

2020-2021

Technology with Time...

# 33<sup>RD</sup> ANNUAL REPORT



**ITL Industries Ltd.**

## MESSAGE TO THE MEMBERS

**Dear Shareholders,**

### **The Global Economy**

The world has been fighting the COVID-19 pandemic for more than a year now, and the struggle has had deleterious economic effects. In 2020, the global economy contracted by 3.3%, the largest contraction on record, at least since World War II. Much of it was concentrated in the first half of FY21, as several countries enforced strict lockdowns. Economies bounced back – albeit at differentiated speeds – in subsequent quarters, on the back of large fiscal stimulus packages, especially in the developed countries, restocking demand after dilution of lockdowns, and improved confidence levels following the start of vaccination programs. As per the recent forecasts from the International Monetary Fund (IMF), the US and China are expected to record a strong recovery in 2021, resulting in a net positive expansion of their economies over the 2019 levels. These two engines of growth are expected to boost demand for exports from other countries. Even the other two large economies, the EU and Japan, are expected to expand.

### **Indian Economy**

The Indian economy, which was firmly on the path of recovery in the second half of FY21, was hit by a rather unexpectedly virulent second wave of COVID-19. That caused a severe strain on healthcare facilities in many parts of the country, leading to localised lockdowns and a fall in mobility to levels seen a year ago. This may lead to some reassessment of growth estimates for FY22. As a silver lining, disruptions to production and supply chains have been far less severe during the second wave than during the first wave. Vaccinations are picking up pace, which would support faster normalisation of mobility levels and of related economic activities. Continued accommodative monetary policy of the RBI and the expected increase in capex from the Government are factors that will support growth recovery. In addition, global growth prospects provide us with exports as an additional strong driver of growth. The longer-term prospects for the Indian economy continue to be robust. Various initiatives, including privatisation of public sector enterprises, monetisation of assets, implementation of National Infrastructure Pipeline, targeted investment incentives through the Production-Linked Incentives Scheme and the new Labour Code, are likely to spur a virtuous cycle of investments and growth in the medium term.

### **Performance of your Company**

The year ended March 2021 was a good year for your company. The Company during the year recorded a turnover of Rs.88.96 crores in 2020-21 as against Rs.79.25 crores in 2019-20 with a net profit after tax at Rs. 504.19 lakhs as against Rs.467.54 lakhs. We remain confident that your company will also perform well during the current year too.

### **New Developments**

Your company is continuously innovating and developing new machines and features to meet Global demand. Most of the newly developed machines are import substitute. This year company has developed Double Saw Head NC Carbide Circular Sawing Machine to bring down per cut cost and initial investment at customer end. Also, NC Circular Sawing Machine with Cutting Facing & Chamfering operation has been developed. Several custom Built machines are under development for Exports market. New “Industry 4.0” standard will be necessary in future Machine Tools hence necessary developmental activities have been started.

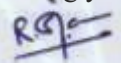
The domestic demand for companies’ products is expected to remain better. Apart from Designing and Manufacturing activities, Company’s Trading divisions are also expected to perform well.

We remain committed to improve the Shareholders value towards this end, we are continuously looking for the opportunities and are upgrading the infrastructure befitting to the same.

### **To Our Teams**

The support of our Shareholders, Business Associates, Valued Customers, Banks and Financial Institutions has always been a source of strength to us and we thank all of them wholeheartedly for remaining the integral part of our growth story. I also wish to thank all the employees for their devoted efforts in bringing up the company to the present level.

Thanking you,



Rajendra Jain  
Managing Director  
DIN -00256515

**ITL INDUSTRIES LIMITED****DIRECTORS**

Manohar Singh Jain	- Non-Executive Director (Cessation on April 27 <sup>th</sup> , 2021)
Rajendra Jain	- Managing Director
Mahendra Jain	- Joint Managing Director
N.Chakraborty	- Non-Executive & Independent Director
Rajesh Jain	- Non-Executive & Independent Director
Dr.Pratima Jain	- Non-Executive & Independent Director

**CHIEF FINANCIAL OFFICER** - Ashok Ajmera

**COMPANY SECRETARY** - Akhilesh Gautam

**AUDITORS**

Mahendra Badjatya & Co.  
Chartered Accountants  
208, Mourya Centre  
Race Course Road, INDORE (M.P.)

**REGISTERED OFFICE & WORKS**

111, Sector-B, Sanwer Road, Industrial Area,  
INDORE-452015 (M.P.)  
Phone No. : - 0731 7104400  
Website : www.itl.co.in  
e-mail Id; manojtiwari@itl.co.in

**BANKERS**

State Bank of India  
Industrial Finance Branch,  
5, Y.N. Road  
INDORE (M.P.)

**DIVISIONS**

Indtools Sales & Services  
Indore Saws & Tools  
eSupply World  
H&S Innovation

**REGISTRAR &****SHARE TRANSFER AGENT**

M/s.Ankit Consultancy Pvt.Ltd.  
Plot No.60, Electronic Complex  
Pardeshipura  
INDORE (M.P.) - 452010  
Phone No. : 0731-3198601, 3198602

**ISIN (DMAT) NO.: 478D01014**

**CIN No. : L28939MP1989PLC005037**

**BSE Scrip Code : 522183**

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**NOTICE OF 33<sup>RD</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the 33<sup>rd</sup> Annual General Meeting of the Members of ITL Industries Limited will be held on Thursday, the 23<sup>rd</sup> day of September, 2021 at 11.30 A.M. through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) for which purpose the registered office of the company shall be deemed as the venue for the meeting and proceedings of the Annual General Meeting shall be deemed to be made there at, to transact the following business:

**Ordinary Business:-**

1. To receive, consider and adopt the Audited Financial Statement for the year ended 31<sup>st</sup> March, 2021 and together with the report of the Directors and Auditor’s Report thereon.
2. To declare dividend on Equity Shares for the year ended on 31<sup>st</sup>, March 2021.

**Special Business & Special Resolution:-**

3. **To consider and approve payment of Remuneration Shri N. Chakarborty (DIN 00443524) Non Executive & Independent Director in excess of the limits prescribed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in this regard, pass the following resolution as Special Resolution:**

**To consider and if thought fit, to pass with or without modification(s), the following resolution as special resolution:**

“RESOLVED THAT in accordance with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, approval be and is hereby accorded for payment of remuneration to Shri N. Chakarborty (DIN 00443524) Non Executive & Independent Director of the Company, details whereof are set out in the Explanatory Statement, being in excess of fifty percent of the total annual remuneration payable to all Non-Executive Directors.”

4. **Re-appointment Shri Rajendra Jain (DIN - 00256515), Managing Director of the Company:**

**To consider and if thought fit, to pass with or without modification(s), the following resolution as special resolution:**

"RESOLVED THAT subject to the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Sections 117, 196, 197 and 203 and all other applicable provisions of the Companies Act, 2013 (“the Act”) (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company, approval be and is hereby granted to the re-appointment of Shri Rajendra Jain, Managing Director (DIN : 00256515) of the Company, who will be attained the age 70 years in April 2024, with effect from 01/02/2022 for a period of 3 (three) years as recommend/approved by the Nomination & Remuneration Committee and Board of Directors in its meeting held on August 12<sup>th</sup>, 2021, on terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting.

“FURTHER RESOLVED THAT the Board be and is hereby authorised to alter and vary the terms and conditions of the said agreement in such a manner as may be agreed to by the Board and Shri Rajendra Jain but so as not to exceed the limits specified in Schedule V of the Companies Act, 2013, or any amendment thereto or enactments thereof with effect from such date as may be decided by it.”

5. **Re-appointment Shri Mahendra Jain (DIN - 00256047), Joint Managing Director of the Company:**

**To consider and if thought fit, to pass with or without modification(s), the following resolution as special resolution:**

"RESOLVED THAT subject to the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Sections 117, 196, 197 and 203 and all other applicable provisions of the Companies Act, 2013 (“the Act”) (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V of the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company, approval be and is hereby granted to the re-appointment of Shri Mahendra Jain, Joint Managing Director (DIN : 00256047) of the Company with effect from 01/02/2022 for a period of 3 (three) years as recommend/approved by the Nomination & Remuneration Committee and Board of Directors in its meeting held on August 12<sup>th</sup>, 2021, on terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting.

“FURTHER RESOLVED THAT the Board be and is hereby authorised to alter and vary the terms and conditions of the said agreement in such a manner as may be agreed to by the Board and Shri Mahendra Jain but so as not to exceed the limits specified in Schedule V of the Companies Act, 2013, or any amendment thereto or enactments thereof with effect from such date as may be decided by it.”

**For and on behalf of the Board**

**Rajendra Jain**

**Managing Director**

**DIN: 00256515**

**Place : Indore**

**Dated : 12/08/2021**

**NOTES**

01. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
02. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular no 02/2021 dated January 13 2021 and 20/2020 dated May 5, 2020 read with circular no 14/2020 dated April 8, 2020 and circular no 17/2020 dated April 13, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through Video Conferencing (VC)/Other Audio Visual Means (OAVM).
03. The Ministry of Corporate Affairs (“MCA”) has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by Companies and has issued a circular on April 21, 2011 stating that the service of document by a Company can be made through electronic mode. Electronic copy of the Annual Report for the FY 2020-21 is being sent to all the members whose email ID’s are registered with the Company/Depository Participants Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company/Ankit Consultancy Pvt. Ltd., the Registrar and Share Transfer Agent in case the shares are held by them in physical form.
04. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
05. Corporate Members whose Authorised Representatives are intending to attend the Meeting through VC/OAVM are requested to send to the Company on their mail Id: - cs@itl.co.in, a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting and through Remote E-voting.
06. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
07. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-voting system as well as voting on the day of the AGM will be provided by NSDL.
08. The Register of Members, Beneficial Owner and Share Transfer Books of the Company will remain closed from Friday, September 17, 2021 to Thursday, September 23, 2021, both days inclusive for the purpose of payment of dividend, if declared at the Annual General Meeting.
09. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Annual Report 2020-21 will also be available on the Company’s website [www.itl.co.in](http://www.itl.co.in), websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of NSDL (agency for providing the Remote e-Voting facility ) <https://www.evoting.nsdl.com>.
10. The dividend on Equity Shares, if declared at the AGM, will be payable on or after Monday, September 27, 2021 to those members whose names appear as Members in the Register of Members of the Company on Friday, September 17, 2021 in respect of the shares held in electronic form, the dividend will be paid on the basis of Beneficial Ownership as per details furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
11. Members who hold shares in dematerialized form are requested to quote Depository Account Number (Client ID No.) for recording of attendance at the meeting.
12. Members are requested to notify to the Company immediately, quoting Registered Folio No., change in their address, if any, with the pin code number.



13. Non-resident members are requested to immediately notify: - (i) change in their residential status on return to India for permanent settlement; and (ii) particulars of NRE account, if not furnished earlier.
14. Members who are holding shares in identical names in more than one folios, are requested to write to the Company/Ankit Consultancy Pvt. Ltd., the Registrar and Share Transfer Agent, to consolidate their holding in one folio.
15. Shareholders who are still holding physical share certificate are advised to dematerialize their shareholding to avail benefit of dematerialization.
16. The Company has transferred all unpaid/unclaimed equity dividends up to the financial year 2012-13 to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of Companies Act, 2013.
17. Members are advised to claim their unpaid dividend for the year 2013-14 to 2019-20 if any, the Company is having unpaid dividend of Rs. 7.52 lacs for the year 2013-14 to 2019-20. Attention of the members of the Company are drawn towards the provisions of section 124(6) which provides that all the shares in respect of which unpaid or unclaimed dividend has been transferred u/s 124(5) shall also be transferred by the company in the name of IEPF. Therefore in the interest of the members it is advised to take appropriate action to encash the unpaid dividend and update their bank particulars through the respective DP's. Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the company to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125. The Company has sent intimation to all such shareholders who have not claimed their dividend for seven consecutive years. The details of unclaimed/unpaid dividend are also available on the website of the Company viz [www.itl.co.in](http://www.itl.co.in).
18. Dividend for the financial year ended March 31<sup>st</sup>, 2014, which remain unclaimed or unpaid, will be due for transfer to the Investor Education & Protection Fund of the Central Government, pursuant to the provision of Section 124 of the Companies Act, 2013 (Section 205A of the erstwhile Companies Act, 1956), on October 20<sup>th</sup>, 2021. Members who have not yet encashed their dividend warrants for the financial year ended March 31<sup>st</sup> 2014 or any subsequent financial years are requested to lodge their claims with the company/Registrar, without delay. Members are advised that no claims shall lie against the said fund or against the Company for the amounts of dividend so transferred to the said fund
19. Members desirous of obtaining any information concerning to the accounts and operations of the Company are requested to send their queries to the Company Secretary at least seven days before the date of the meeting so that the required information can be made available at the meeting.
20. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is omitted vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed in the 29th Annual General Meeting, held on 28<sup>th</sup> September, 2017. The statutory auditor shall hold office pertaining to financial year 2021-22.
21. Details required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting is annexed herewith to Notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.
22. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar and Share Transfer Agent.
23. The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013, and the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting of the Company.
24. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended from time to time, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Ankit Consultancy Private Limited for assistance in this regard.
25. As directed by SEBI, the Members holding shares in physical form are requested to submit particulars of their bank account along with the original cancelled cheque bearing the name of the Member to Ankit consultancy Pvt. Ltd. (RTA)/Company to update their Bank Account details. Members holding shares in demat form are requested to update their Bank Account details





with their respective Depository Participant. The Company or Registrars and Transfer Agents, Ankit Consultancy Private Limited cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode.

26. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's share transfer agent. In respect of shares held in electronic form, the nomination form may be filed with the respective depository participant.
27. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
28. Relevant documents referred to in the accompanying Notice and in the Explanatory Statement are open for inspection by the Members at the Company's Registered Office and at Company's office at 111, Sector – B, Sanwer Road, Industrial Area, Indore -452015 (M.P.) on all working days (except Sundays and Public Holidays) between 11.00 a.m. to 2.00 p.m. up to the date of this Annual General Meeting ("AGM") and also at the AGM.
29. The Shareholders are hereby informed that all the correspondence in connection with the shares be addressed to the Registrar & Share Transfer Agent M/s. Ankit Consultancy Pvt. Ltd., Plot No.60, Electronic Complex, Pardeshipura, Indore (M.P.).
30. Members holding shares in identical order of names in more than one folio are requested to write to the Company's Registrar & Share Transfer Agent enclosing their Share Certificate's to enable the Company to consolidate their holding in one folio.
31. **INSTRUCTIONS FOR E-VOTING**

In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for themembers is not available for this AGM. However, the Body Corporate are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.itl.co.in](http://www.itl.co.in). The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

## THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE ASUNDER:-

The remote e-voting period begins on 20<sup>th</sup> September, 2021 at 9:00 A.M. and ends on 22<sup>nd</sup> September, 2021 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 16<sup>th</sup> September, 2021 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 16<sup>th</sup> September, 2021.

### How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

#### Step 1: Access to NSDL e-Voting system

##### A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “<b>Login</b>” which is available under ‘<b>Shareholder/Member</b>’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: right;"> <p>NSDL Mobile App is available on</p>     </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>



Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?
    - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
  - a) Click on “**Forgot User Details/Password?**” (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [igassociatescs@gmail.com](mailto:igassociatescs@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Nipul Shah at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cs@itl.co.in](mailto:cs@itl.co.in).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [cs@itl.co.in](mailto:cs@itl.co.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@itl.co.in, at least 3 days prior to Annual General Meeting. The same will be replied by the Company suitably.
6. Shareholders, who would like to express their view/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio no. at cs@itl.co.in, at least 3 days prior to Annual General Meeting. The same will be replied by the Company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. The Company reserves the right to restrict the number of speaker depending on the availability of time for the AGM.

If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.

You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 16<sup>th</sup> September, 2021.

Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. **September 16<sup>th</sup>, 2021**, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. **1800 1020 990** and **1800 22 44 30**. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. September 16<sup>th</sup>, 2021 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

M/s IG & Associates, Company Secretary, (F.R. No.: I2013MP1054000, M. NO: FCS 9955, COP: 12184, Peer Review NO.: 914/2020) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutiniser shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, there after unblock the votes cast through remote e-voting in presence of at least two witnesses not in the employment of the Company and make a consolidated Scrutinisers' report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall counter sign the same.

The results of the e-voting are to be submitted to the Stock Exchange within 48 hours of the conclusion of the AGM. The results declared along with Scrutinizers' report shall be placed on the Company's website: www.itl.co.in and website of NSDL.

A member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting.

A person, whose name is recorded in the register of member or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting at the meeting through ballot papers.

The remote e-voting period commences on 20<sup>th</sup> September, 2021 (9:00 am) and ends on 22<sup>nd</sup> September, 2021 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 16<sup>th</sup> September, 2021, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

For any further queries relating to the shares of the Company, you may contact the share Transfer Agents at the following address : M/s Ankit Consultancy Pvt. Ltd. 60, Electronic Complex, pardeshipura, Indore (M.P.) 452010, Tel:0731-2551745- 46, Fax:0731-4065798, E-mail ankit\_4321@yahoo.com.

**For and on behalf of the Board**

**Rajendra Jain**

**Managing Director**

**DIN: 00256515**

**Place : Indore**

**Dated : 12/08/2021**



**Explanatory Statement in respect of the Special Business pursuant to Section 102 of the Companies Act.****ITEM NO. 3**

Shri N. Chakarborty (DIN 00443524) was appointed as the Non Executive & Independent Director by the Members of the Company at the AGM held on September 27<sup>th</sup>, 2014 to hold office from April 1, 2014 to March 31, 2019. Further, at AGM held on September 25<sup>th</sup>, 2019 he was re-appointed as Non Executive & Independent Director for the period April 1, 2019 to March 31, 2024

Shri N. Chakarborty in the capacity of Non-Executive Director will be entitled to sitting fee as detailed below, subject to the overall limits prescribed under the provision of the Companies Act and SEBI Listing Regulations:

Sitting Fee – Rs. 60000/- Per Board or Committee Meeting (within the limits under the provisions of Companies Act, 2013) and there is no change in per meeting sitting fee from previous year.

Its regulatory amendment in the Regulation 17 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 effective from April 1, 2019, requires companies to obtain approval of the shareholders by passing of a special resolution for payment of remuneration to Non-Executive Director exceeding fifty percent of the total annual remuneration payable to all Non-Executive Directors. Accordingly, Shareholders approval is sought for payment of remuneration to Shri N. Chakarborty, Non-Executive Director for the period from April 01, 2021 till March 31, 2022.

It may also be mentioned that none of the other Directors (other than Shri N. Chakarborty) /Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board commends the Special Resolution set out at Item No. 3 of the Notice for approval by the Special Resolution.

**Item No. 4**

The term of office of Shri Rajendra Jain, Managing Director of the Company will expire on 31/01/2022 The Board of Director of the Company has reappointed the aforesaid Director for a further period of 3 years w.e.f. 01/02/2022. The revised remuneration package of the above Director as approved by the Nomination and Remuneration committee. During the above mentioned tenure Mr. Rjaendra Jain Managing Director of the company, will be attained the age 70 years in April 2024. The terms of remuneration payable to Shri Rajendra Jain, Managing Director are set out below:

- (1) Salary band of Rs. 3,00,000/- to Rs. 8,00,000/- per month.
- (2) Perquisites :
  - a) Perquisites shall be restricted to an amount equal to the annual salary.

**Category-A****i) Housing**

- a) The expenses incurred by the Company on hiring furnished accommodation will be subject to a ceiling of 50% of the Salary.
- b) In case of accommodation owned by the Company 10% of the salary shall be deducted by the Company.
- c) In case of no accommodation is owned by the Company, the said Director shall be entitled to house rent allowance subject to the ceiling laid down in Housing(a).

**Explanation:**

The expenditure incurred on gas, electricity, water and furnishings shall be valued as per Income - Tax Rules 1962, subject to ceiling of 10% of the salary.

**ii) Medical Reimbursement:**

Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary in a year or three months' salary over a period of three years.

**iii) Leave Travel Concession:**

Leave Travel Concession for self and family once in a year incurred, in accordance with the Rules of the Company.

**Explanation :**

Family means the spouse, the dependent children and dependent parents.

**iv) Club Fees:**

Fee of clubs subject to a maximum of two clubs. No life membership fees will be paid.

**v) Personal Accident Insurance or mediclaim :**

Personal Accident Insurance or mediclaim of an amount, the annual premium not exceeding Rs. 3000/- per month.

**Category - B****a) Company's contribution towards Provident Fund / Public Provident Fund :**

Company's contribution towards Provident Fund / Public Provident Fund @ 12% or as per the Rules of the Company.

**b) Gratuity:**

Gratuity as per the rules of the Company, but shall not exceed half-a-month's salary for each completed year of service.

c) Company's contribution towards Superannuation fund:

Company's contribution towards Superannuation Fund as per the rules of at the Company but it shall not together with Company's contribution to Provident Fund / Public Provident Fund, exceed 25% of the salary.

The aforesaid perquisites stated in Category-B (a),(b) and (c) will not be included in the computation of the aforesaid ceiling on perquisites to the extent these either singly or per together are not taxable under the Income-Tax Act, 1961.

d) Earned Leave:

On full pay allowance and perquisites as per the Rules of the Company, but not exceeding one month's leave for every eleven months of service and leave accumulated shall be encashable at the end of the tenure. Encashment of leave at the end of the tenure will not be included in the computation of the aforesaid ceiling on perquisites and or salary.

**Category - C**

Company Car and Telephone at Residence

Car for use on company's business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company.

This notice along with the explanatory statement should also be treated as an abstract of the terms of contracts /agreement between the Company and Shri Rajendra Jain, Managing Director the Company.

The re-appointment of the above Director shall be in the interest of the Company. Your Board of Director therefore recommend the special resolution set out at item No.4 of the notice for your approval.

Besides the individual interest of the above Director to the extent of remuneration payable to him none of the Directors of the Company is in any way, concerned or interested in the said resolution.

Save and except as above, none of the Directors of the Company is in any way, concerned or interested in the said resolution.

**ITEM NO.5**

The term of office of Shri Mahendra Jain, Joint Managing Director of the Company will expire on 31/01/2022. The Board of Director of the Company has reappointed the aforesaid Director for a further period of 3 years w.e.f. 01/02/2022. The revised remuneration package of the above Director as approved by the Nomination and Remuneration committee. The terms of remuneration payable to Shri Mahendra Jain, are set out below:

The terms of remuneration payable to Shri Mahendra Jain, are set out below:

(1) Salary band of Rs. 2,75,000/- to Rs. 8,00,000/- per month.

(2) Perquisites :

a) Perquisites shall be restricted to an amount equal to the annual salary.

**Category-A**

i) Housing

a) The expenses incurred by the Company on hiring furnished accommodation will be subject to a ceiling of 50% of the Salary.

b) In case of accommodation owned by the Company 10% of the salary shall be deducted by the Company.

c) In case of no accommodation is owned by the Company, the said Director shall be entitled to house rent allowance subject to the ceiling laid down in Housing(a).

Explanation:

The expenditure incurred on gas, electricity, water and furnishings shall be valued as per Income - Tax Rules 1962, subject to ceiling of 10% of the salary.

ii) Medical Reimbursement:

Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary in a year or three months salary over a period of three years.

iii) Leave Travel Concession:

Leave Travel Concession for self and family once in a year incurred, in accordance with the Rules of the Company.

Explanation :

Family means the spouse, the dependent children and dependent parents.

iv) Club Fees:

Fee of clubs subject to a maximum of two clubs. No life membership fees will be paid.

v) Personal Accident Insurance or mediclaim :

Personal Accident Insurance or mediclaim of an amount, the annual premium not exceeding Rs. 3000/- per month.

**Category - B**

a) Company's contribution towards Provident Fund / Public Provident Fund :

Company's contribution towards Provident Fund / Public Provident Fund @ 12% or as per the Rules of the Company.



- b) Gratuity:  
Gratuity as per the rules of the Company, but shall not exceed half-a-month's salary for each completed year of service.
- c) Company's contribution towards Superannuation fund:  
Company's contribution towards Superannuation Fund as per the rules of at the Company but it shall not together with Company's contribution to Provident Fund / Public Provident Fund, exceed 25% of the salary.  
The aforesaid perquisites stated in Category-B (a),(b) and (c) will not be included in the computation of the aforesaid ceiling on perquisites to the extent these either singly or per together are not taxable under the Income-Tax Act, 1961.
- d) Earned Leave:  
On full pay allowance and perquisites as per the Rules of the Company, but not exceeding one month's leave for every eleven months of service and leave accumulated shall be encashable at the end of the tenure. Encashment of leave at the end of the tenure will not be included in the computation of the aforesaid ceiling on perquisites and or salary.

**Category - C****Company Car and Telephone at Residence**

Car for use on company's business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company.

This notice along with the explanatory statement should also be treated as an abstract of the terms of contracts /agreement between the Company and Shri Mahendra Jain, Joint Managing Director the Company.

The re-appointment of the above Director shall be in the interest of the Company. Your Board of Director therefore recommend the special resolution set out at item No.5 of the notice for your approval.

Besides the individual interest of the above Director to the extent of remuneration payable to him none of the Directors of the Company is in any way, concerned or interested in the said resolution.



Additional information on director recommended for appointment / reappointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

**DETAILS OF THE DIRECTORS SEEKING  
RE-APPOINTMENT IN FORTHCOMING ANNUAL GENERAL MEETING**

<b>Name of Director</b>	<b>Shri N. Chakraborty</b>	<b>Shri Rajendra Jain</b>
<b>Category</b>	Independent and Non-Executive Director	Executive Director /Managing Director
<b>Inter relationship</b>	Not related	Son of Late. Shri Manohar Singh Jain
<b>Date of Birth</b>	24 <sup>th</sup> October, 1943	20 <sup>th</sup> April, 1954
<b>Date of Appointment</b>	1 <sup>st</sup> May, 1999	1 <sup>st</sup> February, 1993
<b>Qualification</b>	B.Com. & L.L.B.	B.E. (Mech.), Hon. Ph.D.
<b>Expertise in specific Functional areas</b>	Wide experience in the field of Machine Tools Industries	Mr. Rajendra Jain is B.E. (Mech.) Hon. Ph.D., and is having 44 years of rich experience in the Engineering Industry. He has thorough practical knowledge in this Industry and his contribution in the development of this sector especially in the segment of indigenous manufacture of Metal Cutting Machines viz. Bandsaw, Circular Saw Machines is significant. ITL Industries is growing at a good pace under his rich experience and able leadership. Mr. Jain is very innovative and is always keen to adopt latest technologies and has contributed a lot in the growth of the Company.
<b>List of other Public Companies in which Directorships held</b>	NIL	NIL
<b>Chairman / Member of the Committee as on 31<sup>st</sup> March 2021</b>	1. Audit Committee- Chairman 2. Shareholders'/ Investors' Grievance Committee - Chairman 3. Nomination and Remuneration Committee - Member	1. Corporate Social Responsibility Committee - Chairman 2. Financial Decision Making Committee - Chairman
<b>Chairman / Member of Committees of other Public Companies (includes only Audit Committee and Shareholders'/Investors' Grievance Committee)</b>	NIL	NIL
<b>Shareholdings in the Company</b>	NIL	369900
<b>Name of Director</b>	<b>Shri Mahendra Jain</b>	
<b>Category</b>	Executive Director/Joint Managing Director	
<b>Inter relationship</b>	Non-related	
<b>Date of Birth</b>	19 <sup>th</sup> October, 1957	
<b>Date of Appointment</b>	1 <sup>st</sup> February, 1993	
<b>Qualification</b>	M.Com, PGDBM	
<b>Expertise in specific Functional areas</b>	Mr. Mahendra Jain is a post graduate in Commerce and has done PGDBM. He is ex-banker also and has rich experience of about 44 years in this Industry. He has thorough knowledge in the field of Finance and administration	
<b>List of other Public Companies in which Directorships held</b>	NIL	
<b>Chairman / Member of the Committee of the Board of Directors of the Company (includes only Audit Committee and Shareholders'/Investors' Grievance Committee)</b>	NIL	
<b>Chairman / Member of Committees as on 31<sup>st</sup> March 2021</b>	1. Corporate Social Responsibility Committee - Member 2. Financial Decision Making Committee - Member	
<b>Shareholdings in the Company</b>	251113	

**DIRECTOR'S REPORT**

Your Directors have pleasure in presenting the 33<sup>rd</sup> Annual Report of the Company and the Audited statement of accounts for the year ended 31<sup>st</sup> March, 2021.

