expenses.



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(p) Financial Instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Cash & Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and 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.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets. The Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial liabilities

For trade payables and other payables maturing within one year from the balance sheet date, carrying amounts approximate fair value due to short maturity of these instruments.

(q) Earning per Share:

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

(r) Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(s) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset /liability is treated as current when it is expected to be realised/ settled, sold, consumed within 12 Months. The Company classifies all other assets/liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

(t) Provisions, contingent liabilities and contingent assets

Provisions are recognised when present obligations as a result of a past event will probably lead to an outflow of economic resources and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises when there is a presence of a legal or constructive commitment that has resulted from past events, for example, legal disputes or onerous contracts. Provisions are not recognised for future operating losses.



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Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

In those cases where the outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefits is probable, related asset is disclosed.

(u) Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This Level consists of investment in quoted equity shares and mutual funds.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using 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). This Level of hierarchy includes the Company's over-the-counter (OTC) derivative contracts.

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair value is determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This Level includes investment in unquoted equity shares and preference shares.

(v) Contract Balances

Contract Asset

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration.

Trade Receivables

A receivable is recognised when the goods are delivered and to the extent that it has an unconditional contractual right to receive cash or other financial assets (i.e., only the passage of time is required before payment of the consideration is due).

Contract Liabilities

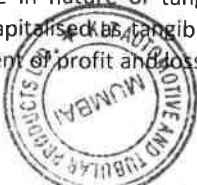
A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability 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 including Advance received from Customer.

q) Fair value measurement

The Company reviews the fair value of Land with sufficient frequency to ensure that the carrying amount does not differ materially from its fair value. 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. The Company uses valuation techniques that are appropriate in circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant absorbable inputs and minimizing the use of un-absorbable inputs. External valuers are appointed for valuing land. The selection criteria for these valuers include market knowledge, reputation, independence and whether professional standards are maintained

r) Research and development expenses

Research and development costs that are in nature of tangible assets and are expected to generate probable future economic benefits are capitalised as tangible assets. Revenue expenditure on research and development is charged to the statement of profit and loss in the year in which it is incurred.



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NOTE 29 : Right to Use Assets

Particulars	Amount
Balance as at 1st April 2020	28,129,973
Add :- Addition	
Less :- Depreciation as per Ind AS/Amortised	19,234,886
Balance As At 31st March 2021	8,895,087

1. At the commencement date of a lease, the company has recognised a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). The company has separately recognised the interest expense on the lease liability and the depreciation expense on the right-of-use asset

The company shall remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The company will generally recognise the amount of the re-measurement of the lease liability as an adjustment to the right-of-use asset.

The operating leases recorded in the financial statement following implementation of Ind AS 116 are principally in respect of Office Premises and other identified assets representing right to use as per contracts excluding low value assets and short term leases of 12 months or less. During the year company recognised the Lease asset & liability from July 2020. There was no lease asset or liability in previous years.

2. The company has also applied the available practical assumption wherein it:

- Used the weighted average rate of its incremental borrowings as the discounting rate @ 10.48 % pa
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months or low value assets at the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

NOTE 30 :Lease Liability

Particulars	Amount
Balance as at 1st April 2020	33,209,621
Recognised During the year	
Interest expense on lease liability	(3,860,022)
Repaid During the year	26,144,316
Balance As At 31st March 2021	10,925,327
Total Cash Outflow for lease includes :	
Repayment of Principal Payment of Lease Liability	18,424,272
Interest Paid on Lease Liability	3,860,022
Non Current Portion	
Current Portion	10,925,327

The following are the amounts recognised in statement of profit and loss:

Particulars	Amount
Amortisation expense of right-of-use assets	19,234,886
Interest expense on lease liabilities	3,860,022

