Automotive &
Tubular Products
LTD

ANNUAL REPORT 2021-2022

Automotive
&Tubular
Products LTD

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

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

AUDITOR:
Todarwal and Todarwal LLP Chartered Accountants
112, 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, Integranted Industrial Estate, Village-Pant Nagar, Rudrapur,
  Dist- Udhansingh Nagar,
  Uttarakhand-263 153.

INDEPENDENT AUDITOR'S REPORT

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

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

QUALIFIED OPINION

We have audited the accompanying Standalone IND AS Financial Statements of **KLT AUTOMOTIVE & TUBULAR PRODUCTS LIMITED** **("the Company"),** which comprise the Balance Sheet as at 31st March, 2022, 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 Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, ***except for the effects of the matters described in the Basis of Opinion Section of our report***, the aforesaid Standalone 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, 2022, its Loss including other comprehensive income, its cash flows for the year ended on that date.

BASIS FOR QUALIFIED OPINION

The company have defaulted in timely repayment of loan extended by Phoenix ARC Private Limited [the details of the same are mentioned herewith in Annexure A Clause ix(a)]. The company has not made provision of interest amounting to Rs. 27,78,64,731 and penal interest amounting to Rs. 45,81,52,858 in the profit and loss account. Hence, the Loss is understated by the above-mentioned figures.

We conducted our audit of the Standalone 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 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 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 Financial Statements.

EMPHASIS OF MATTERS

The company follows Revaluation model for Property, Plant & Equipment (PPE). As per IND AS 16 depreciation component amounting to Rs. 17,52,07,138 of the revalued Amount of PPE has to be transferred from Revaluation Reserve to retained Earnings. However, the company is transferring the said Depreciation Amount from Revaluation Reserve to Other Items in OCI. Hence OCI is overstated and Retained Earnings is understated by the above-mentioned figure.

Todarwal & Todarwal LLP Regn. No. 111009W/W100231

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the financial year ended year ended 31st March, 2022. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How our audit addressed the key audit matter
1) Evaluation of Contingent Liabilities	
(Refer Note 33 of the Standalone Financial Statements) Claims against the company not acknowledged as debts are disclosed in Standalone Financial Statements. The existence of the payments against these claims requires management judgment to ensure disclosure of most appropriate values of contingent liabilities.	Our audit procedures include the following: • Assessing the appropriateness of the management's judgment in estimating the value of claims against the company not acknowledged as debts. • We have obtained details of completed tax assessments and demands/claims raised up to 31st March 2022 from management. • We assessed the completeness of details of these claims through discussion with senior management personnel. • We have also reviewed the outcome of the disputed cases at various forums. • We have also assessed the appropriateness of presentation of the contingent liabilities in the Standalone Financial Statements.

Key Audit Matters	How our audit addressed the key audit matter
3) Revaluation of Property, Plant & Equipment	
The carrying value of Property, Plant & Equipment as per Note 3 ("Property, plant and equipment") of the Standalone Financial Statements as on 31st March, 2022 stands at ₹ 3,11,04,60,161. The company follows Revaluation Model for Property, Plant & Equipment.	Our audit procedures include the following: • We obtained an understanding from the management, assessed and tested the design and operating effectiveness of the Company's key controls over the assessment and fair valuation of material Property, plant and equipment. • We evaluated the Company's process regarding assessment and fair valuation by

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As per Ind AS 16, pursuant to recognition as an asset, an item of property, plant and equipment whose fair value can be measured reliably shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. The Management is unable to obtain a recent report on the valuation of property, plant & equipment by an expert and hence, the Company has retained the carrying value.	involving auditor's valuation experts to assist in assessing the appropriateness of the valuation model. • We are unable to obtain a recent report on the valuation of land by an expert and have thus corroborated the Company's treatment of retaining the land at carrying value.

Key Audit Matters	**How our audit addressed the key audit matter**
8) Non-Applicability of IND AS 109	
(Refer Note 13 & 17 of the Standalone Financial Statements of FY 21-22) • During the FY ended 31st March 2019, Phoenix ARC had provided us Rs. 2,59,64,00,000 as a Loan together with interest, acting as a lender providing financial support to CRIL. The interest charged on the said Loan is 18% p.a compounding on monthly basis. • Ind AS 109 specifically deals with cases with respect to accounting of Financial Instruments on off-market terms, It excludes the loan given above market rate from the scope. Hence, the principles of IND AS 109 are not applicable to the company since the rate of Interest (18%) is more than the market Rate.	Our audit procedures included the following: • Obtained an understanding of the measurement of these loans and inter corporate deposits and tested the reasonableness of the significant judgement applied by the management. • Evaluated the design of key internal control mechanisms relating to measurement and also tested the operating effectiveness of the aforesaid controls. • Assessed the design, implementation, and operating effectiveness of management's key internal controls over classification, valuation, and valuation models of the specified loans. • Obtained an understanding of the guidelines as specified in Ind AS 109 Financial Instruments, various regulatory updates and the Company's internal instructions and

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	procedures in respect of accounting and classification.

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 Financial Statements and our auditor's report thereon.

Our opinion on the Standalone 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 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 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 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 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 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 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 Management are responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone 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 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 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 Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone 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.

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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 Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("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.

2. As required by section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, the Cash flow statement dealt with by this Report are in agreement with the books of account;

e. In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except for the matters specified in Emphasis of Matter.

f. On the basis of the written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

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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".

h. In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act; and

i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in Note 33 of the Standalone Financial Statements.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. During the year, no amounts were required to be transferred to the Investor Education and Protection Fund by the Company. So, the question of delay in transferring such sums does not arise.

   iv. a)The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

   c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to

Todarwal & Todarwal LLP * Chartered Accountants * Regn. No. 111009W/ W100231 believe that the representations under subclause (a) and (b) contain any material misstatement.; and

v. The Company has not declared or paid any dividend during the year.

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

Sunil L. Todarwal
Partner
Membership No: 032512
UDIN: 22032512BALRBN3730
Date: 20th October, 2022
Place: Mumbai

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 Standalone Financial Statements for the year ended 31st March 2022, we report that:

i.

a)

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 and based on the records produced before us, we are of the opinion that the Company is maintaining proper records showing full particulars of intangible Assets.

b) According to the information and explanation given to us, the Company has not conducted any physical verification exercise of Property, Plant and Equipment during the current year. Hence, we are unable to comment on any material discrepancies.

c) The Company has not provided us with any documents to confirm the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the standalone financial statements and hence we are unable to comment on the ownership of the same.

d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.

e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii.

a) According to the information and explanation given to us, the Company has not conducted any physical verification of Inventory during the current year. Hence, we are unable to comment on any material discrepancies.

b) According to the information and explanation given to us and based on the records produced before us, the company has not sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year.

iii. According to the information and explanation given to us, the company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the provisions of this clause are not applicable to the company.

