

/// KRYPTON INDUSTRIES LIMITED

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25A, Camac Street, Kolkata - 700 016, India
Phone : +91 33 22871366 / 1367
E-mail : krypton@kryptongroup.com
Website : www.kryptongroup.com

CIN : L25199WB1990PLC048791

Date: 14.09.2021

TO,	
The Bombay Stock Exchange Ltd Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	The Calcutta Stock Exchange Association Ltd Department of Corporate Services 7, Lyons Range Kolkata-700001

Sub: Annual Report for the 31ST Annual General Meeting of the Company to be held on 30th September, 2021

Dear Sir,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015, please find the attached herewith the Annual Report for the Thirty-first (31st) Annual General Meeting (AGM) of the Company scheduled to be held on Thursday, 30th September, 2021 through Video Conferencing/ other Audio Visual Means (VC/OAVM) in conformity with the regulatory provisions and circulars issued by the Ministry of corporate Affair, Government of India.

This is for your reference and record.

Thanking You.

For **KRYPTON INDUSTRIES LIMITED**

Arti Baid

Arti Baid
(Company Secretary)

Encls: As stated.

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31ST AGM ON THURSDAY, 30TH SEPTEMBER, 2021

KRYPTON INDUSTRIES LIMITED

CIN :L25199WB1990PLC048791

FALTA SPECIAL ECONOMIC ZONE, SECTOR - 1, PLOT NO. 31 & 32
P. S. DIAMOND HARBOUR, 24 PARGANAS (SOUTH), WEST BENGAL - 743 504

TIME : 11:30 A.M.

ALL SHAREHOLDERS ARE WELCOME

**31ST ANNUAL REPORT
BOARD OF DIRECTORS**

JAY S. BARDIA : MANAGING DIRECTOR
PRADEEP KUMAR SINGH : INDEPENDENT DIRECTOR
T. C. BACHHAWAT : NON-EXECUTIVE DIRECTOR
RAVI PRAKASH PINCHA : INDEPENDENT DIRECTOR
VIMALA DEVI BARDIA : NON-EXECUTIVE WOMEN DIRECTOR

ADMINISTRATIVE

P. L. BARDIA : CHIEF EXECUTIVE OFFICER
VINAY SIPANI : CHIEF FINANCIAL OFFICER
ARTI BAID : COMPANY SECRETARY
BANKER : 1) BANK OF BARODA
International Business Branch
4, India Exchange Place
Kolkata - 700 001.
AUDITORS : M/s. P. K. LUHARUKA & CO.
Chartered Accountants
P-44, Rabindra Sarani, 4th Floor
Room No. 402A, Kolkata - 700 001.
DEMAT REGISTRAR & : MAHESHWARI DATAMATICS (P) LTD.
23, R. N. Mukherjee Road, 5th Floor
Kolkata - 700 001
SHARE TRANSFER AGENT : Phone : 033-22435809/5029, Fax : 033-22484787
HEAD OFFICE : 410, Vardaan Building
25A, Abanindra Nath Tagore Sarani
4th Floor, Kolkata - 700 016
Phone : 033-22871366
Website : www.kryptongroup.com
E-mail : krypton@kryptongroup.com

DIRECTORS' REPORT

Dear shareholders,

Your Directors present the 31st Annual Report together with the audited accounts of your company for the year ended 31st March 2021.

1. FINANCIAL RESULTS

During the year under review, the company achieved an aggregate income of **Rs. 3285.24** Lakhs. The highlights of the financial results are as under:

	Amount in (Rupees in '000)	
	Current Year 2020-2021	Previous Year 2019-2020
Sales	304396.02	285185.23
Other Income	24128.32	6261.31
Gross Total Income	328524.34	291446.54
Profit before Interest, Depreciation & Tax	35744.96	36760.36
Interest	17902.09	16687.96
Depreciation	16014.99	17244.03
Profit before Exceptional Items & Extraordinary items and Tax	1827.88	2828.37
Exceptional Items	-	-
Profit before Tax and after Exceptional Items & Extraordinary Items	1827.88	2828.37
Provision for Taxation	(739.59)	(4040.18)
Profit after Tax	2567.47	6868.55
Other Comprehensive Income, net of tax	70.65	(536.38)
Total Comprehensive Income	2638.12	6332.17
Balance in P&L A/c brought Forward	88553.97	81685.42
Balance Available for Appropriation	90794.41	88553.97
Proposed Dividend	0.00	0.00
Tax on Proposed Dividend	0.00	0.00
Transfer to General Reserve	0.00	0.00
Balance carried to Balance Sheet	90794.41	88553.97

Consolidated Financial Statement :-

As required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) and in accordance with the Indian Accounting Standard (Ind-AS) 110, Consolidated Financial Statements (CFS) of the Company form part of the Annual Report and are reflected in the consolidated financial statements of the Company. These statements have been prepared on the basis of audited financial statements received from the subsidiary as approved by their respective Boards.

2. OVERVIEW AND REVIEW OF OPERATION

A review on division wise performance of the company is furnished below:-

Tyre Division

The total income of the Tyre division for the year 2020-21 amounted to Rs.826.67 lakhs compared to Rs.1064.28 lakhs of in the previous year. The loss before tax amounted to Rs. (78.34) lakhs as compared to loss of Rs. (15.05) lakhs previous year.

During the year this unit has unit performance is not up to mark due to COVID- 19 situation as its major revenue comes from exports and due lockdowns in different countries at different times has affected its sales badly. Also due to adverse shipping conditions both in terms of lead time & costs exports & imports became expensive which leads to higher input costs, and un competitive exports. Raw materials prices have grown more than 50% from pre covid levels which we could not pass entirely to our customers which has affected our bottom line. We are very hopeful that this situation will improve in current financial year.

Sadhurhat division

The unit is engaged in manufacturing MCP Tubeless Tires & Hospital Equipments for domestic market. The unit reported an income for the year 2020-21 amounted to Rs. 2400.79 lakhs as compared to the previous year Rs. 1861.03 Lakhs and the unit reported the Profit before tax for the year 2020-21 of Rs. 354.99 lakhs compared with previous year of Rs. 187.52 lakhs.

This unit has further increased its profit margin from last year. Also we have increased our topline impressively. We further believe that we can grow higher than industry average. We are very confident for coming years as there are certain bicycle companies & other mobility companies which are showing interest in our product as we can offer our unique product with no competitors in India. We hope to see very positive outcome in coming years.

Wheel division

The total income of this unit for the year 2020-21 amounted to Rs.67.34 lakhs compared to Rs.77.56 lakhs in the previous year. The unit reported the profit before tax for the year 2020-21 amounted to Rs. (73.97) lakhs compared to Rs. (86.68) lakhs in the previous year.

Due to stagnant export demand its productivity has not been achieved as per its capacity. With export as well as demand for other units will pick up we believe to use its capacity at higher level. This is a captive unit which is linked with the sales of other units.

Plastic division

The total income of this unit for the year 2020-21 amounted to Rs. 239.36 lakhs compared to Rs. 262.13 lakhs. The unit reported the profit before tax for the year 2020-21 amounted to Rs. 49.17 lakhs compared to the profit of Rs. 60.16 lakhs.

The unit has maintained the status quo in its performance. It can do much better and we are de bottle necking some process which will help in output with better costs. We believe that it can be used at full capacity from current financial year onwards with better realizations.

Footwear division

The total income of the footwear division for the year 2020-21 amounted to Rs. 81.92 lakhs compared to Rs. 326.80 lakhs in the previous year. The unit reported loss before tax of Rs. (178.76) lakhs during the year compared to loss of Rs. (52.75) lakhs in the previous year.

Due to COVID-19 and extreme slowdown in Indian economy footwear industry has suffered badly and it has resulted in losses. Also due to AMPHAN cyclone this unit has most badly impacted which resulted in slowdown in manufacturing. But due to adequate insurance we have managed to limit our losses. We are trying to change the business mix in this unit as and trying to add other polyurethane products to increase our product portfolio.

Engineering division

The total income of this unit for the year 2020-21 amounted to Rs. 855.49 lakhs compared to Rs.748.81 lakhs in the previous year.

The unit posted the loss before tax for the year 2020-21 amounted to Rs. (54.82) lakhs compared to loss of Rs. (64.91) lakhs.

Current year was very challenging due to lockdowns and sunk in demands. We have increased our topline but losses were flat due to further increase in raw material prices abruptly and we could not pass on the increased prices to customers due to cheaper imports. We are very hopeful to deliver growth of 10-15% CAGR for next 3 years. As per current government policies, they are pushing hard in this segment with focus on "**Divyang**" for sustained living.

The Indian Rehab Care Equipment Market has accepted the Brand "**iCare**" which was very encouraging for our company but we need to push on sale further to strengthen our brand value.

Company has always taken a long term view of this business and the company is also in process to come with more similar products for the disabled persons in the coming year. And the company is also expecting very high demand due to weaker rupee and stronger USD & Chinese Yuan due to which we will be very competitive not only in India but all around the world.

2. DIVIDEND

In order to strengthen the financial position of the company the Board of Directors have decided not to recommend any dividend for the Financial Year ended 31st March, 2021 and plough back the profits of the company in its business.

3. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATES

Company had incorporated a Wholly Owned Subsidiary in the name and style of, Krypton Europe S.R.O., a limited liability Company in the Nádra•ní 48, 514 01, Jilemnice, Czech Republic on 06th November, 2019. The purpose of setting up this entity is to establish a marketing and trading outfit to explore European markets for Rehab Care products.

In accordance with Section 129(3) of the Companies Act, 2013, the consolidated financial statements of the company has been prepared, which forms part of this Annual Report. Further, the report on the performance and financial position of the subsidiary in the prescribed form AOC-1 is annexed as Annexure III to this report.

4. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as required Listing agreement with Stock Exchange:-

A. Industry Structure & Developments:-

Krypton Industries Limited (KIL) had managed to be in positive territory in this extremely difficult market conditions and increasing input cost and manufacturing expenses.

Company's primary focus is expansion in Indian Markets for all its product line which include PU Safety Footwear, MCP tubeless tires and hospital/disabled support equipment business. Company is also focusing on high end products like hospital beds/ power wheelchairs for disabled persons and to increase its product portfolio. Also company is aggressively betting for government tenders for Wheelchairs & other support equipment.

We are currently focusing of Rehab care business which has tremendous growth outlook as this industry is in very nascent stage in India. Also our government are pushing very hard to improve the health care infrastructure in India which we can contribute in very positive way.

B. Outlook and opportunities

Your Company has identified the following opportunities and future building business areas:

The company's major focus is on MCP tubeless tires in bicycle industry and rehab care business which has very promising in future. Primarily, the PU tire for Bicycle, rehab care products and tires for industrial application will be our main focus this year and years to come for the domestic as well as international market.

With Rehab care / disabled support equipment business, the company is now considered as one of major domestic brand in India with brand name "**ICARE**" for rehab care products & we have also launched affordable new model of wheelchair in the Brand Name "**UDAAN**" which was accepted in highly competitive market, with our current product portfolio & brand recognition in market the future looks very promising. With government focus on "**Divyang**" section of society, huge demand from both government sector as well as from market will come in future. We have been also accredited with certain quality certification which will help company to participate tenders from Defense, NGO's, Hospitals & other government organizations. Company is also continuously making efforts to increase its product portfolio to stay competitive from imports and other emerging players in the segments.

C. Outlook on threats, risk and concer

1. Business Risks:

Company's major product portfolio is MCP tubeless Tires & castor wheels for industrial applications. It faces major competition from rubber tires which is cheaper than our products in same industry. Also rubber prices are much stable than polyurethane. Also our bicycle tire is new entrant in our portfolio which is still in growing stage and has a huge potential but at the same time it's a completely new product for the market and acceptance will take some time to establish. Our positive side is that life & quality of our product is much more superior than rubber tires.

In rehab care / Hospital furniture business our company is facing biggest competition from cheap & low quality Chinese products. Also further increase in prices in steel & other raw material items will hurt our bottom line in future. Also passing on additional cost is very difficult in this industry.

Company is normally import Raw Materials and export finished goods during its course of business which exposes it to exchange fluctuation risks and international crude & petrochemicals prices affects the raw material prices.

Also due to COVID-19 whole business scenario has changed and demand will take another 2-3 quarters to stabilize. We are also impacted in this scenario but we are searching all other options to minimize this impact.

2. Financial Risks:

Majority of raw material are imported, so any major fluctuation in US\$ can affect the performance of the company. Company is trying to leverage this risk by sourcing more from local vendors. Although foreign exchange risks somewhat balanced by exports and company is regularly covering such risk.

The interest cost is still on the higher side although RBI started reducing interest rates and banks are reluctant in passing the benefit to borrowers. Company is exploring the other means to reduce interest cost.

3. Legal & Statutory Risks

Company is complying regularly with all the regulatory requirements with respect to manufacturing, taxations, statutory requirements, company law, SEBI etc, with new laws coming in, this exercise will need more inputs which company is working towards.

4. Political Risks

Any major change in local, national or international can affect the business but as, at the moment, company does not have any business with government entities, the risk is minimal. Although company is trying to secure government business at the moment, this can impact positively as well as negatively in a small percentage of growth of the company.

D. Internal Control System and their adequacy:

Your Company believes that Internal Control is a required principle of governance that freedom of management should be exercised within a framework of appropriate checks and balances. Your Company remains committed to ensuring an effective internal control environment that provides assurance on the efficiency of operations and security of assets.

The company has an Audit Committee, the details of which have been provided in the Corporate Governance Report. Internal auditor performs their duty and audit committee reviews internal auditor reports and other reports and provides suggestions for improvement /takes corrective actions. The committee also meets the Company's Statutory Auditors to ascertain, interalia, their views on the Adequacy of Internal Control Systems in the company and keeps Board of Directors informed from time to time.

E. Financial Performance

Over all financial Performance of the company is satisfactory in current market scenario, we are cautiously improving in costing point of view which will further add to our margins. Our company will surely improve our topline and bottom line this year and in the years to come.

F. Human Resource Developments:

During the fiscal 2020-2021 company has more than 200 Persons on its payroll. Apart from this company has generated indirect employment to more than 500 persons in nearby locations. Company is working on to restructure the total organization to help its growth with further recruitment in the top and middle management level at different positions.

5. SHARE CAPITAL

The paid up equity share capital as at March 31, 2021 is Rs. 14.69 Crores, divided into 1,46,97,130 equity shares of face value Rs. 10 each.

During the year under review, the Company has not issued any equity shares with differential rights or sweat equity shares or under any employee stock option.

6. DEPOSITS

During the year under review, the Company has neither invited nor accepted any fixed deposits from the public within the meaning of section 73 of the Companies Act, 2013 and the rules made there under.

7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of the loans given, Investments made, Guarantees or Securities provided during the year have been disclosed under the Note no. 5,6,14 & 43 to the financial statement.

8. PARTICULARS OF THE CONTRACTS OR ARRANGEMENTS WITH THE RELATED PARTIES

All transactions/ contracts/arrangements entered with the Related Parties during the financial year were in the Ordinary course of business and on arm's length basis and without any conflict of interest. Moreover, the company has not entered into any transaction of material nature with the promoters, directors, management, subsidiaries or any significant related party during the financial year that may have potential conflict with the interests of the company at large.

Since all the related party transactions entered into by the Company were in the ordinary course of the Business and on an arm's length basis. Thus, no transaction are being reported in Form AOC-2.

The details of the transactions/ contracts /arrangements held with the related parties have been disclosed in the Notes to the financial statements. A framed Policy on Related Party Transactions duly adopted by the Board is available on the Company's website www.kryptongroup.com.

9. MATERIAL CHANGES AND COMMITMENTS

Except for the material changes and commitments arising out of COVID-19, there has been no material changes have been occurred affecting the financial position of the company in between the period from the close of the financial year of the company to which the Balance Sheet relates and the date of the report.

The COVID-19 pandemic started spreading in India in March 2020, forcing the central government to order a complete lockdown of all except essential outdoor activities from end-March 2020. Your Company had to close its offices, factories and dealer networks, during the first quarter of the financial year 2020-21. Your Company has taken effective and timely measures to ensure that the pandemic related risks of all nature- core, support and strategic are effectively mitigated. The strategic initiatives undertaken by it helped your Company to put in place strong and effective mitigating actions in response to COVID-19's impact on its business. As a result of these initiatives and with the gradual easing of restrictions from the second quarter onwards, your Company put up a strong performance during second half of the year, resulting in higher sales in the financial year 2020-21 compared with the previous financial year. In view of the lockdown restrictions imposed on the State of West Bengal vide circular dated 15 May 2021 due to steady surge in the number of COVID cases in the State of West Bengal consequent to the onslaught of the second wave of the COVID-19 pandemic, the revenue of the Company was substantially effected, however the Company is optimistic to restore its business once the lockdown is lifted and the overall scenario normalizes.

10. AUDITORS**Statutory Auditors & their Report**

M/s P. K. Luharuka & Co. (Registration no. 322020E), Auditors of the Company have been appointed at the Annual General Meeting on September 22, 2017 for a term of 5 years. The Company has received consent of the Auditors for continuation of office for the current year.

The observations made by the Statutory Auditors in their report for the financial year ended 31st March 2021 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Secretarial Audit Report

Pursuant to section 204 of the Companies Act, 2013, the Board has appointed Meenakshi Agarwal, Practicing Company Secretary to undertake the audit of Secretarial and other related records of the company. The Secretarial Audit Report issued by Meenakshi Agarwal in Form MR-3 for the financial year ended 31st March, 2021, is also annexed herewith in Annexure-V. Your directors wish to clarify the observations made by the Auditors regarding the cases being shown as pending in the Bankshall Courts which were actually being resolved during the past years itself and for which a letter is being sent to the Registrar for removal of such cases from the pending list.

Your Directors also clarify that the listing fees of the Calcutta Stock Exchange for the financial year is not being paid as the said stock exchanges is suspended from long and expected that the exchange will get de-recognised soon.

Cost Audit & Records

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014 the Company is only required to maintain its cost records in respect of the products being manufactured by the company. The Cost records are duly maintained by the company as required.

11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGES EARNINGS AND OUT GO:

The information as required under clause (m) sub section (3) of section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rule, 2014 is annexed herewith in Annexure- I.

12. EXTRACT OF ANNUAL RETURN

The extract of Annual Return in Form MGT-9 forming part of the Directors Report is available at the company's website www.kryptongroup.com.

13. DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL IMPACTING GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There were no significant & material orders passed by the regulators or courts or tribunal which would impact the going concern status and future operations of the company.

14. LISTING AT STOCK EXCHANGES

The equity shares of the company are listed on the stock exchanges at Kolkata and Mumbai. The annual Listing fees have been paid for the financial year 2020-2021.

15. CORPORATE GOVERNANCE

A separate section on corporate governance together with a certificate from the Auditors of the company regarding full compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 with the stock exchanges forms a part of the Report under Annexure- IV.

16. MEETINGS

During the year under review, seven Board Meetings and four Audit Committee Meetings were convened and held, the dates and attendance in by each Directors are given in the Corporate Governance Report. The maximum time gaps between the Meetings were within the period as prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

The details of constitution of the Board and its Committee are given in the Corporate Governance Report.

17. SECRETARIAL STANDARDS

The Company has complied with Secretarial standards issued by the Institute of Company Secretaries of India.

18. DIRECTORS

Mr. Tilok Chand Bachhawat (DIN: 00580356), Non-Executive Director who is liable to retire by rotation as director in accordance with the Companies Act, 2013 and being eligible, offers himself for reappointment at the forthcoming Annual General Meeting.

None of the Directors of the company are disqualified for being appointed as Directors as specified under section 164 of the Companies Act, 2013 and the rules made thereunder.

DECLARATION BY INDEPENDENT DIRECTOR: The Company has duly received the declaration from all the Independent Directors as laid under section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The declaration was placed and noted by the Board at its meeting held on 31st July, 2020.

19. REMUNERATION POLICY

The Board, on recommendation of the Nomination & Remuneration Committee has framed a policy for selection and appointment of Directors, Senior Management and their remuneration which includes criteria for performance evaluation of non-executive and executive directors. A detailed Policy is also available on the website of the Company, www.kryptongroup.com.

20. RISK MANAGEMENT POLICY

In accordance with the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Board of Directors of the Company is responsible for framing, implementing and monitoring the Risk management plans of the Company. The Company has also framed a Risk Management Policy defining the roles and responsibilities of the Committee and the same has been approved by the Board of Directors of the Company.

The Risk Management Policy is available on the website of the company, www.kryptongroup.com.

21. VIGIL MECHANISM/WHISTLE BLOWER POLICY

In accordance with the provision of the Companies Act, 2013 read with the Rules made therein and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, every listed company shall establish a Vigil Mechanism for the directors and employees to report their genuine concerns and grievances. A framed Vigil Mechanism is available on the company's website, www.kryptongroup.com.

The Audit Committee is entrusted with the responsibility to oversee the Vigil Mechanism.

22. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation of the Board as a whole, Chairman and the Non-Independent Directors was carried

out by the Independent Directors. This exercise was carried out in accordance with the Remuneration Policy framed by the Company within the framework of applicable laws.

The Board carried out an annual evaluation of its own performance, as well as the evaluation of the working of its committees and individual Directors, including Chairman of the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. While evaluating the performance and effectiveness of the Board, various aspects of the Board's functioning such as adequacy of the composition and quality of the Board, time devoted by the Board to Company's long-term strategic issues, quality and transparency of Board discussions, execution and performance of specific duties, obligations and governance were taken into consideration.

23. DIRECTORS RESPONSIBILITY STATEMENT

As required under Section 134(3)(c) of the Companies Act, 2013, your Directors hereby states:

- That in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed with proper explanation relating to material departures if any;
- That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are responsible and prudent so as to give true and fair view of the state of affairs of the company at the end of the financial year and of the profit of your company for that period.
- That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of your company and for preventing and detecting fraud and other irregularities.; and
- That the directors have prepared the annual accounts on a going concern basis and
- That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively, and
- That the systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

24. PARTICULARS OF EMPLOYEES

The disclosure required under section 197 of the Companies Act, 2013 read with the Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith in Annexure- II.

Your Directors state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

25. ISO 9001-2008, IS 7454

Your company operates in ISO 9000 quality assurance system as per the ISO 9001-2008 standards. The Audit was duly carried out during the year 2020-21. The new standards are mainly customer oriented and they will help our Company to get much better controls to improve with best customer satisfaction standards.

The company has been granted the license by Bureau of Indian Standards (BIS) to use Standard Mark i.e. IS 7454 in respect of Rehabilitation equipment- Wheelchairs Folding and Adult size according to which we will manufacture highest quality of wheelchairs as per the specification.

26. APPRECIATION

Your Directors take this opportunity to record their appreciation for the continued and sustained support and co-operation extended to the Company by the Government of India, State Governments, Financial Institutions and Banks, Dealers and Customers, Suppliers, Transporters, Employees, Shareholders and all other Stakeholders.

Cautionary Note:

Certain statements made in the Director's Report and "Management Discussion & Analysis Report " which seek to describe the company's objectives, projections, estimates, expectation or predictions etc may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual result may differ from such expectations, projections, etc., whether express or implied. Several factors could make significant difference to the Company's operations. These include climatic conditions and economic conditions affecting demand and supply, government regulations and taxation, natural calamities, etc. which the company doesn't have any direct control.

Registered Office: Falta Special Economic Zone
Sector-1, Plot-31&32, Falta
24-Parganas (S), Pin-743504
West Bengal
CIN : L25199WB1990PLC048791

By Order of the Board
For **Krypton Industries Limited**

ANNEXURE - I**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Pursuant to section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the particulars as required in relation to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo are given below:

A) CONSERVATION OF ENERGY

- a) The steps taken or impact on Conservation of Energy are:
1. Company has carried out a close monitoring of the Electricity consumption based on KWH.
 2. Company is changing normal tube lights & bulbs to LED lights & renovation factory shed so that in day time less electricity will be consumed in all the units in a phased manner to save electricity.
 3. Up gradation of the capacitors has been done in the plants in order to increase the power factor and efficient utilisation of energy. It will also help in the company to reduce its electricity bills in the coming years.

(B) TECHNOLOGY ABSORPTION**1. The efforts made towards technology absorption:**

Company's major focus is on PU related products in Bicycle industry & rehab care industry which has huge potential in future. We are continuously working on R&D of our existing products & we are exploring new products development in this field like PU foam products & other PU products used in rehab care industry. We have already developed high performance MCP tubeless tires for bicycles as a future substitute for Rubber Tires. Also we are doing R&D on high performance of PU tires in industrial applications which is a new area for us.

Our company is working to enhance our Rehab care unit production with same infrastructure by effective handling of man power and de bottlenecking in production.

2. Benefit derived like product improvement, cost reduction, product development or import substitution:

Our company has been started getting benefits of its R&D activities & cost reduction measures.

We have also been successful in cut down of our power cost and labour cost in all the units by up gradation of machines and effective utilization of manpower.

Our wheelchairs has been renewed, **IS 7454 by Bureau of Indian Standards (BIS)** which is highest quality standard for wheelchair product, which shows our dedication for quality and it will a big boost for the Company in the coming years. Also we are in process of getting BIS certification for our Safety shoes in current financial year.

(C) Foreign Exchange Earning and Outgo: The details of the Foreign Exchange Earning in terms of actual inflows and Foreign Exchange outgo in terms of actual outflows during the year under review are given below:

FOREIGN EXCHANGE EARNING AND OUTGO	2020-2021 (Rs. in '000)
1. (A) Foreign Exchange Earning	55550.55
2. (B) Foreign Exchange Outgo	
(i) CIF VALUE OF IMPORTS	
● Raw materials, Component & trading Goods	81336.73
● Stores and Spare parts & Component	817.28
● Capital Goods	529.88
● Other matters	174.83

Registered Office : Falta Special Economic Zone
Sector-1, Plot-31&32, Falta
24-Parganas (S), Pin-743504
West Bengal
CIN : L25199WB1990PLC048791

By Order of the Board
For **Krypton Industries Limited**

Jay Singh Bardia
Managing Director
(DIN : 00467932)

Date: 14.08.2021

ANNEXURE - II

Statement pursuant to section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

1. **The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:**

Name of Director	Ratio to Median remuneration
Jay Singh Bardia - Managing Director	22.53

Director's other than Executive Director have received sitting Fees for attending the meeting of the Board of Directors or its committees as disclosed in the Corporate Governance Report. The figures are not comparable.

2. **The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year**

Director's/CEO/CFO/CS name	% increase in remuneration in the Financial year 2020-21
Jay Singh Bardia, MD	No increment during the year
Pannalal Bardia, CEO	No increment during the year
Vinay Sipani, CFO	No increment during the year
Arti Baid, CS	No increment during the year

3. **The percentage increase in the median remuneration of employees in the financial year:** 5.60%.

4. **The number of permanent employees on the rolls of company:** 202 employees as on March 31, 2021.

5. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**

Average Salary increase of non-managerial employees for 2020-21 is 3-5%.

Average Salary increase of managerial employees for 2020-21 is Nil.

There were no exceptional circumstances for increase in the managerial remuneration.

6. **Affirmation that the remuneration is as per the remuneration policy of the company:** Remuneration paid during the year is as per the Remuneration Policy of the Company.

ANNEXURE- III**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs. in Thousands)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Krypton Europe S.R.O.
2.	Reporting period for the subsidiary	31.03.2021
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Czech Koruna (CZK) 1CZK=3.29118
4.	Share capital	3291.18
5.	Reserves & surplus	13967.77
6.	Total assets	26464.38
7.	Total Liabilities	9205.43
8.	Investments	-
9.	Turnover	135433.96
10.	Profit before taxation	19444.29
11.	Provision for taxation	3465.61
12.	Profit after taxation	15978.68
13.	Proposed Dividend	-
14.	% of shareholding	90%

Notes: 1. There are no subsidiaries which are yet to commence operations.
2. There are no subsidiaries which have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Since there are no associates and joint ventures as at 31 March, 2021, the information required in Part-B has not been furnished.

Registered Office: Falta Special Economic Zone
Sector-1, Plot-31 & 32, Falta
24 Parganas (s), Pin-743504
West Bengal
CIN: L25199WB1990PLC048791

For and on behalf of the Board

Jay Singh Bardia
Managing Director
(DIN: 00467932)

Date: 14.08.2021

ANNEXURE - IV
REPORT ON CORPORATE GOVERNANCE

[Pursuant to SEBI (Listing Obligations and Disclosures Requirement) Regulations, ("SEBI Listing Regulations") 2015]

1. Company's Philosophy on Corporate Governance

The basic philosophy of corporate governance in the Company is to maximize long-term shareholder's value, keeping in view the needs and interests of all its stakeholders and to achieve business excellence. The Company is committed to transparency in all its dealings and places high emphasis on business ethics.

The Corporate Governance framework of the Company ensures that timely and accurate disclosure is being made on all material matters regarding the Company, including the financial situation, performance, ownership and governance of the Company. The Board supports principles of good governance and lays appropriate emphasis on regulatory compliance, integrity and accountability.

2. Board of Directors:
a) Composition, Meetings, Attendance and Directorship(s)/Chairmanship(s)/ Membership(s)

The Board of Directors of the Company as on 31st March, 2021 comprised of total 5 Directors, consisting of One Executive Director and 4 Non Executive Directors which includes of 1 Woman Director & 2 Non Executive Independent Director. Mr. Jay Singh Bardia, Managing Director is the only Executive Director. During the year under review the Board met 7 times on 28.04.2020, 19.06.2020, 31.07.2020, 14.09.2020, 13.11.2020, 13.02.2021 & 30.03.2021. The previous Annual General Meeting was held on 30th September, 2020.

The constitution of the Board and their attendance at the Board Meetings, last Annual General Meeting and the Directorship/ Chairmanship/ Membership of Committee of each Director in other companies during the year ended 31st March 2021 are as under:

Sl. No.	Name of Director	Attendance		Category of Directors	No. of Directorship in other Public Limited Companies		No. of committee* Membership/Chairmanship in other Companies		Directorship in other Listed Equity (category of Directorship)
		Board	Last AGM		Listed	Others	Chairman	Members	
1.	Mr. Jay S. Bardia	07	Yes	Promoter, Executive, Managing Director	NIL	NIL	NIL	NIL	-
2.	Mr. Tilok Chand Bachhawat	03	Yes	Non-Executive	NIL	NIL	NIL	NIL	-
3.	Mr. Pradeep Kumar Singh	07	Yes	Independent, Non-executive Chairman	NIL	NIL	NIL	NIL	-
4.	Mr. Ravi Prakash Pincha	04	No	Independent, Non-executive	1	1	0	1	RDB Realty & Infrastructure Limited (Independent Non-Executive)
5.	Mrs. Vimala Devi Bardia	06	Yes	Non-executive, Women Director	NIL	NIL	NIL	NIL	-

*Committees include only Audit Committee and Stakeholders Relationship Committee.