**01. FINANCIAL RESULTS :****(Amount in Lacs)**

	Particulars	Financial year ended 31.03.2021	Financial year ended 31.03.2020
a)	Sales & Other Income	8956.49	8023.40
b)	Profit before interest, Depreciation & Tax	894.80	872.06
c)	Less : - Interest and Finance Charges	129.89	145.15
	- Depreciation	135.69	118.30
d)	Profit before Tax	629.22	608.61
e)	Less : Provision for Tax Current year	120.00	150.00
f)	Less : Deferred Tax Liabilities	16.78	-5.26
g)	Less : Income Tax earlier year	-8.46	-3.67
h)	Less : Dividend Distribution Tax	-3.29	0.00
i)	Profit after Tax	504.19	467.54
j)	Profit brought forward from previous year	410.30	162.07
k)	Profit available for appropriations	914.49	629.61
l)	Transferred to General Reserve	500.00	200.00
m)	Proposed Dividend	16.02	16.02
n)	Provision for Dividend Distribution Tax	0.00	3.29
o)	Balance carried to Balance Sheet	398.47	410.30

**02. DIVIDEND :**

Your Directors are pleased to recommend Dividend at the rate of Rs. 0.50 Per share (previous year Rs.0.50 per share) for the year ended 31<sup>st</sup> March, 2021 subject to approval of the members in the ensuing Annual General Meeting.

**03. OPERATIONS :**

During the year under review, the sales & other Income of Company Increased from Rs. 8023.40 Lacs to Rs. 8956.49 Lacs showing a growth of 11.63% & profit after Tax of the Company for the year under review has Increased from Rs. 467.54 Lacs to Rs. 504.19 lacs showing a growth of 7.84%.

**04. FUTURE OUTLOOK :**

The growth outlook for the Indian economy in the near term remains positive on account of inter-alia, the following factors: (a) expectations that the industrial sector would remain buoyant; (b) increase in corporate sales and profitability; (c) pick-up in order books and capacity utilization as per different survey results; (d) turnaround in exports with improving global conditions; (e) pick-up in lead services indicators for transportation, telecommunication and construction and; (f) revival in credit demand from the private sector.

**05. DIRECTORS :**

The Board of Director's at their meeting held on August 12, 2021 had approved the re-appointment of Shri Rajendra Jain (DIN - 00256515) as a Managing Director for a period of three years w.e.f. February 01, 2022, subject to shareholder approval. The Board of Director's at their meeting held on August 12, 2021 had approved the re-appointment of Shri Mahendra Jain (DIN - 00256047) as a Joint Managing Director for a period of three years w.e.f. February 01, 2022, subject to shareholder approval.

With deep regret, we report the sad demise of our non-executive / promoter Director, Shri Manohar Singh Jain (DIN - 00256131) on April 27, 2021. Your Directors would like to place on record their highest gratitude and appreciation for the guidance given by Shri Manohar Singh Jain to the Board / Organization during his tenure as Director.

**06. DIRECTORS' RESPONSIBILITY STATEMENT:**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(C) of the Companies Act, 2013:

- a) that in the preparation of the annual financial statements for the year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;



- b) that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit of the Company for the year on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

#### 07. PUBLIC DEPOSIT:

During the year under review, your company has neither invited nor accepted any deposit under the provisions of Section 73 of the Companies Act, 2013 and rules

#### 08. AUDITORS :

##### - STATUTORY AUDITORS

The Auditors M/s Mahendra Badjatya & Co. Chartered Accountants, (ICAI FRN 001457C) have been appointed as statutory auditors of the company at the Annual General Meeting held on 28.09.2017 for a period of five years, subject to ratification by members at every consequent Annual General Meeting. The ratification of appointment of statutory auditor is not required as per the first proviso of Section 139 (1) by the Companies (Amendment) Act, 2017 effective from 7<sup>th</sup> May 2018 accordingly the ratification of appointment of statutory auditor is not proposed. There is no audit qualification, reservation or adverse remark for the year under review.

##### - SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. IG and Associates, Practicing Company Secretary (CP No.:12184 & FCS:9955), to undertake the secretarial audit of the company for the financial year 2021-22. The Secretarial Audit Report is given in the "Annexure – C" forming part of this report.

##### - INTERNAL AUDITORS

Mrs. Pratibha Kothari, Chartered Accountant performs the duties of internal auditors of the company and her report is reviewed by the audit committee from time to time.

#### 09. TRANSFER OF SHARES AND DIVIDEND AMOUNT TO IEPF:

Pursuant to the provisions of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") notified by the Ministry of Corporate Affairs, the unclaimed and unpaid dividends amount for the year 2013-14 is required to be transferred to IEPF in the due date as specified in the Notice of the AGM and shares of the respective shares on which no dividend is claimed for a consecutive 7 years will also be transferred to IEPF Authority as per the requirement of the IEPF rules on due date. During the financial year 2020-21, The Company has Transfer 8638 (Eight Thousands Six Hundred Thirty Eight) Equity Shares to Investors Education and Protection Fund (IEPF) related to the concerned shareholders have not claimed dividend for a period of 7 consecutive years.

#### 10. SHARE CAPITAL:

The paid up Equity Share Capital as on 31<sup>st</sup> March, 2021 was Rs. 3,20,43,000 divided into 3204300 equity shares of Rs. 10/- each. There has been no change in the capital structure of Company during the year under review.

#### 11. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE :

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014 is given in the "Annexure-A" forming part of this report.

#### 12. INDUSTRIAL RELATIONS :

Industrial relations of the Company remained cordial during the year.

#### 13. SUBSIDIARY COMPANY:

M/s. M.M. Metals Pvt. Ltd. is subsidiary of your Company.

Pursuant to the provisions of the Companies Act, 2013, your Company has prepared Consolidated Financial Statements of your Company which is forming part of this Annual Report. Further, a Statement containing salient features of financial



information of the Subsidiary Company/Associate Company is disclosed in the prescribed format AOC-1, pursuant to Provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is annexed to this Report "Annexure-E." The Statement also provides details of performance and financial position of each of the Companies.

In accordance with the provisions of Section 136 of the Companies Act, 2013, the Audited Financial Statements, the Consolidated Financial Statements and the related information of the Company and the Audited Accounts of the Subsidiaries Company, is available on our website i.e. [www.itl.co.in](http://www.itl.co.in). These documents shall also be available for inspection during the business hours, i.e. between 9.30 A.M. to 5.00 P.M. on all working days at the Registered Office of the Company.

#### 14. RELATED PARTY TRANSACTIONS :

All related party transactions that are entered into during the last financial year were on arms length basis and were in the ordinary course of business. "Annexure-F" attached to this Report.

There were no materially significant Related Party Transactions made by the Company during the year that required shareholders' approval under Regulation 23 of the Listing Regulations.

All Related Party Transactions are placed before the Audit Committee for prior approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature or when the need for them cannot be foreseen in advance.

#### 15. CORPORATE SOCIAL RESPONSIBILITY (CSR) :

During the year under review, your Company is having profit before tax of Rs. 629.22 Lakhs and as per provisions of Section 135 of the Companies Act, 2013, every company having net worth of rupees five hundred Crore or more or turnover of rupees one thousand crore or more or a net Profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors out of which at least one director shall be an independent director;

Accordingly Board has constituted Corporate Social Responsibility Committee in its meeting held on 12 August, 2021 comprising following members:-

1. Shri Rajendra Jain - Chairman
2. Shri Mahendra Jain - Member
3. Dr. Pratima Jain - Member

The role of the committee is to formulate and recommend a CSR policy to the Board, to recommend expenditure to be incurred on CSR activities, to monitor The CSR Policy of the Company From time to time and to institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company.

Further expenses towards CSR activities will be done in current financial year and will be review time to time.

The Company's CSR Policy lays out the vision, objectives and implementation mechanisms. The Company's CSR policy is available on the Company's website at [www.itl.co.in](http://www.itl.co.in) The Company's CSR activities have traditionally focused on education, skill development, health, environment and promoting sustainable practice. Annual Report on CSR activates is annexed herewith as "Annexure-D".

#### 16. REMUNERATION POLICY/DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEE :

In accordance with section 178 and other applicable provisions if any, of the Companies Act 2013 read with the rules issued under there, the Board of Directors formulated the Nomination and Remuneration Policy of your Company on the recommendations of the Nomination and Remuneration Committee. Details of Policy covering these Requirements have disclosed in Corporate Governance Report.

During the year none of the employee of the company is drawing more than 60,00,000/- per annum or Rs. 5,00,000/- per month for the part of the year, therefore Particulars of the employee as require under section 197 of the Companies Act 2013 read with rule 5(2) & 5 (2) of the Companies (appointment and remuneration) Rule 2014 are not applicable.

#### 17. REPORT ON MANAGEMENT DISCUSSION ANALYSIS REPORTS ON CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION ANALYSIS :

Pursuant to Regulation 34(2)(e) of the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, a separate titled "Report on Corporate Governance and Management Discussion and Analysis" forms part of this Annual Report.

Certificate confirming compliance with conditions of Corporate Governance as stipulated under Regulation 34(2)(e) of the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, also forms parts of this Annual Report.

#### 18. DISCLOSURE ON ESTABLISHMENT OF A VIGIL MECHANISM/WHISTLE BLOWER POLICY :

Pursuant to the provisions of Section 177 (9) & (10) of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (LODR) Regulations, 2015, the Company has in place a Whistle Blower Policy, which provides for a vigil mechanism that encourages and supports its Directors and employees to report instances of illegal activities, unethical behavior, actual or suspected, fraud or violation of the Company's Code of Conduct or Ethics Policy. It also

provides for adequate safeguards against victimization of persons who use this mechanism and direct access to the Chairman of the Audit Committee in exceptional cases. During the year under review, no protected disclosure concerning any reportable matter in accordance with the Vigil mechanism and Whistle Blower policy of the Company was received by the Company.

The Whistle Blower Policy has been posted on the website of the company [www.itl.co.in](http://www.itl.co.in).

**19. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY :**

There are no significant and/or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company.

**20. CODE OF CONDUCT :**

The Company laid down a code of conduct for all Board Members and Senior Management and Independent Directors of the Company. All the Board Members including Independent Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct. Declaration on adherence to the code of Conduct is forming part of the Corporate Governance Report.

**21. STATEMENT INDICATING DEVELOPMENT & IMPLEMENTATION OF RISK MANAGEMENT POLICY :**

The Board of Directors has adopted Risk Management Policy for the Company which provides for identification, assessment and control of risks which in the opinion of the Board may threaten the existence of the Company. The Management identifies and controls risks through a properly defined framework in terms of the aforesaid policy. The code of conduct disclosed on the Company's website i.e. [www.itl.co.in](http://www.itl.co.in).

**22. SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION PROHIBITION & REDRESSAL)**

**ACT, 2013 :** The Company has in place and Anti Sexual Harassment Policy in line with requirements of the Sexual Harassment of the Women at Workplace (Prevention Prohibition and Redressal) Act 2013. An Internal Complaints Committee (ICC) has been setup to redress the Complaints received regarding sexual harassment. There was no case of sexual harassment reported during the year under review.

**23. PREVENTION OF INSIDER TRADING :** In view of the SEBI (Prohibition of Insider Trading) Regulation 2015 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company.

The code requires Trading Plan, pre clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading window is closed.

**24. LISTING OF SHARES :**

Company shares are listed on BSE Limited only. The company has paid annual listing fee for financial year 2021-22.

**25. DEPOSITORY SYSTEM :**

Your Company's shares are tradable compulsorily in electronic form and your Company has connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the numerous advantage offered by the Depository System, members are requested to avail of the facility of Dematerialization of the Company's shares on either of the Depositories mentioned as aforesaid. The Company has paid the annual custodian fee to respective depositories.

**26. EXTRACT OF ANNUAL RETURN :**

The details forming part of the extract of the Annual Return of the Company in form MGT-9 is given in the "Annexure-B" forming part of this report.

**27. CONSOLIDATED FINANCIAL STATEMENTS:**

The Directors also present the audited consolidated financial statements incorporating the duly audited financial statements of the subsidiary, viz M/s. M.M. Metals Pvt. Ltd. And consolidating the financial information's of associates on equity method as prepared in compliance with the accounting standards and listing agreement.

**28. ACKNOWLEDGEMENT:**

We wish to acknowledge the understanding & support and the services of the workers, staff and executives of the Company, who have largely contributed to the efficient operations & management of the operations of the Company.

Your Directors also wish to place on record the valuable co-operation & support received from the Bankers and Financial Institutions.

We would also like to express thanks to our Shareholders for their confidence and understanding.

**For and on behalf of the Board**

**Place: Indore**

**Dated: 12/08/2021**

**Rajendra Jain**  
**Managing Director**  
**DIN: 00256515**

**Mahendra Jain**  
**Joint Managing Director**  
**DIN: 00256047**

**ANNEXURE -A****ANNEXURE TO THE DIRECTORS' REPORT**

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder :

**A. RESEARCH & DEVELOPMENT:**

1. Specific areas in which R & D carried out by the Company

The Company has its own in-house R&D centre which is recognised by DSIR. The team is continuously striving for new developments, upgradation and improvement in existing design and process. The Research & Development activities resulted in the development of new range of products of the Company and technological upgradation of existing products and processes during the previous year.

2. Benefits derived as a result.

Better Market coverage & New Market Development, cost reduction saving of Foreign Exchange on account of further indigenization. Helps in meeting the market competition (both indigenous and foreign).

3. Future plan on R & D

To develop special purpose Machines/ Plants and technological upgradation of existing products and processes.

**4. Expenditure on R & D:**

Particulars	Financial Year 2020-21	Financial Year 2019-20	Financial Year 2018-19
Capital	Nil	Rs.2.84 Lacs	Rs.2.44 Lacs
Recurring	Rs. 272.38 Lacs	Rs. 284.32 Lacs	Rs. 290.41 Lacs
<b>Total</b>	<b>Rs. 272.38 Lacs</b>	<b>Rs. 287.16 Lacs</b>	<b>Rs. 292.85Lacs</b>
Total R & D expenditures as a Percentage of total turnover	3.06%	3.62%	2.88%

**B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :**

1. Efforts in brief made towards Technology Absorption  
Technology developed by R & D Department is fully absorbed for manufacturing of special purpose Machine.
2. Benefits derived as a result of efforts, e.g. product improvement, Cost reduction, product development, import substitution etc.  
Import substitution in the areas of special purpose machinery resulting in cost reduction, reduction in imports, increase in exports, resulting in conservation of Foreign Exchange.
3. A. Technology imported  
NIL
- B. Year of Import  
Not Applicable
- C. Has technology been fully absorbed  
N.A.
- D. If no fully absorbed areas where this has not taken place reasons thereof and future plans of action.  
Not Applicable

**C. CONSERVATION OF ENERGY :**

- a. Energy Conservation Measures taken  
The Company has no major scope for conservation of energy.
- b. Additional investments and proposals if any, being, implemented for reduction of consumption of energy.  
NIL
- c. Impact of the measures (a) and (b) above for reduction of energy consumption consequent impact on the cost of production of goods.  
NIL
- d. Total energy consumption and energy Consumption per unit of production as per Form A of the Annexure in respect of Industries specified in the schedule thereto.  
Not Applicable

**D. FOREIGN EXCHANGE EARNING AND OUT GO :**

The information of Foreign Exchange Earnings and out go is given in item No. 12 in Notes no 30 (B) to Accounts.

**For and On behalf of the Board**

Place : Indore  
Date : 12/08/2021

**Rajendra Jain**  
Managing Director  
DIN:00256515

**Mahendra Jain**  
Joint Managing Director  
DIN: 00256047





## ANNEXURE TO DIRECTORS REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN ON THE FINANCIAL YEAR ENDED ON MARCH 31<sup>st</sup>, 2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i. CIN	L28939MP1989PLC005037
ii. Registration Date	25/01/1989
iii. Name of the Company	ITL Industries Limited
iv. Category / Sub-Category of the Company	Company having Share Capital
v. Address of the Registered office and contact details	111, Sector "B", Sanwer Road, Industrial Area, Indore - 452015
vi. Whether listed company	Yes (Listed in BSE Limited)
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	Ankit Consultancy Private Limited 60, Electronic Complex, Pardeshipura, Indore -452010 0731 2551745, 46

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Machine & cutting tools Manufacturing	2822	68.93%
2	Trading of Hydraulics etc.	2822	31.07%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	M M Metals Private Limited 103-B, Sanwer Road, Industrial Area, Indore - 452015	U02710MP1983PTC002163	Subsidiary	52.55%	2(87)
2.	Luhadiya Sons Shahpura Private Limited 144 Shanti Niketan Colony Near Bombay Hospital Indore-452001	U29100MP2010PTC023272	Associate	30.79%	2(6)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****I. Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year (01/04/2020)				No. of Shares held % at the end of the year (31/03/2021)				Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>1) Indian</b>									
a) Individual/ HUF	1310117	NIL	1310117	40.89	1310117	NIL	1310117	40.89	0.00

b) Central Govt									
c) State Govt(s)									
d) Bodies Corp	131100	NIL	131100	4.09	131100	NIL	131100	4.09	0.00
e) Banks / FI									
f) Any Other									
<b>Sub total (A)(1) :-</b>	<b>1441217</b>	<b>NIL</b>	<b>1441217</b>	<b>44.98</b>	<b>1441217</b>	<b>NIL</b>	<b>1441217</b>	<b>44.98</b>	<b>0.00</b>
<b>2) Foreign</b>									
g) NRIs-Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
h) Other-Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
j) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
k) Any Other....	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub-total (A)(2):-</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Banks / FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Central Govt	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) State Govt(s)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g) FIIs	1750	NIL	1750	0.05	NIL	NIL	NIL	NIL	0.05
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub-total (B)(1)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>2. Non Institutions</b>									
a) Bodies Corp. (I) Indian (ii) Overseas	59114	800	59914	1.87	45706	300	46006	1.44	-0.43
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	960605	130625	1091230	34.06	993628	121725	1115353	34.81	-0.75
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	384513	NIL	384513	12.00	369025	NIL	369025	11.52	0.48
c) Others(Specify) NRI & OCB	112270	NIL	112273	3.50	108985	NIL	108985	3.40	-0.10
CLEARING MEMBER	3444	NIL	3444	0.11	3444	NIL	3444	0.11	0.00
Any Other (Specify)	111712		111712	3.49	120050		120050	3.75	0.26
<b>Sub-total (B)(2)</b>	<b>1631658</b>	<b>131425</b>	<b>1763083</b>	<b>55.02</b>	<b>1641056</b>	<b>122025</b>	<b>1763081</b>	<b>55.02</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>1631658</b>	<b>131425</b>	<b>1763083</b>	<b>55.02</b>	<b>1641056</b>	<b>122025</b>	<b>1763081</b>	<b>55.02</b>	<b>0.00</b>



C. Shares held by Custodian for GDRs & ADRs									
<b>Grand Total (A+B+C)</b>	<b>3072875</b>	<b>131425</b>	<b>3204300</b>	<b>100.00</b>	<b>3082273</b>	<b>122025</b>	<b>3204300</b>	<b>100.00</b>	<b>0.00</b>

## ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% in change share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Mr. Rajendra Jain	369900	11.54	NIL	369900	11.54	NIL	0.00
2.	Mr. Mahendra Jain	251113	7.84	NIL	251113	7.84	NIL	0.00
3.	M/s Remswags Marketing Private Limited	131100	4.09	NIL	131100	4.09	NIL	0.00
4.	Mrs. Rekha Jain	131013	4.09	NIL	131013	4.09	NIL	0.00
5.	Mr. Ravish Jain	94150	2.94	NIL	94150	2.94	NIL	0.00
6.	Mr. Shekhar Jain	92885	2.90	NIL	92885	2.90	NIL	0.00
7.	Mrs. Meena Jain	87251	2.72	NIL	87251	2.72	NIL	0.00
8.	Mr. Prakhar Jain	82601	2.58	NIL	82601	2.58	NIL	0.00
9.	Mr. Manish Jain	93850	2.93	NIL	93850	2.93	NIL	0.00
10.	Mr. Manohar Singh Jain	75100	2.34	NIL	75100	2.34	NIL	0.00
11.	Mrs. Namrata Jain	5933	0.19	NIL	5933	0.19	NIL	0.00
12.	Mrs. Renu Bai Doshi	10000	0.31	NIL	10000	0.31	NIL	0.00
13.	Mrs. Rekha Jain	10000	0.31	NIL	10000	0.31	NIL	0.00
14.	Mrs. Nidhi Jain	5321	0.17	NIL	5321	0.17	NIL	0.00
15.	Mr. Harsh Jain	1000	0.03	NIL	1000	0.03	NIL	0.00
	<b>Total</b>	<b>1441217</b>	<b>44.98</b>		<b>1441217</b>	<b>44.98</b>		<b>0.00</b>

## iii. Change in Promoters' Shareholding (please specify, if there is no change) -No change

Sr. No.	Particulars	As on Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	01.04.2020	1441217	44.98%	1441217	44.98%
	At the end of the year	31.03.2021	1441217	44.98%	1441217	44.98%

## iii. Change in Shareholding of Top Ten Shareholder

Sr. No.	For each of the Top Ten shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY	111712	3.49	120050	3.75
	PUSHPA SHARMA	60000	1.87	60000	1.87
	DINESH KUMAR JAIN	58000	1.81	0	0
	UTTAM SINGH	44822	1.40	44599	1.39
	ANSHUL SAIGAL	36903	1.15	0	0
	MANGLA SHANTILAL GADA	36201	1.13	15780	0.49
	NIDHI JAWAHAR	34068	1.06	34068	1.06
	SANGEETA S	27360	0.85	27360	0.85
	JADHAV K B	27126	0.85	27126	0.85
	ANIN NANDANAN	22495	0.70	22495	0.70
	SHANTILAL NARSHI GADA	18280	0.57	21732	0.68
	NINJA SECURITIES PRIVATE LIMITED.	18415	0.57	7700	0.24

## v. Shareholding of Directors and Key Managerial Personnel

Sr. No.	Shareholding of each Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Rajendra Jain	369900	11.84	369900	11.84
2.	Mr. Mahendra Jain	251113	7.84	251113	7.84
3.	Mr. Manohar Singh Jain	75100	2.34	75100	2.34
4.	Mr. Ashok Ajmera	0.00	0.00	0.00	0.00
5.	Mr. Akhilesh Gautam	0.00	0.00	0.00	0.00

## VI. INDEBTEDNESS

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

(₹ In Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (As on 01/04/2020)				
i) Principal Amount	1506.99	39.70	--	1546.69
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	<b>1506.99</b>	<b>39.70</b>	<b>--</b>	<b>1546.69</b>
Change in Indebtedness during the financial year				
- Addition	405.82	-	--	405.82
- Reduction	-513.32	-39.72	--	-513.32
<b>Net Change</b>	<b>-107.50</b>	<b>-39.72</b>	<b>--</b>	<b>-107.50</b>
Indebtedness at the end of the financial year (31/03/2021)				
i) Principal Amount	1399.49	--	--	1399.49
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	<b>1399.49</b>	<b>--</b>	<b>--</b>	<b>1399.49</b>



**VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

(₹ in Lacs)

S.No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Rajendra Jain (Managing Director)	Mr. Mahendra Jain (Joint Managing Director)	
1.	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	44.39	40.84	85.23
(b)	Value of bonus & perquisites u/s 17(2) Income-tax Act, 1961	6.76	6.22	12.98
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission			
	- as % of profit	NIL	NIL	NIL
	- others, specify...			
5.	Others, please specify	NIL	NIL	NIL
6.	<b>Total (A)</b>	<b>51.15</b>	<b>47.06</b>	<b>98.21</b>
	Ceiling as per the Act	Remuneration paid within the Ceiling Limit as prescribed in the Companies Act 2013		

**B. Remuneration to other Directors**

S. No.	Particulars of Remuneration	Name of Other Directors			Total Amount
		Mr. N. Chakraborty	Dr. Pratima Jain	Mr. Rajesh Jain	
	Independent Directors				
	• Fee for attending Board & Committee meetings	9.60	0.32	0.32	10.24
	• Commission				
	• Others, please specify				
	<b>Total (1)</b>	<b>9.60</b>	<b>0.32</b>	<b>0.32</b>	<b>10.24</b>
	Other Non-Executive Directors				
	• Fee for attending board committee meetings	None			
	• Commission				
	• Others, please specify				
	<b>Total (2)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	<b>Total (B)=(1+2)</b>	<b>9.60</b>	<b>0.32</b>	<b>0.32</b>	<b>10.24</b>
	Overall Ceiling as per the Act	Remuneration paid within the Ceiling Limit as prescribed in the Companies Act 2013			

**C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD**

(₹ in Lacs)

S.No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO	Company Secretary	Total
1.	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9.00	6.32	15.32
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961			
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission			
	- as % of profit	NIL	NIL	NIL
	- others, specify...			
5.	Others, please specify	NIL	NIL	NIL
6.	<b>Total</b>	<b>9.00</b>	<b>6.32</b>	<b>15.32</b>



## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT /Court]	Appeal made. If any (give details)
<b>A. Company</b> Penalty Punishment Compounding			None		
<b>B. Directors</b> Penalty Punishment Compounding			None		
<b>C. Other Officers In Default</b> Penalty Punishment Compounding			None		

For and on behalf of the Board

Place: Indore  
Dated:12/08/2021

**Rajendra Jain**  
Managing Director  
DIN: 00256515

**Mahendra Jain**  
Joint Managing Director  
DIN: 00256047



## 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 ₹)

(Number/Amount ₹ in Lacs)

S.No.	Name of the Subsidiary	M.M. Metal Pvt. Ltd.
1	Reporting period for the subsidiary	2020-21
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NIL
3	Share capital	58.00
4	Reserves & surplus	57.70
5	Total assets	911.84
6	<b>Total Liabilities</b>	<b>911.84</b>
7	<b>Investments</b>	-
	Turnover	26.45
	Profit before taxation	1.89
	Provision for taxation	9.93
	Profit after taxation	-8.04
	Proposed Dividend	NIL
	% of shareholding	52.55%

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations. – N.A.
- Names of subsidiaries which have been liquidated or sold during the year.– N.A.

## Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Number/Amount in ₹ Lacs)

S.No.	Name of the Associate	Luhadiya Sons Shahpura Pvt. Ltd.
1	Latest audited Balance Sheet Date	31/03/2021
2	Shares of Associate held by the company on the year end	
	(a) Number	2.95
	(b) Amount of Investment in Associates	53.04
	(c) Extend of Holding (in %)	30.79%
3	Description of how there is significant influence	Holding in Associate Company is 30.79 %
4	Reason why the associate/joint venture is not consolidated	Consolidation made
5	Networth attributable to Share holding as per latest audited Balance Sheet	29.68
6	Profit / Loss for the year	1.00
	(a) Considered in Consolidation	

- Names of associates or joint ventures which are yet to commence operations. – NA.
- Names of associates or joint ventures which have been liquidated or sold during the year. – NA.

By and on behalf of the Board

Place: Indore

Dated:12/08/2021

**Rajendra Jain**  
**Managing Director**  
**DIN: 00256515**

**Mahendra Jain**  
**Joint Managing Director**  
**DIN: 00256047**

## FORM NO. AOC -2

## ANNEXURE -F

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014. Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

## 1. Details of contracts or arrangements or transactions not at Arm's length basis.

Name(s) of the related party and nature of relationship (a)	Nature of contracts/ arrangements/ transactions (b)	Duration of the contracts / arrangements/ transactions (c)	Salient terms of the contracts or arrangements or transactions including the value, if any (d)	Date(s) of approval by the Board, if any (e)	Amount paid as advances, if any (f)
		Nil			

## 2. Details of contracts or arrangements or transactions at Arm's length basis-

(₹ in Lacs)

Name(s) of the related party and nature of relationship (a)	Nature of contracts/ arrangements/ transactions (b)	Duration of the contracts / arrangements/ transactions (c)	Salient terms of the contracts or arrangements or transactions including the value, if any (d)	Date(s) of approval by the Board, if any (e)	Amount paid as advances, if any (f)
Bharti Chakarborty (Director's Wife)	• Rent Paid	As per the Agreement	3.60	12-02-2020	-----
Remswags Marketing Private Limited (Group Company)	• Purchase (Net) • Sales (Net) • Warehousing & Facility Charges paid	As per the Agreement	96.75 40.17 0.60	12-02-2020	-----
Indore Tools Private Limited (Group Company)	• Purchase (Net) • Sales (Net) • Rent Paid	As per the Agreement	498.98 6.93 2.40	12-02-2020	-----
Shekhar Jain (Joint Managing Director's Son)	• Remuneration	As per the Agreement	20.27	12-02-2020	-----
Manish Jain (Managing Director's Son)	• Remuneration	As per the Agreement	20.27	12-02-2020	-----
Prakhar Jain (Joint Managing Director's Son)	• Remuneration	As per the Agreement	20.27	12-02-2020	-----
Ravish Jain (Managing Director's Son)	• Remuneration	As per the Agreement	20.27	12-02-2020	-----
Mr. N. Chakarborty (Director)	• Sitting Fees	As per the Agreement	9.60	12-02-2020	-----
Mrs. Pratima Jain (Director)	• Sitting Fees	As per the Agreement	0.32	12-02-2020	-----
Mr. Rajesh Jain (Director)	• Sitting Fees	As per the Agreement	0.32	12-02-2020	-----
Shri Rajendra Jain – (Managing director of the Company)	• Remuneration	As per the Agreement	51.14	12-02-2020	-----
Shri Mahendra Jain (Joint Managing director of Company)	• Remuneration	As per the Agreement	47.06	12-02-2020	-----
M.M. Metals Pvt. Ltd. (Subsidiary Company)	• Sales of material • Purchase (Net) • Warehousing & Facility Charges Paid	As per the Agreement	2.20 375.90 48.00	12-02-2020	-----
Fillraks Technology Private Limited	• Purchases	As per the Agreement	4.55	12-02-2020	-----

By and on behalf of the Board

Place: Indore  
Dated:12/08/2021

Rajendra Jain  
Managing Director  
DIN: 00256515

Mahendra Jain  
Joint Managing Director  
DIN: 00256047



**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2021**  
**[Pursuant to section 204(1) of the Companies Act, 2013 and**  
**Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]**

To,  
**The Members**  
**ITL Industries Limited**  
**Indore (MP)**

I, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s ITL Industries Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliance's and expressing my opinion thereon.