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iv. In our opinion and according to information and explanation given to us, the company has complied with Section 185 and Section 186 of Companies Act, 2013 with respect to the loans given.

v. According to the information and explanation given to us, the company has complied with the provision of Sec 73 to Sec 76 or any other relevant provisions of The Companies Act, 2013.

vi. Pursuant to the rules made by the Central Government, the maintenance of Cost Records has been prescribed u/s. 148(1) of the Companies Act, 2013. We are of the view that prima facie the prescribed accounts and records have been maintained. However, we have not received any Cost Audit Report and hence, we were unable to make a detailed examination of the records with a view to determine whether they are accurate or complete.

vii.

a) According to the information and explanations given to us and on the basis of our examination of the records of the Company is regular in depositing all its Statutory Dues were generally deposited to Appropriate Authorities except for the following:

Name of Statute	Nature of Dues	Amount (Rs.)
Employees Provident Fund & Miscellaneous Provision Act, 1952	PF	1,35,12,973
Goods & Service Tax	GST	5,37,66,862

b) According to the information and explanations given to us, the disputed amount payable in case of Income tax, Goods & Service Tax, Provident fund, Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited with the appropriate authorities on account of any dispute are as follows:

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 explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

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ix.

a) 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 (₹)	Interest Accrued and Due (₹)	Penal interest accrued and Due (₹)	Principal Repayment	Interest
Andhra Bank	26,13,70,361	12,91,14,313	-	30th June, 2018 to 31stmarch,2022	30th June,2018 to 31st march, 2022
Phoenix ARC Pvt. Ltd.	1,10,28,51,853	1,90,43,68,280	1,57,00,63,077	1st April, 2019 to 31st March, 2022	1st April, 2019 to 31st March, 2022

b) According to the information and explanation given to us by the management, the company is not declared as a willful defaulter by any Bank or Financial Institution or other lender.

c) In our opinion and according to information and explanation given to us, the company has applied the term loans for the same purpose for which they were obtained.

d) According to the information and explanation given to us, the funds raised for short term basis have not been utilized for long term purposes by the company.

e) According to the information and explanation given to us and the record produced before us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) In our opinion and according to information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. The Company has not raised any moneys by way of initial public offer or private placements or further public offer (including debt instruments). Accordingly, clause 3(x)(a) & (b) of the Order is not applicable.

xi.

a. During the course of our examination of the books of account carried in accordance with the generally accepted auditing standards in India, we have neither come

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across any instance of fraud on or by the Company, either noticed or reported during the year, nor have we been informed of such case by the Management.

b. According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government

c. No whistle blower complaints were received by the Company during the year. Therefore, clause xi(c) of paragraph 3 is not applicable.

xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause (xii) of Paragraph 3 of the Order is not applicable.

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 based on the records produced before us, the company is not liable to conduct internal audit during the year.

xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi.

a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause(xvi)(a) of Paragraph 3 of the Order is not applicable.

b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause (xvi)(c) of Paragraph 3 of the Order is not applicable.

d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause(xvi)(d) of Paragraph 3 are not applicable.

xvii. The Company has incurred cash losses in the current amounting to Rs. (28,40,92,971) and in F.Y 2020-21 the cash losses were Rs. (1,36,15,65,802).

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xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause (xviii) of Paragraph 3 of the Order is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx.

a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 in respect of other than ongoing project. Accordingly, clauses (xx)(a) of Paragraph of the Order are not applicable.

b) In our opinion and according to the information and explanations given to us, there are no ongoing project as per section 135 of the Companies Act. Accordingly, clauses (xx)(b) of Paragraph 3 of the Order are not applicable.

xxi. We were unable to obtain any audit report of the Subsidiary company. Hence, we are unable to comment on the provisions of paragraph 3(xxi).

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

Todarwal & Todarwal LLP Regn. No. 111009W/ W100231 Chartered Accountants

Sunil L. Todarwal
Partner
Membership No: 032512
UDIN: 22032512BALRBN3730
Date: 20th October, 2022
Place: Mumbai

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 Financial Statements of **KLT AUTOMOTIVE & TUBULAR PRODUCTS LIMITED** ("the Company") as of 31st March, 2022 in conjunction with our audit of the Standalone 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 Financial Statements and such internal financial controls were operating effectively as at 31st March, 2022, based on the internal financial controls with reference to Standalone 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 except for the ***Points Mentioned in Annexure A Paragraph 3(i) Clause (c) and Paragraph 3(ii) Clause (a),*** 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 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").

Todarwal & Todarwal LLP Regn. No. 111009W/ W100231 Chartered Accountants

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone 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 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 Standalone 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 Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone 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 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 Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Standalone 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 Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of

Todarwal & Todarwal LLP
Regn. No. 111009W/ W100231
Chartered Accountants

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 Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Standalone 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

Todarwal & Todarwal LLP
Regn. No. 111009W/ W100231
Chartered Accountants

Sunil L. Todarwal
Partner
Membership No: 032512
UDIN: 22032512BALRBN3730
Date: 20th October, 2022
Place: Mumbai

KLT AUTOMOTIVE & TUBULAR PRODUCTS LIMITED
BALANCE SHEET AS AT 31ST MARCH 2022
CIN:U34300MH1994PLC081463

PARTICULARS	NOTE NO.	AS AT 31ST MARCH, 2022 ₹ IN LACS	AS AT 31ST MARCH, 2021 ₹ IN LACS	AS AT 1ST APRIL, 2020 ₹ IN LACS
ASSETS				
A. Non Current Assets				
(a) Property,Plant, and Equipments	1	31,095.52	35,220.82	44,036.94
(b) Capital Work in Progress		427.34	291.37	369.56
(c) Other Intangible Assets	1	9.08	19.68	34.75
(d) Intangible Asset under development		72.22	-	-
(e) Right to Use		1,106.84	88.95	281.30
(f) Financial Assets				
(i) Investments	2	42,337.10	43,514.87	43,522.40
(g) Deffered tax Assets (net)	3	2,164.02	-	-
(h) Other non-current assets	4	5,410.44	4,435.18	4,564.09
Total Non Current Assets		**82,622.56**	**83,570.87**	**92,809.04**
B. Current Assets				
(a) Inventories	5	14,067.49	13,555.29	20,432.13
(b) Financial Assets				
(i) Trade Recivable	6	4,681.57	4,761.13	9,677.36
(ii) Cash and Cash Equivalent	7(i)	131.11	121.65	180.99
(iii) Bank Balances other than (ii) above	7(ii)	145.75	118.30	117.04
(iv) Othen Financial Assets	8	2.00	2.00	2.00
(v) Short Term Loans & Advances	9	8,494.50	8,188.58	11,808.54
(c) Other Current Asserts	10	343.51	337.19	1,070.83
Total Current Assets		**27,865.93**	**27,084.14**	**43,288.89**
TOTAL (A to B)	TOTAL (A to B)	**110,488.49**	**110,655.01**	**136,097.93**
EQUITY AND LIABILITIES				
A. Equity				
(a) Equity Share Capital	11	885.76	885.76	885.76
(b) Other Equity	12	41,606.98	43,001.96	65,321.23
Liabilities				
B. Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	13	12,536.45	15,844.46	18,716.61
(ii) Lease Liabilities		1,031.03	-	109.25
(iii) Other Financial Liabilities	14	692.58	1,000.41	887.67
(b) Provisions	15	564.08	505.11	431.58
(c) Deffered tax Liabilities (net)	16	-	3,747.30	10,531.29
Total Non Current Liabilities		**57,316.88**	**64,985.00**	**96,883.39**
C. Current Liabilities				
(a) Financial Liabilities				
(i) Short-term Borrowings	17	18,995.36	16,485.34	13,200.71
(ii) Lease Liabilities		153.21	109.25	222.84
(iii) Trade and other Payables	18	10,951.36	10,787.03	13,759.55
(iv) Other Financial Liabilities	19	23,015.30	18,257.01	12,007.62
(b) Provisions	20	56.38	31.38	23.82
Total Current Liabilities		**53,171.61**	**45,670.01**	**39,214.54**
TOTAL EQUITY AND LIABILITIES (A+B+C)	TOTAL (A to C)	**110,488.49**	**110,655.01**	**136,097.93**

OTHER NOTES ON ACCOUNTS & SIGNIFICANT ACCOUNTING POLICIES 29 TO 43

As per our Report attached.