None of the directors held directorship in more than 7 Listed Companies and/or 10 Public Limited Companies and/or were member in more than 10 committees or acts as a Chairman of more than 5 Committees across all Public Limited Companies in which he is a director.

None of the Independent Directors served as Independent Directors in more than 7 Listed Companies.

None of the Executive Directors served as Independent Director of any other Listed Company.

Mr. Jay Singh Bardia, Mr. Tilok Chand Bachhawat and Mrs. Vimala Devi Bardia holds 15,60,226; 2,29,657 and 2,82,000 shares respectively in the Equity capital of the Company.

No other director is related to any other director except Mr. Jay Singh Bardia and Mrs. Vimala Devi Bardia in terms of the definition of 'Relative' as given in the Companies act, 2013.

Necessary information as mentioned in SEBI Listing Regulations, 2015 has been placed before the Board for consideration.

Competencies of Board of Directors

The Board has identified the list of core skills/expertise/competencies as required in the context of its business for it to function effectively and are as under:-

1. Knowledge on Company's Business and of the Industry in which the Company operates.
2. Behavioural Skills attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.
3. Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, legal, Administration and Decision Making.
4. Accounting, Financial and Management Skills.
5. Technical / Professional Skills and Specialised Knowledge in relation to Company's business.

The Board believes that the skills/expertise/ competencies are available with the Company

Confirmation

The Board of Directors of the Company has confirmed that all Independent Directors of the Company fulfill the conditions specified in the SEBI (LODR) Regulations, 2015 and they are all Independent of the management as on 31.03.2021.

Skills / Expertise/ Competencies of Board of Directors

The Board composition is evenly poised between members specialized in Technical & commercial fields. The specialized skills/ experience of Board Members are given hereunder:-

1. Mr. Jay Singh Bardia, Managing Director
 - Mr. Jay Singh Bardia is a Bachelor of Engineering (Electrical) and has rich experience of more than 21 years in the field of the Tyre and PU Industries. His area of core competency area includes Production and Manufacturing of Tyres, Product Quality and Testing, Business Management, Controls, Strategic decision Making, Marketing etc.
2. Mr. Pradeep Kumar Singh, Chairman, Non-Executive Independent Director
 - Mr. Singh did his Masters in MA (Hons.) from Banaras University. He is having his own transport business from more than 26 years and has vast experience in Business Management, Finance & Accounting, Administration, Planning, Strategic decision Making, Marketing etc

3. Mr. Tilok Chand Bachhawat, Non-Executive Director
 - Mr. Bachhawat is qualified Chartered Accountant and Carrying his own business. His core area Financial Analysis, Strategic Management, Accounts & Taxation etc.
4. Mr. Ravi Prakash Pincha, Non-Executive Independent Director
 - Mr. Pincha is associated in Real estate business and he has got comprehensive experience in diversified areas including Financial Analysis, Project Financing, Risk Management etc.
5. Mrs. Vimala Devi Bardia, Non-Executive Director

Code of Conduct

All the Directors and the members of the Senior Executives have adhered to the code of Conduct for Board of directors and Senior Executives of the Company during the year and have affirmed their compliance with the same. The Annual Report also contains a declaration to this effect duly signed by the Managing Director. The Code of conduct for Board of Directors and senior Executives is also posted on the website of the company, www.kryptongroup.com.

3. Audit Committee:**Brief description of the terms of reference: -**

The Audit Committee reviews the Audit Reports submitted by the Internal Auditors, Statutory Auditors, financial results, effectiveness of internal audit process, and the Company's risk management strategy and to establish the vigil mechanism. It reviews the Company's established systems and the committee is governed by provisions of Companies Act, 2013 and Listing Agreement with the Stock Exchange and SEBI Listing Regulations, 2015.

Composition & Attendance:-

The Audit Committee consists of Mr. Jay Singh Bardia, Managing Director and other two Independent non-executive directors viz., Mr. Pradeep Kumar Singh, M.A. and Mr. Ravi Prakash Pincha. Mr. Pradeep Kumar Singh, an Independent Director, has been designated as the Chairman of the Committee, who is having good knowledge in finance and accountings. The Committee is mandated to meet at least four times in a year. The Company Secretary of the Company acted as the 'Secretary' to the Committee.

SL. No.	Name of Member	Category	No. of meetings attended
1.	Mr. Pradeep Kumar Singh	Member & Chairman	4
2.	Mr. Jay Singh Bardia	Member	4
3.	Mr. Ravi Prakash Pincha	Member	4

Four Committee meetings were held during the year viz., on 31.07.20, 14.09.20, 13.11.20 and 13.02.21.

4. Nomination & Remuneration Committee:**Brief description of terms of Reference:-**

This Committee identifies the persons, who are qualified to become Directors of the Company and who may be appointed in in senior management in accordance with the criteria laid down, and recommended to the Board their appointment and removal and also carries out evaluation of each director's performance. The Committee also formulates the criteria for determining qualifications, positive attributes and independence of a director and recommends to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees. The role and

terms of reference of the Committee covers the matters as specified for Nomination & Remuneration Committee in the Companies Act, 2013 and SEBI Listing Regulations, 2015.

Composition & Attendance:-

The Committee consists of three non-executive Directors viz. Mr. Ravi Prakash Pincha, Mr. Pradeep Kumar Singh and Mr.T.C.Bachhawat. Mr. Ravi Prakash Pincha, Non-Executive Independent Director has been designated as the Chairman of the Committee. The meeting of the Committee held on 30th September, 2020 and the attendance during the meeting is as follows:

SL. No.	Name of Member	Category	No. of meetings attended
1	Mr. Pradeep Kumar Singh	Member	1
2	Mr. T.C Bachhawat	Member	1
3	Mr. Ravi Prakash Pincha	Member & Chairman	1

Remuneration Policy: The Company has adopted a Remuneration Policy duly approved by its Board of Directors. A framed Remuneration Policy is also available on company's website, www.kryptongroup.com. For the performance evaluation criteria for Independent Directors, please refer Board's Report.

Remuneration/Commission to Director during the financial year 2020-2021:

Name of Director	Sitting Fees (Rs.)	Salary, Perquisites & Commission (Rs.)	Total (Rs.)
Mr. Jay Singh Bardia	-	30,00,000	30,00,000
Mr. Pradeep Kumar Singh	3,500	-	3,500
Mr. T. C. Bachhawat	1,500	-	1,500
Mr. Ravi Prakash Pincha	2,000	-	2,000
Mrs. Vimala Devi Bardia	3,000	-	3,000

Mr. Jay Singh Bardia was re-appointed as the Managing Director for a period of 3years w.e.f. 01st January, 2020. Other than sitting fees, there was no pecuniary relationship or transactions between Company and non executive directors.

No severance fee is payable and no stock option has been given.

5. Stakeholders Relationship Committee:

The Stakeholders Relationship Committee reviews & redresses the investor / queries / grievances/ complaints on the matter relating to the transfer of shares, non receipt of Annual Reports, Non receipt of dividend declared etc. The committee also looks into the matters relating to approval, transfers, transmission, consolidation and splitting of such certificates. The company adopts a policy of disposing of investor's complaint within a span of 15 days.

Due to Covid-19 Pandemic, the Shareholders/ Investors/ Grievance Committee met on 14 different occasions during the year under consideration. The meetings are held on 10th and 25th of every

calendar month except during complete lockdown due to Covid-19 and if there is a public holiday on that day then meeting holds on the immediately next working date.

Composition of and meetings attended by the members are as under:

SI. No.	Name of Directors	Category	No. of Meetings attended
1.	Mrs. Vimala Devi Bardia	Member & Chairman	14
2.	Mr. Pradeep Kumar Singh	Member	14
3.	Mr. Ravi Prakash Pincha	Member	14

Investors Grievance Redressal:-

No. of shareholders Complaints received so far	Nil
No. of complaints not solved to the satisfaction of shareholders	Nil
No. of complaints pending at the end of the financial year 2020-21	Nil

Name, designation and address of Compliance Officer:

CS Arti Baid, Company Secretary

Krypton Industries Ltd.

410, Vardaan Building
25A, Camac Street, Kolkata- 700016
Tel: 033 22871366;
E-mail: krypton@kryptongroup.com

6. General Body Meeting

Details of Location and Time of last three Annual General Meeting were given below:

YEAR	DATE	VENUE	TIME
2017-2018	22.09.2018	FALTA SPECIAL ECONOMIC ZONE Sector-1, Plot No. 31 & 32 Falta, 24-Parganas (S) Pin - 743 504, West Bengal	11.30 AM
2018-2019	20.09.2019		11.30 AM
2019-2020	30.09.2020	The meeting was conducted through VC / OAVM pursuant to the MCA Circular.	11.30 AM

All the resolution, including special resolutions set out in the respective Notices was passed by the Shareholders. No Special Resolutions was passed using Postal ballot at the meetings held during the years under review.

No special Resolution is proposed to be passed through Postal Ballot at the forth coming Annual General Meeting.

7. Means of Communication:

- i) The company regularly intimates un-audited quarterly financial results to the stock exchanges immediately after these on record by the Board. These Financial results are normally published in The Economics Times / Business Standard and Kalantar and are also posted in the website of the company ie. www.kryptongroup.com. The results are not sent individually to the shareholders.
- ii) Management Discussion and Analysis Report forms part of the Report of Directors.

8. General Shareholder Information: a)

1. Annual General Meeting Date, Time & Venue	30th September, 2021 11.30A.M. (The meeting is to be conducted through VC / OAVM pursuant to the MCA Circular dated January 13, 2021 and May 5, 2020 and as such there is no requirement to have a venue for the AGM.)
2. Date of Sending of Annual Report (via Email only)	On or before 06.09.2021
3. Book Closure	24.09.2021 to 30.09.2021
4. Financial Year	April 2020-March 2021
5. Listing of equity shares on Stock Exchanges	a) Bombay Stock Exchange Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 b) Calcutta Stock Exchange 7, Lyons Range, Murgighata, Dalhousie, Kolkata-700001
6. Stock Code ISIN	Bombay Stock Exchange - 523550 Calcutta Stock Exchange -Physical K-025 INE 951B01014
7. Registrar to issue and Share Transfer Agent	Maheshwari Datamatics Private Limited 23, R.N. Mukherjee Road, 5th Floor, Kolkata - 700001

8. Share Transfer Systems	Since the Company's shares can be traded only in demat mode, shareholders would be required to send their physical shares certificates, Demat Request Forms (DRF) etc directly to the Registrar and Share Transfer Agent. Shareholders would also have to ensure that their respective Depository Participant do not delay in sending the DRF physical share certificates to the aforesaid Share Transfer Agents so that no Demat requests from any shareholder remains pending with the Share Transfer Agent beyond a period of 30 days.						
9. Dematerialization of Shares	The shares of the company are in compulsory demat segment and are available for trading in the depository system of both the National Securities Depository Limited & Central Depository Services (India) Limited. As on 31st March, 2021, equity shares of the company forming 93.28 % of the share capital of the Company stands Dematerialized.						
10. Outstanding GDRs /ADRs/ warrant or any Convertible Instruments, conversion date and likely impact on equity:	No such warrants has been issued till date						
11. Plant Locations	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <u><i>DIVISION - I (Tyre Division)</i></u> Falta Special Economic Zone Sector-1, Plot No. 31 & 32 Falta, 24-Parganas (S) Pin - 743 504, West Bengal </td> <td style="width: 50%; vertical-align: top;"> <u><i>DIVISION - II (Footwear Division)</i></u> Banganagar, Diamond Harbour Road Falta, 24-Parganas (S) Pin- 743 513, West Bengal </td> </tr> <tr> <td style="vertical-align: top;"> <u><i>DIVISION - III (Wheel Division)</i></u> Falta Special Economic Zone Sector-2, Plot No. 48 24-Parganas (S) Pin - 743 504, West Bengal </td> <td style="vertical-align: top;"> <u><i>DIVISION - IV (Engineering Div)</i></u> Falta Special Economic Zone Sector-2, Plot no. 32 24-Parganas (S) Pin- 743 504, West Bengal </td> </tr> <tr> <td style="vertical-align: top;"> DIVISION - V (Plastic Division) Falta Special Economic Zone Sector-2, Plot No. 49 (part) 24-Parganas (S) Pin - 743 504, West Bengal </td> <td style="vertical-align: top;"> DIVISION- VI (Sadhurhat Div.) Sarisa Falta Road, Sadhurhat, PS- Ramnagar, 24 Parganas (S), West Bengal -743504 </td> </tr> </table>	<u><i>DIVISION - I (Tyre Division)</i></u> Falta Special Economic Zone Sector-1, Plot No. 31 & 32 Falta, 24-Parganas (S) Pin - 743 504, West Bengal	<u><i>DIVISION - II (Footwear Division)</i></u> Banganagar, Diamond Harbour Road Falta, 24-Parganas (S) Pin- 743 513, West Bengal	<u><i>DIVISION - III (Wheel Division)</i></u> Falta Special Economic Zone Sector-2, Plot No. 48 24-Parganas (S) Pin - 743 504, West Bengal	<u><i>DIVISION - IV (Engineering Div)</i></u> Falta Special Economic Zone Sector-2, Plot no. 32 24-Parganas (S) Pin- 743 504, West Bengal	DIVISION - V (Plastic Division) Falta Special Economic Zone Sector-2, Plot No. 49 (part) 24-Parganas (S) Pin - 743 504, West Bengal	DIVISION- VI (Sadhurhat Div.) Sarisa Falta Road, Sadhurhat, PS- Ramnagar, 24 Parganas (S), West Bengal -743504
<u><i>DIVISION - I (Tyre Division)</i></u> Falta Special Economic Zone Sector-1, Plot No. 31 & 32 Falta, 24-Parganas (S) Pin - 743 504, West Bengal	<u><i>DIVISION - II (Footwear Division)</i></u> Banganagar, Diamond Harbour Road Falta, 24-Parganas (S) Pin- 743 513, West Bengal						
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DIVISION - V (Plastic Division) Falta Special Economic Zone Sector-2, Plot No. 49 (part) 24-Parganas (S) Pin - 743 504, West Bengal	DIVISION- VI (Sadhurhat Div.) Sarisa Falta Road, Sadhurhat, PS- Ramnagar, 24 Parganas (S), West Bengal -743504						
12. Address for correspondence	M/s Krypton Industries Ltd 410, Vardaan Building, 25A, Camac Street, 4th Floor, Kolkata-700016 E-Mail: krypton@kryptongroup.com Ph: 033 22871366/ 1367, Fax -033 22871084						
13. Website	www.kryptongroup.com						

b. Stock Market Data: -

Monthly high and low quotations of shares traded at Bombay Stock Exchange (BSE) and performance in relation to BSE Sensex from April 2020 to March 2021 are as under:

Months	Krypton at BSE		BSE SENSEX	
	High (Rs)	Low (Rs)	High	Low
April, 2020	9.65	6.00	33887.25	27500.79
May, 2020	9.20	6.96	32845.48	29968.45
June, 2020	10.10	7.37	35706.55	32348.10
July, 2020	10.70	7.50	38617.03	34927.20
August, 2020	10.68	7.91	40010.17	36911.23
September, 2020	9.94	7.67	39359.51	36495.98
October, 2020	9.79	7.10	41048.05	38410.20
November, 2020	9.79	7.00	44825.37	39334.92
December, 2020	12.10	8.11	47896.97	44118.10
January, 2021	12.00	9.00	50184.01	46160.46
February, 2021	11.33	9.01	52516.76	46433.65
March, 2021	11.00	8.90	51821.84	48236.35

c. Distribution of Shareholding:

i) Category wise shareholding pattern as on 31.03.2021 was as under:

CATEGORY	NO.OF SHARES HELD	PERCENTAGE OF SHAREHOLDING
PROMOTER'S HOLDING		
Foreign Promoters	50796	0.35
Indian Promoters	3904629	26.56
NON-PROMOTERS HOLDING		
Banks, Financial Institutions, NBFCS Registered With RBI	25870	0.18
Insurance Companies	-	-
(Central/State Govt.Institutions/ Non-Govt. Institutions)	-	-
Mutual Funds/Uti/trust	2800	0.02
Clearing Members	10990	0.07
Private Corporate Bodies	1171369	7.97
Indian Public	8300793	56.48
NRIs/OCBs	1229883	8.37
TOTAL	14697130	100.00

ii) Distribution of Share Holding As On 31.03.2021

Nominal Value of Shares (Rs)	Share Holders		No. of Shares	
	(Numbers)	(% of Total)	(Numbers)	(% of Total)
(1)	(2)	(3)	(4)	(5)
Upto 5,000	6893	87.1429	832834	5.6666
5001 to 10000	340	4.2984	282859	1.9246
10001 to 20000	221	2.7939	343341	2.3361
20001 to 30000	94	1.1884	244992	1.6669
30001 to 40000	48	0.6068	170626	1.1609
40001 to 50000	58	0.7332	276079	1.8785
50001 to 100000	91	1.1504	675841	4.5985
100001 & Above	165	2.0860	11870558	80.7679
Grand Total :	7910	100.0000	14697130	100.0000

8. Disclosures**Related Party Transactions :**

All transactions entered into with the related parties during the financial year ended 31st March, 2021 were in the ordinary course of business and on an arm's length basis and without any conflict of interest in accordance with the provisions of the Companies Act, 2013 and SEBI Regulations, 2015. Moreover, there were no materially significant related party transactions during the financial year which were in conflict with the interest of the Company. Suitable disclosures as prescribed under the applicable Accounting Standard have been made in the Note 47 to the Financial Statements.

A framed Policy on Related Party Transactions is uploaded on the Company's website, www.kryptongroup.com.

Compliances by the Company:

During the last 3 years no penalties or strictures have being imposed on the company by the Stock Exchanges, SEBI or any other statutory authority on any matter related to Capital Markets.

Whistle Blower Policy:

The Company has adopted Whistle Blower/ Vigil Mechanism Policy for Directors and employees which has been uploaded on the company's website, www.kryptongroup.com. The Audit Committee is entrusted with the responsibility to oversee the Vigil Mechanism.

Details of compliances with Mandatory Requirements and adoption of the non-mandatory requirements of this clause:

All the Mandatory requirements have been appropriately complied with and the non- mandatory requirements are mentioned at the end of the Report.

Policy on Determination of Materiality for Disclosures & Archival Policy:

The Company has adopted a policy on determination of materiality for disclosures to disclose events or information which, in the opinion of the board of directors of the Company, are material and the same has been uploaded on the company's website, www.kryptongroup.com.

Share Capital Reconciliation Audit:

CA. Hari Ram Agarwal, partner of M/s H. R. Agarwal & Associates, a Practicing Chartered Accountant, carried out a Share Capital Reconciliation Audit during the year on quarterly basis to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CSDL) and the total issued and listed capital. Any difference in aggregate is reported in quarterly reports. Moreover, number of requests confirmed after 21 days and / or number of requests pending beyond 21 days during /at the end of each quarter by / with RTA is reflected in the report along with reasons for delay, if any.

Disclosure of Accounting Treatment

The Company has followed all relevant applicable Accounting Standards as prescribed by The Institute of Chartered Accountants of India while preparing the financial statements.

Proceeds from Public Issues, Right Issues and Preferential Issues, etc

During the financial year 2020-21, the company did not issue or allot any securities to its shareholders.

Disclosure of Risk Management

The Company has the risk assessment and mitigation procedures in place and the same have been laid before the Board members from time to time.

List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilisation of funds, whether in India or abroad.

Facilities/Instruments	Credit rating by CRISIL
Long-Term Banking Rating (Fund based and Non Fund based facility)	CRISIL BB- Stable
Short-Term Banking Rating (Fund based and Non Fund based facility)	CRISILA4+

Certificate from Company Secretary in Practice

The Company has received a certificate from a Company Secretary in Practice that none of the Directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the board/ Ministry of Corporate Affairs or any such statutory authority.

During the year Board had accepted all mandatory recommendation made by the committee.

Disclosure of fees to Statutory Auditor

Total fees for all the services paid by the company on a consolidated basis a sum of Rs. 3.00 lacs for the financial year 2020-2021 to M/s P.K. Luharuka & Co., Statutory Auditor of the company.

Disclosure of Sexual Harassment of Women at Workplace

During the year, no complaints were filed in relation to the Sexual Harassment of Women at workplace

Compliance

The Disclosures on Corporate Governance as required under Regulation 17 to 27 and clause (b) to (i) of sub regulation (2) of Regulation 46 have been adhered and complied with.

Compliance with the Non Mandatory Requirements

i) The Board

The company has allowed any reimbursement of expenses incurred by the Non- Executive chairman who is entitled to maintain a Chairman's office at the Company's expenses, in performance of his duties.

ii) Shareholders Rights

A half yearly declaration of financial performance including summary of the significant events is presently not being sent to each household of the shareholders.

iii) Audit qualifications

During the period under review, there is no audit qualification on company's financial statements.

iv) Separate posts of Chairman and CFO

The Company has appointed separate persons to the post of chairman and Managing Director/ CFO.

v) Reporting of Internal Auditor

Presently, the Internal Auditor is directly reporting to the Audit Committee

CEO / CFO CERTIFICATION

(Pursuant to SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015)

The Board of Directors

KRYPTON INDUSTRIES LIMITED

Pursuant to Regulations 17(8) of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015, this is to certify that:

1. We have reviewed financial statements and the Cash Flow Statement for the year ended 31st March 2021, and to the best of our knowledge and belief;
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements might be misleading;
 - b) These statements together present a true and fair view of the Company's affair and are in compliance with existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, there are no transactions entered into by the Company during the years, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibilities for establishing and maintaining internal control for financial reporting. We have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to be taken for rectifying these deficiencies.
4. We have indicated to the Auditors and Audit Committee
 - a) Significant changes in internal control over financial reporting during the year.
 - b) Significant changes in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management, or an employee having a significant role in the company's internal control system over financial reporting.

For Krypton Industries Limited

	Sd/-	Sd/-	Sd/-
Place: Kolkata	Jay Singh Bardia	Panna Lal Bardia	Vinay Sipani
Date: 14.08.2021	(Managing Director)	(Chief Executive Officer)	(Chief Financial Officer)
	DIN : 00467932		



Declaration on Compliance of the Company's Code of Conduct

As provided under Regulation 34(3) read with schedule V of the SEBI Listing Regulations, 2015, all Board members and Senior Management Personnel have affirmed compliance with code of conduct as applicable to them for the year ended 31st March, 2021.

For **Krypton Industries Limited**

Place: Kolkata
Date: 14.08.2021

Sd/-
Jay Singh Bardia
(Managing Director)
DIN : 00467932

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

**To the Members of
Krypton Industries Limited,**

1. This certificate is issued in accordance with the terms of our engagement letter dated 30th September, 2020.
2. This report contains details of compliance of conditions of Corporate Governance by Krypton Industries Limited ('the Company'), for the year ended 31 March 2021, as stipulated in regulations 17-27, clause (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('Listing Regulations'), pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility for compliance with the conditions of Listing Regulations

3. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company along with the maintenance of all its relevant supporting records and documents. The Management is also responsible for ensuring that the Company complies with the requirements as stipulated in Regulations 17-27, Clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations.

Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2021.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes [Revised 2016] ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company

Restriction on use

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**FOR P. K. LUHARUKA & CO.
CHARTERED ACCOUNTANTS
Firm Registration No - 322020E**

**P. K. Luhraruka
PARTNER
Membership No. 055782**

Dated: 14.08.2021
Place: Kolkata

ANNEXURE - V : SECRETARIAL AUDIT REPORT

**Form No. MR - 3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

KRYPTON INDUSTRIES LIMITED

Falta Special Economic Zone Sector 1 Plot No 31
& 32 P S Diamond Harbour
Twenty Four Parganas
West Bengal, 743504

1. I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KRYPTON INDUSTRIES LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.
 2. Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:
 3. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **KRYPTON INDUSTRIES LIMITED ("The Company")** for the period ended on 31st March, 2021, according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations/ guidelines/ circulars/ as may be issued by SEBI from time to time;
- I further report that, there were no actions/ events in pursuance of;**
- a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- b. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We further report that having regards to the compliance system prevailing in the Company and as per the representation made by the management, the company has complied with the specific applicable laws like:

- a. Special Economic Zone Act, 2005

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards, SS-1 and SS-2 issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with Calcutta Stock Exchange \ Limited, Bombay Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc. mentioned above, subject to the following observations:

- i. The company has not made payment of Annual Listing Fee to Calcutta Stock Exchange Limited.
- ii. The company has a pending case with the Bankshall Court under section 299, 63, 73 (2B) of the Companies Act, 1956 and the matter is subjudice.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Director during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board meeting and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there are no specific events or actions having a major bearing on the Company's affairs in pursuance of laws, rules, regulations and guidelines, standard, etc., referred to above.

This report is to be read with our letter of even date which is annexed "ANNEXURE - A" and forms an Integral Part of this Report.

For **Meenakshi Agarwal**
Company Secretaries

C P No. : 8292

UDIN No. :

F009102C000497691

Place : Kolkata

Date : 22.06.2021

"ANNEXURE - A"

(TO THE SECRETARIAL AUDIT REPORT OF KRYPTON INDUSTRIES LIMITED
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021)

To,

The Members,

KRYPTON INDUSTRIES LIMITED

Falta Special Economic Zone Sector 1 Plot No 31

& 32 P S Diamond Harbour

Twenty Four Parganas

West Bengal, 743504

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the Audit practices and processes as where appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibilities of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Meenakshi Agarwal**
Company Secretaries

Place : Kolkata

C P No. : 8292

Date : 22.06.2021

UDIN No. : F009102C000497691

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KRYPTON INDUSTRIES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Krypton Industries Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year ended, and notes to the standalone financial statements, including 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, 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 March 31, 2021 and its profit and other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. 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.

Description of Key Audit Matter

The Key Audit Matter	How the matter was addressed in our audit
<p><u>Revenue Recognition</u></p> <p>Refer Note 32 to the Financial Statements. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. During the year ended March 31, 2021, the company has recognised revenue amounting to Rs. 2415.67Lakhs & Rs. 571.54Lakhs from domestic and export sales respectively. Terms of sales arrangements, including the timing of transfer of control, delivery specifications including terms in case of exports, timing of recognition of sales require significant judgment in determining revenues. The risk is, therefore, that revenue may not get recognised in the correct period or that revenue and associated profit may be misstated.</p> <p>Accordingly, due to the significant risk associated with revenue recognition in accordance with terms of Ind AS 115 'Revenue from contracts with customers', it has been determined to be a key audit matter in our audit of the standalone Ind AS financial statements.</p>	<p>Our audit procedures included the following:-</p> <ul style="list-style-type: none"> ☞ Considering Company's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers'. ☞ Assessing the design and tested the operating effectiveness of internal controls related to revenue recognition. ☞ Testing samples of individual sales transaction and tracing to sales invoices, sales orders, (received from customers) and other related documents including terms and conditions, if any. ☞ Selecting sample of sales transactions made pre- and post-year end, agreeing the period of revenue recognition to underlying documents. ☞ Performing analytical review of revenue to identify any unusual trends. ☞ Assessing the relevant disclosures made within the standalone Ind AS financial statements.

The Key Audit Matter	How the matter was addressed in our audit
<p><u>Inventories</u></p> <p>Refer Note 10 to the Financial Statements. Total Inventory as at 31.03.2021 was Rs. 1781.68 Lakhs and Finished goods of Rs. 809.06 Lakhs comprise 45.41 per cent of such inventory holdings. Total Inventories are 59.64 per cent of the total turnover of the company for FY 2020-2021.</p>	<p>Our audit procedures included the following:-</p> <ul style="list-style-type: none"> ☞ Obtaining an understanding of and assessing the design, implementation and operating effectiveness of management's key internal controls relating to physical verification of inventories by the management of the Company.

The Key Audit Matter	How the matter was addressed in our audit
<p>The inventories are counted by the company on a cyclical basis and accordingly provisions for obsolescence including revision in valuation to Net Realizable Value, if any, of inventories are assessed and recognized by the management in the financial statements based on management estimation as at the end of the reporting period. Significant degree of judgment is thereby required to assess the net realizable value of the inventories and appropriate level of provisioning for items which may be ultimately sold below cost. Such judgment includes management's expectations for future sale volumes, inventory liquidation plans and future selling prices less cost to sell.</p> <p>Such high holdings, existence and valuation of inventories make it a key audit matter.</p>	<ul style="list-style-type: none"> ☞ Assessing whether items in the inventory ageing report prepared by the management were classified within the appropriate ageing bracket; ☞ Performing a review of the provisions for inventories by examining movements in the balance during the current year; ☞ Assessing, on a sample basis, the net realizable value of inventories as calculated by management with reference to prices achieved and costs to sell after the financial year end.

The Key Audit Matter	How the matter was addressed in our audit
<p><u>Deferred Tax Asset</u></p> <p>Refer Note 23 to the Financial Statements. Deferred Tax Asset ('DTA') is recognized by the company on the Unused Tax Credits and Unused Tax Losses. Total Deferred Tax Asset on such matters stand at Rs. 82.91 Lakhs as at 31.03.2021.</p> <p>DTA is recognized on such unused tax losses and unused tax credits to the extent that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. The risk is, therefore, that sufficient profits may not be available in the future to utilise such Deferred Tax Asset.</p> <p>Such existence and recognition of Deferred Tax Asset make it a Key Audit Matter.</p>	<p><u>Our audit procedures included the following:-</u></p> <ul style="list-style-type: none"> ☞ Updating our understanding of the identifiable causes behind occurrence of tax losses and assessing whether such causes are likely to recur. ☞ Obtaining an understanding from the management and assessing the accounting and financial estimates on the basis of which the company shall have sufficient taxable profits before expiry of unused tax losses and unused tax credits.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual Report 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 during the course of our 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 Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IndAS) 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 of 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 Board of Directors is also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

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 Requirement

1. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the standalone statement of changes in equity and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "AnnexureB". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - (i) The Company, as detailed in Note 43 to the standalone financial statements has disclosed the impact of pending litigations as on March 31, 2021 on its financial position in its 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) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

Place : Kolkata
Dated : The 14th Day of August, 2021

For **P. K. Luharuka & Co.**
Chartered Accountants
Firm Registration No.: 322020E

Pradeep Kumar Luharuka
Partner
Membership No. 055782
UDIN : 21055782AAAADG9074

Annexure "A" to Independent Auditors' Report On the Standalone Financial Statements of Krypton Industries Limited for the year ended 31ST March 2021

Referred to in Paragraph 9 under "Report on other Legal and Regulatory Requirements" of our report of even date to the Financial Statements of the Company for the year ended March 31, 2021

- (i) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such physical verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets.
 - (c) According to the information and explanations given to us and the records examined by us, and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the Company.
- (ii) During the year, the inventories have been physically verified by the management. In our opinion, the frequency of verification is reasonable. On the basis of our examination of the record of inventories, we are of the opinion that the Company is maintaining proper records of inventories. The discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of account.
- (iii) In respect of the loans, secured or unsecured, granted by the Company to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013:
 - (a) In our opinion the rate of interest and other terms and conditions on which the loans had been granted were not, prima facie, prejudicial to the interest of the company.
 - (b) The borrowers are regular in repaying the Principal Amounts and interest as stipulated, and are also regular in payment of as applicable.
 - (c) There is no overdue amount for more than 90 days.
- (iv) In our opinion and to the best of information and explanations given to us the Company has complied with the provisions laid down under sections 185 or 186 of the Act with respect to loans and investments made in the current year. However, Opening balance of such loans granted to "persons in whom the director is interested" before the commencement of Section 185 still exists on Balance Sheet date.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of Paragraph 3 of the Order are not applicable.