Based on my verification of the M/s ITL Industries Limited 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2021 ('Audit Period') 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:

I, have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s ITL Industries Limited ("the Company") for the financial year ended on 31<sup>st</sup> 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 applicable to the Company. The rules and regulations relating to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. **(Not applicable to the Company during the Audit Period).**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (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, 1992/The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (upto 9<sup>th</sup> November, 2018) and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (effective from 10<sup>th</sup> November, 2018).
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable, as the Company does not have any Employee Stock Option Scheme and Employee Purchase Scheme during the Audit Period);**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable as the Company does not have any listed debt securities during the Audit Period);**
  - (f) 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;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not applicable as the Company has not delisted its equity shares from any stock exchanges during the Audit Period);** and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (upto 10<sup>th</sup> September, 2018) and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. (effective from 11<sup>th</sup> September, 2018). **(Not applicable as the Company has not bought back any of its securities during the Audit Period);** and
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.



(vi) I respect of other laws specifically applicable to the Company, there is no specific law in applicable to the company. I have relied on information/records produced by the company during the course of our audit on test-check basis and the reporting in limited to that extent only.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The fresh Listing Agreements entered into by the Company with Stock Exchange on dated 15<sup>th</sup> February, 2016 as per the Securities Exchange Board of India (Listing and Obligations and Disclosure Requirements) Regulation 2015 read with SEBI Circular No. CIR/CFD/CMD/6/2015 dated October 13<sup>th</sup>, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I 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. The Company has not changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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.

Majority decisions at Board Meetings and Committee Meetings are 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.

I 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.

**For Raju Chandra Pal & Co.**

**Company Secretaries**

**Raju Chandra Pal**

**(Proprietor)**

**M. No: FCS-9927**

**C P No: 14771**

**UDIN: F009927C000011643**

**Date: 02.04.2021**

**Place: Indore**



To,  
The Members,  
ITL Industries Limited  
Indore (MP)

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

1. Maintenance of Secretarial Record 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 were 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. Where ever 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, Standards is the responsibility of 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. We noted that the company has timely filled the requests forms on MCA but in some case it may filed with additional fees.
7. We have conducted online verification and examination of records, as facilitated by the company/ authorised persons, due to covid 19 for the purpose of issuing this report.

**For Raju Chandra Pal & Co.**

**Company Secretaries**

**Raju Chandra Pal**

**(Proprietor)**

**M. No: FCS-9927**

**C P No: 14771**

**UDIN: F009927C000011643**

**Date: 02.04.2021**

**Place: Indore**

## Annual Report on CSR Activities

1.	<b>Brief Outline of CSR Policy</b>	A brief Outline of the Company's CSR policy, including overview of projects or programs to be undertaken to the CSR policy and projects or programs. The CSR activities shall mean all the Corporate Social Responsibility activities/ programs/ initiatives of the company, either ongoing or new, dealing with the activities mentioned in thrust areas. The activities shall conform to those specified the CSR Committee and approved by the Board. CSR Policy of ITL Industries Limited is available on our website <a href="http://www.itl.co.in">www.itl.co.in</a>
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## 2. The Composition of the CSR Committee.

Sr. No.	Name of Director	Designation/ Nature of Directorship	No. of Meetings CSR Committee held during the year	No. of Meetings CSR Committee attend during the year
1.	Mr. Rajendra Jain	Managing Director (Chairman of the Committee)	1	1
2.	Mr. Mahendra Jain	Joint Managing Director (Member)	1	1
3.	Dr. Pratima Jain	Independent Director (Member)	1	1

3.	Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company	<a href="http://www.itl.co.in">www.itl.co.in</a>
4.	Provide the details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)	No impact assessment carried out.
5.	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any	None
6.	Average net profit of the Company as per section 135(5)	Rs. 693.14 Lakhs
7.	a) Two percent of the average net profit of the Company as per section 135(5)	Rs. 13.86 Lakhs
	b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil
	c) Amount required to be set off for the financial year, if any	Nil
	d) Amount unspent in the previous year i.e. 2019-20	Rs. 10.90 Lakhs
	e) Total CSR obligation at the end of financial year (7a+7b- 7c+7d)	Rs. 24.76 Lakhs

## 8. (a) CSR amount spent or unspent for the financial year:

Total amount Spent for the Financial Year (Amount in Rs.)	Amount Unspent (in Rs.)		Amount transferred to any fund specified under schedule VII as per second proviso to section 135(5)		
	Total Amount transferred to Unspent CSR account as per section 135(6)		Name of the fund		
	Amount	Date of Transfer	Amount	Date of Transfer	
	NA	NA	Rs. 20.05 Lakhs	will be transferred on or before 30 <sup>th</sup> September, 2021	

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) – No ongoing projects under taken.

(c) Details of CSR amount spent against other than ongoing projects for the financial year:-

S. No.	CSR Projector Activity identification	sector in which covered	Area Location	Amount outlay	Amount spent	Cumulative Expenditure	Amount spent direct/through implementation Agency
1.	Promoting education/ Health care	Education/ Health care	Indore	Rs. 4.71 Lakhs	Rs. 4.71 Lakhs	Rs. 4.71 Lakhs	Agency

(d) Amount spent in Administrative Overheads - Nil

(e) Amount spent on Impact Assessment, if applicable – Nil

(f) Total amount spent for the Financial Year (8a+8b+8c+8d) – ₹4.71 Lakhs

(g) Excess amount for set off, if any – None

9. (a) Details of Unspent CSR amount for the preceding three financial years: None except as stated in 7(d) above

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) - Not applicable

11. Specify reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5)- The company was looking the CSR project in identifiable areas. Outbreak of Covid-19, lock-down and lock-down-like conditions created hurdles in carrying out CSR activities during 2020-21.

12. We hereby declare that implementation and monitoring of the CSR policy, is in compliance with CSR objectives and policy of the Company.

Date – 12.08.2021

Place- Indore

**Rajendra Jain**  
Managing Director &  
Chairman of CSR Committee  
DIN – 00256515

**Mahendra Jain**  
Joint Managing Director &  
Member of CSR Committee  
DIN - 00256047



**PARTICULARS OF EMPLOYEES:-**

The applicable information required pursuant to Section 197 of the Companies Act, 2013 read with Rule (5) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules 2014 in respect of the employees are as under.

I.& II

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary, during the Financial year 2020-21, ratio of the remuneration of each Director to the median remuneration of employees of the Company for the Financial year 2020-21 are as under: (₹ in Lacs)

S.No.	Name	Remuneration of Director/ KMP for the FY 2020-21	% decrease in remuneration in the FY 2020-21	Ratio of Remuneration of each Director to median remuneration of employees
1.	Shri Rajendra Jain Managing Director	51.15	8.97%	20.30:1
2.	Shri Mahenda Jain Joint Managing Director	47.06	8.96%	18.67:1
3.	Shri Ashok Ajmera, CFO	9.00	8.54%	N.A.
4.	Shri Akhilesh Gautam, CS	6.32	6.92%	N.A.

1. There was no increment in the Remuneration of Employee during the Financial Year 2020-21.

2. Due to Lockdown in the month of April and May 2020, the company paid only 25% of salary, that's why % Decrease is showing in third column.

i. The median remuneration of employees of the Company during the financial year was 2.52 Lacs.

ii. In the financial year, there was no increment, in the median remuneration of employees.

iii. The number of permanent employees on the roll of the company is 271 Employees.

iv. The Price earnings ratio as at 31.03.2021 is 6.54 and 31.03.2020 was 3.05.

v. There is no employee receiving remuneration in excess of the highest paid director.

vi. All the components of the remuneration are fixed and no components are variable.

vii. The remuneration paid to Executive Directors is as per Schedule V of the Companies Act, 2013 and as per remuneration policy of the Company.

List of the top 10 employee in respect of the remuneration drawn during the year 2020-21 are as under. (₹ in Lacs)

S. No.	Name	Designation	Total Remuneration	Nature	Qualification	Exp. In Years	Date of Joining	Date of Birth	Last Employment	More than 2% Shares	Relatives
1.	Shri Rajendra Jain	Managing Director	51.15	Permanent	BE(MECH.) Phd	44 yrs	01.02.1993	20.04.1954	Dewas Tools Pvt. Ltd	11.34%	
2.	Shri Mahendra Jain	Jt. Managing Director	47.06	Permanent	M.COM	44 yrs	01.02.1993	19.10.1957	State Bank of India	7.57%	
3.	Shri Ravish Jain	CEO (Research & Development)	20.27	Permanent	BE, MBA	15 yrs	01.08.2006	20.11.1981	Fresh Appoint.	2.94%	Son of Managing Director
4.	Shri Prakhar Jain	CEO (Business Development)	20.27	Permanent	BE, MBA, MS (Hydraulics)	16 yrs	02.05.2005	21.09.1983	Fresh Appoint.	2.58%	Son of Jt. Managing Director
5.	Shri Manish Jain	COO (Business Operation)	20.27	Permanent	BE(MECH.)	15 yrs	01.04.2006	20.07.1985	Fresh Appoint.	2.37%	Son of Managing Director
6.	Shri Shekhar Jain	COO (Sales & Marketing)	20.27	Permanent	BE(Elec.)	9 yrs	01.04.2012	30.09.1988	Fresh Appoint.	2.90%	Son of Jt. Managing Director
7.	Shri Mukesh Patni	Sr. Manager	11.18	Permanent	M.Com	26 yrs	01.01.1995	12.12.1968	Fresh Appoint.	Nil	
8.	Shir Vikas Choudhary	Vice President	11.14	Permanent	BE(MECH.)	27 yrs	05.05.2017	20.02.1967	Tata International	Nil	
9.	Smt. Pratibha Kothari	Internal Auditor	10.02	Permanent	Chartered Accountant	22 yrs	05.02.2010	29.05.1975	Bhandari Groups Jaipur	Nil	
10.	Shri Joydeep Bhattacharyajee	Vice President (Marketing)	9.63	Permanent	MBA (Marketing)	26 yrs	16.12.2019	03.06.1974	D&H India Limited	Nil	

**MANAGEMENT'S DISCUSSION AND ANALYSIS****INTRODUCTION :**

The objective of this discussion is to share the Management's view on the various developments in the business environment, challenges and opportunities, as well as to provide an analysis of the Company's performance. This discussion also summarizes the Company's internal control measures and significant development in Human Resources. This discussion should be read in conjunction with the Letter to Shareholders, Director's Report, Financial Statements and Notes to Financial Statements included in this Annual Report.

**i) INDUSTRY STRUCTURE AND DEVELOPMENTS :**

The Industry structure has remained the same in the domestic market. In some new products for Tube & Pipe Manufacturing Company, High Speed Circular Sawing Machines, ITL has captured a reasonable market size. More and more technological advancement and updation of latest technology creates an opportunity to penetrate into new products line & global market in near future.

**ii) OPPORTUNITIES AND THREATS :**

There is significant change in the outlook compared to last year. The Company continues to enhance opportunities for growth by focusing on introduction of new products and putting high emphasis on after sales & services of the products alongwith up gradation of technology.

The Company faces the normal threats, risks and concerns which are associated with competition from local and overseas manufacturers.

**iii) SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE :****a) MANUFACTURING DIVISION :-**

Manufacturing Division has achieved Sales / Income of Rs. 6597.14 lacs in the year 2020-21 as against Rs. 5928.94 lacs in the year 2019-20, showing a growth of 11.27% and apart from Bandsaw Machines, designing and manufacturing of equipment's for production of Pipes and Tubes as well as Special Purpose Equipment based on customers needs is on up-beat. Some new models of metal cutting machines have been developed in-house and the Company is receiving good response from the customers.

**b) TRADING DIVISION :-**

Trading Division of Hydraulics has achieved Sales / Income of Rs. 2973.61 lacs in the year 2020-21 as against Rs. 2582.86 lacs in the year 2019-20, showing a growth of 15.13%. During the current financial year, the above division is also receiving good orders from the customers.

**iv) OUTLOOK:**

In current year the Company is confident of growing much faster in comparison to economy & capital goods industry looking to the present level of orders and enquiries for Manufacturing Division i.e. Bandsaw and Tube & Pipe Manufacturing equipment are showing good sign of recovery.

ITL's outlook on over-seas markets and domestic market are positive on account of its strength on cutting edge technology, cost and effective after sales services.

**v) RISKS AND CONCERNS:**

The Company is falling under the capital goods industry, the growth of which is determined by overall growth of the Industry. An overall concern is pertaining to the pressure on the profitability. However, ITL has taken all measures to reduce the Direct and Indirect cost. During the current year, the manufacturing division has shown excellent growth in orders and inquiry due the overall growth of Industry. The advancement of technology and strategic positioning of products is expected to give better results.



**vi) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has well established internal control systems and to further strengthen the systems, it has appointed an internal Chartered Accountant to carry out Internal Audit and to review the internal control measures.

**vii) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

During the year under review, the sales & other Income of Company Increased from Rs. 8023.40 Lacs to Rs. 8956.49 Lacs showing a growth of 11.63% & profit after Tax of the Company for the year under review has increased from Rs. 467.54 Lacs to Rs. 504.19 lacs showing a growth of 7.84%.

**viii) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT:**

ITL Industries continues to consolidate the belief that employees are our key resource. We continue to maintain a relatively young age factor amongst our employees and we are happy to report that they have taken full advantage of the opportunities that have been created for them. It continues to encourage innovative thinking as well as invest in internal training programs and initiatives for employees. We are proud to say that we are well on our way to establishing a work culture and environment in which every employee feels stimulated and motivated to contribute and perform.

We are proud to report that we have continue to maintain cordial industrial relations, and our employees actively participate in any initiative aimed at improving productivity, co-operation and understanding. This is indeed a proud achievement and we intend to continue to maintain this enviable track record.

**iv) DISCLAIMER STATEMENT:**

Report on Management Discussion and Analysis deals with the Company's objectives, estimates, expectations and forecasting which may be forward looking within the meaning of applicable Security Laws and/ or Regulations. The aforesaid statements are based on certain premises and expectations of future events as such the actual results may however differ materially from those expressed or implied. The Government Regulation, Tax structure, demand-supply conditions, cost of raw material & their availability, finished goods prices and economic development within India and the countries with which the Company has business relationship will have an important bearing on the statements in the above Report.

The foregoing discussions and analysis only set out the management perception of the Company's environments, in the coming months, which, by their very nature are uncertain and may undergo substantial changes in view of the events taking place later. Thus, the Company should and need not be held responsible, if, which is not unlikely, the future turns to be something quite different even materially, subject to this management disclaimer, this discussion and analysis should be perused.

**For and on behalf of the Board**

**PLACE: INDORE**

**DATE: 12/08/2021**

**Rajendra Jain**

**Managing Director**

**DIN-00256515**

**Mahendra Jain**

**Joint Managing Director**

**DIN-00256047**

**REPORT ON CORPORATE GOVERNANCE**

Pursuant to Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance is given below:

**A. MANDATORY REQUIREMENTS****1. Company's philosophy on Code of Governance**

The Company's philosophy of Corporate Governance is aimed to assist the top management of the Company in the efficient conduct of its business and in meeting its obligations to shareholders.

**2. Governance Structure**

ITL Industries Limited's Governance structure broadly comprises the Board of Directors and the Committee of the Board at the apex level and the Management structure at the operational level. This layered structure brings about a harmonious blend in governance as the Board sets the overall corporate objectives and gives direction and freedom to the Management to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable profitable growth.

**3. Board of Directors**

The Company's Board plays a pivotal role in ensuring that the Company runs on sound and ethical business practices and that its resources are utilized for creating sustainable growth and societal wealth. The Board operates within the framework of a well defined responsibility matrix which enables it to discharge its fiduciary duties of safeguarding the interest of the Company; ensuring fairness in the decision making process, integrity and transparency in the Company's dealing with its Members and other stakeholders.

**4. Committee of Directors**

With a view to have a more focused attention on various facets of business and for better accountability, the board has constituted the following committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee, Corporate Social Responsibility Committee. Each of these Committee has been mandated to operate within a given framework.

**5. Management Structure**

Management Structure for running the business of the Company as a whole is in place with appropriate delegation of powers and responsibilities. This broadly is as under:

**a. Managing Director**

The Managing Director is in overall control and responsible for the day-to-day working of the Company. He gives strategic directions, lays down policy guidelines and ensured implementation of the decisions of the Board of Directors and its various committees.

**b. Joint Managing Director**

Joint Managing Director is looking into the Plant is responsible for operation and maintenance of the plant and all other functions relating to the day-to-day management of the plant, including all local issues and Compliance's as applicable at plant level. He is also looking into the marketing, accounts, secretarial and finance department.

**6. Board of Directors**

The strength of the Board is Five Directors. The Board Comprises of Executive and Non-Executive Directors. The Non-Executive Directors bring independent judgment in the Board's deliberations and decisions. Two Executive Directors including Managing Director and Joint Managing Director. There are three non-executive & independent Directors. As required under section 149(3) of the Companies Act, 2013, Dr. Pratima Jain is Independent Woman Director on the Board.

ITL Industries Limited has certain rights enshrined in the Articles of Associations pertaining to appointment of Directors. Physical attendance of each Director at the Board Meeting during the year 2020-2021 and the last AGM.

With deep regret, we report the sad demise of our non-executive / promoter Director, Shri Manohar Singh Jain (DIN - 00256131) on April 27, 2021. Your Directors would like to place on record their highest gratitude and appreciation for the guidance given by Shri Manohar Singh Jain to the Board / Organization during his tenure as Director





Name of the Director	Category of Directorship	No. of Board Meeting held	No. of Board Meeting attended	Attendance at the last A.G.M.
Shri Rajendra Jain (Managing Director)	Executive	4	4	Yes
Shri Mahendra Jain (Joint Managing Director)	Executive	4	4	Yes
Shri Manohar Singh Jain*	Non-Executive /Non-Independent	4	4	Yes
Shri N.Chakraborty	Non-Executive /Independent	4	4	No
Dr. Pratima Jain	Non-Executive / Independent	4	4	Yes
Shri Rajesh Jain	Non-Executive /Independent	4	4	Yes

\* Cessation on April 27<sup>th</sup>, 2021.

The Notice for each meeting is prepared well in advance, along with explanatory notes wherever required and distributed to all Directors

#### Information supplied to the Board

The Board is presented with all the relevant information of the Company in form of Notice and other additional details are tabled in the course of Board Meetings.

The following information is regularly supplied to the Board along with the Notice of Meeting –

1. Quarterly/Half yearly/Annual results of the Company and its units/business segments
2. Operating Plans, Long Term Plans, Business Initiatives and other related matters
3. Minutes of meetings of Committees of the Board
4. Status Report on Investor Requests/grievances
5. Related Party Transactions
6. Expansion projects and its status monitoring
7. Sale of material nature like equity investment, subsidiaries, assets, which is not in normal course of business
8. Compliance status of various laws applicable to the Company.
9. Material non-compliance of any regulatory/ statutory nature or listing requirements, if any
10. Other matters as set out in the Listing Regulations

In compliance of the listing agreement, Members of the ITL Industries Limited Board do not have Directorship in more than 15 Companies or membership of more than ten Board level committees or Chairman of more than five such committees.

Number of other Companies or committees the Director (being a Director as on the date of Directors' Report) is a Director/Chairman.

Name of the Director(s)	No. of other Companies In which Director	No. of Committees (other than ITL Industries Ltd. In which Member)
Shri Rajendra Jain	4	Nil
Shri Mahendra Jain	5	Nil
Shri Manohar Singh Jain*	1	Nil
Shri N.Chakraborty	Nil	Nil
Shri Rajesh Jain	1	Nil
Dr. Pratima Jain	1	Nil

\* Cessation on April 27<sup>th</sup>, 2021.

**Number of the Board Meetings held and the dates of the Board Meetings:**

During the financial year ended on 31<sup>st</sup> March, 2021 Four Board Meetings were held on 23<sup>rd</sup> July 2020, 12<sup>th</sup> August, 2020, 11<sup>th</sup> November, 2020 and 12<sup>th</sup> February 2021.

**Matrix of Skill/Expertise/ Competencies is of the Board of Directors:**

In terms of the requirements of the SEBI Listing Regulations, the Board has identified and approved the list of core Skill/Expertise/ Competencies as required in the context of Company's Business (es) and Sector(s) for it to function effectively. Broadly, the essential skills identified by the Board are categorized as under:-

Strategy and Planning Competencies	Appreciation of long term trends, strategic choices and experience in guiding and leading management teams to make decisions' in uncertain environment.
Administrative Competencies	Management of Time and Priority Setting, Goals and Standard Setting, Work Planning, Monitoring, Scheduling and Controlling.
Marketing Competencies	Experience in developing strategic to grow sales and market share, build brand awareness and equity and enhance enterprise reputation.
Law & Business Competencies	Understanding of the relevant laws, rules, regulation policies applicable to the organization/industry/sector and level/status of compliances thereof and understanding of business ethics, ethical policies, codes and practices of the organization.
Assessing Risks and Decision – Making Competencies	It involve the ability to evaluate alternatives, identify limits', assign weights to each option and choose the best option to achieve the desired goals and standards

These skills/ competencies are broad-based, encompassing several area of expertise/experience. Each Director may possess varied combinations of skills/experience within the described set of parameters and it is not necessary that all Directors possess all skills/experience listed therein. In the table below, the specific areas of focus or expertise of individual board members have been highlighted:

Name of Director	Area of Skills/Expertise/ Competencies				
	Strategy and Planning Competencies	Administrative Competencies	Marketing Competencies	Law & Business Competencies	Assessing Risks and Decision – Making Competencies
Shri Rajendra Jain (DIN - 00256515)	YES	YES	YES	YES	YES
Shri Mahendra Jain (DIN -00256047)	YES	YES	YES	YES	YES
Shri Manohar Singh Jain (DIN - 00256131)*	YES	YES	NO	NO	YES
Shri Niranjana Chakraborty (DIN- 00443521)	YES	YES	YES	YES	NO
Shri Rajesh Jain (DIN 001216467)	YES	NO	YES	YES	YES
Dr. Pratima Jain (DIN -06955665)	YES	NO	NO	YES	YES

\* Cessation on April 27<sup>th</sup>, 2021.

**7. Board Committees :****A. Audit Committee****Terms of Reference of Composition, Name of the Members and Chairman:**

The Board has constituted a well-qualified Audit Committee. All the members of the Committee are Independent & Non-Executive Directors including Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc.

The Audit Committee has adequate powers and detailed terms of reference to play effective role as required under the provisions of section 149 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The strength of the Audit Committee is three Shri N. Chakraborty (Independent & Non-Executive Director), Chairman of the Audit Committee of the Company and Shri Rajesh Jain (Independent & Non-Executive Director), Dr. Pratima Jain (Independent & Non- Executive Director) are Members of the Committee. The Company Secretary acts as secretary to the committee.

**Meeting and attendance during the year:**

Four meetings of the Audit Committee were held during the year 2020-21. The attendances of each member of the committee are given as under:

Name of the Director	No. of Meeting held	No. of Meeting attended
Shri N. Chakraborty	4	4
Dr. Pratima Jain	4	4
Shri Rajesh Jain	4	4

**Number of the Audit Meetings held and the dates of the Audit Committee Meetings:**

During the financial year ended on 31<sup>st</sup> March, 2021 Four Audit Committee Meetings were held on 23<sup>rd</sup> July 2020, 12<sup>th</sup> August, 2020, 11<sup>th</sup> November, 2020 and 12<sup>th</sup> February 2021.

**B. Nomination & Remuneration Committee:**

The Nomination & Remuneration Committee recommends remuneration, promotions, increments etc. for the whole time directors and relative of the directors to the Board for approval.

The strength of the Nomination & Remuneration Committee is three Dr. Pratima Jain (Independent & Non-Executive Director) is Chairman of the Committee and Shri N. Chakraborty (Independent & Non-Executive Director) & Shri Rajesh Jain (Independent & Non- Executive Director) are Members of the committee. The Company Secretary acts as secretary to the committee.

The Nomination & Remuneration Committee recommends remuneration, promotions, increments etc. for the whole time directors and relative of the directors to the Board for approval.

**Nomination and Remuneration Policy****1. Introduction**

The Board of Directors ("Board") of ITL Industries Limited ("Company") has adopted the Policy for Nomination and Remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel and other Employees.

**2. Policy Objective**

- To lay down criteria for identifying persons who are qualified to become Directors and who may be appointed in Senior Management of the Company in accordance with the criteria laid down.
- To lay down criteria for determining qualification, positive attributes and Independence of a Director;
- To lay down criteria, relating to remuneration of directors, key managerial personnel and other employees.

**3. Definitions**

**"Board of Directors"** means the "Board of Directors" of ITL Industries Limited. "Company" means ITL Industries Limited.

**"Independent Director"** means a Director who satisfies the criteria of independence as prescribed under the Companies Act 2013 and the Listing Agreement with the Stock Exchanges.

**"Key Managerial Personnel"** or KMP means key managerial personnel as defined under the Companies Act, 2013 & includes:-

- Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-Time Director;
- Company Secretary; and
- Chief Financial Officer
- Such other officer as may be prescribed

**"Nomination & Remuneration Committee"** means "Nomination & Remuneration Committee" constituted by the Board of Directors of the Company from time to time under the provisions of the Companies Act 2013 and the Listing Agreement with the Stock Exchanges.

**"Policy"** means the Nomination and Remuneration Policy.

**"Other employees"** means, all the employees other than the Directors, KMPs and the Senior Management Personnel.

**"Senior Management Personnel"** means, the personnel of the Company who are members of its core management team excluding Board of Directors and KMPs.



#### 4. Constitution

- a. The Board shall determine the membership of the Nomination & Remuneration Committee.
- b. The Committee shall comprise of at least three non- executive directors, of which not less than one-half shall be independent directors. Provided that the Chairperson of the Company (whether executive or non executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.
- c. Chairman of the committee shall be an Independent Director.

#### 5. Policy

This policy is divided into two parts:

##### Appointment & Removal

- a. Criteria for identifying persons who are qualified to be appointed as a Director / KMP / Senior Management Personnel/ Other Employees of the Company:
  - i. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his/ her appointment.
  - ii. The Company should ensure that the person so appointed as Director/ Independent Director/ KMP / Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made there under, Listing Agreement or any other enactment for the time being in force.
  - iii. The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made there under, Listing Agreement or any other enactment for the time being in force.
  - iv. The other employees shall be appointed and removed as per the policy and procedure of the Company.

##### b. Term/ Tenure:

The Term/Tenure of the Directors/ KMP's/Senior Management Personnel and other employees shall be as per the Company's prevailing policy subject to the provisions of the Companies Act, 2013 and rules made there under and Listing agreement as amended from time to time.

##### c. Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations and Listing Agreement.

##### d. Retirement:

The director, KMP, senior management & other employees shall retire as per the applicable provisions of the Companies Act, 2013 along with the rules made there under and the prevailing policy of the Company. The Board will have the discretion to retain the director, KMP, & senior management personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

##### Remuneration

The level and composition of remuneration to be paid to the Managing Director, Whole-Time Director(s), Non-Executive Director(s), KMP's, Senior Management Personnel and other employees shall be reasonable and sufficient to attract, retain and motivate directors, KMP's, Senior Management and other employees of the company. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

##### i. Director/ Managing Director

Besides the above Criteria, the Remuneration / Compensation / Commission/ Bonus etc. to be paid to Director/Managing

Director shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

ii. Non-Executive Directors

The Non-Executive Independent Directors will be paid commission as decided by the Board of Directors subject to ceiling/ limits as provided under the Companies Act, 2013 and rules made there under. The Non-Executive Independent Director will receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. Independent Directors shall not be entitled to stock option.

iii. Senior Management Personnel / KMPs

The Remuneration to be paid to Senior Management Personnel / KMP's shall be based on the experience, qualification and expertise of the related personnel and shall be decided by the Managing Director & Joint Managing Director of the Company.

iv. Other Employees

The power to decide structure of remuneration for other employees has been delegated to the Managing Director & Joint Managing Director of the Company or any other employee that the Managing Director & Joint Managing Director may deem fit.

**6. Disclosures**

This Remuneration policy and criteria of making payments to non-executive directors shall be disclosed in the Board's report.

**7. Amendment(s)**

The Board of Directors may review or amend this policy, in whole or in part, from time to time, after taking into account the recommendations from the Nomination & Remuneration Committee.