FOR & ON BEHALF OF
TODARWAL & TODARWAL LLP
Chartered Accountants
Firm Registration No. 111009W/W100231

Todarwal & Todarwal LLP Regn. No. 111009W/ W100231 Chartered Accountants

SUNIL TODARWAL
PARTNER
MEMBERSHIP NO. 032512
UDIN: 22032512BALRBN3730
PLACE : MUMBAI
DATED : 20/10/2022

FOR AND ON BEHALF OF BOARD
KLT AUTOMOTIVE & TUBULAR PRODUCTS LTD

KLT AUTOMOTIVE AND TUBULAR PRODUCTS LTD. MUMBAI

JUBIN K. THAKKAR
CHAIRMAN & MANAGING DIRECTOR
DIN:00001822

MILONI B. THAKKAR
JT. MANAGING DIRECTOR
DIN:07718683

KLT AUTOMOTIVE & TUBULAR PRODUCTS LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

CIN:U34300MH1994PLC081463

	PARTICULARS	NOTE NO.	FOR THE PERIOD ENDED 31ST MARCH, 2022 ₹ IN LACS	FOR THE YEAR ENDED 31ST MARCH, 2021 ₹ IN LACS
	CONTINUING OPERATIONS			
1	Revenue from Operations (Net of GST)	21	30,836.62	16,677.70
2	Other income	22	497.17	273.14
3	Total Income (1+2)		**31,333.79**	**16,950.84**
4	Expenses			
	(a) Cost of materials consumed	23	19,523.44	7,050.31
	(b) Changes in inventories of finished goods and work-in-progress	24	(149.22)	2,886.48
	(c) Employee benefits expense	25	2,855.69	2,437.00
	(d) Finance costs	26	6,357.45	6,427.57
	(e) Depreciation and amortisation expense	27	4,400.63	9,174.17
	(f) Other expenses	28	5,640.22	18,068.47
	Total expenses		**38,628.21**	**46,044.00**
5	Profit / (Loss) Before Exceptional Item and Tax (3-4)		**(7,294.42)**	**(29,093.16)**
6	Exceptional Items (net)			
7	Profit/(Loss) before tax (5 + 6)		**(7,294.42)**	**(29,093.16)**
8	Tax expense:			
	(a) Current tax			
	(b) Income tax expense relating to prior years			
	(c) Deferred tax(Credit)		(5,911.32)	(6,784.59)
			(5,911.32)	(6,784.59)
9	**Profit/(Loss) for the year (7-8)**		**(1,383.10)**	**(22,308.57)**
	OTHER COMPREHENSIVE INCOME			
	(i)Items that will be reclassified subsequently to the statement of profit and loss		1,731.53	6,476.80
	(iii)Items that will not be reclassified subsequently to the statement of profit and loss		(11.88)	(2.11)
	(iv)Income tax on items that will not be reclassified subsequently to the statement of profit and loss		-	(0.60)
	TOTAL OTHER COMPREHENSIVE INCOME/(LOSSES)		**1,719.65**	**6,474.09**
	TOTAL COMPREHENSIVE INCOME OF THE YEAR		**336.55**	**(15,834.48)**
EARNING PER SHARE : (FACE VALUE OF SHARE RS. 10/- EACH)				
Basic			**(15.61)**	**(251.86)**
Diluted			**(15.61)**	**(251.86)**

OTHER NOTES ON ACCOUNTS & SIGNIFICANT ACCOUNTING POLICIES 29 TO 43

FOR AND ON BEHALF OF BOARD
KLT AUTOMOTIVE & TUBULAR PRODUCTS LTD

JUBIN K. THAKKAR
CHAIRMAN & MANAGING DIRECTOR
DIN:00001822

MILONI B. THAKKAR
JT. MANAGING DIRECTOR
DIN:07718683

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: 22032512BALRBN3730
PLACE : MUMBAI
DATED : 20/10/2022

Todarwal & Todarwal LLP Regn. No. 111009W/ W100231 Chartered Accountants

KLT AUTOMOTIVE AND TUBULAR PRODUCTS LTD. MUMBAI

KLT Automotive & Tubular Products Ltd.
CIN:U34300MH1994PLC081463
CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2022

Figures in Lacs

	F.Y .2021-22		F.Y .2020-21	
	INR IN LACS	INR IN LACS	INR IN LACS	INR IN LACS
A. CASH FLOW FROM OPERATING ACTIVITIES				
NET PROFIT BEFORE TAX		(7,294.42)		(29,093.15)
Add / (Less) :				
Depreciation /Amortisation	4,197.92		8,981.82	
(Profit) / Loss on Sale of Fixed Assets	(4.55)		6.82	
Interest and Finance expenses	6,357.45		6,427.57	
Interest Income	(32.94)		(37.00)	
Dividend Income	(0.09)	10,517.79	(0.01)	15,379.19
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES				
Adjustment for : -				
Trade and other Receivables	(78.64)		9,145.42	
Inventories	(512.20)		6,876.84	
Trade and other Payables	385.06	(205.78)	(1,287.14)	14,735.11
CASH GENERATED FROM OPERATIONS		3,017.59		1,021.16
Direct Taxes Paid (Net of refund)		-		-
NET CASH FROM OPERATING ACTIVITIES		3,017.59		1,021.16
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets	(319.96)		91.94	
Sale of Fixed Assets	19.94		11.52	
Interest Received	32.94		37.00	
Reduction in Investment in shares	-		7.53	
Dividend Received	0.09		0.01	
NET CASH USED IN INVESTING ACTIVITIES		(266.98)		148.01
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Repayment of long term Borrowings	(369.04)		(156.26)	
Repayment of short term borrowings (net)	(707.87)		548.04	
Loan from Related parties	(53.27)		20.69	
Repayment of deferred sales tax	(334.90)		(244.82)	
Lease Liability	1,074.99		(222.84)	
Rigjht to use	(1,017.89)		192.35	
Interest and Finance expenses	(1,305.70)		(1,364.43)	
	-		-	
NET CASH GENERATED FROM FINANCING ACTIVITIES		(2,713.68)		(1,227.26)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)		36.93		(58.10)
CASH AND CASH EQUIVALENTS (Opening)		239.92		298.02
CASH AND CASH EQUIVALENTS (Closing)		276.85		239.92

Notes :

1 Previous year's figures have been re-grouped and/or re-classified wherever applicable.

2 sale of Investments which have been considered on the basis of actual movements of cash with necessary adjustments n the corresponding assets and liabilities.