(vi) We have broadly reviewed the cost records maintained by the company as prescribed by the Central Government under section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of Statutory Dues:

(a) According to the information and explanations given to us and on the basis of examination of records given to us, amounts deducted/accrued in the books of accounts in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods & Service Tax, Sales Tax, Custom Duty, Excise Duty, Value Added Tax, cess and other statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods & Service Tax, Sales Tax, Custom Duty, Excise Duty, Value Added Tax, cess and other statutory dues were in arrears as at 31st March, 2021 for a period of more than six months from the date they become payable.

(b) According to the information and explanations given to us, the dues of Goods & Service Tax, sales tax, income tax, duty of customs, duty of excise, service tax and value added tax which have not been deposited on account of disputes as at 31.03.2021 are set out below:-

Sr. No.	Name of the Statute	Nature of the Dues	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
			Amount of Demand / Dispute (₹)		
1.	Income Tax Act, 1961	Income Tax (For the Company)	₹14,33,509/-	AY 2012-13	Appeal u/s 246A before CIT (Appeals)
2.		Income Tax (For the Company)	₹6,02,520/-	AY 2011-12	Appeal u/s 246A before CIT (Appeals)

(viii) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of loans or borrowings to any financial institution, bank or government. Further, the Company has not issued any debentures. Hence, reporting under Clause (viii) of the Order is not applicable to the Company.

- (ix) The Company did not raise any money by way of Initial Public Offer or Further Public Offer (including debt instruments). All money raised by Term loans was applied for the purposes for which it was raised.
- (x) According to the information and explanations given to us no material fraud on or by the Company by its officer or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and on the basis of examination of records of the Company, the Company has paid/provided for Managerial Remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under Clause (xii) of CARO 2016 Order is not applicable here.
- (xiii) According to the information and explanations given to us and on the basis of examination of records of the Company the transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions has been disclosed in the
- (xiv) According to the information and explanations given to us and on the basis of examination of records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under Clause (xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and on the basis of examination of records of the Company the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly paragraph 3(xv) of Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934

For **P. K. Luharuka & Co.**
Chartered Accountants
Firm Registration No.: 322020E

Pradeep Kumar Luharuka
Partner
Membership No. 055782
UDIN : 21055782AAAADG9074

Place: Kolkata

Dated: The 14th Day of August, 2021

Annexure "B" to Independent Auditors' Report On the Standalone Financial Statements of Krypton Industries Limited for the year ended 31st March 2021

Referred to in Clause (f) of Paragraph 1 under "Report on other Legal and Regulatory Requirements" of our report of even date to the financial statements of the company for the year ended March 31, 2021.

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

We have audited the internal financial controls over financial reporting of Krypton Industries Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended and as on March 31, 2021.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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, both applicable to an audit of Internal Financial Control, and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal financial 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.

For P. K. Luharuka & Co.
Chartered Accountants
Firm Registration No.: 322020E

Pradeep Kumar Luharuka
Partner
Membership No. 055782
UDIN : 21055782AAAADG9074

Place: Kolkata
Dated: The 14th Day of August, 2021

Standalone Balance Sheet as at 31st March, 2021

	Note No.	As at 31/03/2021 (₹ in Thousands)	As at 31/03/2020 (₹ in Thousands)
ASSETS			
Non Current Assets			
(a) Property, Plant and Equipment	"2"	152,271.21	157,078.80
(b) Right of Use Assets	"3"	5,319.42	6,562.35
(c) Capital Work -in- Progress	"4"	7,026.19	2,606.14
(d) Financial Assets			
(i) Investments	"5"	3,865.66	3,842.79
(ii) Trade Receivables		-	-
(iii) Long Term Loans	"6"	12,015.10	10,931.21
(iv) other Financial Assets	"7"	3,965.06	3,426.56
(e) Non-Current Tax Assets	"8"	5,728.20	4,776.37
(f) Other Non-Current Assets	"9"	250.00	-
		<u>190,440.84</u>	<u>189,224.22</u>
Current Assets			
(a) Inventories	"10"	178,167.80	181,599.76
(b) Financial Assets			
(i) Investments			
(ii) Trade Receivables	"11"	63,956.58	71,470.48
(iii) Cash & Cash Equivalent	"12"	5,618.53	3,744.76
(iv) Bank Balances other than (iii) above	"13"	6,201.96	7,764.11
(v) Short Term Loans	"14"	3,751.47	3,951.47
(vi) Other Financial Assets	"15"	7,916.96	2,462.14
(c) Current Tax Assets	"16"	29,826.95	22,624.75
(d) Other Current Assets	"17"	43,205.52	21,291.71
		<u>338,645.77</u>	<u>314,909.18</u>
Total Assets		<u>529,086.61</u>	<u>504,133.40</u>
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	"18"	146,971.30	146,971.30
(b) Other Equity	"19"	132,047.48	129,736.39
		<u>279,018.78</u>	<u>276,707.69</u>
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	"20"	55,641.11	43,990.96
(ii) Other Financial Liabilities		-	-
(iii) Non- Current Lease Liability	"21"	2,265.31	6,210.33
(b) Long Term Provisions	"22"	6,120.61	5,602.27
(c) Deferred Tax Liabilities (Net)	"23"	4,522.16	5,226.46
(d) Non-Current Tax Liabilities (Net)	"24"	219.95	-
(e) Other Non-Current Liabilities		-	-
		<u>68,769.14</u>	<u>61,030.02</u>

Standalone Balance Sheet as at 31st March, 2021

	Note No.	As at 31/03/2021 (₹ in Thousands)	As at 31/03/2020 (₹ in Thousands)
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	"25"	74,640.88	92,843.49
(ii) Trade Payables	"26"		
- Total Outstanding dues of Micro & Small Enterprise		3,899.82	-
- Total Outstanding dues other than Micro & Small Enterprise		47,584.98	24,067.37
(iii) Other Financial Liabilities	"27"	44,797.30	31,982.63
(iv) Lease Liabilities	"28"	2,065.89	1,679.15
(b) Other Current Liabilities	"29"	5,450.98	13,485.61
(c) Current Tax Liabilities (Net)	"30"	307.82	951.15
(d) Provisions	"31"	2,551.02	1,386.29
		<u>181,298.69</u>	<u>166,395.69</u>
Total Equity And Liabilities		<u>529,086.61</u>	<u>504,133.40</u>

Summary of Significant Accounting Policies - '1'
The accompanying notes all in Integral Part of the Financial Statement.

JAY SINGH BARDIA
Managing Director
(DIN : 00467932)

VINAY SIPANI
Chief Financial Officer

In terms of our attached report of even date
For **P. K. LUHARUKA & CO.**
CHARTERED ACCOUNTANTS
Firm Registration No.322020E

PRADEEP KUMAR SINGH
Director
(DIN : 00386800)

ARTI BAID
Company Secretary

PRADEEP KUMAR LUHARUKA
PARTNER
Membership No.055782

Place: Kolkata
Dated: The 14th Day of August, 2021

Standalone Statement of Profit and Loss for the year ended 31st March, 2021

	Note No.	Year Ended 31/03/2021 (₹ in Thousands)	Year Ended 31/03/2020 (₹ in Thousands)
REVENUE			
Gross Revenue from Operations	"32"	304,396.02	285,185.23
Net Revenue from Operations		304,396.02	285,185.23
Other Income	"33"	24,128.32	6,261.31
Total Revenue		328,524.34	291,446.54
EXPENSES			
Cost of Materials Consumed	"34"	130,551.90	113,322.17
Purchase of Stock in Trade		12,617.19	11,119.36
Changes in Inventories	"35"	14,828.92	(9,478.61)
Employee Benefits Expenses	"36"	50,468.86	64,174.74
Power and Fuel	"37"	8,019.43	9,422.43
Finance Cost	"38"	17,902.09	16,687.96
Depreciation and Amortization	"39"	16,014.99	17,244.03
Other Expenses	"40"	76,293.08	66,126.09
Total Expenses		326,696.46	288,618.17
Profit before Tax		1,827.88	2,828.37
Tax Expenses:			
Current Tax	"41"	-	-
Deferred Tax		(739.59)	(4,040.18)
Tax pertaining to earlier years		-	-
Profit/ (Loss) for the Year		2,567.47	6,868.55
Other Comprehensive Income			
Items that will not be reclassified subsequently to Profit & Loss			
i. Remeasurement of post -employment benefits plans		95.47	(724.84)
ii. Tax relating to above items		24.82	(188.46)
Total other Comprehensive Income for the year net of tax		70.65	(536.38)
Total Comprehensive Income for the year		2,638.12	6,332.17
Earning per Equity Share			
Basic & Diluted EPS (₹)	"42"	0.17	0.47

Summary of significant accounting policies "1"

The accompanying accounting notes are an integral part of the financial statements.

JAY SINGH BARDIA
Managing Director
(DIN : 00467932)

VINAY SIPANI
Chief Financial Officer

In terms of our attached report of even date
For **P. K. LUHARUKA & CO.**
CHARTERED ACCOUNTANTS
Firm Registration No.322020E

PRADEEP KUMAR SINGH
Director
(DIN : 00386800)

ARTI BAID
Company Secretary

PRADEEP KUMAR LUHARUKA
PARTNER

Place: Kolkata
Dated: The 14th Day of August, 2021

Membership No.055782

Standalone Cash Flow Statement for the year ended 31st March, 2021

	Year ended 31/03/2021 (₹ in Thousands)	Year ended 31/03/2020 (₹ in Thousands)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	1,827.88	2,828.37
Adjustment for :		
Finance Costs	17,902.09	16,687.96
Unrealized Foreign exchange gain/(loss)	(322.10)	(50.20)
Provision for expected credit loss on receivables	853.50	829.21
Depreciation and Amortization Expenses	16,014.99	17,244.03
Other Income	(327.03)	-
Current Service Cost for Gratuity	865.24	956.88
Rental Income	(913.00)	(3,393.20)
Liabilities/Provisions written back	(952.79)	(2,001.17)
Interest Income	(1,351.75)	(1,457.19)
Profit on Sale of Assets	(29.52)	-
Net (gain)/loss on fair value changes of investments measured at FVTPL	<u>(22.86)</u>	<u>(124.64)</u>
Operating profit before working capital changes	<u>33,544.65</u>	<u>31,520.05</u>
Changes in working Capital:		
Inventories	3,431.96	(8,118.14)
Trade and other Receivables	7,513.90	(12,796.22)
Trade and other Payables	27,417.42	(35.56)
(Increase)/Decrease in Loans	(883.89)	(671.13)
(Increase)/Decrease in Financial Assets	(5,993.32)	(1,181.01)
(Increase)/Decrease in other Assets	(30,317.84)	(9,237.65)
Increase/(Decrease) in other Financial Liabilities	3,609.11	8,922.70
Increase/(Decrease) in other Liabilities	(8,458.01)	5,649.48
Increase/(Decrease) in Lease Liabilities	(3,082.60)	7,413.80
Increase/(Decrease) in Provisions	1,207.39	1,308.25
Cash generation from Operation	<u>27,988.77</u>	<u>22,774.57</u>
Payment of Direct Taxes (net)		
Net Cash generated/ (used) - Operating Activities	<u>27,988.77</u>	<u>22,774.57</u>

Standalone Cash Flow Statement for the year ended 31st March, 2021**B. CASH FLOW FROM INVESTMENT ACTIVITIES**

Purchase of Fixed Assets	(16,896.04)	(15,168.66)
Capital work in progress	(4,420.05)	(540.46)
Investments in Subsidiary	-	(2,815.34)
Purchase of Investments	-	(174.95)
Sale of Fixed Assets	340.00	-
Assets Written off	6,621.08	-
Rent received	913.00	3,393.20
Interest Received	356.76	1,431.07
Net Cash Generated/ (Used) - Investing Activities	<u>(13,085.25)</u>	<u>(13,875.14)</u>

C. CASH FLOW FROM FINANCING ACTIVITIES

Payment towards Lease Liability (net)	(768.00)	(768.00)
Repayment of Long-term Borrowings	11,650.15	29,847.26
Proceeds/ Repayment of Short-term Borrowings (Net)	(9,756.78)	(28,035.96)
Finance Cost Paid	(15,717.27)	(15,857.55)
Net Cash Generated/ (Used) - Financing Activities	<u>(14,591.90)</u>	<u>(14,814.25)</u>
Net Increase/ (Decrease) in Cash and Cash Equivalents	311.62	(5,914.82)
Add : Opening Cash and Cash Equivalents	11,508.87	17,423.69
Closing Cash and Cash Equivalents	<u>11,820.49</u>	<u>11,508.87</u>

Notes:

1. The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard (AS) 3.
2. Figures have been regrouped/ rearranged wherever necessary.

JAY SINGH BARDIA
Managing Director
(DIN : 00467932)

VINAY SIPANI
Chief Financial Officer

In terms of our attached report of even date
For **P. K. LUHARUKA & CO.**
CHARTERED ACCOUNTANTS
Firm Registration No.322020E

PRADEEP KUMAR SINGH
Director
(DIN : 00386800)

ARTI BAID
Company Secretary

PRADEEP KUMAR LUHARUKA
PARTNER
Membership No.055782

Place: Kolkata
Dated: The 14th Day of August, 2021

Standalone Statement of Changes in Equity for the year ended 31st March, 2021**A. Equity Share Capital**

	Numbers	Amount (Rs. '000)
Equity Share of INR 10 each issued, subscribed and fully paid		
Balances of April 01, 2019	14697130	146,971.30
Changes in equity Share capital during the year	-	-
Balances at March 31, 2020	14697130	146,971.30
Changes in equity Share capital during the year	-	-
Balances at March 31, 2021	14697130	146,971.30

B. Other Equity

Particular	Reserve & Surplus				
	Securities Premium	General Reserve	Retained Earnings	OCI	Total
As at April 01, 2019	36553.40	5,707.51	81,685.42	(542.11)	123,404.22
Profit/(Loss) for the year	-	-	6,868.55	-	6,868.55
Items of Other Comprehensive Income, net of tax	-	-	-	-	-
Remeasurements of defined benefit plans	-	-	-	(536.38)	(536.38)
Other Adjustments	-	-	-	-	-
Balances at March 31, 2020	36553.40	5707.51	88553.97	(1078.49)	129,736.39
Profit/(Loss) for the year	-	-	2,567.47	-	2,567.47
Items of Other Comprehensive Income, net of tax	-	-	-	-	-
Remeasurements of defined benefit plans	-	-	-	70.65	70.65
changes in fair value of Investments	-	-	-	-	-
other Adjustments:	-	-	(327.03)	-	(327.03)
Balances at March 31, 2021	36553.40	5707.51	90794.41	(1007.84)	132,047.48

The accompanying notes are an integral part of the financial statements.

JAY SINGH BARDIA
Managing Director
(DIN : 00467932)

VINAY SIPANI
Chief Financial Officer

In terms of our attached report of even date
For **P. K. LUHARUKA & CO.**
CHARTERED ACCOUNTANTS
Firm Registration No.322020E

PRADEEP KUMAR SINGH
Director
(DIN : 00386800)

ARTI BAID
Company Secretary

PRADEEP KUMAR LUHARUKA
PARTNER
Membership No.055782

Place: Kolkata
Dated: The 14th Day of August, 2021

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021**1. Summary of Significant Accounting Policies and Other Explanatory Information****I. GENERAL CORPORATE INFORMATION**

Krypton Industries Limited ("The Company") with its registered office at Falta Special Economic Zone, Sector - 1, Plot No. 31 & 32, P.S - Diamond Harbour, 24 Parganas South, West Bengal - 743504. The Company is engaged in Manufacture and Sale of Tubeless Tyres, Commode Chairs, P.U. Shoe Soles, P.U. Sandals/ Chappals and trading in Tubeless Tyres, Wheel Chairs and its accessories, Walker, Cycle Accessories, Plastic Rims, Crutches, Rollators, etc.

The financial statements were authorised for issue by the Company's Board of Directors on 14th August, 2021.

II. BASIS OF PREPARATION:**a) Statement in Compliance with Indian Accounting Standards (Ind AS)**

The standalone financial statements comply in all material aspects with Indian Accounting Standards (IndAS) notified under Section 133 of the Companies Act, 2013 (hereinafter referred to as the "Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented.

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All figures have been rounded off to the nearest thousand, unless otherwise indicated.

Historical cost convention

The standalone financial statements have been prepared on a historical cost basis, except the following:

- certain financial assets and liabilities that are measured at fair value; and
- defined benefit plans - plan assets measured at fair value.

Current versus non-current classificationnon :

The Company presents all its assets and liabilities in the standalone balance sheet based on current or non-current classification. Assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria asset out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

III. SIGNIFICANT ACCOUNTING POLICIES**(a) Revenue from contract with customers**

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

At contract inception, Company assesses the goods or services promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer. Revenue is recognised upon transfer of control of promised products or services to customers in an amount of the transaction price that is allocated to that performance obligation and that reflects the consideration which the Company expects to receive in exchange for those products or services.

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 an entity expects to be entitled in exchange for transferring promised goods or services to a customer net of returns, excluding amounts collected on behalf of third parties (for example, taxes) and excluding discounts and incentives, as specified in the contract with customer.

With respect to sale of products and rendering of certain services, revenue is recognised at a point in time when the performance obligation is satisfied and the customer obtains the control of goods or services. There are no significant financing components involved on contract with customers. Invoices are usually payable within the credit period as agreed with respective customers.

The Company recognises revenue only when it is probable that it will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Customer Incentive:

The Company usually have customer Incentive programs for their customers based on the sales from time to time. The Company grants incentive to only those customers who have qualifying sales, at certain percentage of total transaction made by them during the said periods.

Job Work:

The Company has entered into Job Work arrangements with big OEM's, and products are manufactured on their behalf and accordingly, the revenues from such arrangements have been recorded as part of gross revenue.

Income from export incentives and Other Operating Income:

Export incentives and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the incentive will be received.

Insurance Claims are accounted to the extent the company is reasonably certain of their ultimate collection.

Interest income:

Interest income is recorded on accrual basis.

(b) Property, plant and equipment***Recognition and initial measurement:***

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are added in the asset's carrying amount/recognized as

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of such item can be measured reliably. All other repairs and maintenance expenses are charged to the standalone statement of profit and loss in the period in which they are incurred. Gains or losses arising on retirement or disposal of property, plant and equipment are recognized in the standalone statement of profit and loss.

Refer Note No. 2 to Financial Statements.

Capital work-in-progress:

Property, plant and equipment which are not ready for intended use as on the balance sheet date are disclosed as "Capital work-in-progress".

Subsequent measurement (depreciation and useful lives):

Depreciation is provided on a pro-rata basis on the written down value (WDV) method based on estimated useful life prescribed under Schedule II of the Companies Act, 2013. Depreciation of land acquired under finance lease and leasehold improvements is provided over their respective lease period or estimated useful life whichever is shorter. Residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each Balance Sheet date and any change in them is adjusted prospectively.

Category of asset Useful life

Buildings	30 years
Plant and equipment (inc. Mould)	15 years
Furniture and fixtures	10 years
Office equipment	3 - 5 years
Vehicles	8-10 years

Freehold land is carried at historical cost.

The management believes that these estimated useful lives and residual values are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Refer Note No. 2 to Financial Statements.

De-recognition:

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the standalone statement of profit and loss, when the asset is de-recognized.

Intangible assets and Amortisation

Acquired intangible assets are initially measured at cost and subsequently at cost less accumulated amortisation and accumulated impairment loss, if any.

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in profit or loss as incurred.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortisation in the Statement of Profit and Loss.

Intangible assets, if any, are amortised over a period of five years under straight line method.

The amortisation period and the amortisation method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortisation period is changed accordingly.

Intangible assets under development is stated at cost which includes expenses incurred in connection with development of intangible assets in so far as such expenses relate to the period prior to getting the assets ready for use.

(c) Government Grants

Government grants are recognised at their fair values when there is reasonable assurance that the grants will be received and the Company will comply with all the attached conditions. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed or netted off with related expenses. Grants related to purchase of property, plant and equipment are included in non-current liabilities as deferred revenue and are credited to profit or loss on a straight line basis over the expected useful life of the related asset and presented within other operating revenue. Grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognised in profit or loss of the period in which it becomes receivable.

(d) Financial Instruments**A) Financial Assets**

Classification: The Company classifies its financial assets in the following measurement categories depending on the Company's business model for managing such financial assets and the contractual cash flow terms of the asset.

- (i) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- (ii) those subsequently measured at amortized cost.

For assets measured at fair value, gains or losses are either recorded in the statement of profit and loss or other comprehensive income. Investments in debt instruments are classified depending on the business mode managing such investments. The Company re-classifies the debt investments when and only when there are a change in business model managing those assets. For investments in equity instruments recording of gains or losses shall depend on whether the Company has made an irrevocable election at the time of initial recognition to account for such equity investments at fair value through other comprehensive income.

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

Measurement: At initial recognition, the Company measures a financial asset (other than those carried at fair value through profit or loss) at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss as and when they are incurred.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model managing such debt instruments and the contractual cash flow characteristics of the instrument. There are three measurement categories into which the debt instruments are classified:

- (i) **Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- (ii) **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at Fair value through Other Comprehensive Income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gains or losses previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method.
- (iii) **Fair value through profit or loss (FVTPL):** Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognized in statement of profit and loss in the period in which it arises.

Equity instruments: The Company classifies all its equity investments at fair value through profit and loss or at fair value through other comprehensive income basis. Changes in the fair value of financial assets at fair value through profit and loss are recognized in other gains/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity instruments measured at FVOCI are not reported separately from other changes in fair value.

Impairment:

The Company assesses the expected credit losses for its financial assets at amortized cost and FVOCI debt instruments. Impairment methodology applied depends on whether there has been a significant increase in credit risk and the loss amount assessed depends upon past events, present conditions and future economic scenario.

In accordance with Ind AS 109: Financial instruments, the company recognizes impairment loss allowance on trade receivables based on historically observed default rates. Impairment loss allowance recognized during the year is charged to Statement of profit and loss.

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021**De-recognition:**

A financial asset is de-recognized when:

- (i) Contractual right to receive cash flows from such financial asset expires;
- (ii) Company transfers the contractual right to receive cash flows from the financial asset; or
- (iii) Company retains the right to receive the contractual cash flows from the financial asset, but assumes a contractual obligation to pay such cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards associated with the ownership of the financial asset. In such cases, the financial asset is de-recognized. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized.

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

B) Financial Liabilities**Classification & Measurement**

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on de-recognition is also recognised in profit or loss.

De-recognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

C) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

D) Impairment of non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Impairment loss is charged to the Statement of Profit & Loss Account in the year in which an asset is identified as impaired. An impairment loss recognized in the prior accounting periods is reversed if there has been change in the estimates used to determine the assets recoverable amounts since the last impairment loss was recognised.

(e) Measurement of Fair Values

A number of the accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non-financial assets and liabilities.

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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

- o Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- o Level 2 - Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- o Level 3 - Inputs which are unobservable inputs for the asset or liability.

(f) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment and amortised over the period of the facility to which it relates.

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

Borrowings are derecognized from the standalone balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in standalone statement of profit and loss as other gains or (losses).

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

(g) Borrowing costs

Borrowing Costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. It also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs that are directly attributable to the acquisition or construction of qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get itself ready for the intended use.

Transaction Costs in respect of long term borrowings are amortised over the tenure of respective loans using Effective Interest Rate (EIR) method. Other borrowing costs are recognized as an expense in the period in which they are incurred.

(h) Inventories

Raw materials, packing materials, work-in-progress, stores and spares, finished goods and stock-in-trade are valued at lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost.

Cost of inventories comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from the tax authorities), cost of conversion and all other costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost method is used. In determining the cost of manufactured finished goods and work-in-progress an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and conditions are considered. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Adequate allowance is made for obsolete and slow moving items.

Refer Note No. 10 to Financial Statements.

(i) Cash and cash equivalents

Cash and cash equivalents comprise of cash-on-hand and short term demand deposits with banks. The Company considers it's highly liquid, short-term investments (having maturity less than three months) which can be readily converted to fixed/determinable amount of money and subject to insignificant risks arising from changes in their fair values, as cash equivalents.

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

Refer Note No. 12 & 13 to Financial Statements.

(j) Foreign currency transactions**Transactions and balances:**

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions and from translation of monetary assets and liabilities at the exchange rates prevailing on the balance sheet dates are recognized in the standalone statement of profit and loss.

(k) Employee benefits expense**(i) Short term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Post-retirement benefits

Post-retirement benefits to employees can either be through defined contribution plans or defined benefit plans. A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund and pension schemes. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company operates a Defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the effect of the asset ceiling (if any, excluding interest), are recognised in OCI.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- (i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and (ii) Net interest expense or income

The current and non-current bifurcation is done as per Actuarial report.

Refer Notes 22, 31, 36 and 50 to the Financial Statements.

(l) Leases

- **Company as a Lessor**

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

- Company as a Lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straightline basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

Right-of-Use Assets (ROU Assets)

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The rights of use assets are also subject to impairment. Refer to the accounting policies in Note 1.III.b Impairment of nonfinancial assets.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term Leases and Leases of Low-Value Assets

The Company applies the short-term lease recognition exemption to its short-term leases of Property, Plant & Equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(m) Provisions, contingent liabilities and contingent assets**Provisions:**

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of such obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the Balance Sheet date.

Refer Note No. 22 & 31 to Financial Statements.

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

Refer Note No. 43 to Financial Statements.

Contingent assets: Contingent assets are not recognized in the financial statement. However when there is a virtual certainty that an inflow of resources embodying economic benefits will arise from the contingent asset, such asset and the related income is recognized in the period in which the changes occurred.

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021**(n) Income tax**

Income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rates with adjustments for changes in deferred tax assets or liabilities attributable to temporary differences and unused tax losses or credits.

Current tax is calculated based on tax laws enacted or substantively enacted at the end of the reporting period.

Deferred tax is recognized on temporary differences arising from the tax bases of assets and liabilities and their respective carrying amounts in the financial statements at the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet Date.

Deferred Tax Assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each Balance Sheet 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 tax asset to be utilised. Unrecognized Deferred tax Assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

For items recognized in OCI or equity, deferred/current tax is also recognized in OCI or equity.

Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the standalone statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

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

(o) Segment reporting

As per Ind AS 108: Operating Segments, the Company has identified the following operating segments:

- (i) Tyre, Rims & Wheel
- (ii) Footwear
- (iii) Hospital Equipments

(p) Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021**(q) Earnings per share**

Basic earnings per share is computed by dividing the net profit or loss before OCI for the period by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events that have changed the number of outstanding equity shares, without a corresponding change in the resources. For the purpose of calculating diluted earnings per equity share, net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares. As on the balance sheet dates, the Company has no dilutive potential equity shares.

(r) Estimation of uncertainties relating to the Global Health Pandemic from COVID-19 :

The Company has considered internal and certain external sources of information up to the date of approval of the financial statements in determining the impact of COVID-19 pandemic on various elements of its financial statements.

The management has used the principles of prudence in applying judgements, estimates and assumptions and based on the current estimates, the management expects to fully recover the carrying amount of inventories, trade receivables, investments and other assets. However, the eventual outcome of the impact of the COVID-19 pandemic may be different from those estimated as on the date of approval of these financial statements.

(s) Accounting Standards Issued but not yet Effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2021.

On March 24, 2021, the MCA through notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Current maturities of Long-term borrowings shall be disclosed separately under the heading Short Term Borrowing.