**Meeting and attendance during the year:**

Two meeting of the Nomination & Remuneration Committee was held during the year 2020-21. The attendance of each member of the committee are given as under :

Name of the Director	No.of Meeting held	No.of Meeting attended
Shri N. Chakraborty	2	2
Shri Rajesh Jain	2	2
Dr. Pratima Jain	2	2

**(A) The details of the remuneration paid to Whole time Directors during the year 2020-21 are given below : (Rs. In Lacs)**

Name & Designation	All elements of remuneration package i.e. Salary, benefits, bonuses, pension, Gratuity etc.	Fixed Component and performance linked incentives alongwith the performance criteria	Service Contract, Notice period and Severance Fees	Stock option with details,if any, and whether issued at discount as well as the period over which exercisable
Shri Rajendra Jain (Managing Director)	51.15	NIL	NIL	NIL
Shri Mahendra Jain (Joint Managing Director)	47.06	NIL	NIL	NIL

**(B) The details of payments to Non-Executive & Independent Director during the year 2020-21 are given below: (₹ in Lacs)**

Name of Director	Sitting Fees	Commission
Shri N. Chakraborty	9.60	NIL
Dr. Pratima Jain	0.32	NIL
Shri Rajesh Jain	0.32	NIL



**C. Stakeholder Relations Committee :**

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The Company has constituted a Stakeholder Relations Committee under the Chairmanship of Shri N. Chakraborty. The other two members of the Committee Shri Rajesh Jain & Dr. Pratima Jain. The Company Secretary acts as secretary to the committee. The Committee meets at regular intervals to approve inter-alia, transfer/ transmission of shares, issue of duplicate share certificate, non-receipt of declared dividend and to review the status of shareholders grievances and redressal mechanism and recommends measures to improve the level of investor services.

**Meeting and attendance during the year:**

Five meetings of the Stakeholder Relations Committee were held during the year 2020-21. The attendance of each member of the committee is given as under:

Name of the Director	No. of Meeting held	No. of Meeting attended
Shri N. Chakraborty	5	5
Dr. Pratima Jain	5	5
Shri Rajesh Jain	5	5

**D. Risk Management Committee**

The Board has constituted Risk Management Committee although it is not applicable to the Company.

**E. Internal Committee for Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

In compliance with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 the Board has constituted an Internal Committee and Dr. Pratima Jain is the chairperson of the Committee and two other female employee have been nominated in the committee to look into the complaints of the women employees relating to the Sexual Harassment of Women at Workplace. The company has not received any complain of Sexual Harassment during the financial year 2020-21.

**F. Separate Independent Directors' Meeting**

The meeting of Independent Directors held on 12.02.2021, without the attendance of Non-Independent director and members of Management. The following issues were discussed:

- Review of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Review of the performance of the Managing Director of the Company.
- Assess the quality, quantity and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties

**G. Corporate Social Responsibility Committee**

The committee was formed at the Board meeting held on August 12, 2021 in compliance with the provisions of Companies Act, 2013. The terms of reference of the committee includes formulation and recommendation to the Board, a Corporate Social Responsibility Policy indicating activities to be undertaken as specified in Schedule VII of Companies Act, 2013, to recommend the amount of expenditure to be incurred on CSR activities and to monitor CSR Policy and its implementation from time to time.

Shri Rajendra Jain, Managing Director of the Company is Chairman of the Committee while Shri Mahendra Jain, Joint Managing Director and Dr. Pratima Jain Independent Director are members.

**H. Financial Decision Making Committee :-**

The Committee was formed at the Board Meeting held on February 12<sup>th</sup>, 2020 for taking various financial decisions time to time. The power and duties of the committee will be decided by board time to time

Shri Rajendra Jain, Managing Director of Company is Chairman of the Committee while Shri Mahendra Jain, Joint Managing Director and Shri Ashok Ajmera, Chief Financial Officer are Members.

**8. General Body Meeting:**

Details of the location of the past three AGMs and the details of the resolutions passed or to be passed by postal ballot.

- (a) The last three Annual General Meetings of the Company were held at the Registered Office of the Company, 111- Sector-B, Sanwer Road, Industrial Area, Indore-452015 (M.P.).

Details of Annual General Meeting ( AGMs):

AGMs	Date of AGMs	Location	Time	Whether Passed any Special Resolutions
30 <sup>th</sup>	27.09.2018	Registered office	11.30 A.M.	Yes
31 <sup>st</sup>	25.09.2019	Registered office	11.30 A.M.	Yes
32 <sup>nd</sup>	24.09.2020	Registered office	11.30 A.M.	Yes (AGM held through Video Conferencing Mode)

All the Resolutions, including special resolutions set out in the respective Notices were passed by the Share-holders.

Special Resolution passed in Last Annual General Meeting:-

1. To elect a Director in place of Shri Manohar Singh Jain.
2. To approve payment of Remuneration of Shri N Chakraborty.
3. To approve payment of Remuneration of Shri Rajendra Jain.
4. To approve payment of Remuneration of Shri Mahendra Jain.

b) No resolution requiring postal ballot as recommended under the SEBI (LODR) Regulations 2015.

#### 9. Subsidiary Company:

M/s. M.M. Metals Pvt. Ltd. (52.55% share's stake by the Company) is subsidiary of Company. It is non-listed subsidiary.

#### 10. Disclosures:

A disclosure on materially significant related party transactions i.e. the Company does not have any material related parties' transactions which have potential conflict with the interests of the Company at large.

Details are given elsewhere in the Annual Report. Please refer to item No. 7 of the Notes 30(B) to the Accounts.

Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years - NIL.

The Board of Directors has adopted the code of conduct for Directors and senior Management personnel of the Company.

#### 11. Means of Communication:

(A) The main channel of communication to the Shareholder is through Annual Report which includes inter- alia, the Auditor's Report, the Director's Report on Corporate Governance, Audited Financial statements and other important information.

(B) The website of the Company [www.itl.co.in](http://www.itl.co.in) acts as the primary source of information regarding the operations of the Company.

Quarterly / yearly financial results and other media releases or being displayed of the Company's website.

(C) The quarterly and half yearly results are approved by the Board of Directors of the Company and submitted to the Stock Exchanges as per the requirement of Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

#### 12. MD Certification :

As required under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the certificate for the financial year 2020-21 signed by Managing Director of the Company was placed before the Board of Directors at their meeting held on 12th August, 2021. The said certificate is annexed and forms part of the Annual Report.

#### 13. Declaration regarding code conduct :

The certificate regarding compliance of conditions of Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 from the Auditors of the Company Annexed hereto.

#### General Shareholder information:

##### - Annual General Meeting :

The Annual General Meeting of the Company will be held on Thursday 23<sup>rd</sup> September, 2021 at 11.30 A.M. at 111, Sector-B, Sanwer Road, Indore-452015 (M.P.)

##### - Financial Calendar :

Quarter	Period	Publication of Results
First	April to June	On or before 14 <sup>th</sup> August, 2021
Second	July to September	On or before 15 <sup>th</sup> November, 2021
Third	October to December	On or before 15 <sup>th</sup> February, 2022
Fourth	January to March	On or before 30 <sup>th</sup> May, 2022

- **Date of Book Closure:**

Friday, the 17<sup>th</sup> September, 2021 to Thursday, the 23<sup>rd</sup> September, 2021 (both days inclusive) for Annual General Meeting / payment of Dividend.

- **Listing on Stock Exchanges:**

The Shares of the Company listed on Bombay Stock Exchange Limited. (BSE Scrip Code - 522183) ISIN Number for NSDL & CDSL - INE478D01014

- **Stock Market Data :**

The monthly high / low quotation of shares traded on Bombay Stock Exchange is as given below:

(Amount in ₹)

Month	Highest	Lowest	Month	Highest	Lowest
April, 2020	54.70	42.20	October, 2020	69.35	57.05
May, 2020	50.50	43.00	November, 2020	88.50	59.20
June, 2020	74.45	44.30	December, 2020	97.00	76.00
July, 2020	74.75	52.65	January, 2021	103.25	78.70
August, 2020	77.00	55.30	February, 2021	130.00	82.20
September, 2020	75.60	55.70	March, 2021	130.00	100.15

- The monthly high / low BSE Sensex are as given below:

Month	Highest	Lowest	Month	Highest	Lowest
April, 2020	33887.25	27500.79	October, 2020	41048.05	38410.2
May, 2020	32845.48	29968.45	November, 2020	44825.37	39334.92
June, 2020	35706.55	32348.1	December, 2020	47896.97	44118.1
July, 2020	38617.03	34927.2	January, 2021	50184.01	46160.46
August, 2020	40010.17	36911.23	February, 2021	52516.76	46433.65
September, 2020	39359.51	36495.98	March, 2021	51821.84	48236.35

- **Investor Correspondence:**

For any assistance regarding dematerialization of shares, share transfer, transmission, change of address, non-receipt of dividend and any query relating to the shares of the company, please write to :

**M/s. Ankit Consultancy Pvt.Ltd. (Registrar and Share Transfer Agent)**

Plot No.60, Electronic Complex, Pardeshipura, INDORE (M.P.) - 452010, Phone No. : 0731-2551745 Fax No.0731-4065798.

**Or**

**Mr. Akhilesh Gautam**

**(Company Secretary & Compliance Officer)**

ITL Industries Limited

111, Sector "B", Sanwer Road, Industrial Area, Indore - 452 015 Phone No. 0731 7104450

**SEBI COMPLAINTS REDRESS SYSTEM (SCORES)**

The Company has adopted the SEBI Complaints Redress System (Scores) for redressing the investor complaints in a centralized web based complaints redress system provided by SEBI.

The Salient features of this system are : centralized data base of all complaints, online upload of Action Taken Reports (ATR) by the concerned companies and online viewing by investors of action taken on the complaint and its current status.



- Distribution of Shareholding pattern as on 31<sup>st</sup> March, 2021

No. of Equity share held	No. of Folio	Percentage%	No. of Shares	Percentage%
Upto 500	3267	87.67	397905	12.42
501 to 1000	219	5.88	168683	5.26
1001 to 5000	179	4.81	387046	12.08
5001 to 10000	30	0.81	215771	6.73
10001 and above	31	0.83	2034895	63.51
<b>Grand Total:</b>	<b>3726</b>	<b>100.00</b>	<b>3204300</b>	<b>100.00</b>
No. of Shareholders In Physical mode	669	17.59	122025	3.81
No. of Shareholder In Electronic Mode	3135	82.41	3082275	96.19

Shareholding Pattern as on 31<sup>st</sup> March, 2021

Category	No. of Share Holders	No. of Shares	Percentage%
Promoters	15	1441217	44.98
Foreign Collaborators	NIL	NIL	NIL
Mutual Funds	NIL	NIL	NIL
FIs. / Banks	NIL	NIL	NIL
FIIs / NRIs	53	108985	3.40
Domestic Companies	18	46008	1.44
Public	3640	1608090	50.18
<b>Total :</b>	<b>3726</b>	<b>3204300</b>	<b>100.00</b>

- Dematerialisation of Shares and liquidity

About 96.19% of Company's paid-up Share capital has been dematerialized upto 31<sup>st</sup> March, 2021

**MD/ CEO CERTIFICATION**

To,  
The Board of Directors,  
ITL Industries

Dear Sirs

We have reviewed the Financial Statement read with the cash flow statement of for the year and that to the best of their knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material factor contain statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

We further certify that, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violate the Company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have not noticed any deficiency that need to be rectified or disclosed to the Auditors and the Audit.

We have indicated to the Auditors and the Audit Committee that there is

- i. No significant change in internal control over financial reporting during the year
- ii. No significant change in accounting policies during the year under review and
- iii. No instance of any fraud in the company in which the management has any role.

**PLACE : INDORE**

**DATED : 12.08.2021**

**For ITL Industries Limited**

**Rajendra Jain**

**Managing Director**

**DIN-00256515**

**DECLARATION ON CODE OF CONDUCT**

I Rajendra Jain, Managing Director of the Company declare that all Board Members and Senior Management of the Company have affirmed compliance with the code of conduct.

**PLACE : INDORE**

**DATED : 12.08.2021**

**For ITL Industries Limited**

**Rajendra Jain**

**Managing Director**

**DIN-00256515**



**Auditors' Certificate Regarding Compliance of conditions of Corporate Governance****To the Members of****ITL Industries Limited**

We have examined the compliance of conditions of Corporate Governance by ITL Industries Limited for the year ended on 31<sup>st</sup> March, 2021, as stipulated in Regulations 17, 18, 19, 20, 22, 23, 24, 25, 26, 27 and clauses(b) to (i) sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (as amended) (collectively referred to as 'SEBI Listing Regulations, 2015').

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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.

**STATUTORY AUDITORS  
FOR MAHENDRA BADJATYA & CO  
CHARTERED ACCOUNTANTS  
ICAI FRN 001457C**

**CA NIRDESH BADJATYA  
PARTNER  
ICAI MNO 420388**

**ICAI UDIN 21420388AAAAMJ8789**

**PLACE: INDORE**

**DATE: 12/08/2021**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of**  
**the SEBI (Listing Obligations and Disclosure Requirements) Regulations**

To,  
**The Members of**  
**ITL Industries Limited**  
**111-Sector-B, Sanwar Road,**  
**Industrial Area, Indore-452010 (MP)**  
**CIN: L28939MP1989PLC005037**

We have examined the relevant registers, records, forms, returns and disclosures received from MCA/the Directors of **ITL Industries Limited** having **CIN: L28939MP1989PLC005037** and having registered office at **111-Sector-B, Sanwar Road, Industrial Area, Indore-452010 (MP)** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this certificate in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2021, have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

DIN/DPIN/PAN	Full Name	Designation	Date of Appointment
00256047	Mahendra Jain	Wholtime Director	01/02/1993
00256515	Rajendra Jain	Managing Director	01/02/2013
* 00256131	Manohar Singh Jain	Director	25/01/1989
00443524	Niranjan Chakraborty	Director	01/05/1999
01216467	Rajesh Jain	Director	14/11/2018
06955665	Pratima Jain	Director	27/09/2014

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company. This certificate is issued pursuant to clause 10 (i) of the Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide circular dated May 9, 2018 of the Securities Exchange Board of India.

\* **Shri Manohar Singh Jain having DIN: 00256131 was director of the company for the financial year 01.04.2020 to 31.03.2021, but as on date of the certificate Shri Manohar Singh Jain having DIN: 00256131 is not associated with the company, due to cessation on dated 27.04.2021.**

**For IG & ASSOCIATES**  
**COMPANY SECRETARIES**  
**F.R. No.: I2013MP1054000**

**CS ISHAGARG**  
**(Proprietor)**  
**M. NO: FCS 9955 CP: 12184**  
**PEER REVIEW NO.: 914/2020**  
**UDIN: F009955C000770440**  
**Date : 11.08.2021**  
**Place : Indore**

**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF****ITL INDUSTRIES LIMITED****REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS****OPINION**

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

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

**BASIS FOR OPINION**

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and Rules there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**EMPHASIS OF MATTERS**

The Operations of the Company during the year ended 31<sup>st</sup> March 2021 were marginally affected due to Lockdown announced by the Central / State Governments during the year in phased manner, due to the outbreak of Novel Corona virus COVID19.

Considering the restrictions in physical movement and visits to the company offices, the Company has given us access to their computer/ ERP System. We were able to access the relevant data & records for our Audit purpose. Further the company has provided all other data / information / records as required by us using e-data/ e-mail sharing modes. We also had continuous communication with the Audit Team & Management of the Company using various modes such as Audio/ Video Conferencing, etc.

Due to the phase wise Lockdown imposed by Central / State Governments and the resulting travel restrictions, it was not possible for us to physically visit the Company on a regular basis and carry out the audit function. We have carried out the Audit Process using various techniques of Online Auditing. We have verified the records / documents / statements received by us through electronic media. We have also received Management Representation Letters wherever necessary. Using such techniques and relying on the inputs provided by the management, we have ensured reasonable assurance that the information / record / statements provided to us are free from material misstatement and adhere to the relevant standards.

We have carried out the Audit Process subject to our disclosures as mentioned above. The audit evidence obtained by us is adequate to express our audit opinion. While expressing our audit opinion, we have also relied upon certifications by the management or certifications by other independent auditors, wherever required.

**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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Principal Audit Procedures/ Auditor's Response:
1.	<b>Appropriateness of Current / Non-current classification</b>	For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of business and the time between the acquisition of assets or inventories for Sales processing and their realisation in cash and cash equivalents.



		The classification of assets and liabilities has been done based on documentary evidence. Where conclusive evidence is not available, the classification has been done based on management's best estimate of the period in which the assets would be realised, or the liabilities would be settled. We have evaluated the reasonability of the management's estimates.
2.	<p><b>Non-responses of external confirmations request perpetrated pursuant to SA 505.</b></p> <p>COVID-19 has impacted the procedure of external confirmation request by management to vendors and customers. Postal facilities were not available in the near end of the financial year. To combat this, the management had sent positive external confirmation requests through electronic modes. However, due to suspension of business activities of many confirming parties, there are fewer confirmations received than anticipated. In such events, SA also directs the auditors to perform alternative audit procedures.</p>	In the absence of related confirmations, we performed alternative audit procedures like follow-up confirmation requests, verification of subsequent payments and receipts to verify part of the balances appearing in the books of accounts.
3.	<p><b>Provisions and contingent liabilities relating to taxation, litigations and arbitrations.</b></p> <p>The provisions and contingent liabilities relate to ongoing litigations and claims with various authorities and third parties. These relate to direct tax, indirect tax, claims and general legal proceedings arising in the regular course of business. As at the year ended 31<sup>st</sup> March 2021, the amounts involved are significant. The computation of a provision or contingent liability requires significant judgement by the Company because of the inherent complexity in estimating future costs. The amount recognised as a provision is the best estimate of the expenditure. The provisions and contingent liabilities are subject to changes in the outcomes of litigations and claims and the positions taken by the Company. It involves significant judgement and estimation to determine the likelihood and timing of the cash outflows and interpretations of the legal aspects, tax legislations and judgements previously made by authorities.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• Understanding the process followed by the Company for assessment and determination of the amount of provisions and contingent liabilities relating to taxation, litigations and claims.</li> <li>• Evaluating the design and implementation and testing operating effectiveness of key internal controls around the recognition and measurement of provisions and reassessment of contingent liabilities.</li> <li>• Involving tax professionals with specialised skills and knowledge to assist in the assessment of the value of significant provisions and contingent liabilities relating to taxation matter, on sample basis, in light of the nature of the exposures, applicable regulations and related correspondence with the authorities.</li> <li>• Inquiring the status in respect of significant provisions and contingent liabilities with the Company's internal tax and legal team, including challenging the assumptions and critical judgements made by the Company which impacted the computation of the provisions and inspecting the computation.</li> </ul>
4.	<p><b>Measurement of inventory quantities</b></p> <p>As of 31<sup>st</sup> March 2021, the Company has inventory of ₹299086707. This was determined a key audit matter, as the measurement of these inventory quantities lying at the warehouse involves significant judgement and estimate resulting from measuring the area. The Company uses internal and external experts, to perform assessments, basis which the quantity for these inventories is estimated.</p>	<p><b>Our audit procedures relating to the measurement of inventory includes the following:</b></p> <ul style="list-style-type: none"> <li>• Understanding and evaluating the design and operating effectiveness of controls over physical count and measurement of such inventory.</li> <li>• Evaluation of competency and capabilities of management's experts.</li> <li>• Involving external expert for quantification of the inventories on sample basis.</li> <li>• Physically observing inventory measurement and count procedures carried out by management using experts, to ensure its appropriateness and completeness; and</li> </ul>



		<ul style="list-style-type: none"> <li>Obtaining and inspecting, inventory measurement and physical count results for such inventories, including assessing and evaluating the results of analysis performed by management in respect of differences between book and physical quantities.</li> </ul>
5.	<p><b>Timing of revenue recognition and adjustments for quality variances involving critical estimates</b></p> <p>Material estimation by the Company is involved in recognition and measurement of its revenue. The value and timing of revenue recognition for sale of goods varies from contract to contract, and the activity can span beyond the year end.</p> <p>Revenue from sale of goods is recognised when control is transferred to the customers and when there are no other unfulfilled obligations. This requires detailed analysis of each sale agreement/contract/customer purchase order regarding timing of revenue recognition.</p> <p>Inappropriate assessment could lead to a risk of revenue being recognized on sale of goods before the control in the goods is transferred to the customer.</p> <p>Subsequent adjustments are made to the transaction price due to grade mismatch/slippage of the transferred goods.</p> <p>The variation in the contract price if not settled mutually between the parties to the contract is referred to third party testing and the Company estimates the adjustments required for revenue recognition pending settlement of such dispute.</p> <p>Such adjustments in revenue are made on estimated basis following historical trend.</p> <p>Inappropriate estimation could lead to a risk of revenue being overvalued or undervalued.</p> <p>Accordingly, timing of recognition of revenue and adjustments for quality variances involving critical estimates is a key audit matter.</p>	<p><b>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</b></p> <ul style="list-style-type: none"> <li>Assessing the Company's accounting policies for revenue recognition by comparing with the applicable accounting standards i.e Ind AS 115.</li> <li>Assessing the appropriateness of the estimated adjustments in the process.</li> <li>Testing the design, implementation and operating effectiveness of key internal controls over timing of recognition of revenue from sale of goods and subsequent adjustments made to the transaction price.</li> <li>Performing testing on selected statistical samples of customer contracts. Checked terms and condition related to acceptance of goods, acknowledged delivery receipts and tested the transit time to deliver the goods and its revenue recognition. Our tests of details focused on cut-off samples to verify only revenue pertaining to current year is recognized based on terms and conditions set out in sale agreements/ contracts and delivery documents. We also performed tests to establish the basis of estimation of the consideration and whether such estimates are commensurate with the accounting policy of the Company.</li> </ul>

#### INFORMATION OTHER THAN THE 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 Board's Report including Annexure to Board's Report and management compliance certificate but does not include the Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained 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 no material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act, read with relevant rules issued there under. 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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, 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.

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

#### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

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 Statements that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", a Statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statements of Profit and Loss including Other Comprehensive Income, Statements of Changes in Equity and the Cash Flow Statements dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2021 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations as of 31<sup>st</sup> March 2021 on its financial position in its financial statements – Refer Note 30(2a) to the financial Statements.
  - ii. We draw attention to the Note 30(24) to the financial statements, as regards to the management evaluation of COVID-19 impact on the future performance of the Company.
  - iii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iv. The Company has transferred an amount of ₹146071 to the Investor Education and Protection Fund during the year ended 31<sup>st</sup> March 2021.
  - v. (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (if any);
  - (ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (if any); and
  - (iii) Based on such audit procedures that we (the auditors of the company) have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatements.
  - vi. The dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.
  - vii. The company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

**STATUTORY AUDITORS**  
**FOR MAHENDRA BADJATYA & CO.**  
**CHARTERED ACCOUNTANTS**  
**ICAI FRN 001457C**

**CA NIRDESH BADJATYA**  
**PARTNER**

**ICAI MNO 420388**

**ICAI UDIN 21420388AAAAIE1520**

**PLACE: INDORE**

**DATE: 10<sup>th</sup> June 2021**



### Annexure – “A” to the Independent Auditor’s Report

[Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ in the Independent Auditor’s Report of even date to the members of ITL INDUSTRIES LIMITED on the Financial Statements for the year ended 31<sup>st</sup> March 2021]

The Annexure required under CARO, 2020 referred to in our Report to the members of ITL INDUSTRIES Limited (“the Company”) for the year ended 31<sup>st</sup> March 2021, and according to information and explanations given to us, we report as under:

- i. a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The company is maintaining proper records showing full particulars of intangible assets.
- b) These Property, Plant and Equipment’s have been physically verified by the management at reasonable intervals and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
- c) The title deeds of all the immovable properties (other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
- d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- e) The company does not have any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under, Accordingly, the provisions of clause 3(i)(e) of the Order is not applicable.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the management and, in our opinion, the coverage and procedure of such verification by the management is appropriate; No discrepancies of 10% or more in the aggregate for each class of inventory were noticed and they have been properly dealt with in the books of account.
- (b) During the year, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- iii. During the year the company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, and,
  - (a) During the year the company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity and,
    - (A) The Company has no joint venture but has subsidiary & associate and has not advanced loans or advances and guarantees or security given. Accordingly, the provisions of clause 3(iii)(a)(A) of the Order is not applicable.
    - (B) The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates are as under: -

(Amount in ₹)

Type of Borrower	2020-2021		2019-2020	
	Aggregate amount during the year	Balance outstanding at the balance sheet date	Aggregate amount during the year	Balance outstanding at the balance sheet date
<b>PROMOTER</b>	0	0	0	0
<b>DIRECTORS</b>	0	0	0	0
<b>KEY MANAGERIAL PERSONNEL</b>	0	0	0	0
<b>OTHERS: -</b>				
Dimart Engineering Pvt. Ltd.	-450000	16642099	-569718	17092099
Remswags Marketing Pvt. Ltd	2200791	4690244	-1269088	2489453
Indore Tools Pvt. Ltd.	20107813	33147297	21255973	13039484

- (b) The investments made are not prejudicial to the company’s interest, during the year no guarantees provided, security given and the terms and conditions of the grant of all loans and advances provided are not prejudicial to the company’s interest.
- (c) During the year no loans and advances in the nature of loans, the schedule of repayment of the principal and payment of interest has not been stipulated, Accordingly, the provisions of clause 3(iii)(c) of the Order is not applicable.



- (d) During the year no loans and advances are given Accordingly, the provisions with respect to stipulation as to repayment of clause 3(iii)(d) of the Order is not applicable.
- (e) During the year no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties Accordingly, the provisions of clause 3(iii)(e) of the Order is not applicable.
- (f) The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, if so, specify the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013; Accordingly, the provisions of clause 3(iii)(f) of the Order is not applicable.

S. N O	PARTY NAME	REL-ATION WITH PARTY	AGRE-GATE AMOUNT	BAL-ANCE OUT-STAN-DING	IS THERE ANY WRI-TTEN AGRE-EMENT	INT-EREST RATE	TOTAL AMOUNT OVERDUE FOR MORE THAN 90 DAYS	AMOUNT OF FRESH LOANS EXTENDED DURING YEAR TO SETTLE OLD LOANS	AMOUNT OF LOAN RENEWED DURING YEAR	% SHARE OF LOAN /ADVANCES IN TOTAL LOAN/ ADVANCES GRANTED
NIL										

- iv. In respect of investments the provisions of sections 185 and 186 of the Companies Act have been complied with. During the year the company has not given any loans, guarantees, and security, accordingly, the provisions of clause 3(iv) with respect to loans etc. of the Order is not applicable.
- v. In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provision of clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the cost records maintained by the company, pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate and complete.
- vii. a. The company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- b. The following dues of Income Tax, VAT & Central Sales Tax have not been deposited by the company on account of disputes: -

Name of statute	Nature of Dues	Demand (In ₹' lacs)	Period to which Amount Relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	0.41	AY 2011-12	CPC, Bangalore
Income Tax Act, 1961	Income Tax	11.35	AY 2018-19	CPC, Bangalore
Income Tax Act, 1961	Income Tax	0.35	AY 2019-20	CPC, Bangalore
Income Tax Act, 1961	TDS	0.01	FY 2018-19	CPC
Income Tax Act, 1961	TDS	0.22	FY 2019-20	CPC
Income Tax Act, 1961	TDS	0.03	FY 2020-21	CPC
Income Tax Act, 1961	TDS	2.47	Prior Years	CPC
Central Sales Tax, 1956	CST	98.29	Prior Years	Appellate Authority
Value Added Tax	VAT	9.22	Prior Years	Appellate Authority
	<b>Total</b>	<b>122.35</b>		





- viii. There were no transactions, not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), Accordingly, the provisions of clause 3(viii) of the Order is not applicable.
- ix. a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender, Accordingly, the provisions of clause 3(ix)(a) of the Order is not applicable.  
b) The company is not declared willful defaulter by any bank or financial institution or other lender, Accordingly, the provisions of clause 3(ix)(b) of the Order is not applicable.  
c) The company has taken term loans during the financial years 2020-21.  
d) The company has not raised any funds on short term basis which have been utilized for long term purposes, Accordingly, the provisions of clause 3(ix)(d) of the Order is not applicable.  
e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures, Accordingly, the provisions of clause 3(ix)(e) of the Order is not applicable.  
f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies, Accordingly, the provisions of clause 3(ix)(f) of the Order is not applicable.
- x. a) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order is not applicable.  
b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year. Accordingly, the provisions of clause 3(x)(b) of the Order is not applicable.
- xi. a) No fraud by the company or any fraud on the company has been noticed or reported during the year covered by our audit. Accordingly, the provisions of clause 3(xi)(a) of the Order is not applicable.  
b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the provisions of clause 3(xi)(b) of the Order is not applicable.  
c) There were no whistle-blower complaints, received during the year by the company. Accordingly, the provisions of clause 3(xi)(c) of the Order is not applicable.
- xii. In our opinion, the Company is not a Nidhi Company; accordingly, the provisions of clause 3(xii) of the Order is not applicable.
- xiii. In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Indian accounting standard.
- xiv. a) The company has an internal audit system commensurate with the size and nature of its business.  
b) The reports of the Internal Auditors for the period under audit were considered by the statutory auditor.
- xv. In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, the provision of clause 3(xv) of the Order is not applicable.
- xvi. (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, the provisions of clause 3(xvi)(a) of the Order is not applicable.  
b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi)(b) of the Order is not applicable.  
c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of clause 3(xvi)(c) of the Order is not applicable.  
d) The Group does not have any CIC as part of the Group. Accordingly, the provisions of clause 3(xvi)(d) of the Order is not applicable.
- xvii. The company has not incurred cash losses in the financial year and in the immediately preceding financial year. Accordingly, the provision of clause 3(xvii) of the Order is not applicable.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the provision of clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we (the auditor) are of the opinion that no material uncertainty exists as on the date of the audit report





and that the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

- xx. a) With respect to obligations under Corporate Social Responsibility, the company has unspent amount of ₹20.05 Lacs, out of which ₹9.15 Lacs with respect to the current financial year has to be transferred to a Fund specified in Schedule VII to the Companies Act within a period of 6 months from the expiry of the financial year and the remaining to a separate bank account or Fund specified in Schedule VII, as the case may be. Accordingly, the provision of clause 3(xx) of the Order is applicable. The company has provided for an amount of ₹ 13.86/- Lacs (Pr. Yr. ₹ 13.02/- Lacs) towards the discharge of Corporate Social Responsibility.
- b) There is an amount remaining unspent under sub-section (5) of section 135 of the Companies Act 2013 as per (a) above but not related to any ongoing project, hence there is no requirement to transfer it to a special account in compliance with the provision of sub-section (6) of section 135 of the said Act; Accordingly, the provision of clause 3(xx)(b) of the Order is not applicable.
- xxi. There have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements of the company.