3 Purchase of Fixed Assets includes movement of Capital Work in Progress between the begining 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/W100231

Todarwal & Todarwal LLP Regn. No. 111009W/W100231 Chartered Accountants

SUNIL TODARWAL
PARTNER
MEMBERSHIP NO. 032512
UDIN: 22032512BALRBN3730
PLACE : MUMBAI
DATED : 20/10/2022

FOR AND ON BEHALF OF THE BOARD

KLT AUTOMOTIVE AND TUBULAR PRODUCTS LTD. MUMBAI

JUBIN K. THAKKAR
CHAIRMAN & MANAGING DIRECTOR
DIN:00001822

MILONI B. THAKKAR
JT. MANAGING DIRECTOR
DIN:07718683

KLT AUTOMOTIVE & TUBULAR PRODUCTS LIMITED

Notes to the standalone financial statements

Note :- 1 - Property, Plant and Equipment

Rupees in Lacs

	Land &Site Development	Buildings	Plant & Equipments	Electrical Installation	Office equipment	Vehicles	Furniture & fixtures	Computer Software	Total
I. Deemed Cost									
Balance at 1st April, 2020	10,221.47	8,253.58	56,750.58	1,761.99	573.34	328.99	170.28	306.99	78,367.22
Additions	-	9.19	161.15	-	6.41	-	0.22	-	176.97
Disposals	-	-	(68.60)	(9.51)	(7.53)	(17.85)	(1.69)	-	(105.18)
Balance as at March 31, 2021	10,221.47	8,262.77	56,843.13	1,752.48	572.22	311.14	168.81	306.99	78,439.01
Additions	-	-	70.33	-	7.09	-	-	-	77.42
Disposals	-	-	(21.99)	-	-	(124.08)	-	-	(146.07)
Balance as at March 31, 2022	10,221.47	8,262.77	56,891.47	1,752.48	579.31	187.06	168.81	306.99	78,370.36
II. Accumulated Depreciation									
Balance at 1 April, 2020	26.24	2,178.86	29,723.67	1,123.11	536.05	292.06	143.29	272.23	34,295.51
Depreciation expense	-	146.37	2,285.01	28.55	16.82	9.67	3.52	15.07	2,505.01
Eliminated on disposals of assets	-	-	(48.01)	(5.81)	(7.32)	(16.15)	(1.57)	-	(78.86)
Dep on Revalued assets /Adjust/Reclassifications	-	246.17	6,115.26	110.63	1.08	2.19	1.47	-	6,476.80
Balance as at March 31, 2021	26.24	2,571.40	38,075.93	1,256.48	546.63	287.77	146.71	287.30	43,198.46
Depreciation expense	-	146.56	2,264.21	22.84	11.62	8.04	2.53	10.60	2,466.40
Eliminated on disposals of assets	-	-	(12.79)	(0.16)	-	(117.72)	-	-	(130.67)
Dep on Revalued assets /Adjust/Reclassifications	-	246.17	1,374.47	106.09	1.08	2.20	1.49	-	1,731.50
Balance as at March 31, 2022	26.24	2,964.13	41,701.82	1,385.25	559.33	180.29	150.73	297.90	47,265.69
III. Carrying Amount									
Balance as at April 1, 2020	10,195.23	6,074.72	27,026.91	638.88	37.29	36.93	26.99	34.76	44,071.69
Balance as at March 31, 2021	10,195.23	5,691.37	18,767.20	496.00	25.59	23.37	22.10	19.69	35,240.50
Balance as at March 31, 2022	10,195.23	5,298.64	15,189.65	367.23	19.98	6.77	18.08	9.09	31,104.60

Todarwal & Todarwal LLP Regn. No. 111009W/W100231 Chartered Accountants

KLT Automotive and Tubular Products Ltd. Mumbai

KLT AUTOMOTIVE & TUBULAR PRODUCTS LIMITED

				AS AT 31ST MARCH, 2022 ₹ IN LACS	AS AT 31ST MARCH, 2021 ₹ IN LACS	AS AT 1ST APRIL, 2020 ₹ IN LACS
NOTE : 2 NON CURRENT INVESTMENTS						
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			
Reliance Capital Ltd	1	1	10	0.002	0.002	0.002
Reliance Finance Ltd	1	1		-	-	-
Zee Entertainment Enterprises Ltd	200	200	1	0.27	0.27	0.27
Zee Learn Limited	25	25	1	0.01	0.01	0.01
Unquoted:						
Equity shares fully paid up of:						
Shamorao Vithal Co-op. Bank Ltd.	2,000	2,000	25	0.50	0.50	0.50
Unquoted Shares in Associate Companies						
Colour Roof India Limited	680,000	680,000	10	218.00	218.00	218.00
CRIL Pre-Finish Metal FZC	822	822	AED1000	99.54	99.54	99.54
Unquoted Shares in Subsidiary Companies						
Ordinary shares of AVMY Steels				-	-	6.53
Ordinary shares of KLT Automotive and Tubular Products (South Africa) Co. Ltd.	4,000	4,000	No Par Value	42,017.78	42,017.78	42,017.78
Equity shares of KLT Automotive FZC-UAE	100,000	100,000	AED 1000	-	12.75	12.75
Equity shares of Thakkarson Metal Processors Pvt Ltd.				-	-	1.00
Equity shares of MPS Automotive Products Private Limited	10,000	10,000	10	1.00	1.00	1.00
Share Application money with Subsidiary Companies						
Share application money -KLT Automotive FZC -UAE				-	1,165.03	1,165.03
				42,337.10	**43,514.87**	**43,522.40**
Aggregate book value of quoted Investments				0.27	0.27	0.27
Aggregate book value of unquoted Investments				42,336.82	43,514.60	43,522.13
Aggregate Market value of quoted Investments				0.58	0.41	1.20

NOTE : 3
DEFERRED TAX ASSETS [NET]

Deferred Tax Liabilites:			
(i) On fiscal allowances on fixed assets/Other Assets	8,260.97	-	-
	8,260.97	-	-
Deferred Tax Assets:			
(i) Provision for employee benefits,Lease ,Loans and other 43B payments	214.03	-	-
(ii) Unabsorbed losses	10,210.96	-	-
	10,424.99	-	-
Net deferred tax Assets	**2,164.02**	-	-

NOTE : 4 OTHER NON CURRENT ASSETS

(UNSECURED-CONSIDERED GOOD)			
Capital advances	331.42	379.91	633.21
Security deposits - long term*	428.43	475.77	456.47
Advances given to subsidiaries	3,215.60	2,144.52	2,039.42
MAT credit Receivable	1,434.99	1,434.99	1,434.99
	5,410.44	**4,435.18**	**4,564.09**

NOTE : 5 INVENTORIES

(Valued at lower of cost and net realisable value)			
Raw materials	6,552.51	6,184.04	9,789.33
Works in progress	3,031.08	2,784.89	4,229.65
Finished goods	4,008.38	4,105.36	5,547.07
Stores and spare parts	475.52	481.01	836.69
In transit			29.39
	14,067.49	**13,555.29**	**20,432.13**

Todarwal & Todarwal LLP
Regn. No. 111009W/ W100231
Chartered Accountants

KLT AUTOMOTIVE & TUBULAR PRODUCTS LIMITED

NOTE : 6 TRADE RECEIVABLES

(UNSECURED-CONSIDERED GOOD)

	AS AT 31ST MARCH, 2022 ₹ IN LACS	AS AT 31ST MARCH, 2021 ₹ IN LACS	AS AT 1ST APRIL, 2020 ₹ IN LACS
Outstanding for a period exceeding six months	3,511.67	3,480.60	7,256.76
Others	1,169.90	1,280.53	2,420.60
	4,681.57	**4,761.13**	**9,677.36**

Particualrs	Outstandig for following periods from due date of payments					
	Less than 6 Months	6 Months-1 years	1-2 years	2-3 years	More than 3 Years	Total
(i) Undisputed Trade receivable-considered good	1,169.90	595.56	44.49	23.27	2,848.36	4,681.57

NOTE :7 (i) CASH AND CASH EQUIVALENT

(a) Balances with banks			
In current accounts	104.33	117.20	151.14
(b) Cash on hand	26.78	4.42	29.84
	131.11	**121.62**	**180.98**

NOTE :7 (ii) BANK BALANCE OTHER THAT 6 (i) ABOVE

(a) Balances with banks			
In margin money deposit accounts	145.75	118.30	117.04
	145.75	**118.30**	**117.04**