NOTE 31 :Deferred Tax Liability

Particulars	As at 31st March 2021	As at 31st March 2020
Deferred Tax Assets		
Lease Liability/Lease Asset	-	-
Provision for employee benefits, Lease ,Loans and other 43B payments	19,062,407	17,742,908
Unabsorbed losses	447,619,279	-
Total Deferred Tax Assets	466,681,686	17,742,908
Deferred Tax Liability		
Related to property, plant & equipment	841,411,388	1,070,871,613
Total Deferred Tax Liability	841,411,388	1,070,871,613
Total Deferred Tax Liability (Net)	(374,729,702)	(1,053,128,705)
Recognised in Profit or Loss as 'tax expense'	678,459,428	(1,004,751,638)
Recognised in OCI	60,425	47,030
Total	678,519,853	(1,004,704,608)



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NOTE 32: Contingent liabilities and Commitments

	As at 31st March 2021	As at 31st March 2020
CONTINGENT LIABILITIES		
A) Claims against the company / disputed liabilities not acknowledged as Debts - Sales Tax Liability*	7,628,684	8,151,779
B) Guarantees - Guarantees issued by the Company's banker on behalf of the company.	500,000.00	500,000.00
COMMITMENTS		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,398,122	2,865,237
Corporate Guarantee in favour of ABSA Bank Ltd	421,430,000	360,400,000
Corporate Guarantee in favour of Delko Trading SA Pty Ltd	937,062,000	801,360,000
Corporate Guarantee in favour of Credit Guarantee Insurance Corporation	74,370,000	-

NOTE 33 : Employee benefits

The Company operates on defined benefit plan, viz., gratuity benefit, for its employees. The Gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. The company does not have any fund for gratuity liability and the same is accounted for as provision.

Under the other long term employee benefit plan, the company extends benefit of compensated absences to the employees, whereby they are eligible to carry forward their entitlement of earned leave for encashment upon retirement / separation or during tenure of service. The Plan is not funded by the company.

Liability for employee benefits has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the IND AS 19, the details of which are as follows :

a) Net employee benefit expense recognized during the year

	Gratuity	
	Current Year	Previous year
Expenses/(Income) to be recognised through P&L		
i) Current Services Cost	5,520,849	4,701,664
ii) Interest Cost	2,335,876	2,249,623
vi) Net Actuarial (Gain)/Loss recognized during the year through OCI	211,276	292,079

b) Changes in the present value of the defined benefit obligation are as follows

	Gratuity	
	Current Year	Previous year
i) Opening Defined benefit obligation plan	34,150,235	28,878,341
Expenses/(Income) to be recognised through P&L		
ii) Current Services Cost	5,520,849	4,701,664
iii) Interest on obligation	2,335,876	2,249,623
Remeasurement of net defined benefit liability/asset to be recognised through OCI		
vi) Net actuarial (Gain)/Loss recognized during the year	211,276	292,079
v) Benefits paid	(4,391,874)	(1,971,471)
vi) Closing Defined benefit obligation plan	37,826,363	34,150,236

c) The principal assumptions used in determining gratuity obligations for the company's plan are shown below.

	31st March 2021	31st March 2020
i) Discounting rate	6.84%	6.84%
ii) Escalation of salary	6.00%	6.00%
iii) Withdrawal rate	0.0% p.a, 3 % p.a for the next 1 year starting from 2nd year, 6% p.a thereafter starting from the 3rd year	0.0% p.a, 3 % p.a for the next 1 year starting from 2nd year, 6% p.a thereafter starting from the 3rd year
iv) Mortality rate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
v) Retirement Age	58 Years	58 Years



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NOTE: 34: Earning per share (EPS)

		Current Year	Previous Year
The following reflects the profit and share data used in the basic and diluted EPS computations :			
Profit/(Loss) for the year after Tax		(1,582,043,000)	(1,824,649,269)
Weighted average number of equity shares in calculating basic and diluted EPS	Nos.	8,857,602	8,857,602
Basic earning per share	Rs	(178.61)	(206.00)
Diluted earning per share	Rs	(178.61)	(206.00)
Nominal value of equity shares	Rs	10	10

NOTE 35 : Interest on Borrowings

Interest on long term borrowings in P & L a/c as per IND AS 23 ,however some EMI's were not paid & some repayments were not done during F.Y. 2020-21. So, a additional interest of Rs. 12,62,72,478/- and penal Interest of Rs.38,81,33,270/- is less charged to P & L A/c.