**STATUTORY AUDITORS  
FOR MAHENDRA BADJATYA & CO.  
CHARTERED ACCOUNTANTS  
ICAI FRN 001457C**

**CA NIRDESH BADJATYA  
PARTNER**

**ICAI MNO 420388  
ICAI UDIN 21420388AAAAIE1520**

**PLACE: INDORE  
DATE: 10<sup>th</sup> June 2021**



## Annexure – “B” to the Independent Auditor’s Report

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ in the Independent Auditor’s Report of even date to the members of ITL INDUSTRIES LIMITED on the Standalone Financial Statements for the year ended 31<sup>st</sup> March 2021)

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

We have audited the internal financial controls over financial reporting of ITL INDUSTRIES Limited (“the Company”) as of 31<sup>st</sup> March 2021 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

### 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 issued by the Institute of Chartered Accountants of India (the “Guidance Note”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### 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, issued by ICAI and deemed to be 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 Controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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 WITH REFERENCE TO FINANCIAL STATEMENTS

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, and to the best of our information and according to the explanation 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 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

**STATUTORY AUDITORS  
FOR MAHENDRA BADJATYA & CO.  
CHARTERED ACCOUNTANTS  
ICAI FRN 001457C**

**CA NIRDESH BADJATYA  
PARTNER**

**ICAI MNO 420388**

**ICAI UDIN 21420388AAAAIE1520**

**PLACE: INDORE**

**DATE: 10<sup>th</sup> June 2021**



**ITL INDUSTRIES LIMITED**  
**STANDALONE BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2021**

(₹ in Lacs)

PARTICULARS	Notes No.	2020-2021	2019-2020
<b>ASSETS</b>			
<b>A Non Current Assets</b>			
Property Plant & Equipment	2	1078.66	819.38
Capital Work in Progress		0.00	317.43
Intangible Assets	3	59.36	75.39
Investment in Subsidiary and Associates	4	94.17	94.17
<b>Financial Assets</b>			
Investments	4	459.18	77.60
Other Financial Assets	5	243.53	245.18
<b>Total Non Current Assets</b>		<b>1934.90</b>	<b>1629.15</b>
<b>B Current Assets</b>			
Inventories	6	2990.87	4174.50
<b>Financial Assets</b>			
Investments	7	370.00	0.00
Trade Receivables	8	2104.20	1815.02
Cash & Cash Equivalents	9	2.50	35.30
Other Balances with Banks	10	95.11	121.44
Other Financial Assets	11	704.07	363.06
Current Tax Assets (Net)	12	20.60	0.00
Other Current Assets	13	140.58	260.48
<b>Total Current Assets</b>		<b>6427.93</b>	<b>6769.80</b>
<b>TOTAL ASSETS</b>		<b>8362.83</b>	<b>8398.95</b>
<b>EQUITY AND LIABILITIES</b>			
<b>A Equity</b>			
Equity Share Capital	14	320.43	320.43
Other Equity	15	4506.85	4015.31
<b>Total Equity</b>		<b>4827.28</b>	<b>4335.74</b>
<b>B Non Current Liabilities</b>			
<b>Financial Liabilities</b>			
Long Term Borrowings	16	250.95	115.02
Deferred Tax Liabilities		117.08	99.92
<b>Total Non Current Liabilities</b>		<b>368.03</b>	<b>214.94</b>
<b>C Current Liabilities</b>			
<b>Financial Liabilities</b>			
Short Term Borrowings	17	1134.67	1431.67
Trade Payables	18	1353.96	1477.45
Other Financial Liabilities	19	278.74	304.79
Other Current Liabilities	20	298.66	527.63
Provisions	21	101.49	97.98
Current Tax Liabilities (Net)	22	0.00	8.75
<b>Total Current Liabilities</b>		<b>3167.52</b>	<b>3848.27</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8362.83</b>	<b>8398.95</b>

See accompanying additional notes to the financial statements

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For and on Behalf of Board

**Rajendra Jain**  
**Managing Director**  
**DIN : 00256515**

**Mahendra Jain**  
**Joint Managing Director**  
**DIN : 00256047**

**Ashok Ajmera**  
**Chief Financial Officer**

**Akhilesh Gautam**  
**Company Secretary**  
**FCS : 8592**

**Date : 10<sup>th</sup> June 2021**  
**Place : Indore**

As per report of even date attached  
**STATUTORY AUDITORS**  
**FOR MAHENDRA BADJATYA & CO.**  
**CHARTERED ACCOUNTANTS**  
**ICAI FRN 001457C**

**CA NIRDESH BADJATYA**  
**PARTNER**  
**ICAI MNO 420388**  
**ICAI UDIN: 21420388AAAAIE1520**



**ITL INDUSTRIES LIMITED**  
**STANDALONE STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021**

(₹ in Lacs)

PARTICULARS	Notes No.	2020-2021	2019-2020
<b><u>INCOME</u></b>			
Revenue from Operations	23	8895.57	7925.41
Other Income	24	60.92	97.99
<b>Total Income</b>		<b>8956.49</b>	<b>8023.40</b>
<b><u>EXPENSES</u></b>			
Cost of Material Consumed/Sold	25	5259.42	5491.02
Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	26	981.65	-385.02
Employee Benefits Expenses	27	1055.19	1133.69
Other Expenses	28	765.43	911.69
Finance Cost	29	129.89	145.15
Depreciation and Amortisation	2 & 3	135.69	118.30
<b>Total Expenses</b>		<b>8327.27</b>	<b>7414.79</b>
<b>Profit Before Tax</b>		<b>629.22</b>	<b>608.61</b>
<b><u>Tax Expenses</u></b>			
Current Tax Expenses		125.03	141.07
Tax Expenses of Previous Years		120.00	150.00
Deferred Tax Written off/Provided for		-8.46	-3.68
Deferred Tax Written off/Provided for		16.78	-5.26
Dividend Distribution Tax Written Back		-3.29	0.00
<b>PROFIT AFTER TAX FROM CONTINUED OPERATION</b>		<b>504.19</b>	<b>467.54</b>
<b><u>Other Comprehensive Income</u></b>			
Items that will not be reclassified to profit or loss		3.74	0.00
"Income tax relating to item that will not be reclassified to profit or loss"		-0.37	0.00
<b>Total Other Comprehensive Income for the Period</b>		<b>3.37</b>	<b>0.00</b>
<b>Total Net Income for the Period</b>		<b>507.56</b>	<b>467.54</b>
Earnings per equity share (Face Value of ₹10 each)			
(i) Basic (in Rs.)		15.73	14.59
(ii) Diluted (in Rs.)		15.73	14.59

See accompanying additional notes to the financial statements

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**For and on Behalf of Board**

**Rajendra Jain**  
**Managing Director**  
**DIN : 00256515**

**Mahendra Jain**  
**Joint Managing Director**  
**DIN : 00256047**

**Ashok Ajmera**  
**Chief Financial Officer**

**Akhilesh Gautam**  
**Company Secretary**  
**FCS : 8592**

**Date : 10<sup>th</sup> June 2021**  
**Place : Indore**

As per report of even date attached  
**STATUTORY AUDITORS**  
**FOR MAHENDRA BADJATYA & CO.**  
**CHARTERED ACCOUNTANTS**  
**ICAI FRN 001457C**

**CA NIRDESH BADJATYA**  
**PARTNER**  
**ICAI MNO 420388**  
**ICAI UDIN: 21420388AAAAIE1520**



**ITL INDUSTRIES LIMITED**  
**STANDALONE STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021**

(₹ in Lacs)

**A) EQUITY SHARE CAPITAL**

Particulars	2020-2021	2019-2020
Balance at the beginning of the reporting year	320.43	320.43
Changes in Equity Share Capital during the year	0.00	0.00
<b>Balance at the end of the reporting year</b>	<b>320.43</b>	<b>320.43</b>

**B. OTHER EQUITY**

2020-21

Particulars	Reserve and Surplus			Other Reserves	Total
	General Reserve	Retained Earnings	Capital Reserve	Fair value through other comprehensive income	
<b>Balance as at March 31, 2020</b>	<b>3600.00</b>	<b>410.30</b>	<b>5.01</b>	<b>0.00</b>	<b>4015.31</b>
Changes in accounting policy/prior period errors	-	-	-	-	-
Restated balances at the beginning of the reporting period	3600.00	410.30	5.01	0.00	4010.30
Profit/(Loss) for the Year	0.00	504.19	0.00	0.00	504.19
Other Comprehensive Income for the Year	0.00	0.00	0.00	3.37	3.37
<b>Total Comprehensive Income/(Loss) for the Year</b>	<b>0.00</b>	<b>914.49</b>	<b>0.00</b>	<b>3.37</b>	<b>914.49</b>
<b>Transactions with owners in capacity as owners</b>					
Proposed Dividends	0.00	-16.02	0.00	0.00	-16.02
Bonus Shares	0.00	0.00	0.00	0.00	0.00
Dividend Distribution Tax	0.00	0.00	0.00	0.00	0.00
Movement During the Year	500.00	-500.00	0.00	0.00	0.00
<b>Balance as at March 31, 2021</b>	<b>4100.00</b>	<b>398.47</b>	<b>5.01</b>	<b>3.37</b>	<b>4506.85</b>

2019-20

Particulars	Reserve and Surplus			Other Reserves	Total
	General Reserve	Retained Earnings	Capital Reserve	Fair value through other comprehensive income	
<b>Balance as at March 31, 2019</b>	<b>3400.00</b>	<b>162.07</b>	<b>5.01</b>	<b>0.00</b>	<b>3567.09</b>
Changes in accounting policy/prior period errors	-	-	-	-	-
Restated balances at the beginning of the reporting period	3400.00	162.07	5.01	0.00	3567.09
Profit/(Loss) for the Year	0.00	467.54	0.00	0.00	467.54
Other Comprehensive Income for the Year	0.00	0.00	0.00	0.00	0.00
<b>Total Comprehensive Income/(Loss) for the Year</b>	<b>0.00</b>	<b>629.61</b>	<b>0.00</b>	<b>0.00</b>	<b>629.61</b>
<b>Transactions with owners in capacity as owners</b>					
Proposed Dividends	0.00	-16.02	0.00	0.00	-16.02
Dividend Distribution Tax	0.00	-3.29	0.00	0.00	-3.29
Bonus Shares	0.00	0.00	0.00	0.00	0.00
Movement During the Year	200.00	-200.00	0.00	0.00	0.00
<b>Balance as at March 31, 2020</b>	<b>3600.00</b>	<b>410.30</b>	<b>5.01</b>	<b>0.00</b>	<b>4015.31</b>

**For and on Behalf of Board**

**Rajendra Jain**  
**Managing Director**  
**DIN : 00256515**

**Ashok Ajmera**  
**Chief Financial Officer**

Date : 10<sup>th</sup> June 2021

Place : Indore

**Mahendra Jain**  
**Joint Managing Director**  
**DIN : 00256047**

**Akhilesh Gautam**  
**Company Secretary**  
**FCS : 8592**

As per report of even date attached  
**STATUTORY AUDITORS**  
**FOR MAHENDRA BADJATYA & CO.**  
**CHARTERED ACCOUNTANTS**  
**ICAI FRN 001457C**

**CA NIRDESH BADJATYA**  
**PARTNER**  
**ICAI MNO 420388**  
**ICAI UDIN: 21420388AAAAIE1520**





**ITL INDUSTRIES LIMITED**  
**STANDALONE CASH FLOW STATEMENT FOR THE PERIOD ENDED 31<sup>st</sup> MARCH 2021**

(₹ in Lacs)

Particulars	2020-2021	2019-2020
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Tax & Extra Ordinary Items	629.22	608.61
<b>Add : Adjustment for</b>		
Depreciation	135.69	118.29
Interest income	-5.82	-12.98
Interest expense	129.89	145.15
<b>Operating Profit before Working Capital Changes</b>	<b>888.98</b>	<b>859.07</b>
<b>Adjustments for changes in working capital :</b>		
Decrease/(increase) in inventories	1183.64	-625.76
Decrease/ (increase) in trade receivables	-289.18	489.42
Decrease/ (increase) in other financial assets	-339.36	45.22
Decrease/(increase) in other current assets	99.31	56.56
(Decrease)/increase in trade payables	-123.49	-738.10
(Decrease)/increase in other financial liabilities	-26.05	-23.91
(Decrease)/increase in other current liabilities	-237.73	181.15
(Decrease)/increase in provisions	3.51	0.00
	<b>270.64</b>	<b>-615.42</b>
Tax expenses for the year	108.25	146.32
	<b>108.25</b>	<b>146.32</b>
<b>Cash Flow before extraordinary adjustments</b>	<b>1051.38</b>	<b>97.32</b>
Loss / Profit on Sale of Investment	0.00	-1.43
Loss / Profit on Sale of Fixed Assets	0.53	-0.98
Equity Shares Forfeited	0.00	0.00
<b>Net Cash Flow from Operating Activities (A)</b>	<b>1051.91</b>	<b>94.92</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale/ purchase of investments	-747.84	-22.90
Sale of Investments	0.00	0.00
Interest Income	5.82	12.98
Purchase of Fixed Assets	-380.95	-82.27
Sale of Fixed Assets	318.89	1.08
<b>Net Cash Flow From Investing Activities (B)</b>	<b>-804.07</b>	<b>-91.11</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/ repayment from/ of Long-term borrowings	135.94	-22.92
Proceeds/ repayment from/ of Short-term borrowings	-297.00	88.19
Interest Expense	-129.89	-145.15
Dividend / Corporate Dividend Tax paid	-16.02	-19.31
<b>Net Cash Flow From Financing Activities (C)</b>	<b>-306.98</b>	<b>-99.20</b>
<b>Net Increase/Decrease in Cash (A+B+C)</b>	<b>-59.14</b>	<b>-95.39</b>
<b>Opening balance of cash and cash equivalents</b>	<b>156.74</b>	<b>252.13</b>
<b>Closing balance of cash and cash equivalents</b>	<b>97.60</b>	<b>156.74</b>

**Notes to the Statement of Cash Flow :**

i) Reconciliation of Cash and cash equivalents with the Balance Sheet:

(₹ in Lacs)

PARTICULARS	2020-2021	2019-2020
Cash and cash equivalents as per Balance Sheet (Refer note 9 and 10)	97.60	156.74

ii) The Statement of Cash Flow has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of Cash Flow'.

(iii) As per the amendment in Ind AS 7 'Statement of Cash Flow' : Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

(₹ in Lacs)

Particulars	2019-2020	Financing cash flows	Non-Cash Changes				2020-2021
			Acquisition of Subsidiary	Disposal of Subsidiary	Fair Value Adjustment	Other Changes	
Long Term Borrowings (Refer note 16)	115.02	135.94	0.00	0.00	0.00	0.00	250.95
Short Term Borrowings (Refer note 17)	1431.67	-297.00	0.00	0.00	0.00	0.00	1134.67

Particulars	2018-2019	Financing cash flows	Non-Cash Changes				2019-2020
			Acquisition of Subsidiary	Disposal of Subsidiary	Fair Value Adjustment	Other Changes	
Long Term Borrowings (Refer note 16)	137.94	-22.92	0.00	0.00	0.00	0.00	115.02
Short Term Borrowings (Refer note 17)	1303.49	88.19	0.00	0.00	0.00	40.00	1431.67

For and on Behalf of Board

**Rajendra Jain**  
Managing Director  
DIN : 00256515

**Mahendra Jain**  
Joint Managing Director  
DIN : 00256047

**Ashok Ajmera**  
Chief Financial Officer

**Akhilesh Gautam**  
Company Secretary  
FCS : 8592

As per report of even date attached  
**STATUTORY AUDITORS**  
**FOR MAHENDRA BADJATYA & CO.**  
**CHARTERED ACCOUNTANTS**  
**ICAI FRN 001457C**

**CA NIRDESH BADJATYA**  
**PARTNER**  
**ICAI MNO 420388**  
**ICAI UDIN: 21420388AAAAIE1520**

Date : 10<sup>th</sup> June 2021  
Place : Indore

**NOTE 1:****Notes forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March 2021**

(All amounts are in Indian Rupees in Thousands unless otherwise stated)

**A. Corporate Information**

ITL Industries Limited (the 'Company') is a limited Company having its registered office situated at 111-SECTOR-B, SANWER ROAD, INDUSTRIAL AREA, INDORE MP. The company is engaged in the business of Manufacturing of machines and trading business.

**B. Significant accounting policies****I. Basis of Preparation****a. Statement of compliance**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other accounting principles generally accepted in India.

These financial statements have been prepared and presented under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

The financial statements are presented in INR except when otherwise stated. All amounts have been rounded-off to the nearest thousands, unless otherwise indicated.

**b. Use of Estimates, Judgments and Assumptions**

The preparation of financial statements in conformity with Ind AS requires management to make certain judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities (including contingent liabilities) and the accompanying disclosures. Future results could differ due to these estimates and differences between the actual results and the estimates are recognized in the periods in which the results are known / materialized. Estimates and underlying assumptions are reviewed on an ongoing basis.

**Significant estimates and assumptions are required in particular for:****i) Useful life of property, plant and equipment and intangible assets:**

This involves determination of the estimated useful life of property, plant and equipment and intangible assets and the assessment as to which components of the cost may be capitalized. Useful life of these assets is based on the life prescribed in Schedule II to the Companies Act, 2013 or based on technical estimates, taking into account the nature of the asset, estimated usage, expected residual values and operating conditions of the asset. Management reviews its estimate of the useful lives of depreciable/ amortizable assets at each reporting date, based on the expected utility of the assets.

**ii) Impairment of Non-Financial Asset:**

Determining whether property, plant and equipment and intangible assets are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the underlying assets or cash generating units. Further, the cash flow projections are based on estimates and assumptions relating to expected revenues, operational performance of the assets, market prices of related products or services, inflation, terminal value etc. which are considered reasonable by the management.

**iii) Taxes:**

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Significant management judgement is also required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, including estimates of temporary differences reversing on account of available benefits from the Income Tax Act, 1961.

**iv) Fair value measurement of financial instruments:**

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such



as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**v) Inventory Measurement**

Measurement of bulk inventory quantities of stock lying at warehouse/ ports/ yards is material, complex and involves significant judgement and estimate. The Company performs physical counts of above inventory on a periodic basis using internal/external experts to perform surveys and assessments, basis which the estimate of quantity for these inventories is determined. The variations noted between book records and physical quantities of above inventories are evaluated and appropriately accounted in the books of accounts.

**c. Current & Non-Current Classification**

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i) The asset/liability is expected to be realized/settled in the Company's normal operating cycle.
- ii) The asset is intended for sale or consumption.
- iii) The asset/liability is held primarily for the purpose of manufacturing.
- iv) The asset/liability is expected to be realized/settled within twelve months after the reporting period.
- v) The asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
- vi) In the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

**II. Summary of Significant Accounting Policies**

**a) Foreign Currency Transactions and Translation**

**i) Functional and presentation currency**

The financial statements are presented in Indian Rupee (INR), which is entity's functional and presentation currency.

**ii) Transactions and Balances**

Foreign currency transactions are translated into the functional currency, for initial recognition, using the exchange rates at the dates of the transactions.

All foreign currency denominated monetary assets and liabilities are translated at the exchange rates on the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalized as cost of assets. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

**b) Cash & Cash Equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**c) Property, Plant and Equipment**

**Recognition and Measurement:**

Property, Plant and Equipment, including Capital Work in Progress, are stated at cost of acquisition or construction less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price (net of tax credits, wherever applicable), import duty and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour and allocation of overheads. Borrowing cost relating to acquisition/construction of Property, Plant and Equipment which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.



If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

**Subsequent Measurement:**

Subsequent expenditure related to an item of Property, Plant and Equipment are included in its carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequent costs are depreciated over the residual life of the respective assets. All other expenses on existing Property, Plant and Equipment, including day-today repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

**Capital Work in Progress:**

Expenditure related to and incurred during implementation of capital projects to get the assets ready for intended use is included under "Capital Work in Progress". The same is allocated to the respective items of property plant and equipment on completion of construction/ erection of the capital project/ property plant and equipment. The cost of asset not ready for its intended use before the yearend & capital inventory are disclosed under capital work in progress.

**Depreciation:**

Depreciation is provided using straight-line method as specified in Schedule II to the Companies Act, 2013 or based on technical estimates. Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

**Derecognition:**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognized in Statement of Profit and Loss.

**d) Investment Properties**

- i. Property which is held for long-term rental yields or for capital appreciation or both, is classified as Investment Property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.
- ii. The Company depreciates investment properties over their estimated useful lives, as specified in Schedule II to the Companies Act, 2013.
- iii. Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in Statement of Profit and Loss in the period in which the property is derecognized.

**e) Intangible Assets**

- i. Intangible assets are measured on initial recognition at cost and are subsequently carried at cost less any accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles are not capitalized.
- ii. The intangible assets of the Company are assessed to be of finite lives and are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The Company reviews amortization period on an annual basis. Intangible assets are amortized on straight line basis as specified in Schedule II to the Companies Act, 2013 or based on technical estimates.
- iii. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

**f) Impairment of Non-Financial Assets**

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets, other than inventories and deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-





-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

An impairment loss is recognized immediately in statement of profit and loss. Impairment loss recognized in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

Non-Financial Assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit and loss.

**g) Investment in Subsidiaries and associates**

Entities and Associates are measured at cost less impairment in accordance with Ind AS 27 "Separate Financial Statements".

**h) Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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 to 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 categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - quoted (unadjusted) 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.

Level 3 - inputs that are unobservable for the asset or liability.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

**i) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options, and embedded derivatives in the host contract.

**I. Financial Assets**

The Company classifies financial assets and subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

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

**1. At amortized cost**

Assets that are held for contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVTPL, are measured at amortized cost. The carrying amount of





these assets is adjusted by any expected credit loss allowance recognized and measured. Interest income from these financial assets is recognized using the effective interest rate method.

2. At Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through FVOCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortized cost which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

3. At Fair Value through Profit & 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 and is not part of a hedging relationship is recognized in Statement of Profit and Loss in the period in which it arises, unless it arises from debt instruments that were designated at fair value or which are not held for trading. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

**Interest income:**

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets.

**Equity instruments:**

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. Ind AS 109 requires all investments in equity instruments and contracts on those instruments to be measured at fair value.

The Company subsequently measures all quoted equity investments at fair value. The company's management has elected to present fair value gains and losses on equity investments in profit and loss account.

The Company subsequently measures all un-quoted equity investments at cost based on the requirements of Ind AS 109, where in some limited circumstances cost is a more appropriate estimate of fair value, that may be the case if insufficient more recent information is available to measure the fair value or if there is a wide range of possible fair value measurements and cost represents the best estimate of the fair value within that range.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in net gain/ loss on fair value changes in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Gains and losses on equity investments at FVTPL are included in the Statement of Profit and Loss.

**Debt instruments:**

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds and trade receivables. Based on the factors, the Company classifies its debt instruments into one of the above three measurement categories.

**Derecognition**

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated inequity is recognized in Statement of Profit and Loss if such gain or loss would have otherwise been recognized in Statement of Profit and Loss on disposal of that financial asset.

**Impairment of financial assets**

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

**a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance:**

The Company follows general approach for recognition of impairment loss allowance for financials assets other than trade receivables. In general approach, the financial asset is divided into 3 stages and the amount of ECL is recognized depending on the stage of the financial asset into consideration.

The loss under this approach is either based on the 12 months ECL or lifetime ECL. All financial assets falling in stage 1 is performing and requires 12 months ECL, whereas financial assets in stage 2 where the credit risk has increased significantly post recognition or financial assets in stage 3 which are credit impaired a lifetime ECL is required.



#### b) Trade receivables:

The Company follows simplified approach for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

### II. Financial Liabilities

Financial liabilities are classified, at initial recognition as at amortized cost or fair value through profit or loss.

#### Loans and borrowings

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

#### **Derecognition of Financial Liability**

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.

### III. Derivative financial instruments

The Company uses derivative financial instruments such as forward and options currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognized and subsequently measured at fair value through profit or loss (FVTPL). Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivative financial instrument are recognized in the Statement of Profit and Loss and reported with foreign exchange gains/ (loss). Changes in fair value and gains/(losses) on settlement of foreign currency derivative financial instruments relating to borrowings, which have not been designated as hedge are recorded as finance cost.

#### j) **Income Taxes**

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

##### **I. Current Tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax (including Minimum Alternate Tax (MAT)) is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Current income tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss (either in other comprehensive income (OCI) or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

##### **II. Deferred Tax**

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

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of unrecognized deferred tax assets are reviewed at each reporting date to assess their realizability and corresponding adjustment is made to carrying values of deferred tax assets in the financial statements.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.



Deferred tax assets and liabilities are offset where a legally enforceable right exists to offset current tax assets and liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. Net outstanding balance in Deferred Tax account is recognized as deferred tax liability/asset.

Deferred tax includes MAT tax credit. The Company recognizes tax credits in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. The Company reviews the such tax credit asset at each reporting date to assess its recoverability.

**k) Inventories**

- I. Inventories are valued at lower of cost or net realizable value.
- II. Cost of inventories have been computed to include all costs of purchases, cost of conversion, all non-refundable duties & taxes and other costs incurred in bringing the inventories to their present location and condition.
- III. The basis of determining cost for various categories of inventories are as follows:  
 Manufactured goods: At Cost  
 Traded goods: Weighted Average Cost Moving Average Cost  
 Stores and Spares: Weighted Average Cost Moving Average Cost
- IV. Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale. Necessary adjustment for shortage / excess stock is given based on the available evidence and past experience of the Company.

**l) Provision, Contingent Liabilities and Contingent Assets**

Provisions are recognized for when the Company has at present, legal or contractual obligation as a result of past events, only if it is probable that an outflow of resources embodying economic outgo or loss will be required and if the amount involved can be measured reliably.

Contingent liabilities being a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more future events not wholly in control of the Company are not recognized in the accounts. The nature of such liabilities and an estimate of its financial effect are disclosed in notes to the financial statements.

Contingent assets are not recognized in the financial statements. the nature of such assets and an estimate of its financial effect are disclosed in notes to the financial statements.

**m) Revenue Recognition**

Revenue from contract with customer is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as per contracts with the customers. Revenue also excludes taxes or amounts collected from customers in its capacity as agent.

The specific recognition criterion from various stream of revenue is described below:

- I. Sale of Goods  
 Revenue from the sale of goods is recognized when the control of the goods has been passed to the customer as per the terms of agreement and there is no continuing effective control or managerial involvement with the goods.
- II. Rendering of Services  
 Revenue from services rendered is recognized when the work is performed and as per the terms of agreement.
- III. Dividends  
 Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.
- IV. Interest Income  
 Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**n) Employee Benefits**

Retirement benefits in the form of Provident Fund & Other Fund are paid & charged to the Statement of Profit and Loss for the year when contributions to the respective Funds are due.



Gratuity liability under the Payment of Gratuity Act is paid & charged to the Statement of Profit and Loss for the year when contributions to the LIC Group Gratuity trust is paid.

**o) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**p) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. Borrowing costs consist of interest and transaction costs that an entity incurs in connection with the borrowing of funds. Transaction costs in respect of long-term borrowings are amortized over the tenor of respective loans using effective interest method. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs also includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the borrowing costs.

**q) Segment Accounting**

Operating segments are reported in a manner consistent with the internal reporting to management. For management purposes, the Company is organized into business units based on its products and services.

Operating results of the business units are monitored separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with the statement of profit or loss in the financial statements.

**r) Earnings Per Share**

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of equity shares, for the effects of all dilutive potential equity shares.