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

- Security Deposits to be shown under the head of Other Non Current Assets instead of Long term Loan & Advances.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.
- Ratios - Following Ratios to be disclosed: - (a) Current Ratio, (b) Debt-Equity Ratio, (c) Debt Service Coverage Ratio, (d) Return on Equity Ratio, (e) Inventory turnover ratio, (f) Trade Receivables turnover ratio, (g) Trade payables turnover ratio, (h) Net capital turnover ratio, (i) Net profit ratio, (j) Return on Capital employed, (k) Return on investment.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

2 Property, Plant And Equipment

Summary of cost and net carrying amount of each class of tangible assets are given below:

	Cost		Accumulated Depreciation		Net Carrying Amount	
	31/3/2021	31/3/2020	31/3/2021	31/3/2020	31/3/2021	31/3/2020
	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)
Freehold Land	14,649.18	14,649.18	-	-	14,649.18	14,649.18
Buildings	82,301.23	85,495.48	17,000.22	14,348.58	65,301.01	71,146.90
Plant and Machinery	102,019.63	96,162.70	44,204.35	39,637.62	57,815.28	56,525.08
Furniture and Fixtures	8,813.79	8,005.49	3,586.91	2,756.63	5,226.88	5,248.86
Electrical Installation	8,748.75	8,055.95	4,266.45	3,593.95	4,482.30	4,462.00
Office Equipment	1,714.99	1,521.46	759.84	609.39	955.15	912.06
Computers	331.91	286.64	184.29	162.50	147.62	124.14
Vehicles	8,116.94	7,970.46	4,423.15	3,959.88	3,693.79	4,010.58
	226,696.42	222,147.36	74,425.21	65,068.55	152,271.21	157,078.80

(a). Reconciliation of the gross and net carrying amounts of assets at the beginning and year ending 31/03/2021 are as under:

Cost	As at	Additions	Other Adjustments	As at
	31/03/2020			31/03/2020
	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)
Freehold Land	14,649.18	-	-	14,649.18
Buildings	85,495.48	1,023.91	4,218.16	82,301.23
Plant and Machinery	96,162.70	12,448.30	6,591.37	102,019.63
Furniture and Fixtures	8,005.49	808.30	-	8,813.79
Electrical Installation	8,055.95	692.80	-	8,748.75
Office Equipment	1,521.46	193.53	-	1,714.99
Computers	286.64	45.27	-	331.91
Vehicles	7,970.46	866.86	720.38	8,116.94
	222,147.36	16,078.97	11,529.91	226,696.42
Previous Year	215,396.66	6,750.70	-	222,147.36
Accumulated Depreciation				
Freehold Land	-	-	-	-
Buildings	14,348.58	3,470.98	819.34	17,000.22
Plant and Machinery	39,637.62	7,935.84	3,369.11	44,204.35
Furniture and Fixtures	2,756.63	830.28	-	3,586.91
Electrical Installation	3,593.95	672.50	-	4,266.45
Office Equipment	609.39	150.45	-	759.84
Computers	162.50	21.79	-	184.29
Vehicles	3,959.88	873.30	410.03	4,423.15
	65,068.55	13,955.14	4,598.48	74,425.21
Previous Year	49,680.14	15,388.41	-	65,068.55

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

3	Right of Use Assets	As at	
	31/03/2021		31/03/2020
Particulars	(₹ Thousands)		(₹ Thousands)
Right of Use Assets	8,417.97		-
As at 01st April	-		8,417.97
Additions for the Year	1,021.15		-
Add: Other Adjustments	-		-
Disposal	-		-
As at 31 March 2021	9,439.12		8,417.97
Accumulated Depreciation			
As at 01st April	1,855.62		-
Charge for the Year	2,059.85		1,855.62
Add: Other Adjustments	204.23		-
Disposal	-		-
As at 31 March 2021	4,119.70		1,855.62
Net Block			
As at 31 March 2021	5,319.42		6,562.35
Refer Note - 49 for detailed disclosure as per IndAS-116.			
4	Capital Work-in-Progress:	As at	
		31/03/2021	31/03/2020
		(₹ Thousands)	(₹ Thousands)
Capital WIP			
Capital WIP (Building Plant & Machinery)		7,026.19	2,606.14
		<u>7,026.19</u>	<u>2,606.14</u>
5	Investments	As at	
		31/03/2021	31/03/2020
		(₹ Thousands)	(₹ Thousands)
Investment in Foreign Subsidiary (at Cost)		2815.34	2815.34
- Krypton Europe s.r.o., 90% holding in Capital			
Investments (Non-Trade)			
Investments in Equity Instruments (Unquoted) (a)		94.00	94.00
Gold Coins (Designated at Fair Value through Profit & Loss)		596.57	580.50
Sovereign Gold Bond (Designated at Fair Value through Profit & Loss)		359.75	352.95
		<u>3,865.66</u>	<u>3,842.79</u>

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

A. Disclosure with regard to investments in bodies corporate are given below:

	Face value per Unit	As at 31/03/2021 Numbers (₹ Thousands)	As at 31/03/2020 Numbers (₹ Thousands)
i. Other Investments			
Investments in Equity Instruments (Unquoted)- (Measured at Cost)			
Krypton Developers Limited	Others	10	9,400
I Care International Private Limited	Others	10	108.00
Less: Impairment in value of Investments		-	(108.00)
		20,200	94.00
		20,200	94.00

6 Long Term Loans (At Amortised Cost)

	As at	
	31/03/2021	31/03/2020
	(₹ Thousands)	(₹ Thousands)
Long Term Loans	12,015.10	10,931.21
Loans to Others		
Unsecured, Considered Good	<u>12,015.10</u>	<u>10,931.21</u>

7 Other Financial Assets

	As at	
	31/03/2021	31/03/2020
	(₹ Thousands)	(₹ Thousands)
Security Deposits	1,939.31	1,860.81
Unsecured, Considered Good		
Loans/Advances to Others	1,565.75	1,565.75
Other Receivables (Disputed)	460.00	-
	<u>3,965.06</u>	<u>3,426.56</u>

8 Non -Current Tax Assets

	As at	
	31/03/2021	31/03/2020
	(₹ Thousands)	(₹ Thousands)
Income Tax Deducted at Source	4,518.05	3718.58
Duties & Taxes	1,210.15	1,057.79
	<u>5,728.20</u>	<u>4,776.37</u>

9 Other Non -Current Tax Assets

	As at	
	31/03/2021	31/03/2020
	(₹ Thousands)	(₹ Thousands)
Capital Advances	250.00	-
	<u>250.00</u>	<u>-</u>

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

10 Inventories (At Cost or NRV whichever is lower)

	As at	
	31/03/2021	31/03/2020
	(₹ Thousands)	(₹ Thousands)
Raw Materials	59,244.00	45,504.04
Work -in- Progress	13,193.16	20,118.95
Consumable stores	1,749.48	1,196.56
Finished Goods	80,906.46	87,528.47
Stock -in -Trade	5,748.53	448.30
Stores & Spares	10,368.61	13,255.39
Upper (Produced Raw Material)	6,428.08	13,009.44
Packing Materials	529.48	538.61
	178,167.80	181,599.76

Note: Inventories are pledged against the borrowings obtained by the company as referred in Note no. 20 & 25

11 Trade Receivables (at Amortised Cost)

	As at	
	31/03/2021	31/03/2020
	(₹ Thousands)	(₹ Thousands)
Considered Good	63,956.58	71,470.48
Considered Doubtful	1,023.35	1,023.35
	64,979.77	72,493.83
Less: Allowances for doubtful Debts	1023.19	1,023.35
TOTAL	63,956.58	71,470.48

Note: Trade Receivables are pledged against the borrowings obtained by the company as referred in Note no. 20 & 25

12 Cash & Cash Equivalent

	As at	
	31/03/2021	31/03/2020
	(₹ Thousands)	(₹ Thousands)
Cash and Cash Equivalents :		
Cash on hand	4,066.00	3,597.51
Balance with Bank		
Current A/c	1,552.53	147.25
	5,618.53	3,744.76

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

		As at	
		31/03/2021	31/03/2020
		(₹Thousands)	(₹Thousands)
13	Bank Balances other than cash & cash Equivalent		
	Bank Balances		
	Fixed Deposits maturing within 12 months	6,201.96	7,764.11
		<u>6,201.96</u>	<u>7,764.11</u>
		As at	
14	Short term Loans (at Amortised Cost)		
		31/03/2021	31/03/2020
		(₹Thousands)	(₹Thousands)
	Loans to Others	3,751.47	3,951.47
	- Unsecured, Considered good		
		<u>3,751.47</u>	<u>3,951.47</u>
		As at	
15	Other Financial Assets (at Amortised Cost)		
		31/03/2021	31/03/2020
		(₹Thousands)	(₹Thousands)
	Security Deposits	63.36	63.36
	Unsecured, Considered Good		
	Other Receivables (Disputed)	-	460.00
	Loans/ Advances to Others	1,403.13	1,300.80
	Other Receivable (including insurance claim)	6,429.53	-
	Duty scripts	20.94	637.98
		<u>7,916.96</u>	<u>2,462.14</u>
		As at	
16	Current Tax Assets		
		31/03/2021	31/03/2020
		(₹Thousands)	(₹Thousands)
	Duties & Taxes	501.37	1780.15
	GST	29,054.56	20,020.86
	TCS Receivable	14.14	-
	TDS Receivable	256.88	823.74
		<u>29,826.95</u>	<u>22,624.75</u>

Note: Balances with government authorities primarily include amounts realisable from goods and services tax, state excise authorities and transitional credit carried forward under the goods and services tax regime. These are expected to be realised within a period of one-year, by off-setting the same against the output goods and services tax liability on goods supplied by the Company. Accordingly these balances have been classified as current assets.

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

17 Other Current Assets	As at	
	31/03/2021 (₹ Thousands)	31/03/2020 (₹ Thousands)
Advances to Suppliers	41,686.70	17,151.78
Advances against Wages	340.03	2,065.85
Prepaid Insurance/ Expenses	1,178.79	2014.68
Others	-	59.40
	43,205.52	21,291.71

18 Equity Share Capital	As at	
	31/03/2021 (₹ Thousands)	31/03/2020 (₹ Thousands)
Authorized Share Capital :		
2,16,00,000 (Previous year 2,16,00,000) Equity Shares of ₹ 10 each.	216,000.00	216,000.00
Issued, Subscribed and Paid-up :		
1,46,97,130 (Previous year 1,46,97,130) Equity Shares of ₹10 each fully paid-up	146,971.30	146,971.30

A. Reconciliation of Shares outstanding at the beginning and at the end of year are given below:

Particulars	2020-21		2019-20	
	Numbers	(₹ Thousands)	Numbers	(₹ Thousands)
Equity Shares outstanding at the beginning of the year	14,697,130	146,971.30	14,697,130	146,971.30
Add: Equity Shares Issued during the year	-	-	-	-
Less: Equity Shares bought back/ redeemed during the year	-	-	-	-
Equity Shares outstanding at the end of the year	14,697,130	146,971.30	14,697,130	146,971.30

B. Terms / Rights attached to Equity Shares:

The company has only one class of equity shares having a par value of ₹10 per share. Each share holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holder of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

C. Details of shareholders holding more than 5 percent shares of the Company as on reporting date are given below:

Name of shareholder	As at 31/03/2021		As at 31/03/2020	
	Numbers of Shares held	Percentage of Holding	Numbers of Shares held	Percentage of Holding
Jay Singh Bardia	1,560,226	10.62%	15,60,226	10.62%
Panna Lal Bardia	1,609,944	10.95%	16,09,944	10.95%

Note : Shareholding of Panna Lal Bardia includes holding of Hulashchand Tarachand Bardia (HUF) in which Panna Lal Bardia is Karta

D. No additional shares were allotted as fully paid up by way of Bonus shares or pursuant to contract without payment being received in cash during the last five years. Further, none of the shares were bought back by the company during last five years.

19 Other Equity

	As at	
	31/03/2021 (₹ Thousands)	31/03/2020 (₹Thousands)
General Reserve	5,707.51	5,707.51
Securities Premium Account	36,553.40	36,553.40
Retained Earnings		
Opening Balance	88,553.97	81,685.42
Add: Profit/(loss) for the year	2,567.47	6,868.55
Add: adjustments due to transition to IndAS	-	-
Add: Other Adjustments	(327.03)	-
Net Retained Earnings	90,794.41	88,553.97
Other Comprehensive Income		
Balances at the beginning	(1,078.49)	(542.11)
Add: Remeasurement of defined benefits plans (net of Tax)	70.65	(536.38)
	(1,007.84)	(1,078.49)
	132,047.48	129,736.39

Nature and purpose of reserves:

General Reserve

General Reserve has been created out of profits earned by the Company in the previous years. General reserves are free reserves and can be utilised in accordance with the requirements of the Companies Act, 2013.

Securities Premium

Securities Premium is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of Section 52 of the Companies Act, 2013

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

Retained Earnings

Retained Earnings are the profits that the Company has earned till date, less any transfer to general reserves, dividends and other distributions made to the shareholders.

Other Comprehensive Income (OCI)

OCI reserve includes the net gain/loss on fair value of Investments and remeasurements of defined benefits plans.

20 Borrowings (At Amortised Cost)

	Non Current Maturities		Current Maturities	
	31/03/2021	31/03/2020	31/03/2021	31/03/2020
	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹Thousands)
Term Loans:				
From Banks & NBFCs (Secured)	51,139.93	35,332.25	18,661.21	6,923.40
From Related Parties (Unsecured) (Refer Note No. 47)	-	-	4,000.00	5,000.00
From Other Parties (Unsecured)	4,235.04	8,154.61	2,953.99	4,456.60
Car Loan (Secured)	266.14	504.10	663.34	692.98
	55,641.11	43,990.96	26,278.54	17,072.98
The above amount includes				
Secured Borrowings	51,406.07	35,836.35	19,324.55	7,616.38
Unsecured Borrowings	4,235.04	8,154.61	6,953.99	9,456.60
Amount disclosed under the head Other Financial Liabilities " (Note 27)"	-	-	(26,278.54)	(17,072.98)
Net Amount	55,641.11	43,990.96	-	-

Notes :

- Car Loan from Yes Bank was taken during the FY 2018-19 & the loan is repayable in 37 monthly installment of ₹30903 inclusive of interest from the date of loan. The car loan is secured by hypothecation of Hyundai Creta.
- The Car Loan from ICICI BANK was taken during the Financial Period 2018-19 and carries interest base rate @9.05. The loan is repayable in 36 EMIs of ₹33481/-. This loan is secured by hypothecation of the Car Honda City .
- The Car Loan from HDFC Bank was taken during the Financial Period 2020-21 and the loan is repayable in 36 EMIs of ₹15819/- inclusive of interest from the date of loan. This loan is secured by hypothecation of the Bolero Car .
- The Term Loan from Tata Capital Financial Services Pvt Ltd. was sanctioned during the Financial Year 2019-2020 and carries floating interest @ LTLR less 7.50% p.a. i.e 11.75% with monthly rests (as per Sanction Letter dated 28.03.2019) with a Limit of ₹450 Lakhs. The loan is repayable in 84 installments, monthly from December, 2019 bearing Principal Amount of ₹5.77 Lakhs along with interest. The term loan is secured by the Exclusive Equitable Mortgage over the entire industrial

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

- Property at Mouza - Sankua, P.S. - Ramnagar, 24 Parganas (South), Khorda, Falta P.Z. Road, J.L. No. 59 & 41, Dag No. 439, 440 & 441, including Land and Civil Structure constructed thereon, and hypothecation of Machineries procured or to be procured out of the Term Loan. Further, the loans are secured by the personal guarantee of Mr. J.S Bardia, the Managing Director of the company.
- E. The Term Loan under GECL Scheme from Tata Capital Financial Services Pvt Ltd. was sanctioned during the Financial Year 2020-2021 and carries floating interest @ LTLR less 8.25% p.a. i.e 11.00% with monthly rests (as per Sanction Letter dated 10.08.2020) with a Limit of ₹96.50 Lakhs. The loan is repayable in 48 installments including 12 months moratorium, payable in monthly equal installments including interest. The said loan is secured by the Extension of Charge of Equitable Mortgage over the entire industrial Property at Mouza - Sankua, P.S. - Ramnagar, 24 Parganas (South), Khorda, Falta P.Z. Road, J.L. No. 59 & 41, Dag No. 439, 440 & 441, including Land and Civil Structure constructed thereon, and hypothecation of Machineries procured or to be procured out of the Term Loan.
- F. The Demand loan to meet Working Capital requirements due to Covid 19 from Bank of Baroda was sanctioned during the Financial Year 2020-21 and carries interest @ BRLLR i.e 6.85% with monthly rests (as per latest Sanction Letter dated 06.03.2021) with a Limit of ₹75 Lakhs. The loan is repayable in 18 installments, monthly from December, 2020 bearing Principal Amount of ₹4.17 Lakhs along with interest. This loan is secured by Hypothecation of stocks of Raw Material, W.I.P, Finished Goods and Spares of the co., D.P. Note, Letter of Continuing Security, Hypothecation of Book Debts upto 90 days These loans are further secured by Equitable Mortgage of Leasehold Land at Falta and structure standing thereon in the name of the company together with Plant and Machinery thereon, lien on FDR, assignment of Keymen LIP. The loan is further secured by the personal guarantee of Mr J.S Bardia, the Managing Director of the company and Mr. T. S. Gulgulia. (As per sanction letter dated March 2021)
- G. The Demand Loan to meet working capital requirements due to Covid 19. from Bank of Baroda was sanctioned during the Financial Year 2020-21 and carries interest @ BRLLR plus 1% i.e 7.85% with monthly rests (as per latest Sanction Letter dated 06.03.2021) with a Limit of ₹175 Lakhs. The loan is repayable in 36 installments, after completion of 12 months of moratorium bearing Principal Amount of ₹4.86 Lakhs along with interest. This loan is secured by Hypothecation of stocks of Raw Material, W.I.P, Finished Goods and Spares of the co., D.P. Note, Letter of Continuing Security, Hypothecation of Book Debts upto 90 days These loans are further secured by Equitable Mortgage of Leasehold Land at Falta and structure standing thereon in the name of the company together with Plant and Machinery thereon, lien on FDR, assignment of Keymen LIP. The loan is further secured by the personal guarantee of Mr J.S Bardia, the Managing Director of the company and Mr. T. S. Gulgulia. (As per sanction letter dated March 2021)
- H. There is no default as on the balance sheet date in the repayment of borrowings and interest thereon.

		As at	
21 Non Current Lease Liability	31/03/2021	31/03/2020	
	(₹ Thousands)	(₹ Thousands)	
Non Current Lease Liability (Refer Note No. 49)	2,265.31	6,210.33	
	<u>2,265.31</u>	<u>6,210.33</u>	

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

22. Long Term Provisions	As at	
	31/03/2021 (₹ Thousands)	31/03/2020 (₹ Thousands)
Provision for Gratuity	6,120.61	5,602.27
	<u>6,120.61</u>	<u>5,602.27</u>

23. Deferred Tax Liabilities	As at	
	31/03/2021 (₹ Thousands)	31/03/2020 (₹ Thousands)
Deferred Tax Liabilities		
Deferred Tax Liabilities	12,971.31	13,711.00
Less: Deferred Tax Assets	8,459.62	8,484.54
Add: Other Adjustments	10.47	-
Deferred Tax Liabilities (Net)	<u>4,522.16</u>	<u>5,226.46</u>

Movement in Deferred tax liabilities /(Assets) Balances

	April 1, 2020	Movement through Statement of Profit and Loss	Movement through Other Comprehensive Income	March 31, 2021
Deferred Tax Liabilities				
Arising out of temporary difference in depreciable assets	13,594.16	(1,066.07)	-	12,528.09
On Remeasurements of defined benefit plans	-	-	-	-
On arising out of Fair Value Measurements	116.84	224.23	-	341.07
On lease liabilities (net of right of use assets)	-	20.76	-	20.76
Others (Expenses claimed as deduction as Income Tax Act, 1961, but not booked in Current year)	-	81.69	-	81.39
	<u>13,711.00</u>	<u>(739.69)</u>	<u>-</u>	<u>12,971.31</u>
Deferred tax (assets):				
Arising out of temporary difference in depreciable assets	-	-	-	-
On arising out of Fair Value Measurements	-	242.99	-	242.99
On Remeasurements of defined benefit plans	526.06	(682.36)	(24.82)	(181.12)
On lease liabilities (net of right of use assets)	54.49	15.70	-	70.19
On account of unutilized Tax Credit	5,094.88	-	-	5,094.88
On account of unutilized Tax Losses	3,298.94	(103.05)	-	3,195.89
Others (Expenses claimed as deduction as Income Tax Act, 1961, but not booked in Current year)	(489.83)	526.62	-	36.79
	<u>8,484.54</u>	<u>(0.10)</u>	<u>(24.82)</u>	<u>8,459.62</u>
	<u>5,226.46</u>	<u>(739.59)</u>	<u>24.82</u>	<u>4,511.69</u>

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021
Movement in Deferred tax liabilities /(Assets) Balances

	April 1, 2019	Movement through Statement of Profit and Loss	Movement through Other Comprehensive Income	March 31, 2020
Deferred Tax Liabilities				
Arising out of temporary difference in depreciable assets	14,584.00	(989.84)		13,594.16
On Remeasurements of defined benefit plans	-	-	-	-
On arising out of Fair Value Measurements	387.19	(270.35)		116.84
Expenses claimed as deduction as per Income Tax Act, 1961 but not booked in current year	2.92	(2.92)		-
On lease liabilities (net of right of use assets)	-	-		-
Others	-	-		-
	14,974.11	(1,263.11)	-	13,711.00
Deferred tax assets:				
Depreciable assets	-	-		-
On arising out of Fair Value Measurements	-	-		-
Expenses claimed as deduction as per Income Tax Act, 1961 but not booked in current year	-	-		-
On Remeasurements of defined benefit plans	128.39	209.21	188.46	526.06
On lease liabilities (net of right of use assets)	-	54.49	-	54.49
On account of unutilized Tax Credit	5,094.88	-	-	5,094.88
On account of unutilized Tax Losses	-	3,298.94	-	3,298.94
Others	295.74	(785.57)	-	(489.83)
	5,519.01	2,777.02	188.46	8,484.54
	9,455.10	(4,040.18)	(188.46)	5,226.46

24. Non-Current Tax Liabilities (Net)

	As at	
	31/03/2021 (₹Thousands)	31/03/2020 (₹Thousands)
Duties & Taxes	219.95	-
	219.95	-

25 Current Liabilities : Borrowings (At Amortised Cost)

	31/03/2021	31/03/2020
	(₹Thousands)	(₹Thousands)
Cash Credit (Secured)	61,498.93	64,371.79
Packing Credit (Secured)	13,141.95	28,471.70
	74,640.88	92,843.49

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

- A. "The Packing Credit from Bank of Baroda has been renewed during the financial year 2020-21 and carries floating interest @ 1 Year BRRLLR @6.85%+Strategic Premium (0.25%)+0.75 % p.a. i.e. 7.85% with monthly rests subject to Limit of ₹300 Lacs. The loan is secured by hypothecation of both present and future stock of Raw material, Work in progress, Finished goods, Stores and spares, Lodgement of Letter of Credit/Company Order, WTPCG of ECGC, Equitable Mortgage of Land and Building/Factory Shed. Further, the loans are secured by personal guarantee of Mr J.S Bardia, the Managing Director of the company and Mr. T. S. Gulgulia. "(As per sanction letter dated March 2021)."
- B. The Cash credit from Bank of Baroda was renewed during the financial year 2020-21 with a limit ₹690.00 Lakhs and carries interest rate of 1 Year BRRLLR @6.85%+Strategic Premium (0.25%)+2.85 % p.a. i.e. 9.95% at a floating rate with monthly rests. The loan is repayable as per term each along with interest, from the date of loan. This loan is secured by Hypothecation of stocks of Raw Material, W.I.P, Finished Goods and Spares of the co., D.P. Note, Letter of Continuing Security, Hypothecation of Book Debts upto 90 days These loans are further secured by Equitable Mortgage of Leasehold Land at Falta and structure standing thereon in the name of the company together with Plant and Machinery thereon, lien on FDR, assignment of Keymen LIP. The loan is further secured by the personal guarantee of Mr J.S Bardia, the Managing Director of the company and Mr. T. S. Gulgulia. (As per sanction letter dated March 2021)
- C. The Working Capital from Tata Capital Financial Services Ltd. was sanctioned during the financial year 2019-20 and carries floating interest @ STLR less 6.55% i.e.11.50% p.a. with monthly rests (as per Sanction Letter dated 28.03.2019) with a Limit of ₹ 50 Lacs. The loan is repayable as per term each along with interest from the date of loan. The cash credit is secured by 1st pari passu charge on the entire current assets of the company, both present and future, with Bank of Baroda under Multiple Banking Arrangement, including Hypothecation of Stock at 50% Margin and Book Debts at 25% Margin. The Cash Credit is further secured by Collateral of Extension of Exclusive Equitable Mortgage over the entire Industrial Property at Mouza - Sankua, P.S. - Ramnagar, 24 Parganas (South), Khorda, Falta P.Z Road, J.L. No. 59 & 41. Dag No. 439, 440 and 441 which is already charged as primary security for the Term Loan. Further, the loans are secured by personal guarantee of Mr. J.S Bardia, the Managing Director of the company.
- D. There is no default as on the balance sheet date in the repayment of borrowings and interest thereon.

26 Trade Payables (At Amortised Cost)

	As at	
	31/03/2021 (₹ Thousands)	31/03/2020 (₹ Thousands)
Total Outstanding dues of Micro & Small Enterprise	3,899.82	-
Total Outstanding dues of other than Micro & Small Enterprise	47,584.98	24,067.37
	51,484.80	24,067.37

27 Other Financial Liabilities (At Amortised Cost)

	As at	
	31/03/2021 (₹ Thousands)	31/03/2020 (₹Thousands)
Current Maturities of Borrowings	26,278.54	17072.98
Interest accrued and Due	1,459.10	686.48
Interest accrued but not Due	298.62	910.72
Security Deposit	-	550.00
Payables		
For Wages & salaries	3354.81	3447.08
For Other Expenses	13128.73	9090.37
Provision for Audit Fees	277.50	225.00
	44,797.30	31,982.63

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

28 Current Lease Liability

	As at	
	31/03/2021 (₹ Thousands)	31/03/2020 (₹ Thousands)
Current Lease Liability (Refer Note No. 49)	2,065.89	1,679.15
	2,065.89	1,679.15

29 Other Current Liabilities

	As at	
	31/03/2021 (₹ Thousands)	31/03/2020 (₹ Thousands)
Customers' credit balances	4870.15	12886.54
Statutory dues Payables		
ESIC & PF Payable	568.73	576.96
Professional Tax Payable	12.10	22.11
Other liabilities	-	-
	5,450.98	13,485.61

30 Current Tax Liabilities (Net)

	As at	
	31/03/2021 (₹ Thousands)	31/03/2020 (₹ Thousands)
TDS	300.94	724.32
Duties & taxes	6.88	226.83
	307.82	951.15

31 Current Provisions

	As at	
	31/03/2021 (₹ Thousands)	31/03/2020 (₹ Thousands)
Provision for Gratuity	1,037.45	1,386.29
Provision for Discount	1,513.57	-
	2,551.02	1,386.29

Detailed summary of the Provisions :	Provision for Discount
i. Opening balances as on 01.04.2020	-
Add: Addition during the year	1513.57
Less: Adjusted amount during the year	-
Closing balance as on 31.03.2021	1513.57
ii. Opening balances as on 01.04.2019	1,219.40
Add: Addition during the year	-
Less: Adjusted amount during the year	1,219.40
Closing balance as on 31.03.2020	-

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

32 Revenue from Operations :

	As at	
	31/03/2021	31/03/2020
	(₹Thousands)	(₹Thousands)
Sale of Products		
M.C.P. Tyres & Armrest - Overseas	55,370.00	60,486.16
M.C.P. Tyres & Armrest - Domestic	126,268.49	82,568.89
Bedding & furnishing	602.46	1,618.27
P.U. Shoe Sole - Domestic	4,516.63	10,817.18
P.U. Sandles - Domestic	-	12.50
Hospital Equipments - Domestic	538.63	1,533.07
Wheel Chair & Commode Chair - Domestic	85,103.66	78,687.34
Crutch and Walking Aids - Domestic	2,999.30	8,604.67
Spares - Domestic	3,646.97	6,499.28
Spares - Export	722.18	-
Sale of Trading Goods/Raw Materials- Exports	1,061.56	-
Sale of Trading Goods/Raw Materials	17,891.27	14,477.08
Sale of Services		
Job Work charges	-	16,487.59
Other Operating Revenues		
Other Operating Income- Tooling Cost	4,761.87	-
Other Operating Income	913.00	3,393.20
Gross Revenue from Operations	3,04,396.02	2,85,185.23

Note:

(i) Sales are net of price adjustments settled during the year by the Company and discounts, trade incentives, VAT, Sales Tax, GST etc.

33 Other Income:

	As at	
	31/03/2021	31/03/2020
	(₹ Thousands)	(₹ Thousands)
Discount Received	8.02	52.70
Interest Income on Bank Deposits	345.88	470.97
Interest Income on Loan & Others	1,005.87	986.22
Gain/Loss on Sale of Duty Scripts	(52.52)	(126.39)
Gain/Loss on Sale of Assets	29.65	-
(Gain)/ Loss on foreign currency transactions and translation	-	-
Fair Valuation of Gold through P/L	22.86	124.64
MEIS Scheme	1,151.50	3,187.45
Insurance Claim Received	21,617.06	-
Subsidy Received	-	1,565.72
	24,128.32	6,261.31

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

34 Cost of Materials Consumed:		As at	
		31/03/2021	31/03/2020
		<u>(₹ Thousands)</u>	<u>(₹ Thousands)</u>
Raw Material			
Opening Stock		45,504.04	48,004.02
Add: Purchased		144,291.86	110,822.19
		<u>189,795.90</u>	<u>158,826.21</u>
Less: Closing stock		59,244.00	45,504.04
		<u>130,551.90</u>	<u>113,322.17</u>
35 Changes in Inventories:		As at	
		31/03/2021	31/03/2020
		<u>(₹ Thousands)</u>	<u>(₹ Thousands)</u>
Opening Inventories			
Finished Goods		87,528.47	80,138.22
Stock-in-Trade		448.30	448.30
Work -in- progress		20,118.94	17,532.00
Upper (Produced Raw Materials)		13,009.44	13,508.03
	(A)	<u>121,105.15</u>	<u>111,626.55</u>
Less: Closing Inventories			
Finished Goods		80,906.46	87,528.47
Stock-in-Trade		5,748.53	448.30
Work -in- progress		13,193.16	20,118.95
Upper (Produced Raw Materials)		6,428.08	13,009.44
	(B)	<u>106,276.23</u>	<u>121,105.16</u>
Changes in Inventories (A-B)		<u>14,828.92</u>	<u>(9,478.61)</u>
36 Employee Benefits Expenses:		As at	
		31/03/2021	31/03/2020
		<u>(₹ Thousands)</u>	<u>(₹ Thousands)</u>
Salaries and Wages		44,731.06	57,281.31
Contribution to Provident and other Funds		2,919.63	2,881.46
Employee Welfare		1,952.93	3,055.09
Gratuity		865.24	956.88
		<u>50,468.86</u>	<u>64,174.74</u>
37 Power and Fuel:		As at	
		31/03/2021	31/03/2020
		<u>(₹ Thousands)</u>	<u>(₹ Thousands)</u>
Power and Fuel		8,019.43	9,422.43
		<u>8,019.43</u>	<u>9,422.43</u>

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

		As at	
		31/03/2021	31/03/2020
		(₹ Thousands)	(₹ Thousands)
38	Finance Costs:		
	Interest Expenses	16,015.89	15,299.97
	Other Borrowing Cost	1,044.55	462.01
	Interest on Lease Liabilities	841.65	925.98
		<u>17,902.09</u>	<u>16,687.96</u>
39	Depreciation and Amortization Expenses:		
	Depreciation and Amortization Expenses	13,955.14	15,388.41
	Depreciation on ROU Assets	2,059.85	1,855.62
		<u>16,014.99</u>	<u>17,244.03</u>
40	Other Expenses:		
	Advertisement	113.22	74.18
	AMC Charges	83.42	92.84
	Consumption of Stores and Spares	26,314.70	23,398.26
	Job Work	1,437.32	2,609.62
	Repairs to Buildings	136.86	29.80
	Repairs to Machinery	33.31	52.93
	Other Repairs & Maintenance	969.42	742.60
	Rates and Taxes	1,964.75	440.14
	Rent	30.34	105.68
	Insurance	1,187.69	1,281.66
	Auditors' Remuneration - (a)	300.00	250.00
	Delivery Charges	-	-
	Freight and Forwarding Expenses (Net)	14,863.69	11,986.65
	(Gain)/ Loss on foreign currency transactions and translation (Note No. 44)	701.81	492.52
	Travelling and Conveyance Expenses	1,959.56	5,042.90
	Bank Charges	1,239.48	1,329.60
	Managerial Remuneration & Director sitting fees	3,010.00	3,012.50
	Staff Welfare	7.32	8.21
	Interest on late payment of CST/Tax	980.46	50.47
	Printing and Stationery	315.95	263.62
	Security Charges	1,342.84	1,371.12
	Telephone, Telegram and Postage	153.95	178.97
	Petrol	425.64	526.08
	Vehicle Running and Maintenance Expenses	505.25	361.13
	Sales Promotion Expenses	183.46	2,347.69
	Commission and Brokerage	971.22	1,501.70

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

Professional Fees	3,472.59	6,443.55
Sundry Balance Written off	(952.79)	(2,001.70)
Miscellaneous Expenses	1,342.34	576.61
Discount Allowed (Net)	4,329.82	617.99
GST written off	(1.26)	23.62
Postage & Telegram	873.75	981.93
Donation & Subscription	89.39	560.89
Assets written off	6,621.08	-
AGM Expenses	14.91	195.12
Allowances for Bad Debts	853.50	829.21
Listing Fees	418.09	348.00
	76,293.08	66,126.09

(a). Details of Auditors' Remuneration are as follows:
Statutory Auditors:

Audit Fees	250.00	200.00
Taxation matters	50.00	50.00
	300.00	250.00

	As at	
	31/03/2021	31/03/2020
	(₹ Thousands)	(₹ Thousands)
41 Tax Expenses		
Current Tax		
Current Tax for the year	-	-
Tax adjustments for earlier years	-	-
Deferred Tax		
Deferred Tax for the year	(739.59)	(4,040.18)
	(739.59)	(4,040.18)
Deferred Tax on OCI	24.82	(188.46)

	As at	
	31/03/2021	31/03/2020
	(₹ Thousands)	(₹ Thousands)
42 Earning per Equity Share (EPS)		
Net Profit/ (loss) after Tax as per Statement of Profit & Loss Account	2,567.47	6,868.55
Weighted average number of Equity shares (Numbers)	14,697,130.00	14,697,130.00
Basic & diluted earnings per Share (in Rs.)	0.17	0.47

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

		As at	
43 Contingent Liabilities and Commitments :	<u>31/03/2021</u>	<u>31/03/2020</u>	
	<u>(₹Thousands)</u>	<u>(₹Thousands)</u>	
Contingent Liabilities			
(a) Bank Guarantees given for WBSEB and superintending Engineering	3372.34	3,873.81	
(b) Income Tax Demands	2036.03	2,036.03	
(c) Sales Tax Demands	-	495.05	
(d) Other money for which the Company is contingently liable:			
i. Letter of credit/ SBLC	16,305.44	7,454.95	

Note: The above Tax matters are lying at various appellate forums and the management is confident of succeeding in all these matters based on legal precedences and expert opinions.