NOTE 36 : Related party disclosures

A. Parties with whom the Company has entered into transactions during the year where control exists:

i) Key management personnel :	<ul style="list-style-type: none"> Mr. Jubin Kishore Thakkar - Chairman & Managing Director Ms Miloni Bhavin Thakkar - Jt. Managing Director Mr.Vishal Borana - VP Legal & Company Secretary
ii) Director : Non Executive Director Whole Time Director Whole Time Director	<ul style="list-style-type: none"> Mrs. Sushila Thakkar Mr. Jubin Kishore Thakkar - Chairman & Managing Director Ms Miloni Bhavin Thakkar - Jt. Managing Director
iii) Enterprise over which key management personnel /share holders /relatives have significant influence	<ul style="list-style-type: none"> Thakkarsons Roll Forming Private Limited Metform Corporation Kish Realty Private Ltd AVMY Health Private Ltd
iv) Subsidiary Companies	<ul style="list-style-type: none"> KLT Automotive & Tubular Products (South Africa) Pty Co.Ltd KLT Automotive FZC-UAE MPS Automotive Products Private Ltd
v) Stepdown Subsidiaries	<ul style="list-style-type: none"> AVMY Steel Scince Pte Ltd KLT Precision Tube SA Pte Ltd
vi) Associate Companies	<ul style="list-style-type: none"> Colour Roof (India) Limited CRIL Pre-Finish Metal FZC – UAE
vii) Relatives of Key Management Personnel	<ul style="list-style-type: none"> Mrs.Manisha B. Thakkar Mrs. Parul J. Thakkar Mr. Devang K. Thakkar

B. Transaction with related party as per the books of accounts

1. In relation to the statement of profit and loss

	Nature of relationship	Name	For the year ended 31st March 2021	For the year ended 31st March 2020
Sale of Goods / Services etc				
Sales	Subsidiary	KLT Automotive & Tubular Products (South Africa) Pty Co.Ltd	16,248,645	574,913,182
	Subsidiary	MPS Automotive Products Private Ltd	-	5,081,654
	Stepdown Subsidiary	AVMY Steel Scince Pte Ltd	-	1,462,211
	Stepdown Subsidiary	KLT Precision Tube SA Pte Ltd	-	2,582,026
	Associate Company	Colour Roof (India) Limited	466,922	-
Rendering of Services	Subsidiary	KLT Automotive & Tubular Products (South Africa) Pty Co.Ltd	9,189,191	527,223,086
Royalty Fees Recieved	Subsidiary	KLT Automotive & Tubular Products (South Africa) Pty Co.Ltd	113,531,310	130,236,024
Other	Stepdown Subsidiary	KLT Precision Tube SA Pte Ltd	-	102,501,616
Total			139,436,068	1,343,999,800



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Purchase of Goods, Capital Goods & Services etc

Purchase of Goods, Capital Goods etc	Subsidiary	MPS Automotive Products Private Ltd	6,464,316	-
Purchase of Goods, Capital Goods etc	Associate Company	Colour Roof (India) Limited	600,202	-
Jobwork Charges, Labour Charges, Services etc	Associate Company	Colour Roof (India) Limited	(5,671,500)	290,033,072
Jobwork Charges, Labour Charges, Services etc	Subsidiary	KLT Automotive & Tubular Products (South Africa) Pty Co. Ltd	-	306,203,038
Jobwork Charges, Labour Charges, Services etc	Subsidiary	MPS Automotive Products Private Ltd	-	43,507,031
	Enterprises over which key Management person have significant influence	AVMY Helath Private Ltd	-	4,530,556
Rent Paid	Enterprises over which key Management person have significant influence	Kish Realty Private Ltd	-	-
			1,800,000	1,800,000
Total			3,193,018	646,073,696