**s) 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.

**t) Research and Development Expenses**

Research and Development expenses are charged to the statement of Profit and Loss in the year of incurrence. However, Capital expenditure on Research and Development is treated in the same way as other fixed assets.

**u) Expenditure**

Expenses are net of taxes recoverable, wherever applicable.



**ITL INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31<sup>ST</sup> 2021**

**NOTE - 2****(A) PROPERTY PLANT & EQUIPMENT**

2020-21

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	Balance as at 01.04.2020	Additions during the year	Deductions during the year	Balance as at 31.03.2021	Balance as at 01.04.2020	Depreciation For The Year	Deduction & Adjustment	Balance as at 31.03.2021	Balance as at 31.03.2021	Balance as at 31.03.2020
Leasehold Industrial Land	35.08	0.00	0.00	35.08	0.00	0.79	0.00	0.79	34.28	35.08
Site Development	1.50	0.00	0.00	1.50	0.69	0.05	0.00	0.74	0.76	0.81
Factory Building	534.01	0.00	0.00	534.01	175.48	14.96	0.00	190.44	343.57	358.53
Plant & Machinery	476.52	330.10	12.77	793.85	330.07	44.16	10.80	363.43	430.42	146.46
Other Equipments	202.09	3.27	0.00	205.36	124.79	9.93	0.00	134.72	70.64	77.30
Electrical Equipment	4.94	0.00	0.00	4.94	4.59	0.03	0.00	4.61	0.33	0.36
Office Equipment	103.13	5.81	0.00	108.93	68.94	7.07	0.00	76.01	32.92	34.19
Furniture & Fixture	216.70	0.37	0.00	217.07	142.69	16.61	0.00	159.30	57.77	74.01
Computer	103.18	6.66	0.31	109.53	85.58	11.28	0.30	96.56	12.97	17.60
Vehicles	162.83	31.87	0.29	194.42	87.92	11.89	0.27	99.54	94.88	74.91
Cycle & Handcart	0.75	0.00	0.00	0.75	0.61	0.03	0.00	0.64	0.12	0.14
<b>TOTAL</b>	<b>1840.73</b>	<b>378.07</b>	<b>13.37</b>	<b>2205.44</b>	<b>1021.36</b>	<b>116.79</b>	<b>11.37</b>	<b>1126.78</b>	<b>1078.66</b>	<b>819.38</b>

**NOTE - 3****(B) INTANGIBLE ASSETS**

Software	264.63	2.87	0.00	267.50	189.24	18.90	0.00	208.14	59.36	75.39
<b>TOTAL</b>	<b>264.63</b>	<b>2.87</b>	<b>0.00</b>	<b>267.50</b>	<b>189.24</b>	<b>18.90</b>	<b>0.00</b>	<b>208.14</b>	<b>59.36</b>	<b>75.39</b>
<b>TOTAL - (A) + (B) CURRENT YEAR</b>	<b>2105.36</b>	<b>380.95</b>	<b>13.37</b>	<b>2472.94</b>	<b>1210.60</b>	<b>135.69</b>	<b>11.37</b>	<b>1334.91</b>	<b>1138.02</b>	<b>895.05</b>
<b>PREVIOUS YEAR</b>	<b>2042.37</b>	<b>66.95</b>	<b>3.96</b>	<b>2105.36</b>	<b>1096.18</b>	<b>118.29</b>	<b>3.87</b>	<b>1210.60</b>	<b>894.76</b>	<b>946.20</b>

During the year, the Company has not carried out any revaluation.

**2019-20****NOTE - 2****PROPERTY, PLANT & EQUIPMENT**

(₹ in Lacs)

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	Balance as at 01.04.2019	Additions during the year	Deductions during the year	Balance as at 31.03.2020	Balance as at 01.04.2019	Depreciation For The Year	Deduction & Adjustment	Balance as at 31.03.2020	Balance as at 31.03.2020	Balance as at 31.03.2019
Leasehold Industrial Land	35.08	0.00	0.00	35.08	0.00	0.00	0.00	0.00	35.08	35.08
Site Development	1.50	0.00	0.00	1.50	0.65	0.05	0.00	0.69	0.81	0.85
Factory Building	532.06	1.95	0.00	534.01	160.55	14.93	0.00	175.48	358.53	371.51
Plant & Machinery	466.96	9.56	0.00	476.52	304.91	25.16	0.00	330.07	146.46	162.05
Other Equipments	201.62	0.47	0.00	202.09	114.94	9.85	0.00	124.79	77.30	86.68
Electrical Equipment	4.94	0.00	0.00	4.94	4.56	0.03	0.00	4.59	0.36	0.38
Office Equipment	99.60	3.52	0.00	103.13	61.80	7.14	0.00	68.94	34.19	37.80
Furniture & Fixture	213.48	3.48	0.26	216.70	128.94	14.01	0.26	142.69	74.01	84.54
Computer	100.69	2.49	0.00	103.18	68.98	16.61	0.00	85.58	17.60	31.72
Vehicles	146.92	19.62	3.70	162.83	76.33	15.20	3.61	87.92	74.91	70.59
Cycle & Handcart	0.75	0.00	0.00	0.75	0.57	0.04	0.00	0.61	0.14	0.18
<b>TOTAL</b>	<b>1803.61</b>	<b>41.09</b>	<b>3.96</b>	<b>1840.73</b>	<b>922.23</b>	<b>103.00</b>	<b>3.87</b>	<b>1021.36</b>	<b>819.38</b>	<b>881.37</b>

**NOTE - 2****(B) INTANGIBLE ASSETS**

Software	238.77	25.86	0.00	264.63	173.94	15.30	0.00	189.24	75.39	64.82
<b>TOTAL</b>	<b>238.77</b>	<b>25.86</b>	<b>0.00</b>	<b>264.63</b>	<b>173.94</b>	<b>15.30</b>	<b>0.00</b>	<b>189.24</b>	<b>75.39</b>	<b>64.82</b>
<b>TOTAL - (A) + (B)</b>	<b>2042.37</b>	<b>66.95</b>	<b>3.96</b>	<b>2105.36</b>	<b>1096.18</b>	<b>118.29</b>	<b>3.87</b>	<b>1210.60</b>	<b>894.76</b>	<b>946.20</b>
<b>Previous year</b>	<b>1917.48</b>	<b>142.97</b>	<b>18.08</b>	<b>2042.37</b>	<b>984.01</b>	<b>128.95</b>	<b>16.79</b>	<b>1096.18</b>	<b>946.20</b>	<b>933.44</b>

During the year, the Company has not carried out any revaluation.





**ITL INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31<sup>st</sup> 2021**

(₹ in Lacs)

PARTICULARS	2020-2021	2019-2020
<b>NOTE - 4</b>		
<b><u>Investments(Non-Current)</u></b>		
<b>Shares &amp; Securities (Unquoted, fully paid up, at cost)</b>		
<b>In Subsidiary Company</b>		
M/s M.M. Metals Pvt. Ltd.	18.12	18.12
30480 (Previous year 30480) Equity Shares of ₹ 100 each		
M/s M.M. Metals Pvt. Ltd.	23.00	23.00
23000 (Previous year 23000) 5% Redeemable Cumulative Preference Share of ₹ 100 each		
<b>In Associates Company</b>		
M/s Luhadiya Sons Shahpura Pvt. Ltd.	53.04	53.04
294690 (Previous year 294690) Equity Shares of ₹ 10 each		
<b>In Related Concerns</b>		
M/s Dimart Engineering Pvt.Ltd.	4.00	4.00
64000 (Previous year 64000) Equity Shares of ₹ 10 each		
M/s Indore Tools Pvt. Ltd.	25.73	25.73
568400 (Previous year 568400) Equity Shares of ₹ 10 each		
M/s Fillracks Technologies Pvt. Ltd.	3.95	3.95
3950 (Previous year 3950) Equity Shares of ₹ 100 each		
<b>Others</b>		
NCD of Ratnaakar Infratech Ltd	19.48	25.33
NCD of Casagrand Millenia Pvt. Ltd.	47.38	0.00
India Realty Excellence Fund V (IREF-V)	20.00	0.00
CRSL MLD Series 2020-21/04/B (Debt Plus)	201.91	0.00
NCD of Sadbhav Engineering Limited	100.10	0.00
(a) Quoted - Mutual Funds	19.19	15.00
(b) Quoted and Listed - Equity Shares	3.14	3.59
(c) Un Listed - Equity Shares	14.30	0.00
<b>TOTAL</b>	<b>553.35</b>	<b>171.77</b>
<b>NOTE - 5</b>		
<b><u>Other Non Current Financial Assets</u></b>		
(Unsecured, Considered Good, Unless otherwise stated)		
(a) Loans and Advances to Related Parties	218.00	218.00
(b) Other Financial Assets	25.53	27.19
<b>TOTAL</b>	<b>243.53</b>	<b>245.19</b>
<b>NOTE - 6</b>		
<b><u>Inventories (Valued at lower of cost or net realisable value)</u></b>		
(As taken, valued and certified by Management)		
(a) Raw Materials & Bought Out Components	1196.28	1398.45
(b) Stock of Trading Goods	1041.04	1807.09
(c) Finished Goods	108.52	64.39
(d) Work in Process & Semi finished Goods	644.72	904.45
(e) Stores, Spare Parts & Standard Items	0.31	0.13
<b>TOTAL</b>	<b>2990.87</b>	<b>4174.50</b>



**ITL INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31<sup>st</sup> 2021**  
**(₹ in Lacs)**

<b>PARTICULARS</b>	<b>2020-2021</b>	<b>2019-2020</b>
<b><u>NOTE - 7</u></b>		
<b><u>Investments(Current)</u></b>		
Investment in UPPCL Bonds	370.00	0.00
<b>TOTAL</b>	<b>370.00</b>	<b>0.00</b>
<b><u>NOTE - 8</u></b>		
<b><u>Trade Receivables</u></b>		
(Unsecured, Considered Good unless otherwise stated)		
(a) Considered Good	2114.77	1815.02
(a) Considered Impaired	0.00	0.00
	<b>2114.77</b>	<b>1815.02</b>
Less: Allowance for Credit Losses	10.57	0.00
<b>TOTAL</b>	<b>2104.20</b>	<b>1815.02</b>
<b><u>NOTE - 9</u></b>		
<b><u>Cash &amp; Cash Equivalents</u></b>		
(a) Cash on Hand	2.50	7.47
(b) Balances with Schedule Banks		
- In Current Accounts	0.00	27.82
<b>TOTAL</b>	<b>2.50</b>	<b>35.30</b>
<b><u>NOTE - 10</u></b>		
<b><u>Bank Balances - Others</u></b>		
(a) Fixed Deposit Account	85.29	111.61
(b) Accured Interest on Fixed Deposits	2.30	1.33
(c) Unclaimed Dividend	7.52	8.51
<b>TOTAL</b>	<b>95.11</b>	<b>121.44</b>
<b><u>NOTE - 11</u></b>		
<b><u>Other Current Financial Assets</u></b>		
(Unsecured, Considered Good unless otherwise stated)		
(a) Other Deposits	53.66	52.21
(b) Advances to Related Parties	442.50	310.85
(c) Inter Corporate Deposits	200.72	0.00
(d) Accured Interest on Investment (UPPCL Bond)	7.19	0.00
<b>TOTAL</b>	<b>704.08</b>	<b>363.06</b>
<b><u>NOTE - 12</u></b>		
<b><u>Current Tax Assets (Net)</u></b>		
Advance payment of Income Tax	140.60	0.00
Less : Provision for Income Tax	120.00	0.00
<b>TOTAL</b>	<b>20.60</b>	<b>0.00</b>
<b><u>NOTE - 13</u></b>		
<b><u>Other Current Assets</u></b>		
(a) Prepaid Expenses	4.34	6.84
(b) Balance with Government Authorities	10.56	119.06
(c) Others - Unsecured Considered Good	81.55	109.01
(d) Loans and Advances to Employees	44.13	25.57
<b>TOTAL</b>	<b>140.58</b>	<b>260.48</b>



**ITL INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31<sup>st</sup> 2021**  
**(₹ in Lacs)**

PARTICULARS	2020-2021	2019-2020
<b>NOTE - 14</b>		
<b>Equity Share Capital</b>		
(a) Authorised		
40,00,000 Equity Shares of ₹ 10/- each	400.00	400.00
(Previous Year 40,00,000 Equity Shares of Rs.10/- each)		
(b) Issued, Subscribed & Paid-up		
32,97,300 Equity Shares of ₹ 10/- each	329.73	329.73
(Previous Year 32,97,300 Equity Shares of ₹ 10/- each)		
(c) Paid up Capital		
3204300 Equity Shares of ₹ 10/- each at par	320.43	320.43
<b>TOTAL</b>	<b>320.43</b>	<b>320.43</b>

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

Outstanding at the beginning of the year	3204300	3204300
Issued during the year	0.00	0.00
Bought back/Forfeited during the year	0.00	0.00
Outstanding at the end of the year	3204300	3204300

**(b) Terms/Rights attached to Equity Shares**

- (i) The company has only one class of equity share of ₹ 10/- each. Each holder of equity share is entitled to one vote per share.
- (ii) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- (iii) The company has not bought back any share during the period of last five years.

**(c) Details of shareholders holding more than 5% shares of the company**

Shareholder's Name	2020-2021		2019-2020	
	No. of Shares	% of Holdings	No. of Shares	% of Holdings
Shri Rajendra Jain	369900	11.54%	369900	11.54%
Shri Mahendra Jain	251113	7.84%	251113	7.84%

**d) Shares held by promoters at the end of the year:**

Name of Shareholders	2020-21		2019-20		% Change during the year
	Number	% of Holding	Number	% of Holding	
Rajendra Jain	369900	11.54%	369900	11.54%	0.00%
Mahendra Jain	251113	7.84%	251113	7.84%	0.00%
Rekha Jain	131013	4.09%	131013	4.09%	0.00%
Ravish Jain	94150	2.94%	94150	2.94%	0.00%
Manish Jain	93850	2.93%	93850	2.93%	0.00%
Shekhar Jain	92885	2.90%	92885	2.90%	0.00%
Meena Jain	87251	2.72%	87251	2.72%	0.00%
Prakhar Jain	82601	2.58%	82601	2.58%	0.00%
Manohar Singh jain	75100	2.34%	75100	2.34%	0.00%
Rekha Jain	10000	0.31%	10000	0.31%	0.00%
Renu Bai Doshi	10000	0.31%	10000	0.31%	0.00%
Namrata Jain	5933	0.19%	5933	0.19%	0.00%
Nidhi Jain	5321	0.17%	5321	0.17%	0.00%
Harsh Jain	1000	0.03%	1000	0.03%	0.00%
Remswags Marketing Private Limited	131100	4.09%	131100	4.09%	0.00%
<b>Total</b>	<b>1441217</b>	<b>44.98%</b>	<b>1441217</b>	<b>44.98%</b>	<b>0.00%</b>



**ITL INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31<sup>st</sup> 2021**  
**(₹ in Lacs)**

PARTICULARS	2020-2021	2019-2020
<b>NOTE - 15</b>		
<b>Other Equity</b>		
<b>(a) General Reserve</b>		
Balance as per Previous Year	3600.00	3400.00
Add : Transfer from Profit & Loss Account	500.00	200.00
<b>Closing Balance (a)</b>	<b>4100.00</b>	<b>3600.00</b>
<b>(b) Retained Earnings</b>		
Opening Balance	410.30	162.07
Add : Surplus/ (Deficit) in Statement of Profit & Loss	504.19	467.54
	<b>914.49</b>	<b>629.61</b>
Less : Transferred to General Reserve	500.00	200.00
Less : Proposed Dividend	16.02	16.02
Less : Dividend Distribution Tax	0.00	3.29
<b>Closing Balance (b)</b>	<b>398.47</b>	<b>410.30</b>
<b>(c) Capital Reserve</b>		
Balance as per last Balance Sheet	5.01	5.01
<b>Closing Balance (c)</b>	<b>5.01</b>	<b>5.01</b>
<b>(d) Fair value through comprehensive income</b>		
Balance as per Previous Year	0.00	0.00
Movement during the year	3.37	0.00
<b>Closing Balance (d)</b>	<b>3.37</b>	<b>0.00</b>
<b>TOTAL (a) + (b) + (c) + (d)</b>	<b>4506.85</b>	<b>4015.31</b>

**Nature and purpose of Reserves:**

**General Reserve:** General reserve is referred to as the reserve fund that is created by keeping aside a part of profit earned by the business during the course of an accounting period for fulfilling various business needs like meeting contingencies, offsetting future losses, enhancing the working capital, paying dividends to the shareholders, etc.

**Retained earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, other distributions paid to shareholders.

**Capital Reserve:** The capital reserve is the reserve which is created out of the profits of the company generated from its non-operating activities during a period of time and this is not available for distribution of dividend but can be utilized for issuing bonus shares.

**FVOCI equity instrument:** The fair value changes of the long term investments in securities have been recognised in reserves under FVOCI equity instruments as at the date of transition and subsequently in the other comprehensive income for the year.

(₹ in Lacs)

PARTICULARS	2020-2021	2019-2020
<b>NOTE - 16</b>		
<b>Long Term Borrowings</b>		
Term Loan		
(a) From State Bank of India	237.83	90.19
(Secured by first legal mortgage in respect of Company's fixed assets acquired out of this loan and personal guarantee of Directors. Repayable in quarterly instalments over specified period of loans. Last instalment due in March 2025)		
(b) Vehicle Loans	13.12	24.83
(Against hypothecation of vehicles acquired out of the loan. Repayable in equated monthly instalments over the period of loans)		
<b>TOTAL</b>	<b>250.95</b>	<b>115.02</b>



**ITL INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31<sup>st</sup> 2021**  
**(₹ in Lacs)**

<b>PARTICULARS</b>	<b>2020-2021</b>	<b>2019-2020</b>
<b>NOTE - 17</b>		
<b>Short Term Borrowings</b>		
<b>Secured</b>		
Loans repayable on demand		
(a) From State Bank of India	904.49	1341.82
(Secured by hypothecation by way of charge on inventories both in hand and in transit, book debts, bills & other receivables both present & future and personal guarantee of Directors and first pari passue charge on various industrial plots situated at 111, Sector-B, Sanwer Road Indore -452015)		
(b) Current Maturities of Long Term Loans		
State Bank of India	223.37	40.00
(c) State Bank of India		
(Overdraft against FDR)	6.81	10.15
<b>Unsecured</b>		
From Axis Bank	0.00	39.70
(Siemens Ltd. channel financing loan from Axis Bank)		
<b>TOTAL</b>	<b>1134.67</b>	<b>1431.67</b>

**NOTE - 18****TRADE PAYABLES****(₹ in Lacs)**

<b>PARTICULARS</b>	<b>2020-21</b>	<b>2019-20</b>
(a) Total Outstanding Due to Micro Small and Medium Enterprise*	0.00	0.00
(b) Total Outstanding Due to Creditors other than (a). Above		
- For Purchase of Material	1353.96	1477.45
<b>Total</b>	<b>1353.96</b>	<b>1477.45</b>

\* Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act")

<b>PARTICULARS</b>	<b>2020-21</b>	<b>2019-20</b>
Principal amount due and remain unpaid	0.00	0.00
Interest due on above and remain unpaid	0.00	0.00
Interest paid	0.00	0.00
Payment made beyond appointed day during the year	0.00	0.00
Interest due and payable for the period of delay	0.00	0.00
Interest accrued and remaining unpaid	0.00	0.00
Amount of further interest due and payable in succeeding years	0.00	0.00

The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the financial statements based on the information received and available with the Company.

<b>PARTICULARS</b>	<b>2020-2021</b>	<b>2019-2020</b>
<b>NOTE - 19</b>		
<b>Other Current Financial Liabilities</b>		
(a) Payable to Directors	11.93	38.87
(b) Other Payables	243.27	241.39
(c) Proposed Dividend	16.02	16.02
(d) Unclaimed Dividend	7.52	8.51
<b>TOTAL</b>	<b>278.74</b>	<b>304.79</b>





**ITL INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31<sup>st</sup> 2021**  
**(₹ in Lacs)**

<b>PARTICULARS</b>	<b>2020-2021</b>	<b>2019-2020</b>
<b><u>NOTE - 20</u></b>		
<b><u>Other Current Liabilities</u></b>		
(a) Statutory Liabilities	11.69	23.90
(b) Advance against Supplies	286.97	503.74
<b>TOTAL</b>	<b>298.66</b>	<b>527.63</b>
<b><u>NOTE - 21</u></b>		
<b><u>Provisions</u></b>		
Provision of Gratuity	62.16	55.10
Provision of Bonus	39.33	42.88
<b>TOTAL</b>	<b>101.49</b>	<b>97.98</b>
<b><u>NOTE - 22</u></b>		
<b><u>Current Tax Liabilities (net)</u></b>		
Provision for Income Tax	0.00	150.00
Less : Advance Payment of Income Tax	0.00	141.25
<b>TOTAL</b>	<b>0.00</b>	<b>8.75</b>
<b><u>NOTE - 23</u></b>		
<b><u>Revenue from Operations</u></b>		
Sales (Net of GST)	8847.54	7842.99
Job Work & Commissioning Charges	48.03	82.42
<b>TOTAL</b>	<b>8895.57</b>	<b>7925.41</b>
<b><u>NOTE - 24</u></b>		
<b><u>Other Income</u></b>		
Interest Received	5.82	12.98
Profit on Sales of Fixed Assets	0.19	0.99
Profit on Sales of Investments	0.00	1.43
Export Incentives Received	15.45	56.30
Miscellaneous Income	39.46	26.30
<b>TOTAL</b>	<b>60.92</b>	<b>97.99</b>
<b><u>NOTE - 25</u></b>		
<b><u>Cost of Material Consumed/Sold</u></b>		
Opening Stock	1398.45	1156.53
Add : Purchases	5057.25	5732.94
	<b>6455.69</b>	<b>6889.47</b>
Less : Closing Stock	1196.28	1398.45
<b>TOTAL</b>	<b>5259.42</b>	<b>5491.02</b>
<b><u>NOTE - 26</u></b>		
<b><u>Change in Inventory of Finished Goods, Work In Process and Stock in Trade</u></b>		
Opening Stock		
- Finished Goods	64.39	68.25
- Work In Process	904.45	1222.02
- Stock in Trade	1807.09	1100.63
Less : Closing Stock		
- Finished Goods	108.52	64.39
- Work In Process	644.72	904.45
- Stock in Trade	1041.04	1807.09
<b>TOTAL</b>	<b>981.65</b>	<b>-385.02</b>



**ITL INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31<sup>st</sup> 2021**  
**(₹ in Lacs)**

<b>PARTICULARS</b>	<b>2020-2021</b>	<b>2019-2020</b>
<b>NOTE - 27</b>		
<b>Employee Benefits Expense</b>		
Salary, Wages & Allowances (Including Bonus/Exgratia)	925.82	990.42
Director's Remuneration	85.20	93.00
Welfare Expenses	7.87	13.57
Contribution to E.S.I.C.	6.27	8.61
Contribution to P.F.	30.03	28.05
<b>TOTAL</b>	<b>1055.19</b>	<b>1133.65</b>
<b>NOTE - 28</b>		
<b>Other Expenses</b>		
<b>A. Manufacturing Expenses</b>		
Stores, Spares Parts & Standard Item Consumed		
Opening Stock	0.13	1.31
Add : Purchases	18.62	14.20
	18.75	15.52
Less : Closing Stock	0.31	0.13
Consumed during the Year	18.44	15.39
Component Processing Charges	122.78	119.06
Power Expenses	36.05	37.51
Repair & Maintenance of Plant & Machinery	0.81	1.81
Repair & Maintenance of Building	12.25	16.87
Freight & Cartage Inward	45.89	43.17
Material Shifting & Handling Charges	13.71	15.88
Other Manufacturing Expenses	7.96	20.68
<b>TOTAL (A)</b>	<b>257.89</b>	<b>270.38</b>
<b>B. General &amp; Administrative Expenses</b>		
Rent, Rates & Taxes	81.50	70.60
Charity & Donation	4.87	6.49
Computer Charges	25.62	4.38
Stationery & Printing	5.41	5.58
Telephones & Internet	10.47	14.87
Postage & Courier	2.69	4.33
Travelling & Conveyance	96.14	203.05
Legal & Professional Charges	51.73	57.81
Auditor's Remuneration [Refer note no. 30(6)]	1.65	1.65
Insurance	9.37	4.97
Security Expenses	8.97	7.99
Loss on Sale of Assets	0.73	0.00
Director's Sitting Fees	10.24	9.68
Contribution to P.P.F	6.50	7.44
Bonus / Ex-gratia to Directors	6.50	7.44
Bad Debts	30.06	34.83
Provision of ECL	10.57	0.00
Other Administrative Expenses	35.93	44.55
<b>TOTAL (B)</b>	<b>398.94</b>	<b>485.65</b>



**ITL INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31<sup>ST</sup> 2021**  
**(₹ in Lacs)**

<b>PARTICULARS</b>	<b>2020-2021</b>	<b>2019-2020</b>
<b>C. Selling &amp; Distribution Expenses</b>		
Sales Promotion & Entertainment	12.19	17.92
Freight & Cartage Outward	52.87	74.31
Sales Commission	26.62	32.09
Advertisement & Exhibition	6.77	20.89
Late Delivery Charges	3.03	3.33
After Sales & Services	3.35	5.95
Other Selling Expenses	3.77	1.18
<b>TOTAL (C)</b>	<b>108.60</b>	<b>155.66</b>
<b>GRAND TOTAL (A+B+C)</b>	<b>765.43</b>	<b>911.69</b>
<b>NOTE - 29</b>		
<b>Finance Cost</b>		
Interest on Bank Loan	110.50	124.30
Interest to Others	2.82	3.44
Bank Charges	16.58	17.41
<b>TOTAL</b>	<b>129.89</b>	<b>145.15</b>

**30 ADDITIONAL NOTES ON STANDALONE FINANCIAL STATEMENTS**

1 Notes 1 to 30 referred herein above forms an integral part of these Standalone Ind AS Financial Statements.

**2 (A) CONTINGENT LIABILITIES:****Contingent liability [to the extent not provided for]**

Central Sales Tax, 1956, matter under dispute - ₹ 98.29 Lacs (Previous year – ₹ 98.29 Lacs)

Value Added Tax, matter under dispute- ₹ 9.22 Lacs (Previous year – ₹ 9.22 Lacs )

Disputed Demand of Income tax- ₹ 14.84 Lacs (Previous year – ₹ 13.52 Lacs)

**(B) COMMITMENTS : NIL**

3 There were no such transactions that were not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

4 As per Ind AS 109 the long-term investments held by the company in its subsidiary and associates and in other company are to be carried at cost. Investments of the Company have been considered by the management to be of long-term or short term based on the nature/purpose of the investment.

**5 DEFERRED TAX LIABILITY AS PER IND AS – 12****(₹ in Lacs)**

Particulars	2020-21	2019-20
Difference in Block Value of Fixed Assets as per Income Tax Act and Company Law	430.07	359.18
Fair Value Gain/loss through OCI effect	3.74	0.00
Provision for ECL (DTA)	-10.57	0.00
Less: Deferred Tax Liability effect for unabsorbed losses	-	-
<b>Net deferred tax Liability (a)-(b)</b>	<b>117.08</b>	<b>99.92</b>
Less: Deferred tax Liability already provided in previous years	99.92	105.18
<b>Deferred Tax Liability/ written back for the year</b>	<b>17.16</b>	<b>-5.26</b>

The income tax expense for the year can be reconciled to the accounting profit as follows:

**(₹ in Lacs)**

Particulars	2020-21	2019-20
Profit before tax from continuing operation	629.22	608.61
Income Tax expense calculated @ 27.82% (Previous Year 27.82%)	175.05	169.32
Effect of income that is exempt from taxation	0.00	-0.278
Effect of expenses that are not deductible in determining taxable profits	-10.57	-35.17
Effect of concession (allowances)	0.00	0.00
Adjustments recognized in current year in relation to the current tax of prior years	0.00	0.00
Other temporary differences	-44.48	16.13
<b>Income tax expense recognized in profit or loss (relating to continuing operation)</b>	<b>120.00</b>	<b>150.00</b>

**Provision For Taxation**

Provision for taxation for the year has been made after considering allowance, claims and relief available to the Company (if any).

**6 AUDITOR'S REMUNERATION: (Excluding GST)****(₹ in Lacs)**

Particulars	2020-21	2019-20
Statutory Audit Fees	1.35	1.35
Tax Audit	0.3	0.3
Reimbursement of Expenses	-	-
<b>Total</b>	<b>1.65</b>	<b>1.65</b>

7 In accordance with IND AS-24 the related party disclosure is as under, the information regarding related party have been determined to the extent, such parties have been identified on the basis of information available with the company:

**I. Name of the Related Parties :****A) Subsidiary Company**

M.M. Metals Private Limited

**B) Associate Company**

Luhadiya Sons Shahpura Private Limited

**C) Key Management Personnel**

Shri Rajendra Jain (KMP)

Shri Mahendra Jain (KMP)

Shri Ashok Ajmera (CFO)

Shri Akhilesh Gautam (CS)

**D) Key Management Personnel having Significant**

Influence in:

Remswegs Marketing Private Limited

Indore Tools Private Limited

Fillracks Technologies Private Limited

Dimart Engineering Pvt.Ltd.