NOTE : 8 OTHER FINANCIAL ASSETS

Units of Mutual Funds	Number of Units Current year	Number of Units Previous year	Face value Rupees			
Principal growth fund-balance fund growth plan	17,621	17,621	10	2.00	2.00	2.00
				2.00	**2.00**	**2.00**

NOTE : 9 SHORT TERM LOANS AND ADVANCES

(UNSECURED-CONSIDERED GOOD)

Security deposits	69.23	65.07	153.06
Advance income tax (net of provisions)	1,040.80	826.33	682.78
Other loans and advances	7,384.47	7,297.18	10,972.70
	8,494.50	**8,188.58**	**11,808.54**

NOTE : 10 OTHER CURRENT ASSETS

Export benefit receivables	343.51	337.19	1,070.83
	343.51	**337.19**	**1,070.83**

NOTE : 11 EQUITY SHARE CAPITAL

	AS AT 31ST MARCH, 2022 ₹ IN LACS	AS AT 31ST MARCH, 2021 ₹ IN LACS	AS AT 1ST APRIL, 2020 ₹ IN LACS
AUTHORISED:			
14000000 (14000000) Equity shares of Rs.10/- each	1,400.00	1,400.00	1,400.00
ISSUED,SUBSCRIBED AND FULLY PAID UP :			
8857602 (8857602) Equity shares of 10/- each fully paid up with Voting Rights	885.76	885.76	885.76
	885.76	885.76	885.76

Todarwal & Todarwal LLP Regn. No. 111009W/ W100231 Chartered Accountants

KLT AUTOMOTIVE AND TUBULAR PRODUCTS LTD. MUMBAI

KLT AUTOMOTIVE & TUBULAR PRODUCTS LIMITED

(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, 2022		AS AT 31ST MARCH, 2021	
	Number of shares	₹ IN LACS	Number of shares	₹ IN LACS
Equity shares with voting rights				
Equity shares at the beginning of the year	8,857,602	885.76	8,857,602	885.76
Addition during the year	-		-	
Deduction during the year	-		-	
Equity Shares at the end of the year	**8,857,602**	**885.76**	**8,857,602**	**885.76**

(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, 2022		AS AT 31ST MARCH, 2021	
		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 Reality 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 paidup 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 ensuring 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 : 12 OTHER EQUITY

		AS AT 31ST MARCH, 2022 ₹ IN LACS	AS AT 31ST MARCH, 2021 ₹ IN LACS	AS AT 1ST APRIL, 2020 ₹ IN LACS
GENERAL RESERVE				
As per last balance sheet	3,279.77			
Add: Transferred from surplus in statement of profit and loss				
		3,279.77	3,279.77	3,279.77
SECURITIES PREMIUM RESERVE				
As per last balance sheet	6,182.61			
Add : Additions during the year	-			
		6,182.61	6,182.61	6,182.61
REVALUATION RESERVE				
As per last balance sheet	19,468.29		25,964.41	25,584.03
Less: Trf to Retained Earning	(1.80)		(11.32)	
Add/Less : During the year	(1,731.53)		(6,484.80)	380.38
		17,734.96	19,468.29	25,964.41
SURPLUS IN THE STATEMENT OF PROFIT & LOSS				
As per last balance sheet	14,071.30		29,894.45	29,894.45
Add : Trf from Revaluation Reserve	1.80		11.32	
Add/(Less): profit/(loss) for the year	336.55		(15,834.48)	
		14,409.65	**14,071.30**	**29,894.45**
		41,606.98	**43,001.96**	**65,321.23**

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NOTE : 13 BORROWINGS		AS AT 31ST MARCH, 2022 ₹ IN LACS	AS AT 31ST MARCH, 2021 ₹ IN LACS	AS AT 1ST APRIL, 2020 ₹ IN LACS
SECURED:				
TERM LOANS:				
From banks	-			
From others	12,025.52			
		12,025.52	15,280.25	18,173.10
UNSECURED				
Loans and advances from related parties		510.93	564.20	543.51
		12,536.45	**15,844.46**	**18,716.61**

NOTE : 14 OTHER FINANCIAL LIABILITES			
Long term advances from customers	136.36	406.35	275.73
Long term advances from subsidiary	556.22	594.06	611.94
	692.58	**1,000.41**	**887.67**

NOTE : 15 LONG TERM PROVISIONS			
Provision for employee benefits			
Provision for leave encashment	146.90	148.79	103.47
Provision for gratuity	417.19	356.32	328.11
	564.08	**505.11**	**431.58**

NOTE : 16 DEFERRED TAX LIABILITIES [NET]			
Deferred Tax Liabilites:			
(i) On fiscal allowances on fixed assets/Other Assets	-	8,414.11	10,708.72
	-	-	-
	-	**8,414.11**	**10,708.72**
Deferred Tax Assets:			
(i) Provision for employee benefits,Lease ,Loans and other 43B payments	-	190.62	177.43
(ii) Unabsorbed losses	-	4,476.19	-
	-	**4,666.82**	**177.43**
Net deferred tax Liability	-	**3,747.30**	**10,531.29**

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NOTE : 17 SHORT TERM BORROWINGS

	AS AT 31ST MARCH, 2022 ₹ IN LACS	AS AT 31ST MARCH, 2021 ₹ IN LACS	AS AT 1ST APRIL, 2020 ₹ IN LACS
Secured:			
Loans repayable on demand			
Working capital from banks	3,904.85	4,030.52	3,582.48
Current maturities of long-term debt	14,240.51	11,354.81	8,618.22
Unsecured:			
Short Term Loans from Banks	-	-	-
Loans and advances from others	850.00	1,100.00	1,000.00
	18,995.36	**16,485.34**	**13,200.71**

Notes:

(i) Details of security:

a) Working capital from banks of Rs. 3904.85 Lacs is secured by way of hypothecation of stocks and book-debts 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.

NOTE : 18 TRADE AND OTHER PAYABLES

	AS AT 31ST MARCH, 2022 ₹ IN LACS	AS AT 31ST MARCH, 2021 ₹ IN LACS	AS AT 1ST APRIL, 2020 ₹ IN LACS
	-	-	-
Trade payables	10,951.37	10,787.03	13,759.55
	10,951.37	**10,787.03**	**13,759.55**

Particualrs	Outstandig for following periods from due date of payments				
	Less than 1year	1-2 years	2-3 years	More than 3 Years	Total
Trade Payable-Other	6,153.71	255.42	1,147.14	3,395.09	10,951.36

NOTE : 19 OTHER CURRENT FINANCIAL LIABILITIES

	AS AT 31ST MARCH, 2022 ₹ IN LACS	AS AT 31ST MARCH, 2021 ₹ IN LACS	AS AT 1ST APRIL, 2020 ₹ IN LACS
Current maturities of deferred sales tax liability	1.96	336.86	581.68
Interest accrued and due on borrowings	14,322.30	9,648.78	4,975.26
Payables on purchase of fixed assets	123.43	206.26	268.84
Advances received from subsidiaries	2,231.55	2,841.75	-
Advances from customers & customers credit balances	1,055.11	941.92	1,066.53
Other payables	5,280.96	4,281.43	5,115.30
	23,015.30	**18,257.01**	**12,007.62**

NOTE : 20 SHORT TERM PROVISIONS

Provision for employee benefits:			
Provision for leave encashment	20.89	9.43	10.43
Provision for gratuity	35.49	21.95	13.39
	56.38	**31.38**	**23.82**