		As at	
44 Gain or loss on foreign currency transaction and translation :	<u>31/03/2021</u>	<u>31/03/2020</u>	
	<u>(₹Thousands)</u>	<u>(₹Thousands)</u>	
Loss on foreign currency transactions and translation	1209.26	1320.66	
Gain on foreign currency transactions and translation	507.45	828.14	
(Gain)/ Loss on foreign currency transactions and translation (Net)	<u>701.81</u>	<u>492.52</u>	

45 Segment Reporting**A. Primary Segment Reporting (by Business Segment) :**

- (a). The Company has three reportable segments viz. Tyre, Rim and Wheels, Footwear and Hospital Equipments which have been identified in line with IND AS-108 on Segment Reporting, taking into account the organizational structure as well as differential risk and return of these segments. Details of products included in each segments are as under:
- (b). Inter-segment transfers are based on market rates.
- (c). The details of the revenue, results, assets, liabilities and other information from operations by reportable business segments are as follows:

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

	Year ended 31/03/2021				Year ended 31/03/2020			
	Tyre, Rim & Wheel	Footwear	Hospital Equipments	Total	Tyre, Rim & Wheel	Footwear	Hospital Equipments	Total
	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)
REVENUE								
Total	353,415.99	8,191.97	85,548.61	447,156.57	326,500.67	33,283.44	74,880.52	434,664.63
Inter Segment				(142,760.55)				(149,479.40)
Excise Duty								
External				304,396.02				285,185.23
RESULTS								
Segment Results	37,281.68	(12,273.72)	(5,277.99)	19,729.97	26,042.18	(289.41)	(6,236.44)	19,516.33
Unallocated Corporate Income				-				-
Unallocated corporate Expenses				-				-
Finance Costs				(17,902.09)				(16,687.96)
Tax Expenses				739.59				4,040.18
Profit for the year				2,567.47				6,868.55
OTHER INFORMATION								
Assets:								
Segment Assets	301,973.85	154,622.59	72,490.17	529,086.61	295,376.07	146,269.38	62,487.95	504,133.40
Unallocated Corporate Assets				-				-
Total Assets				529,086.61				504,133.40
Liabilities:								
Segment Liabilities	102,770.41	51,972.05	26,556.23	181,298.69	114,264.03	44,309.54	7,822.12	166,395.69
Unallocated Corporate Liabilities				4,522.16				5,226.46
Total Liabilities				185,820.85				171,622.15
Capital Expenditure	7,643.77	8,138.91	296.27	16,078.95	2,018.21	1,269.83	3,462.66	6,750.70
Depreciation and Amortization	7,553.37	4,009.54	2,392.23	13,955.14	8,405.48	4,701.68	2,281.25	15,388.41

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

B. Secondary Segment Reporting (by Geographical demarcation):

- (a) The secondary segment is based on geographical demarcation i.e. India and Overseas.
(b) The Company's revenue from external customers and by geographical location are follows:

	Year ended 31/03/2021				Year ended 31/03/2020			
	India	Overseas	Export (Sez)	Total	India	Overseas	Export (Sez)	Total
	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)
Revenue	242,480.41	61,915.60	-	304,396.02	224,699.07	60,486.16	-	285,185.23

46 DISCLOSURES PURSUANT TO IND AS - 115

- (i) Revenue Disaggregation on the basis of primary geographical markets, major product lines and timing of revenue recognition etc. is as under:-

Particulars	(₹Thousands)	(₹Thousands)
	For the year ended 31st March 2021	For the year ended 31st March 2020
A. Primary geographical markets		
Within India	242,480.41	224,699.07
Overseas	61,915.61	60,486.16
Total	304,396.02	285,185.23
B. Major products		
Tyre, Rim & Wheel	181,638.49	143,055.05
Footwear	5,119.09	28,935.54
Hospital Equipments	93,010.74	95,324.36
Sale of Trading Goods/Raw Materials	18,952.83	14,477.08
Total	2,98,721.15	281,792.03

- C. The Company recognises revenue at a point in time. The contracts with customers are of short term duration and all sales are direct to customers.

- (ii) **Contract Balances:** The following table provides information about receivables, contract assets and contract liabilities from contract with customers

Particulars	(₹Thousands)	(₹Thousands)
	As at 31st March 2021	As at 31st March 2020
Receivables, which are included in 'Trade receivables' (Refer Note - 10)	63,956.58	71,470.48
Contract assets	-	-
Contract liabilities	-	-
Total (Assets - Liabilities)	63,956.58	71,470.48

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

47 Related Party Disclosures:

A. List of Related Parties :

(i). Key Managerial Personnel :

a) Managing Director	Sri Jay Singh Bardia*
b) Non Executive Directors	i) Sri T.C.Bachhawat ii) Sri Pradeep Kumar Singh iii) Sri Ravi Prakash Pincha iv) Smt Vimala Devi Bardia **
c) Chief Executive Officer	Sri P. L. Bardia ***
d) Chief Financial Officer	CA Vinay Sipani
e) Company Secretary	CS Arti Baid

* Sri Jay Singh Bardia is related to Smt Vimala Devi Bardia, Non-Executive Director and Sri P.L. Bardia, Chief Executive Officer of the Company.

** Smt Vimala Devi Bardia is related to Sri Jay Singh Bardia, the Managing Director of the Company and Sri P.L.Bardia, the Chief Executive Officer of the Company

*** Sri P.L.Bardia is related to Sri Jay Singh Bardia, the Managing Director of the Company and Smt Vimala Devi Bardia, Non-Executive Director of the Company.

(ii). Related to Key Managerial Personnel:

a) Others	i) Sri K.L. Bardia ii) Hulashchand Tarachand Bardia HUF iii) Tarachand Estates Pvt Ltd.
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(iii) Entities over which Control exist

a) Subsidiary Company -90% holding in Capital	i) Krypton Europe s.r.o.
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B. Disclosure of transactions between the Company and Related Parties during the year in the ordinary course of business and status of outstanding balances at year end:

	For Year Ended	
	31/03/2021	31/03/2020
	(₹Thousands)	(₹Thousands)
i. KEY MANAGERIAL PERSONNEL		
(a). Remuneration to Key Managerial Personnel:		
Managing Director	3,000.00	3,000.00
Non Executive Directors	10.00	12.50
Chief Executive Officer	2,400.00	2,400.00
Chief Financial Officer	1,415.20	1,415.20
Company Secretary	568.87	591.60
	7,394.07	7,419.30

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021
ii. OTHERS

(₹Thousands)	Year ended 31st March, 2021				Year ended 31st March, 2020			
	Sri K. L. Bardia	Hulashchand Tarachand Bardia HUF	Tarachand Estate Pvt. Ltd.	Krypton Europe s.r.o	Sri K. L. Bardia	Hulashchand Tarachand Bardia HUF	Tarachand Estate Pvt. Ltd.	Krypton Europe s.r.o
	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	(₹Thousands)	Transactions held:
Transaction held	-	526.58	246.05	-	-	429.99	221.40	-
Interest & Dividend taken	-	-	-	-	-	-	-	-
Rent given	-	240.00	-	-	-	240.00	-	-
Security given	-	-	-	-	-	-	-	-
Loans, Advances and Deposits given/paid	1,000.00	-	150.00	-	1,468.30	83.46	-	-
Loans, Advances and Deposits received	-	-	-	-	-	-	50.00	-
Investment made	-	-	-	-	-	-	-	2,815.34
Sales made during the year	-	-	-	14,106.60	-	-	-	2,806.90
Outstanding Balances:	-	-	-	-	-	-	-	-
Loans, Advances and Deposits given	-	5,792.38	4,124.43	-	-	5,265.80	3,728.38	-
Loans, Advances and Deposits taken (inclusive of interest)	4,000.00	-	-	-	5,000.00	-	-	-

Note: Terms & Conditions of Transactions with related parties: Purchase and Sales from/to related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transaction with other vendors.

48 Additional information pursuant to paragraphs 5(A)(viii) of Part II of Schedule III to the Companies Act, 2013 are follows:
A. C.I.F. value of imports by the Company (Excluding imported items purchased locally):

	For year ended	
	31/03/2021	31/03/2020
	(₹Thousands)	(₹Thousands)
Raw Materials, Trading Goods & Components	81,336.73	41,053.36
Stores and Spares	817.28	128.65
Plant & Machinery/ Capital in Work in Progress	529.88	-

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

B. Expenditure in foreign currency during the year:

	For year ended	
	31/03/2021	31/03/2020
	(₹ Thousands)	(₹ Thousands)
Other matters	174.83	4,693.64

D. Earnings in Foreign Exchange:

	For year ended	
	31/03/2021	31/03/2020
	(₹ Thousands)	(₹ Thousands)
Export of Goods on F.O.B. basis (Excluding exports to SEZ unit/EOU)	55,550.55	59,436.37

49 Disclosure pursuant to IND AS-116- Lease

- In accordance with IND AS-116 Right of use assets (ROU Assets) stand at ₹5319.42 and a corresponding lease liability of ₹4331.20 has been recognised in the Balance Sheet. The changes in the carrying value of right of use assets for the year ended 31st March, 2021 are disclosed in Note 3.
- In the statement of profit and loss for the current year, rent expenses which was earlier recognised under other expenses is now recognised as depreciation of right of use assets and interest on lease liabilities under finance cost. The adoption of this standard did not have any significant impact on the profit for the year and earnings per share. The total cash outflows for the year ended 31st March, 2021 is ₹768.00 ('000).

Expenses recognised in Statement of Profit & Loss Account:

Particulars	31/03/2021	31/03/2020
Finance Cost		
Interest Expenses on Lease Liability	841.65	925.98
Depreciation		
Depreciation on ROU Assets	2,059.85	1,855.62

- The weighted average incremental borrowing rate of 11% has been applied to lease liabilities recognised in the balance sheet.
- As per the requirement of Ind AS-107, maturity analysis of lease liabilities have been shown under maturity analysis for financial liabilities under liquidity risk (Refer Note 52).
- The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligation related to lease liabilities as and when they fall due.

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

50 Disclosure in accordance with Ind AS-19 on employee benefits expense Gratuity and other Post-employment benefits plan:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with an insurance company.

The Company also 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. This is an unfunded plan.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the Post - retirement benefit plans.

		For the Year ended 31st March, 2021 (₹Thousands)	For the Year ended 31st March, 2020 (₹Thousands)
I.	Expenses recognised in the Statement of Profit & Loss		
	1 Current service Cost	865.24	956.88
	2 Past Service Cost *	-	-
	3 Interest Cost	461.24	370.25
	4 Expected Return on Plan Assets	-	-
	5 Total	1,326.48	1,327.13
	Expenses recognised in OCI		
	6 Actuarial (Gain) / Losses	(95.74)	724.84
	7 Total Expenses	1,230.74	2,051.97

Note: * Past Service Cost arises due to Increase in Gratuity Ceiling from Rs. 10,00,000/- to Rs. 20,00,000/-.

II.	Net Assets /Liability recognised in the Balance Sheet		
	1 Present Value of defined Benefit Obligations	12,530.09	12,738.81
	2 Fair Value of Plan Assets	5,372.04	5,750.26
	3 Net Assets / Liabilities	(7,158.05)	(6,988.55)
III	Changes in Obligations during the year		
	1 Present Value of Defined Benefit Obligation at the beginning of the year	12,738.81	10,375.97
	2 Current Service Cost / Plan amendments	865.24	956.88
	3 Interest Cost	840.76	778.20
	4 Benefits Paid	(1638.58)	(87.84)
	5 Actuarial (Gains) / Losses		
	Arising from changes in experience	(41.96)	(263.70)
	Arising from changes in demographic assumptions	-	(5.94)
	Arising from changes in financial assumptions	(234.18)	985.24
	6 Total	(208.72)	2,362.84
	7 Present Value of Defined Benefit Obligation at the end of the year	12,530.09	12,738.81

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

IV.	Change in the Fair Value of Plan Assets during the year	For the Year ended 31st March, 2021 (₹Thousands)	For the Year ended 31st March, 2020 (₹Thousands)
1	Plan assets at the beginning of the year	5,750.26	5,439.38
2	Expected return on plan assets / Investment Income	198.86	398.72
3	Contribution by employer	1,061.50	-
4	Actual Benefits Paid	(1,638.58)	(87.84)
5	Actuarial Gains / (Losses)	-	-
6	Plan assets at the end of the year	5,372.04	5,750.26
7	Actual return on Plan Assets	-	-

V	The major categories of plan assets as a percentage		
	Investments with Insurer	100%	100%
VI	Actuarial Assumptions		
	Financial Assumptions	31.03.2021	31.03.2020
	Discount Rate	6.8%	6.60%
	Expected rate of return on plan assets	-	-
	Demographic Assumptions		
	Mortality Rate (% of IALM 06-08)	100%	100%
	Normal Retirement Age	58 years	58 years
	Attrition Rates, based on age (% p.a. for all age)	2.00	2.00
VII	The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market	5% p.a	5% p.a
VIII	Contribution to Provident and Other Funds includes ₹ 29.20 lacs (2019-20 - ₹ 28.81 lacs) paid towards Defined Contribution Plans		
IX	Maturity profile of the defined benefit obligation		
	Weighted average duration of the defined benefit obligation	10 years	10 years
	Expected benefit payments for the year ending		
	Not later than 1 year	1037.46	1386.29
	Later than 1 year and not later than 5 years	4317.86	3668.16
	Later than 5 year and not later than 10 years	4829.56	5218.46
	More than 10 years	17009.38	16974.13
X	Amounts for the current and previous two periods are as follows:		
	Gratuity	31.03.2021	31.03.2020
	Defined Benefit Obligation	12,530.09	12,738.81
	Plan Assets	5,372.04	5,750.26
	Surplus / (deficit)	<u>(7,158.06)</u>	<u>(6,988.55)</u>

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

- XI The basis of various assumptions used in actuarial valuations and their quantitative sensitivity analysis is as shown below:

Assumptions	31-Mar-21		31-Mar-20	
	Discount rate (a)		Discount rate (a)	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
Impact on Gratuity liability	(1,070.08)	1,247.27	(1,086.54)	1,274.42
Assumptions	Future salary increases (b)		Future salary increases (b)	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
Impact on Gratuity liability	1,268.49	(1,122.43)	1,289.74	(1,136.92)

51. **Disclosure on Financial Instruments**

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

Financial Asset and Liabilities (Non current and current)

(Rs. in thousands)

Particulars	As at 31st March 2021			As at 31st March 2020		
	Fair value through statement of profit and loss	Fair value through other comprehensive income	Amortised cost	Fair value through statement of profit and loss	Fair value through other comprehensive income	Amortised cost
Financial assets						
Investments						
Equity instruments	94.00	-	-	94.00	-	-
Gold	596.57	-	-	580.50	-	-
Sovereign Gold Bond	359.75	-	-	352.95	-	-
Investment in Subsidiary	-	-	2815.34	-	-	2815.34
Loans	-	-	15766.57	-	-	14882.68
Trade receivables	-	-	63956.58	-	-	71470.48
Cash and cash equivalents	-	-	5618.53	-	-	3744.76
Other bank balances	-	-	6201.96	-	-	7764.11
Other financial assets						
Other deposits, advances & receivables	-	-	4992.49	-	-	5888.70
Total financial assets	1050.32	-	99351.47	1027.45	-	106566.07

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

Particulars	As at 31st March 2021			As at 31st March 2020		
	Fair value through statement of profit and loss	Fair value through other comprehensive income	Amortised cost	Fair value through statement of profit and loss	Fair value through other comprehensive income	Amortised cost
Financial liabilities						
Borrowings (including current maturities)	-	-	156,560.53	-	-	153907.43
Lease liabilities	-	-	4,331.20	-	-	7889.48
Trade payables	-	-	51484.80	-	-	24067.37
Other financial liabilities						
Interest accrued but not due on borrowings	-	-	298.62	-	-	910.72
Interest accrued but due on borrowings	-	-	1,459.10	-	-	686.48
Employee related liabilities	-	-	3354.81	-	-	3447.08
Security deposits and others	-	-	13,406.23	-	-	9865.37
Total financial liabilities	-	-	2,30,895.29	-	-	200,773.93

- i) These investments in Gold are not held for trading. Upon application of IndAS - 109 - Financial Instruments, the Company has chosen to measure the investments in Gold at FVTPL as the management believes that presenting fair value gains and losses relating to these investments in the standalone statement of profit and loss is a proper disclosure by the Company.
- ii) The management assessed that the fair value of cash and cash equivalents, other bank balances, bank deposits, loans to employees, advance to manufacturing units, trade payables and other financial liabilities approximate the carrying amount largely due to short term maturity of these instruments. In relation to Trade Receivables, however, impairment loss based on historically observed default rates has been provided for and carrying of Trade Receivables has been reduced by this amount. For long-term borrowings at fixed/floating rates, management evaluates that their fair value will not be significantly different from the carrying amount.

b Fair Value hierarchy

The fair value of financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly market between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent in all the years. Fair value of financial instruments referred to in note (a) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets and liabilities and lowest priority to unobservable entity specific inputs.

The categories used are as follows:

- Level 1: quoted prices (unadjusted) in active markets for financial instruments
- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

For assets and liabilities which are measured at fair value as at balance sheet date, the classification of fair value by category and level on inputs used is given below:

Financial Asset and Liabilities (Non current and current)

(₹ in thousands)

Particulars	As at 31st March 2021			As at 31st March 2020		
	LEVEL I	LEVEL II	LEVEL III	LEVEL I	LEVEL II	LEVEL III
Financial assets						
i. Measurement at amortised cost						
Investments						
Investment in Subsidiary	-	-	2815.34	-	-	2815.34
Loans	-	-	15766.57	-	-	14882.68
Trade receivables	-	-	63956.58	-	-	71470.48
Cash and cash equivalents	-	-	5618.53	-	-	3744.76
Other bank balances	-	-	6201.96	-	-	7764.11
Other financial assets						
Other deposits, advances & receivables	-	-	4992.49	-	-	5888.70
Sub total	-	-	99351.47	-	-	106566.07
ii. Measured at fair value through profit or loss Investments						
Equity instruments	-	94.00	-	-	94.00	-
Gold	596.57	-	-	580.50	-	-
Sovereign Gold Bond	359.75	-	-	352.95	-	-
Sub total	956.32	94.00	-	933.45	-	-
Total financial assets	956.32	94.00	99351.47	933.45	94.00	106566.07
Financial liabilities						
i. Measurement at amortised cost						
Borrowings (including current maturities)	-	-	156,560.53	-	-	153907.43
Lease liabilities-	-	-	4,331.20	-	-	7,889.48
Trade payables	-	-	51,484.80	-	-	24,067.37
Other financial liabilities						
Interest accrued but not due on borrowings	-	-	298.62	-	-	910.72
Interest accrued but due on borrowings	-	-	1,459.10	-	-	686.48
Employee related liabilities	-	-	3,354.81	-	-	3,447.08
Security deposits and others	-	-	13,406.23	-	-	9,865.37
Total financial liabilities	-	-	2,30,895.29	-	-	2,00,773.93

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021**52 Financial Risk Management Objectives and policies**

The Company's financial liabilities comprise borrowings, capital creditors and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include trade and other receivables, cash and cash equivalents, investments and deposits. The Company also holds investments in Gold and Sovereign Gold Bond.

The Company has a Risk Management Committee that ensures that risks are identified, measured and managed in accordance with Risk Management Policy of the Company. The Board of Directors also review these risks and related risk management policy.

The market risks, credit risks and Liquidity risks are further explained below :

1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include FVTOCI investments, trade payables, trade receivables, etc.

a. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. Such foreign currency exposures are not hedged by the Company. The Company has a treasury department which monitors the foreign exchange fluctuations on the continuous basis and advises the management of any material adverse effect on the Company.

Foreign Currency Risk :	Year Ended 31/03/2021		Year Ended 31/3/2020	
	(USD '000)	(₹ Thousands)	(USD '000)	(₹Thousands)
In USD				
Trade Receivables & Advances	96.3882	7,084.99	64.7410	4,880.56
Trade Payables & Advances	593.995	43,661.44	187.886	14,163.96
Foreign Currency Risk :				
In Euro				
Trade Receivable	2.7000	232.34	8.4710	703.51

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

b. Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in USD/Euro exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

Particulars	31.03.2021	31.03.2020
	Gain /(Loss)	Gain /(Loss)
INR appreciates by 5%	(1,817.15)	(428.97)
INR Depreciates by 5%	1,817.15	428.97

c. Commodity Price Sensivity

The Company's Investment in Gold is susceptible to market price risk arising from uncertainty about future prices of Gold. The following table shows the effect on price changes in Gold Investments.

Particulars	31.03.2021	31.03.2020
	Gain /(Loss)	Gain /(Loss)
Gold Rate appreciates by 5%	29.82	29.03
Gold Rate Depreciates by 5%	(29.82)	(29.03)

2 Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its financial obligations as they become due. The Company monitors its risk by determining its liquidity requirement in the short, medium and long term. This is done by drawing up cash forecast for short term and long term needs. The Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Surplus funds not immediately required are invested in certain mutual funds and fixed deposit which provide flexibility to liquidate. Besides, it generally has certain undrawn credit facilities which can be used as and when required; such credit facilities are reviewed at regular basis.

a. Maturity analysis for financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date -

(₹ in thousands)

Particulars	On demand	More than 6		Total	
		0 to 6 Months	months to 1 year		More than 1 year
As at 31st March, 2021					
Non-derivative					
Borrowings (including current maturities) (Refer Note - 20,25 & 27)	61,498.93	22,804.23	16,616.26	55,641.11	156,560.53
Lease liabilities (Refer Note - 21 & 28)	-	1,032.95	1,032.95	2,265.31	4,331.20
Trade payables (Refer Note - 26)	-	51,484.80	-	-	51,484.80
Other financial liabilities (Refer Note -27)	-	18,518.76	-	-	18,518.76
	61,498.93	93,840.73	17,649.21	57,906.42	230,895.29

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

As at 31st March, 2020

Non-derivative

Borrowings (including current maturities) (Refer Note - 20, 25 & 27)	64,371.79	32,279.89	13,264.79	43,990.96	153,907.43
Lease liabilities (Refer Note - 21 & 28)	-	839.58	839.58	6,210.33	7,889.48
Trade payables (Refer Note - 26)	-	24,067.37	-	-	24,067.37
Other financial liabilities (Refer Note -27)	550.00	14,359.65	-	-	14,909.65
	64,921.79	71,546.49	14,104.37	50,201.29	200,773.93

3 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

a. Trade receivables

A significant part of the Company's sales are under the 'cash and carry' model which entails no credit risk. For others, an impairment analysis is performed at each reporting date on an individual basis for all the customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data of credit losses. The Company has evaluated the concentration of risk with respect to trade receivables as low, as its customers are from several industries.

ECL Movement Sheet

Particulars	Amount ('000)
Opening Balance of ECL as on April 01, 2020	1023.35
Add: Created During the Year	853.50
Less: Adjusted during the year	853.66
Closing balances of ECL as on March 31, 2021	1023.19

53 Capital Management

The Company's objective when managing capital (defined as net debt and equity) is to safeguard the Company's ability to continue as a going concern in order to provide returns to shareholders and benefit for other stakeholders, while protecting and strengthening the Balance Sheet through the appropriate balance of debt and equity funding. The Company manages its capital structure and makes adjustments to it, in light of changes to economic conditions and strategic objectives of the Company.

54 MSME DISCLOSURE in MSME FORMAT

Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2020-21 to the extent that company has received intimation from suppliers regarding their status under the Act.

Detail Of Dues to Micro and Small Enterprises as Defined under MSMED Act, 2006:		2020-21	2019-20
a)	Principal and interest amount remaining unpaid		
	Principal	3899.82	-
	Interest	-	-
b)	The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 alongwith the amount of the payment made to the supplier beyond the appointed date during the year.	-	-

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

c)	The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
e)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductible expenditure under the MSMED Act, 2006.	-	-

The Company is Continuously taking necessary steps for receiving intimations from suppliers regarding the status under the Micro, Small & Medium Enterprises Development Act, 2006 and disclosures. relating to amounts unpaid as at the year end along with interest paid or payable, if any as required under the said Act have been given on the basis of such intimation received till your end.

55 Significant Accounting Judgements, Estimates & Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions, as described below, that affect the reported amounts and the disclosures. The Company based its assumptions and estimates on parameters available when the financial statements were prepared and are reviewed at each Balance Sheet date. Uncertainty about these assumptions and estimates could result in outcomes that may require a material adjustment to the reported amounts and disclosures. Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the financial statements is as follows :

a) Employee benefit plans

The cost of the employment benefit plans and their present value are determined using actuarial valuations which involves making various assumptions that may differ from actual developments in the future. For further details refer Note 50.

b) Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the standalone balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

c) Classification of leases :

Refer note 1.III (l) for details.

d) Recognition of deferred tax assets :

Refer note 1.III (n) for details.

e) Provision for litigations and tax disputes

The likelihood of outcome of litigations and tax disputes are estimated by the management based on past experiences, legal advice, other public information etc. For further details, refer Note 43.

Notes to the Standalone Financial Statements as at and for the year ended 31st March 2021

56. The Company's operations and revenue during the first quarter of the financial year ended 31st March, 2021. Were severely affected due to Covid-19 Pandemic. In view of the recent surge in Covid-19 cases, subsequent to the year end, the State Government has imposed restriction on the man power deployment in factories vide Orderes dated 5th May, 2021 and 7th May, 2021. In determining the impact of Covid-19 pandemic on various elements of it's financial statements, the management has used the principles of prudence in applying judgements, estimates and assumptions and based on the current estimates, the management expects to fully recover the carrying amount of inventories, trade receivables, investments and other assets. As regards the Company's liquidity position, there is no material uncertainty inmeeting it's liabilities in the foreseeable future. However, the eventual outcome of the impact of the Covid-19 pandemic may be different from those estimated as on the date of approval of these financial statements.
57. Fire had occurred in our Tyre Div/Unit situated at Falta Special Economic Zone (FSEZ), Plot no, 31 & 32, Sector-1, 24 Parganas (South), West Bengal-743504 on 11th April, 2021 around 2.00 PM leading to extensive damage to the factory including Factory Building, Stocks, Plant & Machinery and other Assets. As per our initial estimates, stocks of around Rs. 400 Lakhs have been completely destroyed and Replacement cost of Plant & Machinery and Building destroyed in Fire have been initially estimated at Rs. 240 Lakhs. The company is in the process of deriving the actual loss and replacement costs of its assets which may differ from initial estimates. Further, the Company has adequate insurance coverage in respect of the damages caused by the Fire.
58. The company has reclassified/rearranged/regrouped previous year figures to conform to this year's classification, where necessary.

Note : Signatories to all Notes from 1 to 58

JAY SINGH BARDIA
Managing Director
(DIN : 00467932)

VINAY SIPANI
Chief Financial Officer

In terms of our attached report of even date
For **P. K. LUHARUKA & CO.**
CHARTERED ACCOUNTANTS
Firm Registration No.322020E

PRADEEP KUMAR SINGH
Director
(DIN : 00386800)

ARTI BAID
Company Secretary

PRADEEP KUMAR LUHARUKA
PARTNER
Membership No.055782

Place: Kolkata
Dated: 14.08.2021

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KRYPTON INDUSTRIES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Krypton Industries Limited("hereinafter referred to as the Holding Company") and its Subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2021 and the Consolidated Statement of Profit and Loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditor on separate financial statement of such subsidiary as was audited by the other auditor, the aforesaid consolidated 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 consolidated State of affairs of the Group as at 31st March, 2021, of its consolidated Profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained along with the consideration of audit report of the other auditor referred to in "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. 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.

Description of Key Audit Matter**Revenue Recognition**

Refer Note 33 to the Financial Statements. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. During the year ended March 31, 2021, the Group has recognised revenue amounting to Rs. 2415.67 Lakhs & Rs. 1825.46 Lakhs from domestic and overseas sales respectively.