**E) Relatives of Key Managerial Personnel:**

Mrs. Bharti Chakraborty

Mr. Ravish Jain

Mr. Prakhar Jain

Mr. Manish Jain

Mr. Shekhar Jain

**Name of related parties:****Directors and KMP**

(₹ in Lacs)

Name of Director	Relationship	Nature of Transaction	Amount	Outstanding Amount
Shri Rajendra Jain	Managing Director	Remuneration	51.15	6.34 (Cr.) [PY 24.43 (Cr.)]
Shri Mahendra Jain	Joint Managing Director	Remuneration	47.06	4.34 (Cr.) [PY 13.07 (Cr.)]

**Relative and enterprises in which Managerial Personnel have significant influence**

(₹ in Lacs)

Name	Relationship	Nature of Payment	Amount	Outstanding Amount
Mrs. Bharti Chakraborty	Director's Wife	Rent	3.60	Nil [PY Nil]
Ravish Jain	Managing Director's Son	Remuneration	20.27	1.11 (Cr.) [PY 2.49 (Cr.)]
Prakhar Jain	Joint Managing Director's Son	Remuneration	20.27	0.98 (Dr.) [PY 0.94 (Cr.)]
Manish Jain	Managing Director's Son	Remuneration	20.27	0.37 (Dr.) [PY 1.72 (Cr.)]
Shekhar Jain	Joint Managing Director's Son	Remuneration	20.27	0.37 (Cr.) [PY 5.61 (Cr.)]
Remswags Marketing Private Limited	JT Director's Wife is director	Purchase (Net)	96.75	46.90 (Dr.) [PY 24.89 (Dr.)]
		Sales (Net)	40.17	
		Warehousing & Facility Charges Paid	0.60	
Indore Tools Private Limited	JT Director's Son is Director	Purchase (Net)	498.98	331.47 (Dr.) [PY 130.39 (Dr.)]
		Warehousing & Facility Charges Paid	2.40	
		Sales (Net)	6.93	
M.M. Metals Private Limited	Subsidiary Company	Sales of Material	2.20	102.30 (Cr.) [PY 15.36 (Cr.)]
		Warehousing & Facility Charges Paid	48.00	
		Purchase (Net)	375.90	
Fillracks Technology Private Limited	JT Director's Son is Director	Purchase (Net)	4.55	0.82 (Cr.) [PY 3.43 (Cr.)]

Note: 1.All the above transactions are on arm's length basis.

**8 BASIC AND DILUTED EPS:**

₹ in Lacs (except EPS)

Particulars	2020-21	2019-20
Net Profit attributable to equity shareholders	504.19	467.54
Number of equity shares issued (basic)	32.04	32.04
Number of equity shares issued (weighted)	32.04	32.04
<b>Basic and Diluted earnings per share</b>	<b>15.74</b>	<b>14.59</b>

- 9 The inventories amounting to ₹2990.87 Lacs have been shown at cost. As per Ind AS 2 - "Valuation of Inventories", inventories should be valued at cost or net realizable value whichever is lower. Such valuation requires technical judgments and consideration of market related factors. The diminution in the valuation thereof, if any, will be accounted for in the year of realization.
- 10 Balance of Trade Receivables, Trade Payables, Trade Deposit, Loans and Advances and others are subject to respective consent, confirmation, reconciliation and consequent adjustment, if any. However, in the opinion of the management these accounts will fetch the amount as stated in the books of accounts on realization in the ordinary course of business.
- 11 There were no dues outstanding for more than 45 days to any micro, small and medium enterprises creditors. The aforesaid information has been arrived at to the extent such communication has been received from the respective parties by the company.
- 12 Additional information as required under part II of schedule III to the companies Act, 2013 is as under:
- Expenditure in foreign currency on account of Raw Material ₹ 369.06 Lacs [Previous Year ₹ 470.22 Lacs]
  - Earning in foreign currency on account of Export of goods on CIF/FOB Basis and advance from customers is ₹ 635.78 Lacs [Previous Year ₹ 835.78 Lacs]
  - Particulars of consumption of Imported and Indigenous Raw Materials:

(₹ in Lacs)

Particulars	2020-21		2019-20	
	Value	% of Total	Value	% of Total
Imported	369.06	7.02%	470.22	8.56%
Indigenous	4890.36	92.98%	5020.80	91.44%
<b>Total</b>	<b>5259.42</b>	<b>100.00%</b>	<b>5491.02</b>	<b>100.00%</b>



**13 Consolidation of Accounts: As per Ind As 110 and 28:**

- (i) The company is under an obligation to make consolidated financial statements covering its subsidiary M.M. Metals Private Limited (CIN no. U02710MP1983PTC002163) (Shareholding 52.55%) and associate Luhadiya Sons Shahpura Private Limited (CIN no. U29100MP2010PTC023272) (Shareholding 30.79%) accordingly the said consolidated audited balance sheet will be separately made.

**14** Previous year's figures have been regrouped / reclassified wherever necessary to confirm to current year's classification.

**15 Research and Development Expenditure Details; (₹ in Lacs)**

Particulars	2020-21	2019-20
Capital expenditure	NIL	2.84
Revenue expenditure	272.38	284.32

**16** The Company has not entered into any derivative and forward contracts for the purpose of hedging foreign exchange exposures and there is no speculative transaction. The outstanding position of the Forex Exposure is as under:

**A) Hedged Exposure (₹ in Lacs)**

Particulars	2020-21		2019-20	
	Forex	INR (in Lacs)	Forex	INR (in Lacs)
Suppliers credit	NIL	NIL	NIL	NIL

**A) Un hedged Exposure: - (₹ in Lacs)**

Particulars	Forex	INR (in Lacs)	Forex	INR (in Lacs)
Suppliers Credit	1500.11 (USD)	1.12	3207 (USD)	2.38
	330000 (JPY)	2.28	1305 (EURO)	1.13
Suppliers Debit	1133.92 (USD)	0.83	0	0
	560.00 (EURO)	0.5	0	0
Customers Debit	66889.50 (USD)	47.37	88488 (USD)	60.06
	0	0	1630 (EURO)	1.29
Customers Credit	12243.65 (USD)	8.86	0	0

**17** In Terms of IND AS 108 Segment Reporting, the company has identified following segments and details are furnished as under: (₹ in Lacs)

S. No.	Particulars	2020-21	2019-20
<b>1</b>	<b>Segment Revenue:</b>		
	Machine Manufacturing	6597.14	5928.94
	Trading Activities	2973.61	2582.86
	<b>TOTAL</b>	<b>9570.75</b>	<b>8511.8</b>
	Less: Inter Segment Revenue	614.26	488.40
	<b>Net Sales</b>	<b>8956.49</b>	<b>8023.4</b>
<b>2</b>	<b>Segment Profit / (Loss) before tax:</b>		
	Machine Manufacturing	616.31	574.81
	Trading Activities	142.81	178.95
	<b>TOTAL</b>	<b>759.12</b>	<b>753.76</b>
	Less: Interest	129.89	145.15
	<b>Net Profit before tax</b>	<b>629.23</b>	<b>608.61</b>
<b>3</b>	<b>Capital Employed: {Seg Assets-Seg Liabilities}</b>		
	Machine Manufacturing	2953.55	2597.88
	Trading Activities	1873.73	1737.86
	<b>TOTAL</b>	<b>4827.28</b>	<b>4335.74</b>

**18** Pursuant to disclosure pertaining to Section 186(4) of the Companies Act, 2013 the following are the details thereof:

a. **Loan given-outstanding as at the year-end:** Nil

b. **Investment Made:**

The investments are classified under respective heads for purposes as mentioned in their object clause.

c. **Guarantee Given and Security Provided:**

During the year the company provided the Guarantee amounting to Rs. 5.08 Lacs [Previous Year ₹3.82 Lacs]

**19 Disclosure Pursuant to Regulation 53(F) of the SEBI (LODR) Regulation 2015**

a. Loans and advances in the nature of loan to subsidiary - Nil

b. Loans and Advances in the nature of loan to Associates, Related Party and Parties where directors are interested: Nil

c. (i) None of the Parties to whom loans were given have made investment in the shares of the Company

(ii) The above advances fall under the category of loans, which are repayable on demand and interest has been charged on it.

**20 Corporate Social Responsibility**

The expenditure incurred on corporate social responsibility (CSR) as per Companies Act, 2013 is as under:

Particulars	(₹ in Lacs)	
	2020-2021	2019-2020
(i) Gross amount required to be spent by the company during the year	13.86	13.02
(ii) Amount of expenditure incurred	4.71	6.46
(iii) Shortfall at the end of the year	9.15	6.56
(iv) Total of previous years shortfall	10.9	4.34
(v) Reasons for shortfall The Company was looking the CSR projects in identifiable areas		
(vi) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard:	NIL	NIL
(vii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	NIL	NIL

Particulars	2020-2021	2019-2020
(i) Gross amount required to be spent by the company during the year.	13.86	13.02
(ii) Amount spent during the year on:		
- Development of Blood Bank		
- Promoting health care, Education and Social Transformation	4.71	2.95
- Funding of an existing eye hospital (Shankar Natralaya)		3.00
- Promotion of Swach Bharat Campaign		0.51
<b>TOTAL</b>	<b>4.71</b>	<b>6.46</b>

**21 Financial Risk Management Objective and Policies:**

The Company's risk management activities are subject to the management direction and control under the framework of Risk Management Policy as approved by the Board of Directors of the Company. The Management ensures appropriate risk governance framework for the Company through appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

**a) Market Risk**

Market risk is the risk that future earnings and fair value of future cash flows of a financial instrument may fluctuate because of changes in market price. Market risk comprises of currency risk and interest risk.

**i) Interest Risk**

The Company is exposed to changes in interest rates due to its financing, investing and cash management activities. The risks arising from interest rate movements arise from borrowings with variable interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The Company's risk management activities are subject to the management, direction and control of Central Treasury Team of the ITL Group under the framework of Risk Management Policy for interest rate risk. The Group's Central Treasury Team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

The Company's exposure to the risk of changes in market interest rates relates primarily to the borrowing from banks. Currently company is not using any mitigating factor to cover the interest rate risk.

Particulars	(₹ in Lacs)	
	2020-21	2019-20
Interest Rate Risk exposure	0	0
Borrowing from banks	1385.63	1506.69



### Interest rate sensitivity

The sensitivity analysis below have been determined based on exposure to interest rates for borrowing at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of Borrowings. If the interest rates had been 1% higher or lower and all the other variables were held constant, the effect on Interest expense for the respective financial years and consequent effect on companies profit in that financial year would have been as below:

(₹ in Lacs)

Particulars	2020-21	2019-20
Impact on Profit or Loss for the year decrease	13.86	15.07
Impact on Profit or Loss for the year increase	13.86	15.07

### ii) Foreign currency Exchange risk

Since the Company operates internationally and portion of the business transacted are carried out in more than one currency, it is exposed to currency risks through its transactions in foreign currency or where assets or liabilities are denominated in currency other than functional currency.

The company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies including the use of derivatives like foreign exchange forward and option contracts to hedge exposure to foreign currency risks.

Following table analysis foreign currency assets and liabilities on balance sheet date.

(₹ in Lacs)

Particulars	2020-21	2019-20
Payable in Foreign Currency	3.39	3.51
Receivable in Foreign Currency	47.37	61.35

### Sensitivity to foreign currency risk

The following table demonstrates the sensitivity in the various currencies if the currency rate is increased/(decreased) by 1% with all other variables held constant. The below impact on the Company's profit before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date:

(₹ in Lacs)

Currency	Sensitivity Analysis			
	2020-21		2019-20	
	USD/EURO/JPY	USD/EURO/JPY	USD/EURO/JPY	USD/EURO/JPY
	Increase	Decrease	Increase	Decrease
Sensitivity to foreign currency risk (USD)	550.12	550.12	916.95	916.95
Sensitivity to foreign currency risk (EURO)	5.6	5.6	29.35	29.35
Sensitivity to foreign currency risk (JPY)	3300	3300	0	0

### b) Credit risk

Credit risk refers to the risk that a counterparty or customer will default on its contractual obligations resulting in a loss to the Company. Financial instruments that are subject to credit risk principally consist of Loans, Trade and Other Receivables, Cash & Cash Equivalents, Investments and Other Financial Assets. The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of counter parties on continuous basis with appropriate approval mechanism for sanction of credit limits. Credit risk from balances with banks, financial institutions and investments is managed by the Company's treasury team in accordance with the Company's risk management policy. Cash and cash equivalents and Bank Deposits are placed with banks having good reputation, good past track record and high quality credit rating.

Since the Company has a fairly diversified portfolio of receivables in terms of spread, no concentration risk is foreseen.

### Trade and other receivables

To Manage trade and other receivables, the company periodically assesses the financial reliability of customers, taking in to account the financial conditions, economic trends, analysis to historical bad debts and ageing of such receivables.

The ageing analysis of the trade receivables has been considered from the date the invoice falls due

(₹ in Lacs)

Particulars	2020-21	2019-20
Up to 6 Months	1519.37	735.41
More than 6 Months	595.40	1079.61
<b>TOTAL</b>	<b>2114.77</b>	<b>1815.02</b>



The following table summarizes the change in the loss allowances measured using expected credit loss

(₹ in Lacs)	
Particulars	Amount
Balance as at 1 <sup>st</sup> April, 2020	0.00
Bad Debts Written off during the year	30.06
Provided during the year	10.57
Balance as at 31 <sup>st</sup> March, 2021	10.57

#### Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counter-parties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties apart from those already given in financials, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

#### c) Liquidity risk

Liquidity risk refers the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities. The Company's objective is to provide financial resources to meet its obligations when they are due in a timely, cost effective and reliable manner without incurring unacceptable losses or risking damage to the Company's reputation. The Company monitors liquidity risk using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations.

The tables below provide details regarding contractual maturities of significant liabilities as at the end of each year end presented.

Particulars	Less than 1 Year	1 to 5 Years	>5 Years	Totals
<b>As at 31<sup>st</sup> March, 2021</b>				
Long term borrowings	0	250.95	0	250.95
Short term borrowings	1134.67	0	0	1134.67
Trade payables	1353.96	0	0	1353.96
Other financial liabilities	278.74	0	0	278.74
<b>Total</b>	<b>2767.37</b>	<b>250.95</b>	<b>0</b>	<b>3018.32</b>
<b>As at 31<sup>st</sup> March, 2020</b>				
Long term borrowings	0	115.02	0	115.02
Short term borrowings	1431.67	0	0	1431.67
Trade payables	1477.45	0	0	1477.45
Other financial liabilities	304.79	0	0	304.79
<b>Total</b>	<b>3213.91</b>	<b>115.02</b>	<b>0</b>	<b>3328.93</b>

#### d) Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31<sup>st</sup> March, 2021 and 31<sup>st</sup> March, 2020.

The Company monitors capital using gearing ratio, which is net debt (borrowings less cash and bank balances) divided by total equity plus net debt.

Gearing Ratio:

(₹ in Lacs)		
Particulars	2020-21	2019-20
Debt	1385.62	1546.69
Cash and Cash Equivalent	2.50	35.30
Adjusted Net Debt	1383.12	1511.39
Total Equity	4827.28	4335.74
Net Debt to Equity Ratio	0.29	0.35

Financial Instruments by Category and fair value hierarchy:

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values.



The fair values of the financial assets and financial liabilities included in the level 2 and level 3 categories have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

(₹ in Lacs)

As at 31 <sup>st</sup> March, 2021	Fair Value Management			Fair Value Hierarchy		
	FVTPL	FVOCI	Amortised Cost	Level-1	Level-2	Level-3
<b>Financial assets</b>						
Investments	0	22.33	806.85	22.33	0	0
Cash and cash equivalent	0	0	2.5	0	0	0
Bank balances other than cash and cash equivalent	0	0	95.11	0	0	0
Trade Receivables	0	0	2104.2	0	0	0
Other financial assets	0	0	947.61	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>22.33</b>	<b>3956.27</b>	<b>22.33</b>	<b>0</b>	<b>0</b>
<b>Financial liabilities</b>						
Borrowings	0	0	1385.63	0	0	0
Trade Payables	0	0	1353.96	0	0	0
Other financial liability	0	0	278.74	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>3018.33</b>	<b>0</b>	<b>0</b>	<b>0</b>

As at 31 <sup>st</sup> March, 2020	Fair Value Management			Fair Value Hierarchy		
	FVTPL	FVOCI	Amortised Cost	Level-1	Level-2	Level-3
<b>Financial assets</b>						
Investments	0	0	77.60	0	0	0
Cash and cash equivalent	0	0	35.3	0	0	0
Bank balances other than cash and cash equivalent	0	0	121.44	0	0	0
Trade Receivables	0	0	1815.02	0	0	0
Other financial assets	0	0	608.25	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>2657.61</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Financial liabilities</b>						
Borrowings	0	0	1546.69	0	0	0
Trade Payables	0	0	1477.45	0	0	0
Other financial liability	0	0	304.79	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>3328.93</b>	<b>0</b>	<b>0</b>	<b>0</b>

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the Ind AS. An explanation for each level is given below.

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

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

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

### 23 Financial Ratios:

Particulars	2020-2021	2019-2020	Variance	Reasons for variance
Current Ratio	2.03	1.76	15.34%	-
Debt-Equity Ratio	0.29	0.36	-19.44%	-
Debt Service Coverage Ratio	5.56	4.76	16.81%	-
Return on Equity Ratio	0.10	0.11	-3.14%	-
Inventory turnover ratio	1.74	1.32	31.75%	Better control on purchase of goods, Liquidating of surplus inventory
Trade Receivables turnover ratio	4.54	3.85	17.98%	-
Trade payables turnover ratio	3.57	2.78	28.34%	Better control on purchase of goods, Faster payment to supplier
Net capital turnover ratio	184.28%	182.79%	0.81%	-
Net profit ratio	5.67%	5.90%	-3.92%	-
Return on Capital employed	14.24%	16.11%	-11.59%	-
Return on investment	15.32%	16.90%	-9.35%	-



**24 Estimation of uncertainties relating to the global health pandemic from COVID-19:**

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these financial statements including the recoverability of carrying amounts of financial and non financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information that the carrying amount of these assets will be recovered.

**25 Registration of charges or satisfaction with Registrar of Companies (ROC):**

During the year, the charges or satisfaction which were to be registered with ROC have been done within the statutory period.

**26** The Company has borrowings from banks or financial institutions on the basis of security of current assets with respect to which; the quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.**27 Events after reporting date**

There is no event which occurred after the Balance Sheet Date

**28** According to Ind AS - 7 the desired Cash flow statement is enclosed herewith.**29** Figures are rounded off to the nearest multiple of ` (Rupee).

**Rajendra Jain**  
Managing Director  
DIN : 00256515

**Mahendra Jain**  
Joint Managing Director  
DIN : 00256047

As per report of even date attached  
**STATUTORY AUDITORS**  
**FOR MAHENDRA BADJATYA & CO.**  
**CHARTERED ACCOUNTANTS**  
ICAI FRN 001457C

**Ashok Ajmera**  
Chief Financial Officer

**Akhilesh Gautam**  
Company Secretary  
FCS : 8592

**CA NIRDESH BADJATYA**  
**PARTNER**  
ICAI MNO 420388  
ICAI UDIN: 21420388AAAAIE1520

**Place : Indore**  
**Date : 10/06/2021**

**DIRECTORS REPORT**

Dear Members,

Your Directors are Pleased to present the 9<sup>th</sup> Annual Report and the Company's Audited financial statements for the Financial Year ended March 31, 2021.

**1. FINANCIAL RESULTS**

The Company's financial performance, for the year ended March 31<sup>st</sup>, 2021 is Summarized Below:

(₹ in Lacs)

Particulars	2020-21	2019-20
<b>GROSS TURNOVER</b>	<b>426.46</b>	<b>154.63</b>
<b>PROFIT BEFORE TAX</b>	<b>1.89</b>	<b>7.20</b>
Less: Current Tax	0	0
Less : Earlier Year Income Tax	0	(0.02)
Less/Add: Deferred Tax Written Back	9.93	61.71
<b>LOSS/PROFIT FOR THE YEAR</b>	<b>(8.04)</b>	<b>(54.49)</b>
Add: : Balance Brought Forward In Profit & Loss Account	(48.94)	5.55
<b>BALANCE CARRIED TO BALANCE SHEET</b>	<b>(56.98)</b>	<b>(48.94)</b>

**2. RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS**

During the year the company has achieved a turnover of ₹ 426.46 Lacs as against a turnover of ₹ 154.63 Lacs registering an increase of 175.79% from the previous year.

**3. DIVIDEND**

The Company has not declared any dividend during the year.

**4. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The company has no Associate and Joint Ventures. The company is a Subsidiary of ITL Industries Ltd with 52.55% Share Holding.

**5. DIRECTORS RESPONSIBILITY STATEMENT**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departure;
- The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year;
- The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The directors had prepared the annual accounts on a going concern basis; and
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**6. AUDITOR AND AUDITORS REPORT**

M/s. Mahendra Badjatya & Co, (ICAI FRN 001457C) Chartered Accountants, Statutory Auditors of the Company, continue to hold their office till the Financial Year 2023-24.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

**7. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The Provisions of Section 135 of the Companies Act, 2013 read with rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is not applicable to the company.

**8. RISK MANAGEMENT**

The company does not have any risk other than normal business risk therefore there is no any written risk management policy so far adopted by the company.

**9. DIRECTORS**

During the year, there is no change in the constitution of board of directors of the company.

**10. INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operations were observed.

**11. DISCLOSURE U/S 134 (3)**

Pursuant to the provisions of sec 134 (3) read with Companies (Accounts) Rules, 2014. The required information's & disclosures, to the extent applicable to the company are as under:

- The Extracts of Annual Return as per Form no MGT-9 is annexed herewith as Annexure – A.
- The company has not accepted any deposit from public within the meaning of section 73 of the Companies Act, 2013.
- During the year 5 Board meetings were held.
- The particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 in the Form AOC-2 is enclosed herewith as per Annexure – B.
- Statement of Conservation of energy, technology absorption and foreign exchange earnings and outgo is not applicable to the company.

**12. MATERIAL CHANGES**

There are no material changes affecting the financial position of the company which occurred between the end of the financial year of the company to which the financial statements relate and the date of this report.

**13. ACKNOWLEDGEMENT**

The Board of Directors places its sincere gratitude for the assistance and co-operation received from its directors.

Registered Office:

PLOT NO.103-B, SANWER ROAD

CIN- U02710MP1983PTC002163

INDORE – 452003 (M.P.)

By and on behalf of the Board

Meena Jain  
(DIN00256341)

Manish Jain  
(DIN00444115)

PLACE: INDORE

DATE: 10/06/2021

**ANNEXURE –A TO THE DIRECTORS REPORT****Form No. MGT-9****EXTRACT OF ANNUAL RETURN****AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2021****[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]****I. REGISTRATION AND OTHER DETAILS:**

(i) CIN	U02710MP1983PTC002163
(ii) Registration Date	11/04/1983
(iii) Name of the Company	M.M. METALS PRIVATE LIMITED
(iv) Category/Sub-category of the Company	Company Limited By Shares/ Indian Non-Government Company
(v) Address of the Registered office & contact details	PLOT NO.103-B SANWER ROAD INDORE MP452003 IN Mobile No :- 09300055681 Email ID:- cs@itl.co.in
(vi) Whether listed company	No
(vii) Name, Address & contact details of the Registrar & Transfer Agent, if any.	NA

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

S.No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacturing of Machine, machine parts, cutting tools, etc.	2822	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES – ITL Industries Ltd (Holding Company)****IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY):****i) Category-wise Shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year as on 1/04/2020				No. of Shares held at the end of the year as on 31/03/2021				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A) Promoters Shareholding	27520	0	27520	47.45	27520	0	27520	47.45	0
B) Bodies Corporate	30480	0	30480	52.55	30480	0	30480	52.55	0
C) Any Other 0	0	0	0	0	0	0	0	0	
<b>Grand Total (A+B+C)</b>	<b>58000</b>	<b>0</b>	<b>58000</b>	<b>100%</b>	<b>58000</b>	<b>0</b>	<b>58000</b>	<b>100%</b>	<b>0</b>

**ii) Shareholding of Promoters**

S.No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year Increase/ (Decrease)
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Meena Jain	1250	2.15%	0	1250	2.15%	0	0
2	Manish Jain	2880	4.97%	0	2880	4.97%	0	0
3	ITL Industries Ltd.	12480	52.55%	0	30480	52.55%	0	0
4	Ravish Jain	2880	4.97%	0	2880	4.97%	0	0
5	Prakhar Jain	2255	3.89%	0	2255	3.89%	0	0
6	Shekhar Jain	2255	3.89%	0	2255	3.89%	0	0
7	Rajendra Jain	8000	13.79%	0	8000	13.79%	0	0
8	Mahendra Jain	8000	13.79%	0	8000	13.79%	0	0
	<b>Total</b>	<b>58000</b>	<b>100%</b>	<b>0</b>	<b>58000</b>	<b>100%</b>	<b>0</b>	<b>0</b>

iii) Change in Promoters' Shareholding (Please specify, if there is no change) – No Change

iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs): NIL

v) Shareholding of Directors and Key Managerial Personnel:

S. No		Shareholding at the beginning of the year (01/04/2020)		Changes during the year				Shareholding at the end of the year (31/03/2021)	
		No of Shares	% of total Shares of the Company	Date	Increase (No of Shares)	Decrease (No of Shares)	Reason	No of Shares	% of total Shares of the Company
1	Meena Jain	1250	2.15%	0	0	0	-	1250	2.15%
2	Manish Jain	2880	4.97%	0	0	0		2880	4.97%
	<b>Total</b>	<b>4130</b>	<b>7.12%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>4130</b>	<b>7.12%</b>

## V. INDEBTEDNESS

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

(₹ in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>			
i) Principal Amount	362.46	0.00	362.46
ii) Interest due but not paid	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>362.46</b>	<b>0.00</b>	<b>362.46</b>
<b>Change in Indebtedness during the financial year</b>			
Addition	71.00	0.00	71.00
Reduction	47.23	0.00	47.23
<b>Net Change</b>	<b>23.77</b>	<b>0.00</b>	<b>23.77</b>
<b>Indebtedness at the end of the financial year</b>			
i) Principal Amount	386.23	0.00	386.23
ii) Interest due but not paid	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>386.23</b>	<b>0.00</b>	<b>386.23</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

- A. Remuneration to Managing Director, Whole-time Directors and/or Manager: NIL  
 B. Remuneration to other directors: NIL  
 C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD: NIL

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

During the year there were no Penalties/Punishments/Compounding of offences levied/ordered against the Company or any of its Directors/Officers.

### Registered Office:

PLOT NO.103-B, SANWER ROAD  
 CIN- U02710MP1983PTC002163  
 INDORE – 452003 (M.P.)

By and on behalf of the Board

Meena Jain  
 (DIN00256341)

Manish Jain  
 (DIN00444115)

PLACE: INDORE

DATE: 10/06/2021



**Annexure – B**  
**FORM NO. AOC -2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at Arm's length basis.**

SL. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	
2	Nature of contracts/arrangements/transaction	
3	Duration of the contracts/arrangements/transaction	
4	Salient terms of the contracts or arrangements or transaction including the value, if any	
5	Justification for entering into such contracts or arrangements or transactions'	
6	Date of approval by the Board	
7	Amount paid as advances, if any	
8	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

**2. Details of contracts or arrangements or transactions at Arm's length basis.**

Sr. No.	Name(s) of the Related party and nature of relationship (a)	Duration of the contracts/ arrangements/ Transactions (c)	Nature of Contracts/ arrangements/ transactions (b)	Salient terms of the contracts or arrangements or transactions including the value, if any (d)	Date(s) of approval by the Board, if any (e)	Amount paid as advances, if any (f)
1	ITL Industries Ltd (Holding Company)	-	Purchases	₹2.20 Lakhs	-	-
		-	Warehousing & Facility Charges Recieved	₹48.00 Lakhs	-	-
		-	Sales	369.89 Lakhs	-	-
		-	Job work charges	6.00 Lakhs	-	-

**Registered Office:**

PLOT NO.103-B, SANWER ROAD  
CIN- U02710MP1983PTC002163  
INDORE – 452003 (M.P.)

**By and on behalf of the Board**

**Meena Jain**  
(DIN00256341)

**Manish Jain**  
(DIN00444115)

**PLACE: INDORE**

**DATE: 10/06/2021**



## INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF  
M.M. METALS PRIVATE LIMITED**
**Report on the Audit of the Financial Statements**
**OPINION**

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

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

**BASIS FOR OPINION**

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and Rules there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**EMPHASIS OF MATTERS**

The Operations of the Company during the year ended 31<sup>st</sup> March 2021 were marginally affected due to Lockdown announced by the Central / State Governments during the year in phased manner, due to the outbreak of Novel Coronavirus COVID19.