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		FOR THE PERIOD ENDED 31ST MARCH, 2022	FOR THE PERIOD ENDED 31ST MARCH, 2021
NOTE : 21	**REVENUE FROM OPERATIONS**	0	0
(a)	Sale of products	26,615.26	14,129.49
(b)	Sale of services	849.75	668.08
(c)	Other operating revenues	3,371.61	1,880.13
	Total revenue from operations	30,836.62	16,677.70
Note			
(a)	**Sale of products:**		
	Sale of manufactured goods		
	Frame assembly of chassis	17,548.97	9,442.95
	ERW/CDW pipes and tubes	143.64	228.71
	Others	8,922.65	4,457.82
	Total - Sale of manufactured goods	**26,615.26**	**14,129.48**
	Sale of traded goods		
	Steel	-	-
	Total - sale of products	**26,615.26**	**14,129.49**
(b)	**Sale of services**		
	Technical services		
	Labour and Job work Charges	849.75	668.08
	Total - sale of services	**849.75**	**668.08**
(c)	**Other operating revenues:**		
	Sale of scrap	1,404.36	617.28
	Technical knowhow (royalty) Income received	1,174.92	1,135.31
	Management service fees	775.10	120.86
	Duty drawback and other export incentives	17.24	6.69
	Others		
	Total - Other operating revenues	**3,371.61**	**1,880.13**
NOTE : 22	**OTHER INCOME**		
	Interest income		
(a)	Interest from banks on deposits	1.53	0.73
	Interest from others	31.41	36.27
(b)	**Dividend income from long-term Investments**		
	Subsidiaries		
	Other investments	0.09	0.01
(c)	**Gain on foreign exchange fluctuation [net]**	421.14	177.86
(d)	**Other non-operating income**		
	Liabilities / provisions no longer required written back	38.25	17.02
	Miscellaneous income	0.20	41.25
	Profit on sale of fixed assets [net]	4.55	-
		497.17	**273.14**

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NOTE : 23 COST OF MATERIALS CONSUMED

	FOR THE PERIOD ENDED 31ST MARCH, 2022 ₹ IN LACS	FOR THE PERIOD ENDED 31ST MARCH, 2021 ₹ IN LACS
Raw materials consumed	19,523.44	7,050.31
	19,523.44	**7,050.31**

NOTE : 24 CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

Closing stocks:			
Finished goods	4,008.38		4,105.36
Works in progress	3,031.08		2,784.89
		7,039.46	6,890.25
LESS:			
Opening stocks:			
Finished goods	4,105.36		5,547.07
Works in progress	2,784.89		4,229.65
		6,890.25	9,776.72
		149.22	(2,886.48)
Excise duty on increase/Decrease of finished goods			
		149.22	(2,886.48)
Add:			
Exceptional item			
		149.22	**(2,886.48)**

NOTE : 25 EMPLOYEES BENEFITS EXPENSES

Salaries, wages, bonus & gratuity	2,630.03	2,207.43
Contribution to provident & other funds	124.00	110.24
Workmen and staff welfare expenses	101.66	119.34
	2,855.69	**2,437.00**

NOTE : 26 FINANCE COSTS

Interest expenses	6,302.07	6,397.79
Other borowing costs	55.38	29.78
	6,357.45	**6,427.57**

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NOTE 27 DEPRECIATION AND AMORTISATION

	FOR THE PERIOD ENDED 31ST MARCH, 2022 ₹ IN LACS	FOR THE PERIOD ENDED 31ST MARCH, 2021 ₹ IN LACS
Depreciation and amortisation on tangible assets	4,187.32	8,966.75
Amortisation on intangible assets	10.60	15.07
Amotisation (Ind AS-Rent)	202.71	192.35
	4,400.63	**9,174.17**

NOTE : 28 OTHER EXPENSES

Consumption of consumables, stores and spares	689.17	780.13
Labour and slitting Charges	2,421.11	1,599.64
Power & fuel	715.07	608.38
Rent	70.53	79.56
Rates & taxes	30.09	27.09
Insurance	38.04	44.68
Freight outward (net)	741.29	607.26
Miscellaneous expenditure	755.36	7,929.98
Repairs to machinery	121.31	57.93
Repairs to buildings	22.31	11.30
Repairs others	19.31	14.87
Auditors remuneration:	-	-
Audit fees	4.50	4.50
Tax audit fees	2.00	2.00
GST/Vat audit fees	2.00	2.00
Taxation matters	3.00	3.00
Donation	5.10	5.48
Bad debts written off	-	6,283.85
Loss on sale of Assets	-	6.82
	5,640.22	**18,068.47**

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NOTE 29 : 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.

(c) Use of Estimates & Judgements

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).

<u>Impairment of Non Financial Assets</u>

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.

<u>Impairment of Investments</u>

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.

<u>Useful lives of property, plant and equipment.</u>

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.

<u>Valuation of deferred tax assets</u>

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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Valuation of Deferred Tax Asset

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 canbe 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.

Provisions, Contigent Liabilities & Contigent Assets

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not récognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Defined Benefit Obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

(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.

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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

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 specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

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.

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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 Transactions

The functional & presentation currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

Foreign currency transactions during the accounting year are translated at the rates prevalent on the transaction date. Exchange differences arising from foreign currency fluctuations are dealt with on the date of payment/receipt. Assets and Liabilities related to foreign currency transactions remaining unsettled at the end of the period/year are translated at the period/ year end rate. The exchange difference is credited / charged to Profit & Loss Account in case of revenue items and capital items.

Forward exchange contracts entered into, to hedge foreign currency risk of an existing asset/ liability.

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts, except the contracts which are long-term foreign currency monetary items, are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.

(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.

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 us, as intended by management.

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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, Except for one class of Asset i.e Dies, Jigs & fixtures. The depreciation for the said class of Asset is 8.84 yrs. 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 is it ready for its intended 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) 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.

m) Research and development expenses

Research costs are charged to the statement of Profit and Loss in the year in which they are incurred. 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.

n) Financial Instruments

Financial assets & Liabilities

Initial Recognition

Financial assets and Financial 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 of financial assets and liabilities (other than financial assets and 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.

Subsequent Measurement

Financial Assets Carried at amortised Cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset 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.

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Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss.

Derecognition of Financial Instrument

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset, and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

o) 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 to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

p) 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.

q) Investment in subsidiaries:

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

r) Investment in Associates:

Investment in associates are recognised at cost. The company provides for any permanent diminution, if any, in value of such investment.

s) 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)

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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.

t) 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.

u) 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.

v) 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.

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w) 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.

x) 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.

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:

a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

a present obligation that arises from past events but is not recognised because:

(i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) the amount of the obligation cannot be measured with sufficient reliability.

y) 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.

z) 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

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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.

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NOTE 30 : Right to Use Assets

Rupees in Lacs

Particulars	Amount
Balance as at 1st April 2021	88.95
Add :- Addition	1,220.60
	-
Less :- Depreciation as per Ind AS/Amortised	(202.71)
Balance As At 31st March 2022	1,106.84

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.