The Key Audit Matter	How the matter was addressed in our audit
<p>The inventories are counted by the Group on a cyclical basis and accordingly provisions for obsolescence including revision in valuation to Net Realizable Value, if any, of inventories are assessed and recognized by the management in the financial statements based on management estimation as at the end of the reporting period. Significant degree of judgment is thereby required to assess the net realizable value of the inventories and appropriate level of provisioning for items which may be ultimately sold below cost. Such judgment includes management's expectations for future sale volumes, inventory liquidation plans and future selling prices less cost to sell.</p> <p>Such high holdings, existence and valuation of inventories make it a key audit matter.</p>	<ul style="list-style-type: none"> ☞ Assessing whether items in the inventory ageing report prepared by the management were classified within the appropriate ageing bracket; ☞ Performing a review of the provisions for inventories by examining movements in the balance during the current year; ☞ Assessing, on a sample basis, the net realizable value of inventories as calculated by management with reference to prices achieved and costs to sell after the financial year end.

The Key Audit Matter	How the matter was addressed in our audit
<p>Deferred Tax Asset</p> <p>Refer Note 24 to the Financial Statements. Deferred Tax Asset ('DTA') is recognized by the Group on the Unused Tax Credits and Unused Tax Losses. Total Deferred Tax Asset on such matters stand at Rs. 82.91 Lakhs as at 31.03.2021.</p> <p>DTA is recognized on such unused tax losses and unused tax credits to the extent that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. The risk is, therefore, that sufficient profits may not be available in the future to utilise such Deferred Tax Asset.</p> <p>Such existence and recognition of Deferred Tax Asset make it a Key Audit Matter.</p>	<p>Our audit procedures included the following:-</p> <ul style="list-style-type: none"> ☞ Updating our understanding of the identifiable causes behind occurrence of tax losses and assessing whether such causes are likely to recur. ☞ Obtaining an understanding from the management and assessing the accounting and financial estimates on the basis of which the company shall have sufficient taxable profits before expiry of unused tax losses and unused tax credits.

Information other than the Consolidated financial statements and Auditors' Report thereon

The Holding Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our 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' Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- o Identify and assess the risks of material misstatement of the consolidated 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.

- o Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.

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

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

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

- o Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entity included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which have been audited by other auditor, such other auditor remains responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Our responsibilities in this regard are further described in section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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.

Other Matters

We did not audit the financial statements of the Subsidiary whose financial statements/financial information reflect total assets (before consolidation adjustments) of Rs. 264.64 Lakhs as at 31 March 2021, total revenue (before consolidation adjustments) of Rs. 1354.33 Lakhs, total net Profit after tax (before consolidation adjustments) of Rs. 163.13 Lakhs and net cash inflows of Rs135.27 Lakhs for the year ended on that date, as considered in the consolidated annual financial statements. This financial statement has been audited by its respective independent auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures in respect of this subsidiary, and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates is based solely on the audit report of the other auditor.

The Subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in its respective country and which have been audited by other auditor under generally accepted auditing standards applicable in its respective country. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in its respective country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion, in so far as it relates to the balances and affairs of its Subsidiary located outside India is based on the report of such other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated annual financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports the other auditor and the financial statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit of the Holding Company and on consideration of report of the other auditor on separate financial statement of such subsidiary as were audited by other auditor, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books and report of the other auditor.
 - (c) The Consolidated Balance Sheet and the Consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid Consolidated financial statements comply Ind AS specified under Section 133 of the Act.
 - (e) On the basis of written representations received from the directors of the Holding Company as on 31st March, 2021 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on 31st March, 2021, from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding Company's internal financial controls over financial reporting.; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statement:
 - (i) The Group, as detailed in Note 44 to the consolidated financial statements has disclosed the impact of pending litigations as on March 31, 2021 on its financial position in its consolidated financial statements.

Place : Kolkata
Dated : The 14th Day of August, 2021

For **P. K. Luharuka & Co.**
Chartered Accountants
Firm Registration No.: 322020E

Pradeep Kumar Luharuka

Annexure "A" to Independent Auditors' Report On the Consolidated Financial Statements of Krypton Industries Limited for the year ended 31 March 2021

Referred to in Clause (f) of Paragraph 1 under "Report on other Legal and Regulatory Requirements" of our report of even date to the financial statements of the company for the year ended March 31, 2021.

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

We have audited the internal financial controls over financial reporting with reference to consolidated financial statements of Krypton Industries Limited (hereinafter referred to as "the Holding Company") as of March 31, 2021 in conjunction with our audit of the consolidated financial statements of the Company for the year ended and as on March 31, 2021.

Management's Responsibility for Internal Financial Controls

The Holding Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria with reference to the consolidated financial statements established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding 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.

Auditor's Responsibility

Our responsibility is to express an opinion on internal financial controls over financial reporting with reference to consolidated 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, both applicable to an audit of Internal Financial Control, and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference

to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also,

projections of any evaluation of the internal financial controls over financial reporting with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For P. K. Luharuka & Co.
Chartered Accountants
Firm Registration No.: 322020E

Place: Kolkata
Dated: The 14th Day of August, 2021

Pradeep Kumar Luharuka
Partner
Membership No. 055782
UDIN : 21055782AAAAADI7528

Consolidated Balance Sheet as at 31st March, 2021

PARTICULARS	Note No.	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
ASSETS			
Non Current Assets			
(a) Property, Plant and Equipment	"2"	152,271.21	157,078.80
(b) Right of Use Assets	"3"	5,319.42	6,562.35
(c) Capital Work -in- Progress	"4"	7,026.19	2,606.14
(d) Financial Assets			
(i) Investments	"5"	1,050.32	1,027.45
(ii) Trade Receivables		-	
(iii) Long Term Loans	"6"	12,015.10	10,931.21
(iv) other Financial Assets	"7"	3,965.06	3,426.56
(e) Non-Current Tax Assets	"8"	5,728.20	4,776.37
(f) Other Non-Current Assets	"9"	250.00	-
		<u>187,625.50</u>	<u>186,408.88</u>
Current Assets			
(a) Inventories	"10"	184856.40	187,582.22
(b) Financial Assets			
(i) Investments		-	-
(ii) Trade Receivables	"11"	66608.85	72,015.04
(iii) Cash & Cash Equivalent	"12"	21426.07	5,849.78
(iv) Bank Balances other than (iii) above	"13"	6201.96	7,764.11
(v) Short Term Loans	"14"	3751.47	3,951.47
(vi) Other Financial Assets	"15"	7916.96	2,462.14
(c) Current Tax Assets	"16"	30067.21	22,624.75
(d) Other Current Assets	"17"	43205.52	29,556.87
		<u>364,034.44</u>	<u>331,806.38</u>
Total Assets		<u>551,659.94</u>	<u>518,215.26</u>
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	"18"	146,971.30	146,971.30
(b) Other Equity	"19"	144,500.49	127,886.63
(b) Non-Controlling Interest	"20"	1,920.83	118.16
		<u>293,392.62</u>	<u>274,976.09</u>

Consolidated Balance Sheet as at 31st March, 2021

PARTICULARS	Note No.	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	"21"	55641.11	43,990.96
(ii) Other Financial Liabilities		-	-
(iii) Non- Current Lease Liability	"22"	2265.31	6,210.33
(b) Long Term Provisions	"23"	6120.61	5,602.27
(c) Deferred Tax Liabilities (Net)	"24"	4522.16	5,226.46
(d) Other Non-Current Tax Liabilities	"25"	219.95	-
(e) Other Non-Current Liabilities		-	-
		68,769.14	61,030.02
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	"26"	74640.88	92,843.49
(ii) Trade Payables	"27"		
- Total Outstanding dues of Micro & Small Enterprise		3899.82	-
- Total Outstanding dues of other than Micro & Small Enterprise		51081.38	25,069.76
(iii) Other Financial Liabilities	"28"	45123.13	32,256.01
(iv) Lease Liabilities	"29"	2065.89	1,679.15
(b) Other Current Liabilities	"30"	5576.04	25,666.17
(c) Current Tax Liabilities (Net)	"31"	3773.43	3,308.28
(d) Provisions	"32"	3337.61	1,386.29
		189,498.18	182,209.15
Total Equity And Liabilities		551,659.94	518,215.26

Summary of significant accounting policies "1"
The accompanying notes are an integral part of the financial statements.

JAY SINGH BARDIA
Managing Director
(DIN : 00467932)

VINAY SIPANI
Chief Financial Officer

In terms of our attached report of even date
For **P. K. LUHARUKA & CO.**
CHARTERED ACCOUNTANTS
Firm Registration No.322020E

PRADEEP KUMAR SINGH
Director
(DIN : 00386800)

ARTI BAID
Company Secretary

PRADEEP KUMAR LUHARUKA
PARTNER
Membership No.055782

Place: Kolkata
Dated: The 14th Day of August, 2021

Consolidated Statement of Profit and Loss for the year ended 31st March, 2021

PARTICULARS	Note No.	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
REVENUES			
Gross Revenue from Operations	"33"	425723.38	285,106.46
Net Revenue from Operations		425723.38	285,106.46
Other Income	"34"	24128.32	6,261.31
Total Revenue		449851.70	291,367.77
EXPENSES			
Cost of Materials Consumed	"35"	130551.90	113,322.17
Purchase of Stock in Trade		94596.59	16,099.22
Changes in Inventories	"36"	14122.79	(15,461.07)
Employee Benefits Expenses	"37"	63559.55	65,733.11
Power and Fuel	"38"	8037.37	9,425.54
Finance Cost	"39"	17902.09	16,687.96
Depreciation and Amortization	"40"	16014.99	17,244.03
Other Expenses	"41"	83548.60	67,610.81
Total Expenses		428333.88	290,661.77
Profit before Tax		21517.82	706.00
Tax Expenses:	"42"		
Current Tax		3,435.60	-
Deferred Tax		(739.59)	(4,040.18)
		2,696.01	(4,040.18)
Profit/ (Loss) for the Year		18,821.81	4,746.18
Other Comprehensive Income			
Items that will not be reclassified subsequently to Profit & Loss			
i. Remeasurement of post -employment benefits plans		95.47	(724.84)
ii. Tax relating to above items		24.82	(188.46)
		70.65	(536.38)
Items that will be reclassified subsequently to Profit & Loss			
i. Change in foreign Currency Translation Reserve		(353.70)	87.01
ii. Tax relating to above items		-	-
		(353.70)	87.01
Total other Comprehensive Income for the year net of tax		(283.05)	(449.37)
Total Comprehensive Income for the year		18,538.76	4,296.81

Consolidated Statement of Profit and Loss for the year ended 31st March, 2021

Earning per Equity Share			
Basic & Diluted EPS (₹)	"43"	1.17	0.34
Profit for the year attributable to:			
Owners of the Company		17,190.55	4,951.04
Non-Controlling Interest		1,631.27	(204.86)
Other Comprehensive Income for the year attributable to:			
Owners of the Company		(249.65)	(468.63)
Non-Controlling Interest		(33.40)	19.26
Total Comprehensive Income for the year attributable to:			
Owners of the Company		16,940.89	4,482.41
Non-Controlling Interest		1,597.87	(185.60)

Summary of significant accounting policies "1"

The accompanying accounting notes are an integral part of the financial statements.

JAY SINGH BARDIA
Managing Director
(DIN : 00467932)

VINAY SIPANI
Chief Financial Officer

In terms of our attached report of even date
For **P. K. LUHARUKA & CO.**
CHARTERED ACCOUNTANTS
Firm Registration No.322020E

PRADEEP KUMAR SINGH
Director
(DIN : 00386800)

ARTI BAID
Company Secretary

PRADEEP KUMAR LUHARUKA
PARTNER
Membership No.055782

Place: Kolkata
Dated: The 14th Day of August, 2021

Consolidated Cash Flow Statement for the year ended 31st March, 2021

PARTICULARS	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	21,517.82	706.00
Adjustment for :		
Finance Costs	17,902.09	16,687.96
Unrealized Foreign exchange gain/(loss)	(322.10)	(50.20)
Provision for expected credit loss on receivables	853.50	829.21
Depreciation and Amortization Expenses	16,014.99	17,244.03
Other Income	(327.03)	-
Current Service Cost for Gratuity	865.24	956.88
Rental Income	(913.00)	(3,393.20)
Liabilities/Provisions written back	(952.79)	(2,001.17)
Interest Income	(1,351.75)	(1,457.19)
Profit on Sale of Assets	(29.52)	-
Net (gain)/loss on fair value changes of investments measured at FVTPL	(22.86)	(124.64)
Operating profit before working capital changes	53,234.59	29,397.68
Changes in working Capital:		
Inventories	2,725.82	(14,132.48)
Trade and other Receivables	5,406.19	(13,340.78)
Trade and other Payables	29,911.44	966.83
(Increase)/Decrease in Loans	(883.89)	(671.13)
(Increase)/Decrease in Financial Assets	(5,993.32)	(1,181.01)
(Increase)/Decrease in other Assets	(22,292.94)	(17,502.81)
Increase/(Decrease) in other Financial Liabilities	3,661.56	9,196.08
Increase/(Decrease) in other Liabilities	(19,405.03)	20,187.18
Increase/(Decrease) in Lease Liabilities	(3,082.60)	7,413.80
Increase/(Decrease) in Provisions	1,993.98	1,308.25
Cash generation from Operation	45,275.80	21,641.61
Payment of Direct Taxes (net)	-	-
Net Cash generated/ (used) - Operating Activities	45,275.80	21,641.61
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets	(16,896.04)	(15,168.66)
Capital work in progress	(4,420.05)	(540.46)
Sale of Fixed Assets	340.00	-
Assets Written off	6,621.08	-
Transaction with Non-Controlling Interest	1,802.66	422.64
Purchase of Investments	-	(174.95)
Others	(5,387.17)	-
Rent received	913.00	3,393.20
Interest Received	356.76	1,431.07
Net Cash Generated/ (Used) - Investing Activities	(16,669.76)	(10,637.16)

Consolidated Cash Flow Statement for the year ended 31st March, 2021

PARTICULARS	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Payment towards Lease Liability (net)	(768.00)	(768.00)
Repayment of Long-term Borrowings	11,650.15	29,847.26
Proceeds/ Repayment of Short-term Borrowings (Net)	(9,756.78)	(28,035.96)
Finance Cost Paid	(15,717.27)	(15,857.55)
Net Cash Generated/ (Used) - Financing Activities	<u>(14,591.90)</u>	<u>(14,814.25)</u>
Net Increase/ (Decrease) in Cash and Cash Equivalents	14,014.14	(3,809.80)
Add : Opening Cash and Cash Equivalents	13,613.89	17,423.69
Closing Cash and Cash Equivalents	<u>27,628.03</u>	<u>13,613.89</u>

1. The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard (AS) 3 "Cash Flow Statement" as specified in the Companies (Accounting Standard) Rule 2006.
2. Figures have been regrouped/ rearranged wherever necessary.

JAY SINGH BARDIA
Managing Director
(DIN : 00467932)

VINAY SIPANI
Chief Financial Officer

In terms of our attached report of even date
For **P. K. LUHARUKA & CO.**
CHARTERED ACCOUNTANTS
Firm Registration No.322020E

PRADEEP KUMAR SINGH
Director
(DIN : 00386800)

ARTI BAID
Company Secretary

PRADEEP KUMAR LUHARUKA
PARTNER
Membership No.055782

Place: Kolkata
Dated: The 14th Day of August, 2021

Consolidated Statement of Changes in Equity for the year ended 31st March, 2021

A. Equity Share Capital	Numbers	Amount (₹000)
Equity Shares of INR 10 each issued, subscribed and fully paid	14697130	146,971.30
Changes in equity Share capital during the year	-	-
Balances at March 31, 2020	<u>14697130</u>	<u>146,971.30</u>
Changes in equity Share capital during the year	-	-
Balances at March 31, 2021	<u>14697130</u>	<u>146,971.30</u>

B Other Equity (₹ '000)

Particulars	Attributable to the owners of the Company							Non-Controlling Interest	Total
	Reserve & Surplus								
	Securities Premium	General Reserve	Retained Earnings	Foreign currency Translation reserve	OCI	Total Attributable to the Owners of the Company			
Balances at April 01, 2019	36553.40	5707.51	81685.42	-	(542.11)	123,404.22	-	123,404.22	
Profit/(Loss) for the year	-	-	4,951.04	-	-	4,951.04	(204.86)	4,746.18	
other Adjustments:	-	-	-	-	-	-	-	-	
Transaction with non-controlling Interest	-	-	-	-	-	-	303.75	303.75	
Other Comprehensive Income (net of tax) for the year 2019-2020	-	-	-	67.75	(536.38)	(468.63)	19.26	(449.37)	
other Adjustments:	-	-	-	-	-	-	-	-	
Balances at March 31, 2020	36553.40	5707.51	86636.46	67.75	(1078.49)	127886.63	118.16	128,004.78	
Profit/(Loss) for the year	-	-	17,190.55	-	-	17,190.55	1,631.27	18,821.81	
other Adjustments:	-	-	(327.03)	-	-	(327.03)	-	(327.03)	
Transaction with non-controlling Interest	-	-	-	-	-	-	204.80	204.80	
Other Comprehensive Income (net of tax) for the year 2020-2021	-	-	-	(320.30)	70.65	(249.65)	(33.40)	(283.05)	
other Adjustments:	-	-	-	-	-	-	-	-	
Balances at March 31, 2021	36553.40	5707.51	103499.98	(252.55)	(1007.84)	144500.49	1920.83	146,421.31	

The accompanying notes are an integral part of the financial statements.

JAY SINGH BARDIA
Managing Director
(DIN : 00467932)

VINAY SIPANI
Chief Financial Officer

In terms of our attached report of even date
For **P. K. LUHARUKA & CO.**
CHARTERED ACCOUNTANTS
Firm Registration No.322020E

PRADEEP KUMAR SINGH
Director
(DIN : 00386800)

ARTI BAID
Company Secretary

PRADEEP KUMAR LUHARUKA
PARTNER

Place: Kolkata

Dated: The 14th Day of August, 2021

Membership No.055782

Notes to Consolidated financial statements as at and for the year ended 31st March, 2021**1. Summary of Significant Accounting Policies and Other Explanatory Information****I. GROUP'S BACKGROUND**

The Consolidated financial statements comprise of financial statements of Krypton Industries Limited ("the parent Company") and its subsidiary (collectively, the Group) for the year ended 31st March, 2021.

The Parent company is a Public Limited Company, incorporated and domiciled in India. The Registered office of the Parent Company is located at Falta Special Economic Zone, Sector - 1, Plot No. 31 & 32, P.S - Diamond Harbour, 24 Parganas South, West Bengal - 743504.

The Company's Subsidiary, namely Krypton Europe S.R.O., a limited liability Company in the Jilemnice, Nadrazní 48, Zip code- 514 01, ID Nr. 086 72 440, Czech Republic, registered with the Commercial Register with County Courtin Hradec Králové, section C, Nr. 44819.

The Group is engaged in Manufacture and Sale of Tubeless Tyres, Commode Chairs, P.U. Shoe Soles, P.U. Sandals/ Chappals and trading in Tubeless Tyres, Wheel Chairs and its accessories, Walker, Cycle Accessories, Plastic Rims, Crutches, Rollators, etc.

The consolidated financial statements were authorised for issue by the Parent Company's Board of Directors on 14th August 2021.

II. BASIS OF PREPARATION:**a) Statement in Compliance with Indian Accounting Standards (Ind AS)**

The Consolidated financial statements comply in all material aspects with Indian Accounting Standards (IndAS) notified under Section 133 of the Companies Act, 2013 (hereinafter referred to as the "Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented. These financial statements are the first consolidated financial statements of the Group under Ind AS.

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All figures have been rounded off to the nearest thousand, unless otherwise indicated.

Historical cost convention

The Consolidated financial statements have been prepared on a historical cost basis, except the following:

- certain financial assets and liabilities that are measured at fair value; and
- defined benefit plans - plan assets measured at fair value.

Notes to Consolidated financial statements as at and for the year ended 31st March, 2021**Current versus non-current classificationnon-current classification:**

The Group presents all its assets and liabilities in the Consolidated balance sheet based on current or non-current classification. Assets and liabilities are classified as current or non-current as per the Group's normal operating cycle and other criteria asset out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

III. SIGNIFICANT ACCOUNTING POLICIES**(a) Revenue from contract with customers**

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

At contract inception, the Group assesses the goods or services promised in a contract with a customer and identify as a performance obligation each promise to transfer to the customer. Revenue is recognised upon transfer of control of promised products or services to customers in an amount of the transaction price that is allocated to that performance obligation and that reflects the consideration which the Group expects to receive in exchange for those products or services.

The Group 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 an entity expects to be entitled in exchange for transferring promised goods or services to a customer net of returns, excluding amounts collected on behalf of third parties (for example, taxes) and excluding discounts and incentives, as specified in the contract with customer.

With respect to sale of products and rendering of certain services, revenue is recognised at a point in time when the performance obligation is satisfied and the customer obtains the control of goods or services. There are no significant financing components involved on contract with customers. Invoices are usually payable within the credit period as agreed with respective customers.

The Group recognises revenue only when it is probable that it will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

Notes to Consolidated financial statements as at and for the year ended 31st March, 2021**Customer Incentive:**

The Group usually have customer Incentive programs for their customers based on the sales from time to time. The Group grants incentive to only those customers who have qualifying sales, at certain percentage of total transaction made by them during the said periods.

Job Work:

The Group has entered into Job Work arrangements with big OEM's, and products are manufactured on their behalf and accordingly, the revenues from such arrangements have been recorded as part of gross revenue.

Income from export incentives and other operating Income:

Export incentives and subsidies are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and the incentive will be received. Insurance Claims are accounted to the extent the company is reasonably certain of their ultimate collection

Interest income:

Interest income is recorded on accrual basis.

(b) Property, plant and equipment***Recognition and initial measurement:***

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are added in the asset's carrying amount/ recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of such item can be measured reliably. All other repairs and maintenance expenses are charged to the standalone statement of profit and loss in the period in which they are incurred. Gains or losses arising on retirement or disposal of property, plant and equipment are recognized in the consolidated statement of profit and loss.

Refer Note No. 2 to consolidated Financial Statements.

Capital work-in-progress:

Property, plant and equipment which are not ready for intended use as on the balance sheet date are disclosed as "Capital work-in-progress".

Subsequent measurement (depreciation and useful lives):

Depreciation is provided on a pro-rata basis on the written down value (WDV) method based on estimated useful life prescribed under Schedule II of the Companies Act, 2013. Depreciation of land acquired under finance lease and leasehold improvements is provided

Notes to Consolidated financial statements as at and for the year ended 31st March, 2021

over their respective lease period or estimated useful life whichever is shorter. Residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each Balance Sheet date and any change in them is adjusted prospectively.

Category of asset Useful life

Buildings	30 years
Plant and equipment (inc.Mould)	15 years
Furniture and fixtures	10 years
Office equipment	3 - 5 years
Vehicles	8-10 years

Freehold land is carried at historical cost.

The Group believes that these estimated useful lives and residual values are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Refer Note No. 2 to Consolidated Financial Statements.

De-recognition:

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the Consolidated statement of profit and loss, when the asset is de-recognized.

Intangible assets and Amortisation

Acquired intangible assets are initially measured at cost and subsequently at cost less accumulated amortisation and accumulated impairment loss, if any.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in profit or loss as incurred.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortisation in the Statement of Profit and Loss.

Intangible assets, if any, are amortised over a period of five years under straight line method.

The amortisation period and the amortisation method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortisation period is changed accordingly.

Intangible assets under development is stated at cost which includes expenses incurred in connection with development of intangible assets in so far as such expenses relate to the period prior to getting the assets ready for use.

Notes to Consolidated financial statements as at and for the year ended 31st March, 2021**(c) Government Grants**

Government grants are recognised at their fair values when there is reasonable assurance that the grants will be received and the Group will comply with all the attached conditions. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed or netted off with related expenses. Grants related to purchase of property, plant and equipment are included in non-current liabilities as deferred revenue and are credited to profit or loss on a straight line basis over the expected useful life of the related asset and presented within other operating revenue. Grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs shall be recognised in profit or loss of the period in which it becomes receivable.

(d) Financial Instruments**A) Financial Assets**

Classification: The Group classifies its financial assets in the following measurement categories depending on the Company's business model for managing such financial assets and the contractual cash flow terms of the asset.

- (i) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- (ii) those subsequently measured at amortized cost.

For assets measured at fair value, gains or losses are either recorded in the statement of profit and loss or other comprehensive income. Investments in debt instruments are classified depending on the business model for managing such investments. The Group re-classifies the debt investments when and only when there is a change in business model for managing those assets. For investments in equity instruments recording of gains or losses shall depend on whether the Group has made an irrevocable election at the time of initial recognition to account for such equity investments at fair value through other comprehensive income.

Measurement: At initial recognition, the Group measures a financial asset (other than those carried at fair value through profit or loss) at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit and loss as and when they are incurred.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing such debt instruments and the contractual cash flow characteristics of the instrument. There are three measurement categories into which the debt instruments are classified:

- (i) **Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A

Notes to Consolidated financial statements as at and for the year ended 31st March, 2021

gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- (ii) Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at Fair value through Other Comprehensive Income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gains or losses previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method.
- (iii) Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Again or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognized in statement of profit and loss in the period in which it arises.

Equity instruments: The Group classifies all its equity investments at fair value through profit and loss or at fair value through other comprehensive income basis. Changes in the fair value of financial assets at fair value through profit and loss are recognized in other gains/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity instruments measured at FVOCI are not reported separately from other changes in fair value.

Impairment:

The Group assesses the expected credit losses for its financial assets at amortized cost and FVOCI debt instruments. Impairment methodology applied depends on whether there has been a significant increase in credit risk and the loss amount assessed depends upon past events, present conditions and future economic scenario.

In accordance with Ind AS 109: Financial instruments, the Group recognizes impairment loss allowance on trade receivables based on historically observed default rates. Impairment loss allowance recognized during the year is charged to Statement of profit and loss.

De-recognition:

A financial asset is de-recognized when:

- (i) Contractual right to receive cash flows from such financial asset expires;
- (ii) Group transfers the contractual right to receive cash flows from the financial asset; or
- (iii) Group retains the right to receive the contractual cash flows from the financial asset, but assumes a contractual obligation to pay such cash flows to one or more recipients.

Where the Group has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards associated with the ownership of the financial asset. In such cases,

Notes to Consolidated financial statements as at and for the year ended 31st March, 2021

the financial asset is de-recognized. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognized.

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

B) Financial Liabilities**Classification & Measurement**

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on de-recognition is also recognised in profit or loss.

De-recognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

C) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

D) Impairment of non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Impairment loss is charged to the Statement of Profit & Loss Account in the year in which an asset is identified as impaired. An impairment loss recognized in the prior accounting periods is reversed if there has been change in the estimates used to determine the assets recoverable amount since the last impairment loss was recognised.

Notes to Consolidated financial statements as at and for the year ended 31st March, 2021**(e) Measurement of Fair Values**

A number of the accounting policies and disclosures of the Group require the measurement of fair values, for both financial and non-financial assets and liabilities.

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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 - Inputs which are unobservable inputs for the asset or liability.

(f) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment and amortised over the period of the facility to which it relates.

Notes to Consolidated financial statements as at and for the year ended 31st March, 2021

Borrowings are derecognized from the consolidated balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in standalone statement of profit and loss as other gains or (losses).

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

(g) Borrowing costs

Borrowing Costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. It also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs that are directly attributable to the acquisition or construction of qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get itself ready for the intended use.

Transaction Costs in respect of long-term borrowings are amortised over the tenure of respective loans using Effective Interest Rate (EIR) method. Other borrowing costs are recognized as an expense in the period in which they are incurred.

(h) Inventories

Raw materials, packing materials, work-in-progress, stores and spares, finished goods and stock-in-trade are valued at lower of cost and net realizable value. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost.

Cost of inventories comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from the tax authorities), cost of conversion and all other costs incurred in bringing the inventories to their present location and condition. In determining the cost, weighted average cost method is used. In determining the cost of manufactured finished goods and work-in-progress an appropriate share of fixed and variable production overheads, excise duty as applicable and other costs incurred in bringing the inventories to their present location and conditions are considered. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Costs of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Adequate allowance is made for obsolete and slow moving items.

Refer Note No. 10 to Consolidated Financial Statements.

Notes to Consolidated financial statements as at and for the year ended 31st March, 2021**(i) Cash and cash equivalents**

Cash and cash equivalents comprise of cash-on-hand and short-term demand deposits with banks. The Group considers it's highly liquid, short-term investments (having maturity less than three months) which can be readily converted to fixed/determinable amount of money and subject to insignificant risks arising from changes in their fair values, as cash equivalents.

Refer Note No. 12 & 13 to Consolidated Financial Statements.

(j) Foreign currency transactions**Transactions and balances:**

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses from settlement of these transactions and from translation of monetary assets and liabilities at the exchange rates prevailing on the balance sheet dates are recognized in the Consolidated statement of profit and loss.

(k) Employee benefits expense**(i) Short term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Post-retirement benefits

Post-retirement benefits to employees can either be through defined contribution plans or defined benefit plans. A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund and pension schemes. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group operates a Defined benefit gratuity plan, which requires contributions to be made to a separately administered fund. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the effect of the asset ceiling (if any, excluding interest), are recognised in OCI.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Notes to Consolidated financial statements as at and for the year ended 31st March, 2021

The Group recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

(i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and (ii) Net interest expense or income

The current and non-current bifurcation is done as per Actuarial report.

Refer Notes 23, 32, 37 and 51 to the Consolidated Financial Statements.

(I) Leases**- Company as a Lessor**

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

- Company as a Lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straightline basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

Right-of-Use Assets (ROU Assets)

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The rights of use assets are also subject to impairment. Refer to the accounting policies in Note I.III.6 Impairment of non financial assets.

Extension and termination options are included in many of the leases. In determining the lease term the management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option.

Notes to Consolidated financial statements as at and for the year ended 31st March, 2021**Lease Liabilities**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments) payable during the lease term and under reasonably certain extension options, less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term Leases and Leases of Low-Value Assets

The Group applies the short-term lease recognition exemption to its short-term leases of Property, Plant & Equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(m) Provisions, contingent liabilities and contingent assets**Provisions:**

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of such obligation can be made. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the Balance Sheet date.

Refer Note No. 23 & 32 to consolidated Financial Statements.

Notes to Consolidated financial statements as at and for the year ended 31st March, 2021

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

Refer Note No. 44 to Consolidated Financial Statements.

Contingent assets: Contingent assets are not recognized in the financial statement. However when there is a virtual certainty that an inflow of resources embodying economic benefits will arise from the contingent asset, such asset and the related income is recognized in the period in which the changes occurred.

(n) Income tax

Income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rates with adjustments for changes in deferred tax assets or liabilities attributable to temporary differences and unused tax losses or credits.

Current tax is calculated based on tax laws enacted or substantively enacted at the end of the reporting period.

Deferred tax is recognized on temporary differences arising from the tax bases of assets and liabilities and their respective carrying amounts in the consolidated financial statements at the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet Date.

Deferred Tax Assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each Balance Sheet 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 tax asset to be utilised. Unrecognized Deferred tax Assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

For items recognized in OCI or equity, deferred/current tax is also recognized in OCI or equity.

Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Consolidated statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

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

Notes to Consolidated financial statements as at and for the year ended 31st March, 2021**(o) Segment reporting**

As per IndAS 108: Operating Segments, the Group has identified the following operating segments:

- (i) Tyre, Rims & Wheel
- (ii) Footwear
- (iii) Hospital Equipments

(p) Events after reporting date

Where events occurring after the Balance Sheet date provide evidence of condition that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

(q) Earnings per share

Basic earnings per share is computed by dividing the net profit or loss before OCI for the period by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events that have changed the number of outstanding equity shares, without a corresponding change in the resources. For the purpose of calculating diluted earnings per equity share, net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares. As on the balance sheet dates, the Group has no dilutive potential equity shares.

(r) Estimation of uncertainties relating to the Global Health Pandemic from COVID-19 :

The Group has considered internal and certain external sources of information up to the date of approval of the financial statements in determining the impact of COVID-19 pandemic on various elements of its financial statements.

The Group has used the principles of prudence in applying judgements, estimates and assumptions and based on the current estimates, the management expects to fully recover the carrying amount of inventories, trade receivables, investments and other assets. However, the eventual outcome of the impact of the COVID-19 pandemic may be different from those estimated as on the date of approval of these financial statements.

(s) Accounting Standards Issued but not yet Effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2021.

On March 24, 2021, the MCA through notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial

Notes to Consolidated financial statements as at and for the year ended 31st March, 2021

statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Current maturities of Long-term borrowings shall be disclosed separately under the heading Short Term Borrowing.
- Security Deposits to be shown under the head of Other Non Current Assets instead of Long term Loan & Advances.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.
- Ratios - Following Ratios to be disclosed: - (a) Current Ratio, (b) Debt-Equity Ratio, (c) Debt Service Coverage Ratio, (d) Return on Equity Ratio, (e) Inventory turnover ratio, (f) Trade Receivables turnover ratio, (g) Trade payables turnover ratio, (h) Net capital turnover ratio, (i) Net profit ratio, (j) Return on Capital employed, (k) Return on investment.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

IV. PRINCIPLES OF CONSOLIDATION

The consolidated financial statements which relate to Krypton Industries Limited and its subsidiary company, have been prepared on the following basis -

- i. The financial statements of the Company and its subsidiaries are consolidated by combining like items of assets, liabilities, income and expenditure, after fully eliminating intra group balances, intra group transactions and any unrealised profit/ loss included

Notes to Consolidated financial statements as at and for the year ended 31st March, 2021

therein. Deferred tax if any has been created on temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions as per Ind AS12: Income Taxes.

- ii. Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the Consolidated Financial Statements to ensure conformity with the group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to the same reporting date as that of the parent Company, i.e., year ended on 31 March.
- iii. With respect to our subsidiaries domiciled out of India, assets and liabilities, are translated to Indian Rupees at exchange rates prevailing at the reporting period end. Income and expense items are translated at the average exchange rates prevailing during the period; when exchange rates fluctuate significantly the rates prevailing on the transaction date are used instead.

Differences arising on such translation are accumulated in foreign currency translation reserve and attributed to non-controlling interests proportionately.

- iv. The subsidiary companies considered in the financial statements are as follows:

Name	Country Incorporation	% of Ownership of Interest as on March 31, 2021	% of Ownership of Interest as on March 31, 2020
Krypton Europe S.R.O.	Czech Republic	90%	90%

v. **Non-controlling interest**

Non-controlling interest (NCI) are measured at their proportionate share of the acquiree's net identifiable assets as at the date of acquisition. Changes in Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

2. Property, Plant And Equipment

Summary of cost and net carrying amount of each class of tangible assets are given below:

	Cost		Accumulated Depreciation		Net Carrying Amount	
	31/3/2021	31/03/2020	31/3/2021	31/03/2020	31/3/2021	31/03/2020
	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)
Freehold Land	14,649.18	14,649.18	-	-	14,649.18	14,649.18
Buildings	82,301.23	85,495.48	17,000.22	14,348.58	65,301.01	71,146.90
Plant and Machinery	102,019.63	96,162.70	44,204.35	39,637.62	57,815.28	56,525.08
Furniture and Fixtures	8,813.79	8,005.49	3,586.91	2,756.63	5,226.88	5,248.86
Electrical Installation	8,748.75	8,055.95	4,266.45	3,593.95	4,482.30	4,462.00
Office Equipment	1,714.99	1,521.46	759.84	609.39	955.15	912.06
Computers	331.91	286.64	184.29	162.50	147.62	124.14
Vehicles	8,116.94	7,970.46	4,423.15	3,959.88	3,693.79	4,010.58
	226,696.42	222,147.36	74,425.21	65,068.55	152,271.21	157,078.80

(a). Reconciliation of the gross and net carrying amounts of assets at the beginning and year ending 31/03/2021 are as under:

Cost	As at		Other Adjustments	As at 31/03/2021
	31/03/2020	Additions		
	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)	(₹ Thousands)
Freehold Land	14,649.18	-	-	14,649.18
Buildings	85,495.48	1,023.91	4,218.16	82,301.23
Plant and Machinery	96,162.70	12,448.30	6,591.37	102,019.63
Furniture and Fixtures	8,005.49	808.30	-	8,813.79
Electrical Installation	8,055.95	692.80	-	8,748.75
Office Equipment	1,521.46	193.53	-	1,714.99
Computers	286.64	45.27	-	331.91
Vehicles	7,970.46	866.86	720.38	8,116.94
	222,147.36	16,078.97	11,529.91	226,696.42
Previous Year	215,396.66	6,750.70	-	222,147.36
Accumulated Depreciation				
Freehold Land	-	-	-	-
Buildings	14,348.58	3,470.98	819.34	17,000.22
Plant and Machinery	39,637.62	7,935.84	3,369.11	44,204.35
Furniture and Fixtures	2,756.63	830.28	-	3,586.91
Electrical Installation	3,593.95	672.50	-	4,266.45
Office Equipment	609.39	150.45	-	759.84
Computers	162.50	21.79	-	184.29
Vehicles	3,959.88	873.30	410.03	4,423.15
	65,068.55	13,955.14	4,598.48	74,425.21
Previous Year	49,680.14	15,388.41	-	65,068.55

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
3 Right of Use Assets		
As at 1st April,	8,417.97	-
Additions for the Year	-	8,417.97
Add: Other Adjustments	1,021.15	
Disposal	-	-
As at 31 March 2021	9,439.12	8,417.97
Accumulated Depreciation		
As at 01st April	1,855.62	-
Charge for the Year	2,059.85	1,855.62
Add: Other Adjustments	204.23	
Disposal	-	-
As at 31 March 2021	4,119.70	1,855.62
Net Block		
As at 31 March 2021	5,319.42	6,562.35
Refer Note - 50 for detailed disclosure as per Ind AS-116.		
4 Capital Work-in-Progress:		
Capital WIP (Building, Plant & Machinery)	7,026.19	2,606.14
	7,026.19	2,606.14
5 Investments		
Investments (Non-Trade)		
Investments in Equity Instruments (Unquoted) (a)	94.00	94.00
Gold Coins (Designated at Fair Value through Profit & Loss)	596.57	580.50
Sovereign Gold Bond (Designated at Fair Value through Profit & Loss)	359.75	352.95
	1,050.32	1,027.45

A. Disclosure with regard to investments in bodies corporate are given below:

	Face value	As at 31/03/2021		As at 31/03/2020		
		per Unit	Numbers	(₹ Thousands)	Numbers	
(₹ Thousands)						
i. Other Investments						
Investments in Equity Instruments (Unquoted)- (Measured at Cost)						
Krypton Developers Limited	Others	10	9,400	94.00	9,400	94.00
I Care International Private Limited	Others	10	10,800	108.00	10,800	108.00
Less: Impairment in value of Investments			(108.00)	-		(108.00)
			20,200	94.00	20,200	94.00

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
6 Long Term Loans (At Amortised Cost)		
Loans to Others	12,015.10	10,931.21
Unsecured, Considered Good	-	-
	12,015.10	10,931.21
7 Other Financial Assets		
Security Deposits	1,939.31	1,860.81
Unsecured, Considered Good		
Loans/Advances to Others	1565.75	1565.75
Other Receivables (Disputed)	460.00	-
	3,965.06	3,426.56
8 Non -Current Tax Assets		
Income Tax Deducted at Source	4,518.05	3718.58
Duties & Taxes	1,210.15	1,057.79
	5,728.20	4,776.37
9 Other Non -Current Assets		
Capital Advances	250.00	-
	250.00	-
10 Inventories		
Raw Materials	59,244.00	45,504.04
Work -in- Progress	13,193.16	20,118.95
Consumable stores	1,749.48	1,196.56
Finished Goods	80,906.46	93,510.93
Stock -in -Trade	12,437.13	448.30
Stores & Spares	10,368.61	13,255.39
Upper (Produced Raw Material)	6,428.08	13,009.44
Packing Materials	529.48	538.61
	184,856.40	187,582.22

Note: Inventories are pledged against the borrowings obtained by the company as referred in Note no. 21 & 26

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
11 Trade Receivables (at Amortised Cost)		
Considered Good	66,608.85	72,015.04
Considered Doubtful	1,023.19	1,023.35
	<u>67,632.04</u>	<u>73,038.39</u>
Less: Allowances for doubtful Debts	1,023.19	1,023.35
TOTAL	<u>66,608.85</u>	<u>72,015.04</u>
Note: Trade Receivables are pledged against the borrowings obtained by the company as referred in Note no. 21 & 26		
12 Cash & Cash Equivalent		
Cash and Cash Equivalents:		
Cash on hand	4,066.00	3,633.96
Balance with Bank		
Current A/c	17,360.07	2,215.82
	<u>21,426.07</u>	<u>5,849.78</u>
13 Bank Balances other than cash & cash Equivalent		
Bank Balances		
Fixed Deposits maturing within 12 months	6,201.96	7,764.11
	<u>6,201.96</u>	<u>7,764.11</u>
14 Short term Loans (at Amortised Cost)		
Loans to Others	3,751.47	3,951.47
Unsecured, Considered Good	<u>3,751.47</u>	<u>3,951.47</u>
15 Other Financial Assets (at Amortised Cost)		
Security Deposits	63.36	63.36
Unsecured, Considered Good		
Other Receivables (Disputed)	-	460.00
Loans/ Advances to Others	1,403.13	1,300.80
Other Receivables (including Insurance Claim)	6,429.53	-
Duty scripts	20.94	637.98
	<u>7,916.96</u>	<u>2,462.14</u>

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
16 Trade Receivables (at Amortised Cost)		
Duties & Taxes	741.63	1780.15
GST	29,054.56	20,020.86
TCS Receivable	14.14	-
TDS Receivable	256.88	823.74
	30,067.21	22,624.75

Note: Balances with government authorities primarily include amounts realisable from goods and servicetax, state excise authorities and transitional credit carried forward under the goods and services tax regime. These are expected to be realised within a period of one-year, by off-setting the same against the output goods and services tax liability on goods supplied by the Company. Accordingly these balances have been classified as current assets.

17 Other Current Assets		
Advances to Suppliers	41,686.70	25,416.94
Advances against Wages	340.03	2,065.85
Prepaid Insurance/ Expenses	1,178.79	2014.68
others	-	59.40
	43,205.52	29,556.87
18 Authorized Share Capital:		
2,16,00,000 Equity Shares of ₹ 10 each.	216,000.00	216,000.00
Issued, Subscribed and Paid-up:		
1,46,97,130 Equity Shares of ₹ 10 each fully paid-up	146,971.30	146,971.30

A. Reconciliation of Shares outstanding at the beginning and at the end of year are given below:

Particulars	2020-21		2019-20	
	Numbers	(₹ Thousands)	Numbers	(₹ Thousands)
Equity Shares outstanding at the beginning of the year	14,697,130	146,971.30	14,697,130	146,971.30
Add: Equity Shares Issued during the year	-	-	-	-
Less: Equity Shares bought back/ redeemed during the year	-	-	-	-
Equity Shares outstanding at the end of the year	14,697,130	146,971.30	14,697,130	146,971

B. Terms/Rights attached to Equity Shares:

The company has only one class of equity shares having a par value of ₹10 per share. Each share holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holder of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

C. Details of shareholders holding more than 5 percent shares of the Company as on reporting date are given below:

Particulars	As at 31/03/2021		As at 31/03/2020	
	Numbers of Shares	Percentage of	Numbers of Shares Held	Percentage of Holding
Jay Singh Bardia	1,560,226	10.62%	1,560,226	10.62%
Panna Lal Bardia	1,609,944	10.95%	1,609,944	10.95%

D. No additional shares were allotted as fully paid up by way of Bonus shares or pursuant to contract without payment being received in cash during the last five years. Further, none of the shares were bought back by the company during last five years.

19 Other Equity

	As at 31/03/2021 (₹ in Thousands)	As at 31/03/2020 (₹ in Thousands)
General Reserve	5,707.51	5,707.51
Securities Premium Account	36,553.40	36,553.40
Retained Earnings	1,03,499.98	86,636.46
Foreign currency translation reserve (FCTR)	(252.55)	67.75
Other Comprehensive Income	(1,007.84)	(1,078.49)
	<u>1,44,500.49</u>	<u>1,27,886.63</u>

Nature and purpose of reserves:

General Reserve

General Reserve has been created out of profits earned by the Company in the previous years. General reserves are free reserves and can be utilised in accordance with the requirements of the Companies Act, 2013.

Securities Premium

Securities Premium is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of Section 52 of the Companies Act, 2013

Retained Earnings

Retained Earnings are the profits that the Company has earned till date, less any transfer to general reserves, dividends and other distributions made to the shareholders.

Foreign currency translation reserve (FCTR)

Exchange differences on translating the financial statements of foreign operations

Other Comprehensive Income (OCI)

OCI reserve includes the net gain/loss on fair value of investments and remeasurements of defined benefits plans.

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

20 Non- controlling Interest

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
Balance as at the commencement of the reporting year	118.16	-
Add: Share of profit attributable to non-controlling interest	1,597.87	(185.60)
Add: Consideration paid by non-controlling interest	-	303.75
Add: others	204.80	-
Balance as at the end of the reporting year	<u>1,920.83</u>	<u>118.16</u>

21 Borrowings (At Amortised Cost)

	Non Current Maturities		Current Maturities	
	3/31/2021 (₹ Thousands)	3/31/2020 (₹ Thousands)	3/31/2021 (₹ Thousands)	3/31/2020 (₹ Thousands)
Term Loans:				
From Banks (Secured)	51,139.93	35,332.25	18,661.21	6,923.40
From Related Parties (Unsecured) (Refer Note No. 48)	-	-	4,000.00	5,000.00
From Other Parties (Unsecured)	4,235.04	8,154.61	2,953.99	4,456.60
Car Loan (Secured)	266.14	504.10	663.34	692.98
	<u>55,641.11</u>	<u>43,990.96</u>	<u>26,278.54</u>	<u>17,072.98</u>
The above amount includes				
Secured Borrowings	51,406.07	35,836.35	19,324.55	7,616.38
Unsecured Borrowings	4,235.04	8,154.61	6,953.99	9,456.60
Amount disclosed under the head Other Financial Liabilities " (Note 28)"	-	-	(26,278.54)	(17,072.98)
Net Amount	<u>55,641.11</u>	<u>43,990.96</u>	<u>-</u>	<u>-</u>

- A. Car Loan from Yes Bank was taken during the FY 2018-19 & the loan is repayable in 37 monthly installment of ₹30903 inclusive of interest from the date of loan. The car loan is secured by hypothecation of Hyundai Creta.
- B. The Car Loan from ICICI BANK was taken during the Financial Period 2018-19 and carries interest base rate @9.05. The loan is repayable in 36 EMIs of ₹33481/-. This loan is secured by hypothecation of the Car Honda City .
- C. The Car Loan from HDFC Bank was taken during the Financial Period 2020-21 and the loan is repayable in 36 EMIs of ₹15819/- inclusive of interest from the date of loan. This loan is secured by hypothecation of the Bolero Car .
- D. The Term Loan from Tata Capital Financial Services Pvt Ltd. was sanctioned during the Financial Year 2019-2020 and carries floating interest @ LTLR less 7.50% p.a. i.e 11.75% with monthly rests (as per Sanction Letter dated 28.03.2019) with a Limit of ₹450 Lakhs. The loan is repayable in 84 installments, monthly from December, 2019 bearing Principal Amount of ₹5.77 Lakhs along with interest. The term loan is secured by the Exclusive Equitable Mortgage over the entire industrial Property at Mouza - Sankua, P.S. - Ramnagar, 24 Parganas (South), Khorda, Falta P.Z. Road, J.L. No. 59 & 41, Dag No. 439, 440 & 441, including Land and Civil Structure constructed thereon, and hypothecation of Machineries procured or to be procured out of the Term Loan. Further, the loans are secured by the personal guarantee of Mr. J.S Bardia, the Managing Director of the company.

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

- E. The Term Loan under GECL Scheme from Tata Capital Financial Services Pvt Ltd. was sanctioned during the Financial Year 2020-2021 and carries floating interest @ LTLR less 8.25% p.a. i.e 11.00% with monthly rests (as per Sanction Letter dated 10.08.2020) with a Limit of ₹ 96.50 Lakhs. The loan is repayable in 48 installments including 12 months moratorium, payable in monthly equal installments including interest. The said loan is secured by the Extension of Charge of Equitable Mortgage over the entire industrial Property at Mouza - Sankua, P.S. - Ramnagar, 24 Parganas (South), Khorda, Falta P.Z. Road, J.L. No. 59 & 41, Dag No. 439, 440 & 441, including Land and Civil Structure constructed thereon, and hypothecation of Machineries procured or to be procured out of the Term Loan.
- F. The Demand Loan to meet working capital requirement due to Covid19 from Bank of Baroda was sanctioned during the Financial Year 2020-21 and carries interest @ BRLLR i.e 6.85% with monthly rests (as per latest Sanction Letter dated 06.03.2021) with a Limit of ₹ 75 Lakhs. The loan is repayable in 18 installments, monthly from December, 2020 bearing Principal Amount of ₹ 4.17 Lakhs along with interest. This loan is secured by Hypothecation of stocks of Raw Material, W.I.P, Finished Goods and Spares of the co., D.P. Note, Letter of Continuing Security, Hypothecation of Book Debts upto 90 days These loans are further secured by Equitable Mortgage of Leasehold Land at Falta and structure standing thereon in the name of the company together with Plant and Machinery thereon, lien on FDR, assignment of Keymen LIP. The loan is further secured by the personal guarantee of Mr J.S Bardia, the Managing Director of the company and Mr. T. S. Gulgulia. (As per sanction letter dated March 2021)
- G. The Demand Loan to meet working capital requirement due to Covid19 from Bank of Baroda was sanctioned during the Financial Year 2020-21 and carries interest @ BRLLR plus 1% i.e 7.85% with monthly rests (as per latest Sanction Letter dated 06.03.2021) with a Limit of ₹175 Lakhs. The loan is repayable in 36 installments, after completion of 12 months of moratorium bearing Principal Amount of ₹ 4.86 Lakhs along with interest. This loan is secured by Hypothecation of stocks of Raw Material, W.I.P, Finished Goods and Spares of the co., D.P. Note, Letter of Continuing Security, Hypothecation of Book Debts upto 90 days These loans are further secured by Equitable Mortgage of Leasehold Land at Falta and structure standing thereon in the name of the company together with Plant and Machinery thereon, lien on FDR, assignment of Keymen LIP. The loan is further secured by the personal guarantee of Mr J.S Bardia, the Managing Director of the company and Mr. T. S. Gulgulia. (As per sanction letter dated March 2021)
- H. There is no default as on the balance sheet date in the repayment of borrowings and interest thereon.

22 Non Current Lease Liability

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
Non Current Lease Liability	2,265.31	6,210.33
	<u>2,265.31</u>	<u>6,210.33</u>

23 Long Term Provisions

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
Provision for Gratuity	6,120.61	5,602.27
	<u>6,120.61</u>	<u>5,602.27</u>

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021
24 Deferred Tax Liabilities

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
Deferred Tax Liabilities	12,971.31	13,711.00
Less: Deferred Tax Assets	8,459.62	8,484.54
Add: Other Adjustments	10.47	-
Deferred Tax Liabilities (Net)	4,522.16	5,226.46

Movement in Deferred tax liabilities /(Assets) Balances

	April 1, 2020	Movement through Statement of Profit and Loss	Movement through Other Comprehensive Income	March 31, 2021
Deferred Tax Liabilities				
Arising out of temporary difference in depreciable assets	13,594.16	(1,066.07)	-	12,528.09
On Remeasurements of defined benefit plans	-	-	-	-
On arising out of Fair Value Measurements	116.84	224.23	-	311.07
On lease liabilities (net of right of use assets)	-	20.76	-	20.76
Others (Expenses claimed as deduction as per Income Tax Act, 1961 but not booked in Current Year)	-	81.39	-	81.39
	13,711.00	(739.69)	-	12,971.31
Deferred tax (assets):				
Arising out of temporary difference in depreciable assets	-	-	-	-
On arising out of Fair Value Measurements	-	242.99	-	242.99
On Remeasurements of defined benefit plans	526.06	(682.36)	(24.82)	(181.12)
On lease liabilities (net of right of use assets)	54.49	15.70	-	70.19
On account of unutilized Tax Credit	5,094.88	-	-	5,094.88
On account of unutilized Tax Losses	3,298.94	(103.05)	-	3,195.89
Others (Expenses claimed as deduction as per Income Tax Act, 1961 but not booked in Current Year)	(489.83)	526.62	-	36.79
	8,484.54	(0.10)	(24.82)	8,459.62
	5,226.46	(739.59)	24.82	4,511.69

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

Movement in Deferred tax liabilities /(Assets) Balances

	April 1, 2019	Movement through Statement of Profit and Loss	Movement through Other Comprehensive Income	March 31, 2020
Deferred Tax Liabilities				
Arisina out of temporary difference in depreciable assets	14584.00	(989.84)	-	13594.16
On Remeasurements of defined benefit plans	-	-	-	-
On arisina out of Fair Value Measurements	387.19	(270.35)	-	116.84
On lease liabilities (net of right of use assets)	-	-	-	-
Others (Expenses claimed as deduction as per Income Tax Act, 1961 but not booked in current year)	2.92	(2.92)	-	-
	14974.11	(1263.11)	0.00	13711.00
Deferred tax (assets):				
Arisina out of temporary difference in depreciable assets	-	-	-	-
On arisina out of Fair Value Measurements	-	-	-	-
On Remeasurements of defined benefit plans	128.39	200.21	188.46	526.06
On lease liabilities (net of right of use assets)	-	54.49	-	54.4
On account of unutilized Tax Credit	5094.88	-	-	5094.88
On account of unutilized Tax Losses	-	3298.94	-	3298.94
Others (Expenses claimed as deduction as per Income Tax Act, 1961 but not booked in current year)	295.74	(785.57)	-	(459.83)
	5519.01	2777.07	188.46	8484.54
	9455.10	(4040.18)	(188.46)	5226.46

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

25 Non-Current Tax Liabilities (Net)

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
Duties & taxes	219.95	-
	219.95	-

26 Current Liabilities : Borrowings (At Amortised Cost)

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
Cash Credit (Secured)	61,498.93	64,371.79
Packing Credit (Secured)	13,141.95	28,471.70
	74,640.88	92,843.49

- A. The Packing Credit from Bank of Baroda has been renewed during the financial year 2020-21 and carries floating interest @ 1 Year BRLLR @6.85%+Strategic Premium (0.25%)+0.75 % p.a. i.e. 7.85% with monthly rests subject to Limit of ₹300 Lacs. The loan is secured by hypothecation of both present and future stock of Raw material, Work in progress, Finished goods, Stores and spares, Lodgement of Letter of Credit/Company Order, WTPCG of ECGC, Equitable Mortgage of Land and Building/Factory Shed. Further, the loans are secured by personal guarantee of Mr J.S Bardia, the Managing Director of the company and Mr. T. S. Gulgulia. (As per sanction letter dated March 2021).
- B. The Cash credit from Bank of Baroda was renewed during the financial year 2020-21 with a limit ₹690.00 Lakhs and carries interest rate of 1 Year BRLLR @6.85%+Strategic Premium (0.25%)+2.85 % p.a. i.e. 9.95%at a floating rate with monthly rests. The loan is repayable as per term each along with interest, from the date of loan. This loan is secured by Hypothecation of stocks of Raw Material, W.I.P, Finished Goods and Spares of the co., D.P. Note, Letter of Continuing Security, Hypothecation of Book Debts upto 90 days These loans are further secured by Equitable Mortgage of Leasehold Land at Falta and structure standing thereon in the name of the company together with Plant and Machinery thereon, lien on FDR, assignment of Keymen LIP. The loan is further secured by the personal guarantee of Mr J.S Bardia, the Managing Director of the company and Mr. T. S. Gulgulia. (As per sanction letter dated March 2021)
- C. The Working Capital from Tata Capital Financial Services Ltd. was sanctioned during the financial year 2019-20 and carries floating interest @ STLR less 6.55% i.e.11.50% p.a. with monthly rests (as per Sanction Letter dated 28.03.2019) with a Limit of ₹50 Lacs. The loan is repayable as per term each along with interest from the date of loan. The cash credit is secured by 1st pari passu charge on the entire current assets of the company, both present and future, with Bank of Baroda under Multiple Banking Arrangement, including Hypothecation of Stock at 50% Margin and Book Debts at 25% Margin. The Cash Credit is further secured by Collateral of Extension of Exclusive Equitable Mortgage over the entire Industrial Property at Mouza - Sankua, P.S. - Ramnagar, 24 Parganas (South), Khorda, Falta P.Z Road, J.L. No. 59 & 41. Dag No. 439, 440 and 441 which is already charged as primary security for the Term Loan. Further, the loans are secured by personal guarantee of Mr. J.S Bardia, the Managing Director of the company.

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021
27 Trade Payables (At Amortised Cost)

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
Total Outstanding dues of Micro & Small Enterprise	3,899.82	-
Total Outstanding dues of other than Micro & Small Enterprise	51,081.38	25,069.76
	<u>54,981.20</u>	<u>25,069.76</u>

28 Other Financial Liabilities

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
Current Maturities of Borrowings	26,278.54	17072.98
Interest accrued and Due	1,459.10	686.48
Interest accrued but not Due	298.62	910.72
Security Deposit	-	550.00
Payables		
For Wages & salaries	3680.64	3720.46
For Other Expenses	13128.73	9090.37
Provision for Audit Fees	277.50	225.00
	<u>45,123.13</u>	<u>32,256.01</u>

29 Current Lease Liability

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
Current Lease Liability	2,065.89	1,679.15
	<u>2,065.89</u>	<u>1,679.15</u>

30 Other Current Liabilities

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
Customers' credit balances	4995.21	25067.10
Statutory dues Payables		
ESIC & PF Payable	568.73	576.96
Professional Tax Payable	12.10	22.11
	<u>5,576.04</u>	<u>25,666.17</u>

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021**31 Current Tax Liabilities (Net)**

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
TDS	300.94	724.32
Duties & taxes	3,472.49	2,583.96
	<u>3,773.43</u>	<u>3,308.28</u>

32 Current Provisions

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
Provision for Gratuity	1,037.45	1,386.29
Provision for Discount	1,513.57	-
Other Provision	786.59	-
	<u>3,337.61</u>	<u>1,386.29</u>

Detailed summary of the Provisions :**Provision for Discount**

i. Opening balances as on 01.04.2020	-
Add: Addition during the year	1513.57
Less: Adjusted amount during the year	-
Closing balance as on 31.03.2021	<u>1,513.57</u>
ii. Opening balances as on 01.04.2019	1,219.40
Add: Addition during the year	-
Less: Adjusted amount during the year	1,219.40
Closing balance as on 31.03.2020	<u>-</u>

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

33 Revenue from Operations:

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
Sale of Products		
M.C.P. Tyres & Wheelchair parts - Outside India	182,546.37	60,486.16
M.C.P. Tyres & Wheelchair parts - Domestic	126,268.49	82,490.12
Bedding & furnishing	602.46	1,618.27
P.U. Shoe Sole - Domestic	4,516.63	10,817.18
P.U. Sandles - Domestic	-	12.50
Hospital Equipments - Domestic	538.63	1,533.07
Wheel Chair & Commode Chair - Domestic	85,103.66	78,687.34
Crutch and Walking Aids - Domestic	2,999.30	8,604.67
Spares - Domestic	3,646.97	6,499.28
Spares - outside india	-	-
Sale of Trading Goods/Raw Materials	17,891.27	14,477.08
Sale of Services		
Sale of Services	678.64	-
Job Work charges	-	16,487.59
Other Operating Revenues		
Other Operating Income	913.00	3,393.20
Other Operating Income- Tooling Cost	17.96	-
Gross Revenue from Operations	425,723.38	285,106.46

Note:

(i) Sales are net of price adjustments settled during the year by the Company and discounts, trade incentives, VAT, Sales Tax, GST etc.