Remuneration

Remuneration	Director	Jubin Thakkar	8,456,250	11,645,161
Remuneration	Director	Miloni Thakkar	8,456,250	9,316,130
Remuneration	VP-Legal & CS	Vishal Borana	2,277,333	3,355,023
Total			19,189,833	24,316,314

	Nature of relationship	For the year ended 31st March 2021	For the year ended 31st March 2020
Balance outstanding as at the year end - Receivable			
KLT Automotive FZC	Subsidiary	24,431,116	25,166,364
MPS Automotive Products Private Ltd	Subsidiary	189,550,287	178,321,113
AVMY Steel Science Pte Ltd	Stepdown Subsidiary	13,411,852	13,822,808
Manisha Thakkar	Relatives	3,277,827	(1,647,173)
Colour Roof (India) Ltd	Enterprises over which key Management person have significant influence	536,880,226	487,199,105
Thakkarsons Roll Forming Ltd	Enterprises over which key Management person have significant influence	803,379	803,379
Kish Realty Private Ltd	Enterprises over which key Management person have significant influence	34,342,301	36,034,095
Metform Corporation	Enterprises over which key Management person have significant influence	6,876,420	6,876,420
Balance outstanding as at the year end - Payable			
KLT Automotive & Tubular Products (South Africa) Pty Co. Ltd	Subsidiary	284,175,347	(46,702,865)
KLT Precision Tube SA Pte Ltd	Stepdown Subsidiary	59,405,972	61,193,766
Jubin Thakkar	Director	5,091,696	2,020,559
Miloni Thakkar	Director	12,312,242	3,280,050
Parul Thakkar	Relatives	5,779,238	6,509,974
Sushila Thakkar	Director	48,000,000	50,000,000
CRIL Prefinish	Enterprises over which key Management person have significant influence	78,192,246	80,545,405
AVMY Helath Private Ltd	Enterprises over which key Management person have significant influence	1,407,348	(3,119,662)

NOTE 37 : Capital Management

The Company's capital management objectives are

to ensure the Company's ability to continue as a going concern to provide an adequate return to capital employed

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

NOTE 38 : Financial risk management objectives & policies

The Company's principal financial liabilities, other than derivatives, comprise of borrowings, trade and other payables, security deposits taken, employee liabilities. The Company's

principal financial assets include trade and other receivables, advances given and cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The Company's senior management is supported by the Finance department that advises on financial risks and the appropriate financial risk governance framework for the Company. The finance function provides assurance to the Company's management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

NOTE 39: Tax Expenses

Reconciliation of tax expense and accounting profit multiplied by India's Domestic tax rate for year ended 31st Mar. 2021

Particulars	Amount
Profit Before Tax	(2,260,502,428)
At India's Statutory Income Tax Rate of 25.168%	
(a) Income Exempt for Taxation	-
(b) Expenses Not Deductible In calculation of Taxable Profit	-
(c) Incremental Deferred Tax Assets on Losses and Unabsorbed Depreciation Not Recognised	-
(d) Deferred Taxes (assets)/Liabilities recognised during year	(678,459,428)
Tax Expense for the Year	



Miloni Thakkar

Jubin Thakkar

NOTE 40 : Segment Reporting

(A) Information in respect of Primary segments

	Frame Assemble of Chassis	ERW/CDW Tubes	Others	Total
	Rs.	Rs.	Rs.	Rs.
(i) Segment Revenue (External Sales)	944,295,429	22,871,057	700,603,476	1,667,769,962
	1,589,222,873	44,022,259	2,452,232,118	4,085,477,251
(ii) Segment Results	75,543,634	1,829,685	(237,763,236)	(160,389,917)
	127,137,830	3,530,585	(81,210,979)	49,457,436
Less-Unallocable Corporate Expenditure				1,485,391,655
				191,303,591
Operating Profit				(1,645,781,572)
				(141,846,155)
Add-Dividend & Other Income				24,063,978
				4,940,014
Add-Interest Income				3,700,131
				4,865,999
Less-Interest Expenses				642,756,666
				688,869,542
Less-Income Tax, deferred Tax, Wealth tax				(678,459,428)
				1,004,078,694
Profit/(Loss) after tax				(1,582,314,701)
				(1,824,988,378)