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 31 :Lease Liability

Rupees in Lacs

Particulars	Amount
Balance as at 1st April 2021	109.25
Recognised During the year	1,220.60
Interest expense on lease liability	88.96
Repaid During the year	(234.57)
Balance As At 31st March 2022	1,184.24
Total Cash Outflow for lease includes :	
Repayment of Principal Payment of Lease Liability	234.57
Interest Paid on Lease Liability	88.96
	-
Non Current Portion	1,031.03
Current Portion	153.21

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

Particulars	Amount
Amortisation expense of right-of-use assets	(202.71)
Interest expense on lease liabilities	88.96

NOTE 32 :Deffered Tax Liability

	Rupees in Lacs	Rupees in Lacs
Particulars	**As at 31st March 2022**	**As at 31st March 2021**
Deferred Tax Assets		
Provision for employee benefits,Lease ,Loans and other 43B payments	214.03	190.62
Unabsorbed losses	10,210.96	4,476.19
Total Deferred Tax Assets	10,424.99	**4,666.82**
Deferred Tax Liability		
Related to property, plant & equipment	8,260.97	8,414.11
Total Deferred Tax Liability	8,260.97	**8,414.11**
Total Deferred Tax Assets /(Liability) (Net)	**2,164.02**	**(3,747.30)**
Recognised in Profit or Loss as 'tax expense'	5,911.32	6,784.59
Recognised in OCI	-	0.60
Total	5,911.32	6,785.20

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NOTE 33: Contigent liabilities and Commitments

	Rupees in Lacs As at 31st March 2022	Rupees in Lacs As at 31st March 2021
CONTINGENT LIABILITIES		
A) Claims against the company / disputed liabilities not acknowledged as Debts		
- Sales Tax Liability*	76.29	76.29
B) Guarantees		
- Guarantees issued by the Company's banker on behalf of the company.	5.00	5.00
COMMITMENTS		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	13.98
Corporate Guarantee in favour of ABSA Bank Ltd	4,411.50	4,214.30
Corporate Guarantee in favour of Delko Trading SA Pty Ltd	9,809.10	9,370.62
Corporate Guarantee in favour of Credit Guarnatee Insurance Corporation	-	743.70

NOTE 34 : 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	44.94	55.21
ii) Interest Cost	25.95	23.36
vi) Net Actuarial (Gain)/Loss recognized during the year through OCI	11.88	2.11

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	378.26	341.50
Expenses/(Income) to be recognised through P&L	-	-
ii) Current Services Cost	44.94	55.21
iii) Interest on obligation	25.95	23.36
Remeasurement of net defined benefit liability/asset to be recognised through OCI		
vi) Net actuarial (Gain)/Loss recognized during the year	11.88	2.11
v) Benefits paid	(8.36)	(43.92)
vi) Closing Defined benefit obligation plan	452.67	378.26

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

	31st March 2022	31st March 2021
i) Discounting rate	7.23%	6.86%
ii) Escalation of salary	6.00%	6.00%
iii) Withdrawal rate	4% p.a.for all service	5% p.a.for all service
iv) Mortality rate	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2006-08) Ultimate
v) Retirement Age	58 Years	58 Years

NOTE: 35: Earning per share (EPS)

		Rupees in Lacs Current Year	Rupees in Lacs 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		(1,383.10)	(22,308.57)
Weighted average number of equity shares in calculating basic and diluted EPS	Nos.	8,857,602	8,857,602
Basic earning per share	Rs	(15.61)	(251.86)
Diluted earning per share	Rs	(15.61)	(251.86)
Nominal value of equity shares	Rs	10.00	10.00

NOTE 36 : 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. 2021-22. Sc, additional interest of Rs. 2778.64 Lacs and penal Interest of Rs.4581.52 Lacs is less charged to P & L A/c.

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NOTE 37 : Related party disclosures

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

i) Key management personnel :	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	Mrs. Sushila Thakkar Mr. Jubin Kishore Thakkar - Chairman & Managing Director Ms Miloni Bhavin Thakkar - Jt. Managing Director
iii) Subsidiary Companies	KLT Automotive & Tubular Products (South Africa) Pty Co.Ltd MPS Automotive Products Private Ltd
iv) Stepdown Subsidiaries	AVMY Steel Scince Pte Ltd KLT Precision Tube SA Pte Ltd
v) Associate Companies	Colour Roof (India) Limited CRIL Pre-Finish Metal FZC – UAE Thakkarsons Roll Forming Private Limited Metform Corporation Kish Realty Private Ltd AVMY Health Private Ltd KLT Automotive FZC-UAE
vi) Relatives of Key Management Personnel	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	Rupees in Lacs For the year ended 31st March 2022	Rupees in Lacs For the year ended 31st March 2021
Sale of Goods / Services etc				
Sales	Subsidiary	KLT Automotive & Tubular Products (South Africa) Pty Co.Ltd	590.17	162.49
	Subsidiary	MPS Automotive Products Private Ltd	5.15	-
	Associate Company	Colour Roof (India) Limited	-	4.67
Rendering of Services	Subsidiary	KLT Automotive & Tubular Products (South Africa) Pty Co.Ltd	775.10	120.86
Royalty Fees Recieved	Subsidiary	KLT Automotive & Tubular Products (South Africa) Pty Co.Ltd	1,174.92	1,135.31
Total			2,545.33	1,423.33
Purchase of Goods, Capital Goods & Services etc				
Purchase of Goods, Capital Goods etc	Subsidiary	MPS Automotive Products Private Ltd	196.86	64.64
Purchase of Goods, Capital Goods etc	Associate Company	Colour Roof (India) Limited	1.92	6.00
Jobwork Charges,Labour Charges,Services etc	Associate Company	Colour Roof (India) Limited	-	(56.71)
Rent Paid	Associate Company	Kish Realty Private Ltd	18.00	18.00
Total			216.77	31.93
Remuneration				
Remuneration	Director	Jubin Thakkar	132.00	84.56
Remuneration	Director	Miloni Thakkar	132.00	84.56
Remuneration	VP-Legal & CS	Vishal Borana	38.09	22.77
Total			302.09	191.90

	Nature of relationship	For the year ended 31st March 2022	For the year ended 31st March 2021
Balance outstanding as at the year end - Receivable			
KLT Automotive FZC	Associate Company	1,333.01	244.31
MPS Automotive Products Private Ltd	Subsidiary	1,882.59	1,895.50
AVMY Steel Scince Pte Ltd	Stepdown Subsidiary	139.12	134.12
Manisha Thakkar	Relatives	129.76	32.78
Colour Roof (India) Ltd	Associate Company	5,367.45	5,368.80
Thakkarsons Roll Forming Ltd	Associate Company	8.03	8.03
Kish Realty Private Ltd	Associate Company	335.22	343.42
Metform Corporation	Associate Company	68.76	68.76
Balance outstanding as at the year end - Payable			
KLT Automotive & Tubular Products (South Africa) Pty Co.Ltd	Subsidiary	2,231.55	2,841.75
KLT Precision Tube SA Pte Ltd	Stepdown Subsidiary	556.22	594.06
Jubin Thakkar	Director	51.30	50.92
Miloni Thakkar	Director	96.42	123.12
Parul Thakkar	Relatives	42.67	57.79
Sushila Thakkar	Director	480.00	480.00
CRIL Prefinish FZC	Associate Company	627.55	781.92
AVMY Helath Private Ltd	Associate Company	14.07	14.07

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NOTE 38 : Segment Reporting

(A) Information in respect of Primary segments

Rupees in Lacs

	Frame Assemble of Chassis	ERW/CDW Tubes	Others	Total
	Rs.	Rs.	Rs.	Rs.
(i) Segment Revenue (External Sales)	17,548.97	143.64	13,144.01	30,836.62
	9,443	*229*	*7,006*	*16,678*
(ii) Segment Results	1,419.71	11.68	296.72	1,728.11
	755	*18*	*(2,378)*	*(1,604)*
Less-Unallocable Corporate Expenditure				1,442.60
				14,854
Operating Profit				285.51
				(16,458)
Add-Dividend & Other Income				464.23
				241
Add-Interest Income				32.94
				37
Less-Interest Expenses				6,357.45
				6,428
Less-Income Tax, deferred Tax, Wealth tax				(5,911.32)
				(6,785)
Profit/(Loss) after tax				336.55
				(15,823)