34 Other Income:

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
Discount Received	8.02	52.70
Interest Income on Bank Deposits	345.88	470.97
Interest Income on Loan & Others	1,005.87	986.22
Gain/Loss on Sale of Duty Scripts	(52.52)	(126.39)
Gain/Loss on Sale of Assets	29.65	-
Fair Valuation of Gold through P/L	22.86	124.64
MEIS Scheme	1,151.50	3,187.45
Insurance Claim Received	21,617.06	-
Subsidy Received	-	1,565.72
	24,128.32	6,261.31

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021
35 Cost of Materials Consumed:

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
Raw Material		
Opening Stock	45,504.04	48,004.02
Add: Purchased	144,291.86	110,822.19
	<u>189,795.90</u>	<u>158,826.21</u>
Less: Closing stock	59,244.00	45,504.04
	<u>130,551.90</u>	<u>113,322.17</u>

36 Changes in Inventories:

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
Opening Inventories		
Finished Goods	93,510.93	80,138.22
Stock-in-Trade	448.30	448.30
Work -in- progress	20,118.95	17,532.00
Upper (Produced Raw Materials)	13,009.44	13,508.03
	(A) <u>127,087.62</u>	<u>111,626.55</u>
Less: Closing Inventories		
Finished Goods	80,906.46	93,510.93
Stock-in-Trade	12,437.13	448.30
Work -in- progress	13,193.16	20,118.95
Upper (Produced Raw Materials)	6,428.08	13,009.44
	(B) <u>112,964.83</u>	<u>127,087.62</u>
Changes in Inventories (A-B)	<u>14,122.79</u>	<u>(15,461.07)</u>

37 Employee Benefits Expenses:

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
Salaries and Wages	57,821.75	58,839.68
Contribution to Provident and other Funds	2,919.63	2,881.46
Employee Welfare	1,952.93	3,055.09
Gratuity	865.24	956.88
	<u>63,559.55</u>	<u>65,733.11</u>

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021
37 Power and Fuel:

As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
Power and Fuel	
8,037.37	9,425.54
8,037.37	9,425.54

39 Finance Costs:

As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
Interest Expenses	
16,015.89	15,299.97
Other Borrowing Cost	
1,044.55	462.01
Interest on ROU Assets	
841.65	925.98
17,902.09	16,687.96

40 Depreciation and Amortization Expenses:

As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
Depreciation and Amortization Expenses	
13,955.14	15,388.41
Depreciation on ROU Assets	
2,059.85	1,855.62
16,014.99	17,244.03

41 Other Expenses:

As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
Advertisement	
113.22	74.18
AMC Charges	
83.42	92.84
Consumption of Stores and Spares	
26,752.86	23,591.29
Job Work	
1,437.32	2,609.62
Repairs to Buildings	
136.86	29.80
Repairs to Machinery	
33.31	52.93
Other Repairs & Maintenance	
985.73	742.60
Rates and Taxes	
1,999.86	453.77
Rent	
315.81	257.39
Insurance	
1,187.69	1,289.47
Auditors' Remuneration - (a)	
300.00	250.00
Delivery Charges	
-	-
Freight and Forwarding Expenses (Net)	
17,184.25	12,273.37
(Gain)/ Loss on foreign currency transactions and translation (Note 45)	
713.66	564.15

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

Travelling and Conveyance Expenses	2,995.65	5,599.62
Bank Charges	1,266.20	1,332.33
Managerial Remuneration & Director sitting fees	3,010.00	3,012.50
Staff /Guest Welfare	7.32	17.80
Interest on late payment of CST/Tax/custom duty	980.46	50.47
Printing and Stationery	315.95	263.62
Security Charges	1,342.84	1,371.12
Telephone, Telegram and Postage	385.89	181.59
Petrol	425.64	526.08
Vehicle Running and Maintenance Expenses	505.25	361.13
Sales Promotion Expenses	196.84	2,347.69
Commission and Brokerage	2,439.43	1,501.70
Professional Fees	4,010.36	6,537.72
Sundry Balance Written off	(952.79)	(2,001.70)
Miscellaneous Expenses	1,395.16	670.96
Discount Allowed (Net)	4,329.82	617.99
GST written off	(-1.26)	23.62
Postage & Telegram	873.75	981.93
Donation & Subscription	89.39	560.89
Assets written off	6,621.08	-
AGM Expenses	14.91	195.12
Allowances for Bad Debts	853.50	829.21
Listing Fees	418.09	348.00
Creation and settlement of other reserves (Provision)	781.12	-
	83,548.60	67,610.80

(a). Details of Auditors' Remuneration are as follows:

Statutory Auditors:		
Audit Fees	250.00	200.00
Taxation matters	50.00	50.00
	300.00	250.00

42 Tax Expenses

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
Current Tax		
Current Tax for the year	3,435.60	-
Tax adjustments for earlier years	-	-
	3,435.60	-
Deferred Tax		
Deferred Tax for the year	(739.59)	(4,040.18)
	(739.59)	(4,040.18)
Deferred Tax on OCI	24.82	(188.46)
	24.82	(188.46)

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

43 Earning per Equity Share (EPS)

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
Profit for the year attributable to owners of the Company	17190.55	4,951.04
Weighted average number of Equity shares (Numbers)	14,697,130.00	14,697,130.00
Basic & diluted earnings per Share (in Rs.)	1.17	0.34

44 Contingent Liabilities and Commitments:

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
Contingent Liabilities		
(a) Bank Guarantees given for WBSEB and superintending Engineering	3,372.34	3873.81
(b) Income Tax Demands	2,036.03	2036.03
(c) Sales Tax Demands	-	495.05
(d) Other money for which the Company is contingently liable:		
i. Letter of credit/ SBLC	16,305.44	7,454.95

Note: The above Tax matters are lying at various appellate forums and the management is confident of succeeding in all these matters based on legal precedences and expert opinions.

45 Earning per Equity Share (EPS)

	As at 31/03/2021 (₹ in Thousands)	A at 31/03/2020 (₹ in Thousands)
Loss on foreign currency transactions and translation	1221.11	1392.29
Gain on foreign currency transactions and translation	507.45	824.14
(Gain)/ Loss on foreign currency transactions and translation (Net)	731.66	564.15

46 Segment Reporting

A. Primary Segment Reporting (by Business Segment):

- (a). The Company has three reportable segments viz. Tyre, Rim and Wheels, Footwear and Hospital Equipments which have been identified in line with IND AS-108 on Segment Reporting, taking into account the organizational structure as well as differential risk and return of these segments. Details of products included in each segments are as under:
- (b). Inter-segment transfers are based on market rates.
- (c). The details of the revenue, results, assets, liabilities and other information from operations by reportable business segments are as follows:

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

	Year ended 31/03/2021				Year ended 31/03/2020			
	Tyre, Rim & Wheel (Thousands)	Footwear (Thousands)	Hospital Equipments (Thousands)	Total (Thousands)	Tyre, Rim & Wheel (Thousands)	Footwear (Thousands)	Hospital Equipments (Thousands)	Total (Thousands)
REVENUE								
Total	488,849.95	8,191.97	85,548.61	582,590.53	329,228.80	33,283.44	74,880.52	437,392.76
Inter Segment				(156,867.15)				(152,286.30)
External				425,723.38				285,106.46
RESULTS								
Segment Results	56,971.63	(12,273.72)	(5,277.99)	39,419.92	23,919.81	(289.41)	(6,236.44)	17,393.96
Unallocated Corporate Income				-				-
Unallocated corporate Expenses				-				-
Finance Costs				(17,902.09)				(16,687.96)
Tax Expenses				(2696.01)				4,040.18
Profit for the year				18,821.82				4,746.18
OTHER INFORMATION								
Assets:								
Segment Assets	324,547.18	154,622.59	72,490.17	551,659.94	309,457.93	146,269.38	62,487.95	518,215.26
Unallocated Corporate Assets				-				-
Total Assets				551,659.94				518,215.26
Liabilities:								
Segment Liabilities	110,344.03	51,972.05	26,556.23	188,872.31	130,077.49	44,309.54	7,822.12	182,209.15
Unallocated Corporate Liabilities				4,522.16				5,226.46
Total Liabilities				193,394.47				187,435.61
Capital Expenditure	7,643.77	8,138.91	296.27	16,078.95	2,018.21	1,269.83	3,462.66	6,750.70
Depreciation and Amortization	7,553.37	4,009.54	2,392.23	13,955.14	8,405.48	4,701.68	2,281.25	15,388.41

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

B. Secondary Segment Reporting (by Geographical demarcation):

- (a) The secondary segment is based on geographical demarcation i.e. India and Overseas.
 (b) The Company's revenue from external customers and by geographical location are follows:

	Year ended 31/03/2021				Year ended 31/03/2020			
	India (₹ Thousands)	Outside India (₹ Thousands)	Export (Sez) (₹ Thousands)	Total (₹ Thousands)	India (₹ Thousands)	Outside India (₹ Thousands)	Export (Sez) (₹ Thousands)	Total (₹ Thousands)
Revenue	242,480.41	183,242.97	-	425,723.38	224,699.07	60,407.39	-	285,106.46

47 DISCLOSURES PURSUANT TO IND AS - 115

- (i) Revenue Disaagregation on the basis of primary geographical markets, major product lines and timing of revenue recognition etc. is as under:-

Particulars	For the year ended	For the year ended
	31st March, 2021	31st March 2020
A. Primary geographical markets		
Within India	242,480.41	224,699.07
Outside India	183,242.97	60,407.39
Total	<u>425,723.38</u>	<u>285,106.46</u>
B. Major products		
Tyre, Rim & Wheel	308,814.86	142,976.28
Footwear	5,119.09	12,447.95
Hospital Equipments	92,288.56	95,324.36
Sale of Trading Goods/Raw Materials	17,891.27	14,477.08
Total	<u>424,113.78</u>	<u>265,225.67</u>

- C. The Company recognises revenue at a point in time. The contracts with customers are of short term duration and all sales are direct to customers.

- (ii) Contract Balances: The following table provides information about receivables, contract assets and contract liabilities from contract with customers

Particulars	As at	As at
	31st March 2021	31st March 2020
Receivables, which are included in 'Trade receivables' (Refer Note - 11)	66,608.85	72,015.04
Contract assets	-	-
Contract liabilities	-	-
Total (Assets - Liabilities)	<u>66,608.85</u>	<u>72,015.04</u>

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

48 Related Party Disclosures:

A. List of Related Parties:

(i). Key Managerial Personnel:

a) Managing Director	Sri Jay Singh Bardia*
b) Non Executive Directors	<ul style="list-style-type: none"> i) Sri T.C.Bachhawat ii) Sri Pradeep Kumar Singh iii) Sri Ravi Prakash Pincha iv) Smt Vimala Devi Bardia **
c) Chief Executive Officer	Sri P.L. Bardia ***
d) Chief Financial Officer	CA Vinay Sipani
e) Company Secretary	CS Arti Baid

* Sri Jay Singh Bardia is related to Smt Vimala Devi Bardia, Non-Executive Director and Sri P.L. Bardia, Chief Executive Officer of the Company.

** Smt Vimala Devi Bardia is related to Sri Jay Singh Bardia, the Managing Director of the Company and Sri P.L.Bardia, the Chief Executive Officer of the Company

*** Sri P.L.Bardia is related to Sri Jay Singh Bardia, the Managing Director of the Company and Smt Vimala Devi Bardia, Non-Executive Director of the Company.

(ii). Related to Key Managerial Personnel:

a) Others	<ul style="list-style-type: none"> i) Sri K.L. Bardia ii) Hulashchand Tarachand Bardia HUF iii) Tarachand Estates Pvt Ltd.
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B. Disclosure of transactions between the Company and Related Parties during the year in the ordinary course of business and status of outstanding balances at year end:

i. KEY MANAGERIAL PERSONNEL	For the year ended 31.03.2021 (Thousand)	For the year ended 31.03.2020 (Thousand)
(a) Remuneration to Kay Managerial Personnel:		
Managing Director	3,000.00	3,000.00
Non Executive Directors	10.00	12.50
Chief Executive Officer	2,400.00	2,400.00
Chief Financial Officer	1,415.20	1,415.20
Company Secretary	568.87	591.60
	7,394.07	7,419.30

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021
ii. OTHERS

	Year ended 31st March, 2021			Year ended 31st March, 2020		
	Sri K. L. Bardia (₹Thousands)	Hulashchand Tarachand Bardia HUF (₹Thousands)	Tarachand Estate Pvt Ltd. (₹Thousands)	Sri K.L. Bardia (₹Thousands)	Hulashchand Tarachand Bardia HUF (₹Thousands)	Tarachand Estate Pvt Ltd. (₹Thousands)
Transactions held:						
Interest and Dividend taken	-	526.58	246.05	-	426.99	221.40
Rent given	-	240.00	-	-	240.00	-
Security given	-	-	-	-	-	-
Loans, Advances and Deposits given	1,000.00	83.46	-	1,468.30	83.46	-
Loans, Advances and Deposits received	-	-	150.00	-	-	50.00
Outstanding Balances:						
Loans, Advances and Deposits given	-	5,792.38	4,124.43	-	5,265.80	3,728.38
Loans, Advances and Deposits taken (inclusive of interest)	4,000.00	-	-	5,000.00	-	-

Note: Terms & Conditions of Transactions with related parties: Purchase and Sales from/to related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transaction with other vendors.

49. Additional information pursuant to paragraphs 5(A)(viii) of Part II of Schedule III to the Companies Act, 2013 are follows:

A. C.I.F. value of imports by the Company (Excluding imported items purchased locally):

A. C.I.F. value of Imports by the Company (Excluding Imported Items purchased locally):	For the year ended 31.03.2021	For the year ended 31.03.2020
	(₹Thousand)	(₹Thousand)
Raw Materials, Trading Goods & Components	81,336.73	41,053.36
Stores and Spares	817.28	128.65
Plant & Machinery/ Capital in Work in Progress	529.88	-
B. Expenditure in foreign currency during the year:	For the year ended 31.03.2021	For the year ended 31.03.2020
	(₹Thousand)	(₹Thousand)
Other matters	174.83	4639.64
C. Earnings in Foreign Exchange:	For the year ended 31.03.2021	For the year ended 31.03.2020
	(₹Thousand)	(Thousand)
Export of Goods on F.O.B. basis	55,550.55	59,436.37

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

50. Disclosure pursuant to IND AS-116- Lease

- a) In accordance with IND AS-116 Right of use assets (ROU Assets) stand at ₹5319.42 and a corresponding lease liability of ₹4331.20 has been recognised in the Balance Sheet. The changes in the carrying value of right of use assets for the year ended 31st March, 2021 are disclosed in Note 3.
- b) In the statement of profit and loss for the current year, rent expenses which was earlier recognised under other expenses is now recognised as depreciation of right of use assets and interest on lease liabilities under finance cost. The adoption of this standard did not have any significant impact on the profit for the year and earnings per share. The total cash outflows for the year ended 31st March, 2021 is ₹ 768.00 (₹000).

Expenses recognised in Statement of Profit & Loss Account:

Particulars	31/03/2021 (₹Thousand)	31/03/2020 (₹Thousand)
Finance Cost		
Interest Expenses on Lease Liability	841.65	925.98
Depreciation		
Depreciation on ROU Assets	<u>2,059.85</u>	<u>1,855.62</u>

- c) The weighted average incremental borrowing rate of 11% has been applied to lease liabilities recognised in the balance sheet.
- d) As per the requirement of Ind AS-107, maturity analysis of lease liabilities have been shown under maturity analysis for financial liabilities under liquidity risk (Refer Note 52).
- e) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligation related to lease liabilities as and when they fall due.

**51 Disclosure in accordance with Ind AS-19 on employee benefits expense
Gratuity and other Post-employment benefits plan:**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to Gratuity on terms not less favourable than the provisions of The Payment of Gratuity Act, 1972. The scheme is funded with an insurance company.

The Company also 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. This is an unfunded plan.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the Post - retirement benefit plans .

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

		For the year ended 31.03.2021 Gratuity	For the year ended 31.03.2020 Gratuity
I.	Expenses recognised in the Statement of Profit & Loss		
	1 Current service Cost	865.24	956.88
	2 Past Service Cost *	-	-
	3 Interest Cost	461.24	370.25
	4 Expected Return on Plan Assets	-	-
	5 Total	<u>1,326.48</u>	<u>1,327.13</u>
	Expenses recognised in OCI		
	6 Actuarial (Gain) / Losses	<u>(95.74)</u>	<u>724.84</u>
	7 Total Expenses	<u>1,230.74</u>	<u>2,051.97</u>
	Note: * Past Service Cost arises due to Increase in Gratuity Ceiling from Rs. 10,00,000/- to Rs. 20,00,000/-.		
II.	Net Assets /Liability recognised in the Balance Sheet		
	1 Present Value of defined Benefit Obligations	12,530.09	12,738.81
	2 Fair Value of Plan Assets	<u>5,372.04</u>	<u>5,750.26</u>
	3 Net Assets/ Liabilities	<u>(7,158.05)</u>	<u>(6,988.55)</u>
III	Changes in Obligations during the year		
	1 Present Value of Defined Benefit Obligation at the beginning of the year	12,738.81	10,375.97
	2 Current Service Cost / Plan amendments	865.24	956.88
	3 Interest Cost	840.76	778.2
	4 Benefits Paid	(1638.58)	(87.84)
	5 Actuarial (Gains) / Losses		
	Arising from changes in experience	(41.96)	(263.70)
	Arising from changes in demographic assumptions	-	(5.94)
	Arising from changes in financial assumptions	(234.18)	985.24
	6 Total	<u>(208.72)</u>	<u>2,362.84</u>
	7 Present Value of Defined Benefit Obligation at the end of the year	<u>12,530.09</u>	<u>12,738.81</u>
IV.	Change in the Fair Value of Plan Assets during the year		
	1 Plan assets at the beginning of the year	5,750.26	5,439.38
	2 Expected return on plan assets / Investment Income	198.86	398.72
	3 Contribution by employer	1,061.50	-
	4 Actual Benefits Paid	(1,638.58)	(87.84)
	5 Actuarial Gains / (Losses)	-	-
	6 Plan assets at the end of the year	<u>5,372.04</u>	<u>5,750.26</u>
	7 Actual return on Plan Assets	-	-

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

V	The major categories of plan assets as a percentage of the fair value of total plan assets investments with Insurer	100%	100%
VI	Actuarial Assumptions		
	Financial Assumptions	31.03.2021	31.03.2020
	Discount Rate	6.80%	6.60%
	Expected rate of return on plan assets	0	0
	Demographic Assumptions		
	Mortality Rate (% of IALM 06-08)	100%	100%
	Normal Retirement Age	58 years	58 years
	Attrition Rates, based on age (% p.a. for all age)	2.00	2.00
VII	The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market	5% p.a	5% p.a
VIII	Contribution to Provident and Other Funds includes Rs. 29.20 lacs (2019-20 - Rs. 28.81 lacs) paid towards Defined Contribution Plans		
IX	Maturity profile of the defined benefit obligation	10 years	10 years
	Weighted average duration of the defined benefit obligation		
	Expected benefit payments for the year ending		
	Not later than 1 year	1037.45	1386.29
	Later than 1 year and not later than 5 years	4317.86	3668.16
	Later than 5 year and not later than 10 years	4829.56	5218.46
	More than 10 years	17009.38	16974.13
X	Amounts for the current and previous two periods are as follows :		
	Gratuity	31.03.2021	31.03.2020
	Defined Benefit Obligation	12,530.09	12,738.81
	Plan Assets	5,372.04	5,750.26
	Surplus / (deficit)	<u>(7,158.06)</u>	<u>(6,988.55)</u>

XI The basis of various assumptions used in actuarial valuations and their quantitative sensitivity analysis is as shown below:

Assumptions	31-Mar-21		31-Mar-20	
	Discount rate (a)		Discount rate (a)	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
Impact on Gratuity liability	(1,070.08)	1,247.27	(1,086.54)	1,274.42
Assumptions	Future salary increases (b)		Future salary increases (b)	
Sensitivity level	1% Increase	1% Decrease	1% Increase	1% Decrease
Impact on Gratuity liability	1,268.49	(1,122.43)	1,289.74	(1,136.92)

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

52 Disclosure on Financial Instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

a. Financial Asset and Liabilities (Non current and current)

Particulars	As at 31st March 2021			As at 31st March 2020		
	Fair value through statement of profit and loss	Fair value through other comprehensive income	Amortised cost	Fair value through statement of profit and loss	Fair value through other comprehensive income	Amortised cost
Financial assets						
Investments						
Equity instruments	94.00	-	-	94.00	-	-
Gold	596.57	-	-	580.50	-	-
Sovereign Gold Bond	359.75	-	-	352.95	-	-
Loans	-	-	15766.57	-	-	14882.68
Trade receivables	-	-	66608.85	-	-	72015.04
Cash and cash equivalents	-	-	21426.07	-	-	5849.78
Other bank balances	-	-	6201.96	-	-	7764.11
Other financial assets						
Other deposits, advances & receivables	-	-	11882.02	-	-	5888.70
Total financial assets	1050.32	-	121885.47	1027.45	-	106400.31
Financial liabilities						
Borrowings						
(including current maturities)	-	-	156,560.53	-	-	153,907.43
Lease liabilities	-	-	4,331.20	-	-	7,889.48
Trade payables	-	-	54981.20	-	-	25069.76
Other financial liabilities						
Interest accrued but not due on borrowings	-	-	298.62	-	-	910.72
Interest accrued but due on borrowings	-	-	1,459.10	-	-	686.48
Employee related liabilities	-	-	3680.64	-	-	3720.46
Security deposits and others	-	-	13,406.23	-	-	9,865.37
Total financial liabilities	-	-	234717.52	-	-	202049.70

Note i) These investments in Gold are not held for trading. Upon application of IndAS - 109 - Financial Instruments, the Company has chosen to measure the investments in Gold at FVTPL as the management believes that presenting fair value gains and losses relating to these investments in the standalone statement of profit and loss is a proper disclosure by the Company.

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

- ii) The management assessed that the fair value of cash and cash equivalents, other bank balances, bank deposits, loans to employees, advance to manufacturing units, trade payables and other financial liabilities approximate the carrying amount largely due to short term maturity of these instruments. In relation to Trade Receivables, however, impairment loss based on historically observed default rates has been provided for and carrying of Trade Receivables has been reduced by this amount. For long-term borrowings at fixed/ floating rates, management evaluates that their fair value will not be significantly different from the carrying amount.

b. Fair Value hierarchy

The fair value of financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly market between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent in all the years. Fair value of financial instruments referred to in note (a) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets and liabilities and lowest priority to unobservable entity specific inputs.

The categories used are as follows:

- Level 1: quoted prices (unadjusted) in active markets for financial instruments
- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

For assets and liabilities which are measured at fair value as at balance sheet date, the classification of fair value by category and level on inputs used is given below:

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021
Financial Asset and Liabilities (Non current and current)

Particulars	As at 31st March 2021			As at 31st March 2020		
	LEVEL I	LEVEL II	LEVEL III	LEVEL I	LEVEL II	LEVEL III
Financial assets						
i. Measurement at amortised cost						
Loans	-	-	15766.57	-	-	14882.68
Trade receivables	-	-	66608.85	-	-	72015.04
Cash and cash equivalents	-	-	21426.07	-	-	5849.78
Other bank balances	-	-	6201.96	-	-	7764.11
Other financial assets			0.00			
Other deposits, advances & receivables	-	-	11882.02	-	-	5888.70
Sub total	-	-	121885.47	-	-	106400.31
ii. Measured at fair value through profit or loss						
Investments						
Equity instruments	-	94.00	-	-	94.00	-
Gold	596.57	-	-	580.50	-	-
Sovereign Gold Bond	359.75	-	-	352.95	-	-
Sub total	956.32	94.00	-	933.45	94.00	-
Total financial assets	956.32	94.00	121885.47	933.45	94.00	106400.31
Financial liabilities						
i. Measurement at amortised cost						
Borrowings (including current maturities)	-	-	156,560.53	-	-	153,907.43
Lease liabilities	-	-	4,331.20	-	-	7,889.48
Trade payables	-	-	54,981.20	-	-	25,069.76
Other financial liabilities			-			-
Interest accrued but not due on borrowings	-	-	298.62	-	-	910.72
Interest accrued but due on borrowings	-	-	1,459.10	-	-	686.48
Employee related liabilities	-	-	3,680.64	-	-	3,720.46
Security deposits and others	-	-	13,406.23	-	-	9,865.37
Total financial liabilities	-	-	234717.52	-	-	202049.70

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

53 Financial Risk Management Objectives and policies

The Company's financial liabilities comprise borrowings, capital creditors and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include trade and other receivables, cash and cash equivalents, investments and deposits. The Company also holds investments in Gold and Sovereign Gold Bond..

The Company has a Risk Management Committee that ensures that risks are identified, measured and managed in accordance with Risk Management Policy of the Company. The Board of Directors also review these risks and related risk management policy.

The market risks, credit risks and Liquidity risks are further explained below:

1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include FVTOCI investments, trade payables, trade receivables, etc.

a. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. Such foreign currency exposures are not hedged by the Company. The Company has a treasury department which monitors the foreign exchange fluctuations on the continuous basis and advises the management of any material adverse effect on the Company.

Foreign Currency Risk:	Year Ended 31/03/2021		Year Ended 31/03/2020	
	(USD '000)	(₹Thousands)	(USD '000)	(₹Thousands)
In USD				
Trade Receivables & Advances	86.1152	6,329.87	64.7410	4,880.56
Trade Payables & Advances	593.995	43,661.44	187.886	14,163.96

b. Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in USD/Euro exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

Particulars	31.03.2021 Gain /(Loss)	31.03.2020 Gain /(Loss)
INR appreciates by 5%	(1,866.56)	(464.15)
INR Depreciates by 5%	1,866.56	464.15

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

c. Commodity Price Sensivity

The Company's Investment in Gold is susceptible to market price risk arising from uncertainty about future prices of Gold. The following table shows the effect on price changes in Gold Investments.

Particulars	31.03.2021 Gain /(Loss)	31.03.2020 Gain /(Loss)
Gold Rate appreciates by 5%	29.82	29.03
Gold Rate Depreciates by 5%	(29.82)	(29.03)

2 Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its financial obligations as they become due. The Company monitors its risk by determining its liquidity requirement in the short, medium and long term. This is done by drawing up cash forecast for short term and long term needs. The Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Surplus funds not immediately required are invested in certain mutual funds and fixed deposit which provide flexibility to liquidate. Besides, it generally has certain undrawn credit facilities which can be used as and when required; such credit facilities are reviewed at regular basis.

a. Maturity analysis for financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date -

Particulars	On demand	0 to 6 Months	months to 1 year	More than 1 year	Total
as at 31st March, 2021					
Non-derivative					
Borrowings (including current maturities) (Refer Note - 21, 26 & 28)	61,498.93	24,281.22	15,139.27	55,641.11	16,560.53
Lease liabilities (Refer Note - 22 & 29)	-	1,032.95	1,032.95	2,265.31	4,331.20
Trade payables (Refer Note - 27)	-	54,981.20	-	-	54,981.20
Other financial liabilities (Refer Note -28)	-	18,844.59	-	-	18,844.59
	61,498.93	99,139.95	16,172.22	57,906.42	234,717.52
As at 31st March, 2020					
Non-derivative					
Borrowings (including current maturities) (Refer Note - 21, 26 & 28)	64,371.79	32,279.89	13,264.79	43,990.96	153,907.43
Lease liabilities (Refer Note - 22 & 29)	-	839.58	839.58	6,210.33	7,889.48
Trade payables (Refer Note - 27)	-	25,069.76	-	25,069.76	-
Other financial liabilities (Refer Note -28)	910.72	14,633.03	-	-	15,543.75
	65,282.51	72,822.26	14,104.37	50,201.29	202,410.42

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021
3 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

a. Trade receivables

A significant part of the Company's sales are under the 'cash and carry' model which entails no credit risk. For others, an impairment analysis is performed at each reporting date on an individual basis for all the customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data of credit losses. The Company has evaluated the concentration of risk with respect to trade receivables as low, as its customers are from several industries.

ECL Movement Sheet

Particulars	Amount ('000)
Opening Balance of ECL as on April 01, 2020	1023.35
Add: Created During the Year	853.50
Less: Adjusted during the year	853.66
Closing balances of ECL as on March 31, 2021	1023.19

54 Capital Management

The Company's objective when managing capital (defined as net debt and equity) is to safeguard the Company's ability to continue as a going concern in order to provide returns to shareholders and benefit for other stakeholders, while protecting and strengthening the Balance Sheet through the appropriate balance of debt and equity funding. The Company manages its capital structure and makes adjustments to it, in light of changes to economic conditions and strategic objectives of the Company.

55 MSME DISCLOSURE in MSME FORMAT

Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2020-21 to the extent that company has received intimation from suppliers regarding their status under the Act.

Detail Of Dues to Micro and Small Enterprises as Defined under MSME Act, 2006:

	2020-21	2019-20
a) Principal and interest amount remaining unpaid		
Principal	3899.82	-
Interest	-	-

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

b) The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 alongwith the amount of the payment made to the supplier beyond the appointed date during the year.	-	-
c) The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductible expenditure under the MSMED Act, 2006.	-	-

The Company is continuously taking necessary steps for receiving intimations from suppliers regarding the status under the Micro, Small & Medium Enterprises Development Act, 2006 and disclosures relating to amounts unpaid as at the year end along with interest paid or payable, if any, as required under the said Act have been given on the basis of such intimation received till year end.

56 Significant Accounting Judgements, Estimates & Assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions, as described below, that affect the reported amounts and the disclosures. The Company based its assumptions and estimates on parameters available when the financial statements were prepared and are reviewed at each Balance Sheet date. Uncertainty about these assumptions and estimates could result in outcomes that may require a material adjustment to the reported amounts and disclosures. Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect on the financial statements is as follows:

a) Employee benefit plans

The cost of the employment benefit plans and their present value are determined using actuarial valuations which involves making various assumptions that may differ from actual developments in the future. For further details refer Note 51.

Notes to Consolidated Financial Statements as at and for the year ended 31st March 2021

- b) Fair value measurement**
When the fair values of financial assets and financial liabilities recorded in the standalone balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions
- c) Classification of leases:**
Refer note 1.III (l) for details.
- d) Recognition of deferred tax assets:**
Refer note 1.III (n) for details.
- e) Provision for litigations and tax disputes**
The likelihood of outcome of litigations and tax disputes are estimated by the management based on past experiences, legal advice, other public information etc. For further details, refer Note 44.
- 57 The Company's operations and revenue during the first quarter of the financial year ended 31st March, 2021 were severely affected due to COVID-19 pandemic. In view of the recent surge in COVID-19 cases, subsequent to the year-end, the State Government has imposed restriction on the manpower deployment in factories vide Orders dated 5th May, 2021 and 7th May, 2021. In determining the impact of Covid-19 pandemic on various elements of its financial statements, the management has used the principles of prudence in applying judgements, estimates and assumptions and based on the current estimates, the management expects to fully recover the carrying amount of inventories, trade receivables, investments and other assets. As regards the Company's liquidity position, there is no material uncertainty in meeting its liabilities in the foreseeable future. However, the eventual outcome of the impact of the Covid-19 pandemic may be different from those estimated as on the date of approval of these financial statements.
- 58 Fire had occurred in our Tyre Div/Unit at Falta Special Economic Zone (FSEZ), Plot NO. 31 & 32 Sector - 1, 24 Parganas (South), West Bengal - 743504, 11th April, 2021 around 2.00 PM leading to extensive damage to the factory Building, Stocks, Plant & Machinery and other Assets. As per our initial estimates, stocks of around Rs. 240 Lakhs. The company is in the process of deriving the actual loss and replacement costs of its assets which may differ from initial estimates. Further, the Company has adequate insurance coverage in respect of the damages caused by the Fire.
- 59 The company has reclassified/rearranged/regrouped previous year figures to conform to this year's classification, where necessary.

Note : Signatories to all Notes from 1 to 59

JAY SINGH BARDIA
Managing Director
(DIN : 00467932)

VINAY SIPANI
Chief Financial Officer

In terms of our attached report of even date
For **P. K. LUHARUKA & CO.**
CHARTERED ACCOUNTANTS
Firm Registration No.322020E

PRADEEP KUMAR SINGH
Director
(DIN : 00386800)

ARTI BAID
Company Secretary

PRADEEP KUMAR LUHARUKA
PARTNER
Membership No.055782

Place: Kolkata
Dated: The 14th Day of August, 2021