Other Information

Segment Assets	2,921,130,703	2,070,691,459	4,991,822,162
	4,558,098,632	1,921,741,268	6,479,839,901
Unallocable Corporate Assets			6,034,799,046
			7,091,914,332
Total			11,026,621,207
			13,571,754,233

Segment liabilities	462,068,414	351,637,229	813,705,643
	704,797,038	656,137,865	1,360,934,903
Unallocable Liabilities			5,863,022,864
			5,628,158,092
Total			6,676,728,507
			6,989,092,995

Depreciation

Segment Depreciation	163,151,616	84,631,671	247,783,287
	185,393,715	84,483,459	269,877,174
Unallocable			21,952,915
			4,861,435
Total			269,736,202
			274,738,609

Capital Expenditure during the year	14,323,338	3,006,786	17,330,124
	13,910,643	4,258,115	18,168,758
Unallocable			367,009
			199,110
Total			17,697,133
			18,367,869

Non-Cash Expenditure other than depreciation

NIL

(B) Information in respect of Secondary segment

(I) Segment Revenue	31.3.2021	31.3.2020
In India	1,525,888,783	2,914,784,597
Outside India	141,881,179	1,170,692,654
Total	1,667,769,962	4,085,477,251

(ii) Carrying Amount of Segment Assets

In India	11,026,621,207	13,571,754,232
Outside India	NIL	NIL
Total	11,026,621,207	13,571,754,232

C. Other Disclosures

1. The Company has disclosed Business Segment as the Primary Segment.

2. Composition of the Business Segment

Name of the Business Segment
Frame Assembly of Chassis & Automotive parts
Tubes

Comprises of:

Parts and Accessories Of Motor vehicle
ERW tubes, CDW tubes, Annealed Tubes



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NOTE 41: Going Concern

Due to outbreak of Covid-19 globally and in India, the Company has carried out its initial assessment of the likely adverse impact on economic environment in general and financial risk because of Covid-19. The Company is in the business of manufacturing Chassis and other auto part which are connected with activities that are fundamental to the Indian economy. The demand for the Company's products are expected to be lower in the short term, though the same is not likely to have a continuing impact on the business of the Company. Further, the Management believes that there may not be significant impact of Covid-19 pandemic on the financial position and performance of the Company, in the long-term.

The Company has a positive net worth and technically it is operating at optimum capacity utilization. Based on the above, management is quite confident that the company will continue its business as a going concern. Accordingly, these financial statements have been prepared on that basis.

NOTE 42: Inventory

The company had conducted valuation exercise of inventory as on 31st March 2021. Following inventory has been identified as scrap in nature and the revised value of the said inventory is as follows as certified by the management :-

Type of Inventory	Original Value	Revised Scrap Value	Amount Written Off
Raw Material	995,677,591	621,342,739	374,334,852
WIP	422,965,199	269,407,562	153,557,637
Finished Goods	503,720,996	384,476,919	119,244,077
			647,136,566

The inventory value written off has been classified under miscellaneous expenses.

NOTE 43: Previous years figures have been regrouped and recast wherever necessary

As per our Report attached.

FOR & ON BEHALF OF

TODARWAL & TODARWAL LLP

Chartered Accountants

Firm Registration No. 111009W/W100231



SUNIL TODARWAL

PARTNER

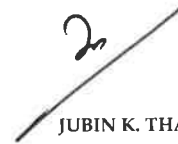
MEMBERSHIP NO. 032512

UDIN: 21032512AAAANWJ97

PLACE : MUMBAI

DATED :

03 DEC 2021



JUBIN K. THAKKAR

CHAIRMAN & MANAGING DIRECTOR



MILONI B. THAKKAR

JT. MANAGING DIRECTOR



VISHAL J. BORANA

VP: LEGAL & COMPANY SECRETARY