Other Information

Rupees in Lacs

Segment Assets	35,639.42	11,137.04	46,776.46
Unallocable Corporate Assets	-	-	63,712.03
Total	-	-	110,488.49
Segment liabilities	3,069.28	5,459.15	8,528.43
Unallocable Liabilities	-	-	59,467.32
Total	-	-	67,995.75
Depreciation			
Segment Depreciation	3,331.73	845.48	4,177.21
Unallocable	-	-	223.42
Total	-	-	4,400.63
Capital Expenditure during the year	15.52	56.72	72.24
Unallocable	-	-	5.17
Total			

Non-Cash Expenditure other than depreciation

(B) Information in respect of Secondary segment

Rupees in Lacs

(I) Segment Revenue	31.3.2022	31.3.2021
In India	28,286.27	15,258.89
Outside India	2,550.35	1,418.81
Total	30,836.62	16,677.70

(ii) Carrying Amount of Segment Assets

In India	110,488.49	110,266.21
Outside India		
Total	110,488.49	110,266.21

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	Comprises of :
Frame Assembly of Chassis & Automotive Tubes	Parts and Accessories Of Motor vehicle
	ERW tubes,CDW tubes , Annealed Tubes

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NOTE 39 : 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 40 : 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 41: Tax Expenses

Reconciliation of tax expense and accounting profit multiplied by India's Domestic tax rate for year ended 31st Mar. 2022

Particulars	**Amount**
Profit Before Tax	(7,294.42)
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	(5,911.32)
Tax Expense for the Year	(5,911.32)

NOTE 42: 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 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

Todarwal & Todarwal LLP Regn. No. 111009W/ W100231 Chartered Accountants

SUNIL TODARWAL
PARTNER
MEMBERSHIP NO. 032512
UDIN: 22032512BALRBN3730
PLACE : MUMBAI
DATED : 20/10/2022

FOR AND ON BEHALF OF BOARD
KLT AUTOMOTIVE & TUBULAR PRODUCTS LTD

KLT Automotive and Tubular Products Ltd. MUMBAI

JUBIN K. THAKKAR
CHAIRMAN & MANAGING DIRECTOR
DIN:00001822

MILONI B. THAKKAR
JT. MANAGING DIRECTOR
DIN:07718683

KLT AUTOMOTIVE & TUBULAR PRODUCTS LIMITED

RATIO'S

		Current Year	Current Year	Current Year	Previouse Year	Previouse Year	Change (%)
			Figures in Lacs		Figures in Lacs		
a	Current Ratio	Current Assets	27,866	52.41%	27,084	59.30%	-6.90%
		Current Liabilities	53,172		45,670		
b	Debt Equiety Ratio	Total Debt	45,854	107.91%	41,979	95.65%	12.26%
		Share holders Equity	42,493		43,888		
c	Debt Service Coverage Ratio	Operating Income	15,282	912.59%	13,903	2347.49%	-1434.90%
		Total debt services	1,675		592		
d	Return on Equity Ratio	Net Income	(7,294)	-17.17%	(29,093)	-66.29%	49.12%
		Shareholders Equity	42,493		43,888		
e	Inventory Turnover Ratio	Cost of Goods Sold	28,020	202.87%	14,747	86.78%	116.10%
		Average Inventory	13,811		16,994		
f	Trade Recivable Turnover Rati	Net Credit Sales	30,837	653.13%	16,678	231.02%	422.11%
		Average Recivable	4,721		7,219		
g	Trade Payable Turnover Ratio	Net Credit Purchase	7,963	73.26%	3,445	28.07%	45.19%
		Average Payable	10,869		12,273		
h	Net Capital Turnover Ratio	Sales	30,837	-121.86%	16,678	-89.73%	-32.12%
		Net Assets *	(25,306)		(18,586)		
i	Net Profit Ratio	Net Profit (befor OCI)	(1,383)	-4.49%	(22,309)	-133.76%	129.28%
		Net Sales	30,837		16,678		
j	Return on Capital Employed	EBIT	(937)	-1.27%	(22,666)	-28.34%	27.08%
		Total Assets - Total Liability	74,025		79,965		

KLT Automotive & Tubular Products Ltd.

Loans & Advances :-

Figures in Lacs

Loans & Advances to	Name	Relation	Amount	Percentage % to Total Advance
Promotors	-	NA	Nil	NA
Directors	-	NA	Nil	NA
KMP	-	NA	Nil	NA
Related Parties	KLT Automotive FZC	Associate Company	1,333.01	25%
Related Parties	MPS Automotive Products Private Ltd	Subsidiary	1,882.59	35%
Related Parties	Metform Corporation	Associate Company	68.76	1%
			3,284.36	

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KLT Automotive and Tubular Products Ltd. Mumbai

KLT Automotive & Tubular Products Ltd.

CWIP ageing schedule :-

Figures in Lacs

CWIP	Amount in CWIP for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in Progress	-	427.34	-	-	427.34
Project temporary suspended	-	-	-	-	-

Intangible assets under development :-

Intangible assets under development	Amount in CWIP for the period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in Progress	72.22	-	-	-	72.22
Project temporary suspended	-	-	-	-	-

Todarwal & Todarwal LLP
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Chartered Accountants

KLT Automotive and Tubular Products Ltd. Mumbai

KLT Automotive & Tubular Products Ltd.

Statement of Change in Equity

A. Equity Share Capital

(1) Current Reporting Period

Figures in Lacs

Balance at the beginning of the current reporting period	Change in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current period	Balance at the end of the current reporting period
885.76	-	-	-	885.76

(2) Previous Reporting Period

Balance at the beginning of the current reporting period	Change in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current period	Balance at the end of the current reporting period
885.76	-	-	-	885.76

B. Other Equity

(1) Current reporting period

Figures in Lacs

	Reserve and Surplus						
	Securities Premium	General Reserve	Retained Earning	Debt Instrument through Other comprehensive Income	Revaluation Surplus	Other Items of Other Comprehensive Income	Total
Balance at the beginning of the current reporting period	6,182.61	3,279.77	948.40	-	19,468.29	13,122.91	43,001.96
Changes in accounnting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of current reporting period	-	-	-	-	-	-	-
Total comprehensive Income for the current period	-	-	-	-	-	1,719.65	-
Dividend	-	-	-	-	-	-	-
Transfer to Retained Earning	-	-	-	-	-	-	-
Any other changes	-	-	(1,378.52)	-	(1,733.33)	(2.78)	(1,394.98)
Balance at the end of the current reporting period	6,182.61	3,279.77	(430.13)	-	17,734.96	14,839.78	41,606.98

(2) Previouse reporting period

	Reserve and Surplus						
	Securities Premium	General Reserve	Retained Earning	Debt Instrument through Other comprehensive Income	Revaluation Surplus	Other Items of Other Comprehensive Income	Total
Balance at the beginning of prev year reportig period	6,182.61	3,279.77	23,237.63	-	25,964.41	6,656.82	65,321.23
Changes in accounnting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of previouse reporting peri	-	-	-	-	-	-	-
Total comprehensive Income for the previouse period	-	-	-	-	-	6,474.09	-
Dividend	-	-	-	-	-	-	-
Transfer to Retained Earning	-	-	-	-	-	-	-
Any other changes			(22,289.23)		(6,496.12)	(8.00)	(22,319.27)
Balance at the end of prev year reportig period	6,182.61	3,279.77	948.40	-	19,468.29	13,122.91	43,001.96