Considering the restrictions in physical movement and visits to the company offices, the Company has given us access to their computer/ERP System. We were able to access the relevant data & records for our Audit purpose. Further the company has provided all other data / information / records as required by us using e-data/e-mail sharing modes. We also had continuous communication with the Audit Team & Management of the Company using various modes such as Audio/Video Conferencing, etc.

Due to the phase wise Lockdown imposed by Central / State Governments and the resulting travel restrictions, it was not possible for us to physically visit the Company on a regular basis and carry out the audit function. We have carried out the Audit Process using various techniques of Online Auditing. We have verified the records / documents / statements received by us through electronic media. We have also received Management Representation Letters wherever necessary. Using such techniques and relying on the inputs provided by the management, we have ensured reasonable assurance that the information / record / statements provided to us are free from material misstatement and adhere to the relevant standards.

We have carried out the Audit Process subject to our disclosures as mentioned above. The audit evidence obtained by us is adequate to express our audit opinion. While expressing our audit opinion, we have also relied upon certifications by the management or certifications by other independent auditors, wherever required.

**KEY AUDIT MATTERS**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Principal Audit Procedures/ Auditor's Response:
1.	<b>Appropriateness of Current / Non-current classification</b>	For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of business and the time between the acquisition of assets or inventories for Sales processing and their realisation in cash and cash equivalents.  The classification of assets and liabilities has been done based on documentary evidence. Where conclusive evidence is not available, the classification has been done based on management's best estimate of the period in which the assets would be realised, or the liabilities would be settled. We have evaluated the reasonability of the management's estimates.

**INFORMATION OTHER THAN THE 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 Board's Report including Annexure to Board's Report and management compliance certificate but does not include the Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained 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.

**RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS**

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 boards of directors are responsible for overseeing the Company's financial reporting process.

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, based on our audit, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statements of Profit and Loss including Other Comprehensive Income, Statements of Changes in Equity and the Cash Flow Statements dealt with by this report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. Based on the written representations received from the directors as on 31<sup>st</sup> March 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. Since the Company is a small company hence, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company (if any) to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact, if any, of pending litigations as of 31<sup>st</sup> March 2021 on its financial position in its 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 during the year ended 31<sup>st</sup> March 2021.
    - (iv) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (if any);  
(ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts (Note no. 4 of the SFS), no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (if any); and  
(iii) Based on such audit procedures that we (the auditors of the company) have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatements.
    - (v) The dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013 (if any).
    - (vi) As per the Notification dated 24/03/2021 regarding the use of accounting software for maintaining the books of account which has a feature of recording audit trail (edit log) facility and whether the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention has been deferred till 01/04/2022 vide notification dated 01/04/2021.

**Statutory Auditors**  
**FOR: MAHENDRA BADJATYA & CO**  
**CHARTERED ACCOUNTANTS**  
**ICAI FRN 001457C**

**CA NIRDESH BADJATYA**  
**PARTNER**

**ICAI MNO 420388**

**ICAI UDIN: 21420388AAAAIG3301**

**PLACE: INDORE**  
**DATE: 10.06.2021**



**Annexure – “A” to the Independent Auditor’s Report**

**[Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ in the Independent Auditor’s Report of even date to the members of M.M. METALS PRIVATE LIMITED on the financial statements for the year ended 31<sup>st</sup> March 2021]**

The Annexure required under CARO, 2020 referred to in our Report to the members of **M.M. METALS PVT LTD.** (“the Company”) for the year ended 31<sup>st</sup> March 2021, and according to information and explanations given to us, we report as under:

- i. a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The company does not have any intangible assets; Accordingly, the provisions of clause 3(i)(a)(B) of the Order is not applicable.
- b) These Property, Plant and Equipment have been physically verified by the management at reasonable intervals and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
- c) The title deeds of all the immovable properties (other than properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
- d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the Provision of Clause 3(i)(d) of the order is not applicable to the company.
- e) The company does not have any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under, Accordingly, the provisions of clause 3(i)(e) of the Order is not applicable.
- ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the management and, in our opinion, the coverage and procedure of such verification by the management is appropriate; No discrepancies of 10% or more in the aggregate for each class of inventory were noticed and they have been properly dealt with in the books of account.
- (b) During any point of time of the year, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets, Accordingly, the provisions of clause 3(ii)(b) of the Order is not applicable.
- iii. During the year the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, and,
  - (a) During the year the company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity and,
    - (A) The Company has, no subsidiaries, joint ventures and associates to whom loans or advances and guarantees or security given; Accordingly, the provisions of clause 3(iii)(a)(A) of the Order is not applicable.
    - (B) The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates are as under: -

Type of Borrower	As on March 31 <sup>st</sup> 2021		As on March 31 <sup>st</sup> 2020	
	Aggregate amount during the year	Balance outstanding at the balance sheet date	Aggregate amount during the year	Balance outstanding at the balance sheet date
<b>Others</b>	0	0	0	0

- (b) During the year, the company has not granted any loans and advances investments made, guarantees provided, security given. Accordingly, the provisions of clause 3(iii)(b) of the Order is not applicable.
- (c) During the year, the company has not granted any loans and advances in the nature of loans, the schedule of repayment of the principal and payment of interest has not been stipulated. Accordingly, the provisions of clause 3(iii)(c) of the Order is not applicable.
- (d) During the year, the company has not granted any loans and advances in the nature of loans. Accordingly, the provisions of clause 3(iii)(d) of the order in respect of any stipulation as to repayment is not applicable.
- (e) During the year the company has not granted any loans and advances in the nature of loans, granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties, Accordingly, the provisions of clause 3(iii)(e) of the order in is not applicable.
- (f) During the year the company has not granted any loans and advances to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013; in the nature of loans either repayable on demand or without specifying any terms or period of repayment, Accordingly, the provisions of clause 3(iii)(f) of the order is not applicable.
- iv. During the year, the company has not granted any loans and advances investments made, guarantees provided, security given which attracts the provisions of sections 185 and 186 of the Companies Act. Accordingly, the provisions of clause 3(iv) of the order is not applicable.
- v. In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order is not applicable.
- vi. As informed to us, the Central Government has not prescribed maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 in respect of the business of the company. Accordingly, the provisions of clause 3(vi) of the Order is not applicable.
- vii. a. The company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.
- b. According to the information and explanation given to us, there are no dues of Income Tax, Duty of Customs, Goods and Service Tax, and any other statutory dues which have not been deposited on account of any dispute.

- viii. There were no transactions, not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), Accordingly, the provisions of clause 3(viii) of the Order is not applicable.
- ix. a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender, Accordingly, the provisions of clause 3(ix)(a) of the Order is not applicable.
- b) The company is not declared willful defaulter by any bank or financial institution or other lender, Accordingly, the provisions of clause 3(ix)(b) of the Order is not applicable.
- c) The company has taken the term loans during the year and were applied for the purpose for which the loans were obtained, Accordingly, the provisions of clause 3(ix)(c) of the Order is not applicable.
- d) The company has not raised any funds on short term basis which have been utilized for long term purposes, Accordingly, the provisions of clause 3(ix)(d) of the Order is not applicable.
- e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures as the company has none of them, Accordingly, the provisions of clause 3(ix)(e) of the Order is not applicable.
- f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies as the company has none of them, Accordingly, the provisions of clause 3(ix)(f) of the Order is not applicable.
- x. a) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order is not applicable.
- b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year. Accordingly, the provisions of clause 3(x)(b) of the Order is not applicable.
- xi. a) No fraud by the company or any fraud on the company has been noticed or reported during the year covered by our audit. Accordingly, the provisions of clause 3(xi)(a) of the Order is not applicable.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the provisions of clause 3(xi)(b) of the Order is not applicable.
- c) There were no whistle-blower complaints received during the year by the company. Accordingly, the provisions of clause 3(xi)(c) of the Order is not applicable.
- xii. In our opinion, the Company is not a Nidhi Company; Accordingly, the provisions of clause 3(xii) of the Order is not applicable.
- xiii. In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Indian accounting standard.
- xiv. a) The company has no internal audit system commensurate with the size and nature of its business. Accordingly, the provisions of clause 3(xiv) of the Order is not applicable.
- b) No reports of the Internal Auditors for the period under audit were considered by the statutory auditor as the same is not applicable to the company.
- xv. In our opinion, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, the provisions of clause 3(xv) of the Order is not applicable.
- xvi. (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, the provisions of clause 3(xvi)(a) of the Order is not applicable.
- b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi)(b) of the Order is not applicable.
- c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of clause 3(xvi)(c) of the Order is not applicable.
- d) The Group does not have any CIC as part of the Group. Accordingly, the provisions of clause 3(xvi)(d) of the Order is not applicable.
- xvii. The company has not incurred cash losses in the financial year and in the immediately preceding financial year. Accordingly, the provisions of clause 3(xvii) of the Order is not applicable.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the provisions of clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we (the auditor) are of the opinion that no material uncertainty exists as on the date of the audit report and that the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx. The provisions of Section 135 are not applicable to the company. Accordingly, the provisions of clause 3(xx) of the Order is not applicable.
- xxi. There have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements as the company has not performed any consolidation. Accordingly, the provisions of clause 3(xxi) of the Order is not applicable.

**Statutory Auditors**  
**FOR: MAHENDRA BADJATYA & CO**  
**CHARTERED ACCOUNTANTS**  
**ICAI FRN 001457C**

**CA NIRDESH BADJATYA**  
**PARTNER**  
**ICAI MNO 420388**





**M.M. METALS PRIVATE LIMITED**  
**BALANCE SHEET AS AT 31 MARCH 2021**

(₹ in Lacs)

PARTICULARS	Note No.	2020-2021	2019-2020
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property Plant and Equipment	2	741.37	764.90
Financial Assets:			
(i) Other Non Current Financial Assets	3	0.67	0.67
Other Non-Current Assets	4	0.00	7.87
		<b>742.04</b>	<b>773.45</b>
<b>CURRENT ASSETS</b>			
Inventory		12.64	1.86
Financial Assets:			
(i) Trade Receivables	5	102.65	15.71
(ii) Cash and Cash Equivalents	6	0.12	0.32
Other Current Assets	7	54.39	42.91
		<b>169.80</b>	<b>60.80</b>
		<b>911.84</b>	<b>834.25</b>
<b>TOTAL ASSETS</b>			
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	8	58.00	58.00
Preference Share Capital	9	23.00	23.00
Other Equity	10	34.70	42.74
		<b>115.70</b>	<b>123.74</b>
<b>NON CURRENT LIABILITIES</b>			
Financial Liabilities			
(i) Borrowings	11	285.54	312.77
(ii) Other Non Current Financial Liabilities	12	218.00	218.00
Deferred Tax Liabilities (Net)		78.14	68.21
		<b>581.68</b>	<b>598.98</b>
<b>CURRENT LIABILITIES</b>			
Financial Liabilities:			
(i) Borrowings	13	100.69	49.69
(ii) Trade Payables	14	0.00	0.00
(i) total outstanding dues of micro enterprises and small enterprises		106.23	59.35
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		7.30	2.37
(iii) Other Current Financial Liabilities	15	0.24	0.12
Other Current Liabilities	16		
		<b>214.46</b>	<b>111.53</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>911.84</b>	<b>834.25</b>

See accompanying Additional Notes to the Financial Statements

23

For and on Behalf of the Board

**Manish Jain**  
**Director**  
**DIN 00444115**

**Meena Jain**  
**Director**  
**DIN 00256341**

**Place:- Indore**  
**Date: 10.06.2021**

As per our report of even date attached  
Statutory Auditors  
**Mahendra Badjatya & Co**  
**Chartered Accountants**  
**ICAI FRN 001457C**

**CA Nirdesh Badjatya**  
**Partner**  
**ICAI MNO 420388**  
**ICAI UDIN: 21420388AAAAIG3301**



## M.M. METALS PRIVATE LIMITED

## STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED 31 MARCH 2021

₹ in Lacs(Except EPS)

PARTICULARS	Note No.	2020-2021	2019-2020
<b>Income</b>			
Revenue From Operations	17	426.40	154.59
Other Income	18	0.05	0.04
<b>Total Income</b>		<b>426.45</b>	<b>154.63</b>
<b>Expenses</b>			
Cost of Material Consumed	19	349.34	116.74
Finance Cost	20	32.92	7.07
Employee Benefit Expenses	21	4.66	1.90
Other Expenses	22	6.23	5.47
Depreciation & Amortization	2	31.41	16.25
<b>Total Expenses</b>		<b>424.56</b>	<b>147.43</b>
<b>Profit before Exceptional Item &amp; Tax</b>		<b>1.89</b>	<b>7.20</b>
Tax Expenses:			
(i) Current Tax		0.00	0.00
(ii) Deferred Tax Liability		9.93	61.72
(iii) Net Tax Adjustment of earlier year		0.00	-0.02
<b>Profit for the Period</b>		<b>-8.04</b>	<b>-54.49</b>
Other Comprehensive Income		0.00	0.00
<b>Total Comprehensive Income for the Period</b>		<b>-8.04</b>	<b>-54.49</b>
Earning per equity share:			
(i) Basic (₹)		-13.86	-93.95
(ii) Diluted (₹)		-13.86	-93.95

See accompanying Additional Notes to the Financial Statements 23

For and on Behalf of the Board

Manish Jain  
Director  
DIN 00444115

Meena Jain  
Director  
DIN 00256341

Place:- Indore  
Date: 10.06.2021

As per our report of even date attached  
Statutory Auditors  
Mahendra Badjatya & Co  
Chartered Accountants  
ICAI FRN 001457C

CA Nirdesh Badjatya  
Partner  
ICAI MNO 420388  
ICAI UDIN: 21420388AAAAIG3301

**M.M. METALS PRIVATE LIMITED**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED ON 31<sup>st</sup> MARCH, 2021**

(₹ in Lacs)

PARTICULARS	2020-2021	2019-2020
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax and Extraordinary Items	1.89	7.20
<b>Adjustment for :</b>		
Depreciation	31.41	16.25
Operating profit before working capital changes	<b>33.30</b>	<b>23.45</b>
<b>Adjustment for working Capital:</b>		
Increase in Inventory	-10.78	-1.86
Increase in Current Liabilities	0.12	0.43
Increase in Other Current Financial Liabilities	4.93	0.00
Increase in Trade Payables	46.88	59.02
Increase in Other Current Assets	-11.48	-21.30
Increase in Trade Receivable	-86.94	-93.03
Preoperative Expenses	7.87	2.62
<b>Cash generated from Operations before Extraordinary Items</b>	<b>-16.10</b>	<b>-30.66</b>
<b>Adjustment for :</b>		
Excess Provision of Income Tax written off	0.00	0.02
Tax Paid	0.00	0.00
<b>Net Cash in flow from operating activities (A)</b>	<b>-16.10</b>	<b>-30.64</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed assets	-7.87	-249.55
<b>Net Cash flow from Investing activities (B)</b>	<b>-7.87</b>	<b>-249.55</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issue of Share Capital	0.00	0.00
Loan Taken	23.77	274.46
<b>(C)</b>	<b>23.77</b>	<b>274.46</b>
<b>Net increase / decrease in cash &amp; cash equivalents (A+B+C)</b>	<b>-0.20</b>	<b>-5.72</b>
<b>Opening Balance - Cash &amp; cash equivalents</b>	<b>0.32</b>	<b>6.05</b>
<b>Closing Balance - Cash &amp; cash equivalents</b>	<b>0.12</b>	<b>0.32</b>

**Notes to the Statement of Cash Flow :**

i) Reconciliation of Cash and cash equivalents with the Balance Sheet:

(₹ in Lacs)

PARTICULARS	2020-2021	2019-2020
Cash and cash equivalents as per Balance Sheet (Refer note 6)	0.12	0.32

ii) The Statement of Cash Flow has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of Cash Flow'.

iii) As per the amendment in Ind AS 7 'Statement of Cash Flow' : Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

Particulars	2019-2020	Financing cash flows	Non-Cash Changes				2020-2021
			Acquisition of Subsidiary	Disposal of Subsidiary	Fair Value Adjustment	Other Changes	
Long term borrowings (Note 11)	312.77	-27.23	0.00	0.00	0.00	0.00	285.54
Short term borrowings (Note 13)	49.69	51.00	0.00	0.00	0.00	0.00	100.69

**For and on Behalf of the Board**

**Manish Jain**  
**Director**  
**DIN 00444115**

**Meena Jain**  
**Director**  
**DIN 00256341**

**Place:- Indore**  
**Date: 10.06.2021**

As per our report of even date attached  
Statutory Auditors

**Mahendra Badjatya & Co**  
**Chartered Accountants**  
**ICAI FRN 001457C**

**CA Nirdesh Badjatya**  
**Partner**

**ICAI MNO 420388**  
**ICAI UDIN: 21420388AAAAIG3301**



**M.M.METALS PRIVATE LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 2020-2021**

**A. EQUITY SHARE CAPITAL****A. Current reporting period**

(₹ in Lacs)

Balance as at March 31,2020	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at March 31,2021
58.00	0	0	0	58.00

**B. Previous reporting period**

Amount in ₹ Lacs

Balance as at March 31,2019	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at March 31,2020
58.00	0	0	0	58.00

**B. OTHER EQUITY****A. Current reporting period**

(₹ in Lacs)

Particulars	Reserve and Surplus				Total
	Asset Revaluation Reserve	Security Premium	General Reserve	Retained Earnings	
<b>Balance as at March 31,2020</b>	<b>91.68</b>	<b>0</b>	<b>0</b>	<b>-48.94</b>	<b>42.74</b>
Changes in accounting policy/prior period errors	-	-	-	-	-
Restated balances at the beginning of the reporting period	0	0	0	0	0
Profit/(Loss) for the Year	-	-	-	-8.04	-8.04
Other Comprehensive Income for the Year	-	-	-	-	-
Total Comprehensive Income/(Loss) for the Year	-	-	-	-8.04	-8.04
<b>Transactions with owners in capacity as owners</b>					
Dividends	-	-	-	-	0
Bonus Shares	-	-	-	-	0
Movement during the year	0	-	-	-	0
<b>Balance as at March 31,2021</b>	<b>91.68</b>	<b>0</b>	<b>0</b>	<b>-56.98</b>	<b>34.70</b>

**B. Previous reporting period**

(₹ in Lacs)

Particulars	Reserve and Surplus				Total
	Asset Revaluation Reserve	Security Premium	General Reserve	Retained Earnings	
<b>Balance as at March 31,2019</b>	<b>91.68</b>	<b>0</b>	<b>0</b>	<b>5.55</b>	<b>97.23</b>
Changes in accounting policy/prior period errors	-	-	-	-	-
Restated balances at the beginning of the reporting period	0	0	0	0	0
Profit/(Loss) for the Year -	-	-	0	-54.49	-54.49
Other Comprehensive Income for the Year	-	-	-	-	-
Total Comprehensive Income/(Loss) for the Year	-	-	-	-54.49	-54.49
<b>Transactions with owners in capacity as owners</b>					
Dividends	-	-	-	-	0
Bonus Shares	-	-	-	-	0
Movement during the year	-	-	-	-	0
<b>Balance as at March 31,2020</b>	<b>91.68</b>	<b>0</b>	<b>0</b>	<b>-48.94</b>	<b>42.74</b>

For and on Behalf of the Board

Manish Jain  
 Director  
 DIN 00444115

Meena Jain  
 Director  
 DIN 00256341

Place:- Indore  
 Date: 10.06.2021

As per our report of even date attached  
 Statutory Auditors

**Mahendra Badjatya & Co**  
 Chartered Accountants  
 ICAI FRN 001457C

**CA Nirdesh Badjatya**  
 Partner

ICAI MNO 420388  
 ICAI UDIN: 21420388AAAAIG3301

**Note 1:****Notes forming part of Financial Statements for the year ended 31<sup>st</sup> March, 2021.**

(All amounts are in Indian Rupees in Thousands unless otherwise stated)

**A. Corporate Information**

M.M Metals Private Limited (the 'Company') is a Private Limited Company having its Registered office situated at Plot No 103-B, Sanwer Road, Indore (MP)- 452003. The company is engaged in the business of manufacturing of machines, machine parts, etc.

**B. Significant accounting policies****1. Statement of compliance**

The financial statements have been prepared in accordance with Indian Accounting standards ("Ind AS") notified, under Section 133 of the Companies Act, 2013 ('Act') read with the rules notified under the relevant provisions of the Act.

**2. Basis of Preparation**

The financial statements have been prepared on accrual basis and under the historical cost convention except for certain financial instruments (if any) which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

The financial statements including notes thereon are presented in Indian Rupees ("Rupees" or "INR"), which is the Company's functional and presentation currency. All amounts disclosed in the financial statements including notes thereon have been rounded off to the nearest thousands of Rupees as per the requirement of Schedule III to the Act, unless stated otherwise.

**3. Use of Estimates, Judgments and Assumptions**

The preparation of financial statements in accordance with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant areas of estimation, uncertainty, and critical judgments in applying accounting policies that have significant effect on amount recognized in the financial statements are:

- i. Allowance for bad and doubtful trade receivable.
- ii. Recognition and measurement of provision and contingencies.
- iii. Depreciation/ Amortisation and useful lives of Property, plant and equipment / Intangible assets.
- iv. Recognition of deferred tax.
- v. Income Taxes.
- vi. Measurement of defined benefit obligation.
- vii. Impairment of non-financial assets and financial assets.

**4. Inventories**

Inventories are valued at landed cost or market value whichever is lower. Cost of inventory generally comprises of cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and condition.

**5. Revenue Recognition**

- a. Revenue from contract with customer is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as per contracts with the customers.
  - i. Revenue from the sale of goods is recognised when the control of the goods has been passed to the customer as per the terms of agreement and there is no continuing effective control or managerial involvement with the goods.
  - ii. Revenue from rendering of services is recognized when the work is performed and as per the terms of agreement.
  - iii. Other operational revenue represents income earned from the activities incidental to the business and is recognized when the performance obligation is satisfied and right to receive the income is established as per the terms of the contract.
- b. Interest income is recognized on accrual basis using the effective interest method.
- c. Dividend income is recognised in profit or loss on the date on which the company's right to receive payment is established.



**6. Property, Plant and Equipment****a. Measurement and recognition:**

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost.

Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

**b. Depreciation:**

Depreciation is provided using straight-line method as specified in Schedule II to the Companies Act, 2013. Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

**c. Derecognition:**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in Statement of Profit and Loss.

**7. Intangible assets****a. Measurement and recognition:**

Intangible assets are measured on initial recognition at cost and are subsequently carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles are not capitalised.

**b. Amortisation**

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in statement of profit and loss.

**c. Derecognition:**

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

**8. Impairment of non-financial asset**

The company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the company estimates the amount of impairment loss. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets is considered as cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in profit or loss and reflected in an allowance account. When the company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been in place had there been no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in Statement of Profit and Loss, considering the normal depreciation/amortization.

**9. Foreign Currency Transactions and Translations**

All transactions in foreign currency are recorded at the rates of exchange prevailing on the dates when the relevant transaction takes place. Monetary assets and liabilities in foreign currency, outstanding at the close of the year are converted into Indian currency at the prevailing exchange rates on the date of balance sheet. The resultant gain or loss is charged to the statement of profit and loss.

In respect of forward exchange contracts entered into for hedging foreign currency risk for outstanding exposure, the difference between the forward rate and the exchange rate is recognized as income or expense over the life of the contract. The exchange differences arising on such contracts are recognized during the year as the income or expenses on the outstanding exposure.

**10. Employee Benefits****A. Short Term Employee Benefits**

Short term employee benefits are recognized in the period during which the services have been rendered.

**B. Long Term Employee Benefits**

- a. Retirement benefits in the form of defined contribution plans including gratuity liability under Payment of Gratuity Act are paid & charged to the Statement of Profit and Loss for the year when contributions to the respective Funds are due, in such cases the actuarial risk and the investment risk are borne by the respective funds.
- b. Retirement benefits in the form of defined benefit plan are recognised using Projected Unit Credit Method where Current service cost, Past service cost and net interest Expense/Income is recognized in the statement of profit and loss and Gain/Loss due to actuarial risk and investment risk is charged to the other comprehensive income.

**11. Taxation**

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

**a. Current taxes**

Provision for current tax is made after taking into consideration benefits admissible under provisions of the Income Tax Act, 1961. Minimum Alternative Tax (MAT) credit entitlement is recognized where there is convincing evidence that the same can be realized in future.

**b. Deferred Taxes**

The deferred tax charge or credit the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is reasonable certainty of realization of such assets.

**12. Provisions, contingent liabilities, and contingent assets**

The Company creates a provision when there is a present obligation because of past events, and it is probable that there will be outflow of resources and a reliable estimate of the obligation can be made of the amount of the obligation. Contingent liabilities are not recognized but are disclosed in the notes to the financial statements. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are neither recognized nor disclosed in the financial statements.

**13. Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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 to 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, if market participants act in their economic best interest. A fair value measurement of a non-financial asset considers 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 categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - quoted (unadjusted) 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.
- Level 3 - inputs that are unobservable for the asset or liability.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

**14. Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options, and embedded derivatives in the host contract.

**a. Financial Assets****Classification:**

The Company shall classify financial assets and subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) based on its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

**Initial recognition and measurement:**

All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset, in the case of financial assets not recorded at fair value through profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the asset.

**Fair value through profit or loss:**

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 and is not part of a hedging relationship is recognized in Statement of Profit and Loss in the period in which it arises, unless it arises from debt instruments that were designated at fair value, or which are not held for trading. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

**Fair value through other comprehensive income:**

Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through FVOCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortized cost which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

**Amortized Cost:**

Assets that are held for contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVTPL, are measured at amortized cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognized and measured. Interest income from these financial assets is recognized using the effective interest rate method.

**Interest income:**

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets.

**Equity instruments:**

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. Ind AS 109 requires all investments in equity instruments and contracts on those instruments to be measured at fair value.

The Company subsequently measures all quoted equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification for fair value gains and losses to profit or loss following the de-recognition of the investment.

The Company subsequently measures all un-quoted equity investments at cost based on the requirements of Ind AS 109, where in some limited circumstances cost is a more appropriate estimate of fair value, that may be the case if insufficient more recent information is available to measure the fair value or if there is a wide range of possible fair value measurements and cost represents the best estimate of the fair value within that range.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in net gain/ loss on fair value changes in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Gains and losses on equity investments at FVTPL are included in the Statement of Profit and Loss.

**De-recognition:**

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e., removed from the company's balance sheet) when:

- a. The rights to receive cash flows from the asset have expired, or
- b. The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

- c. When the company has transferred its rights to receive cash flows from an asset or has entered a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.
- d. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

#### **Impairment of financial assets:**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

#### **a. Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, and bank balance:**

The Company follows general approach for recognition of impairment loss allowance for financial assets other than trade receivables. In general approach, the financial asset is divided into 3 stages and the amount of ECL is recognized depending on the stage of the financial asset into consideration.

The loss under this approach is either based on the 12 months ECL or lifetime ECL. All financial assets falling in stage 1 is performing and requires 12 months ECL, whereas financial assets in stage 2 where the credit risk has increased significantly post recognition or financial assets in stage 3 which are credit impaired a lifetime ECL is required.

#### **b. Trade receivables:**

The Company follows simplified approach for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

### **b. Financial Liabilities**

#### **Classification:**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

#### **Initial recognition and measurement:**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or amortised costs.

#### **Loans and borrowings**

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

#### **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.

#### **Offsetting**

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

#### **Derivative financial instruments**

The company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

### **15. Cash and cash equivalents**

Cash and cash Equivalents in the Balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three or less month, which are subject to an insignificant risk of changes in value.

**16. Earnings per share****a. Basic earnings per share**

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year, if any and excluding treasury shares.

**b. Diluted earnings per share**

Diluted earnings per share adjusted the figures used in the determination of basic earnings per share to consider the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**17. 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.



**NOTE - 2****PROPERTY, PLANT & EQUIPMENT**

(₹ in Lacs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Balance as at 01-04-2020	Additions	Deductions	Balance as at 31-03-2021	Balance as at 01-04-2020	FOR THE YEAR	Deduction & Adjustment	TOTAL DEPRECIATION	AS AT 31-03-2021	AS AT 31-03-2020
<b>TANGIBLE ASSETS</b>										
<b>Land</b>										
Leasehold Industrial land and site development	211.68	7.87	0.00	219.55	0.00	3.60	0.00	3.60	215.95	211.68
<b>Building</b>										
Factory Building and shed	274.58	0.00	0.00	274.58	14.21	8.70	0.00	22.91	251.67	260.38
<b>Plant and Machinery</b>										
Plant, Machinery and electrical installation	250.85	0.00	0.00	250.85	4.41	15.88	0.00	20.28	230.57	246.44
<b>Other Equipments</b>										
Electrical Equipments	10.41	0.00	0.00	10.41	0.66	0.66	0.00	1.32	9.09	9.75
Other Equipments, Tools & Fixtures	40.50	0.00	0.00	40.50	3.85	2.56	0.00	6.41	34.09	36.65
Current Year	788.03	7.87	0.00	795.89	23.12	31.41	0.00	54.53	741.37	764.90
Previous Year	538.48	249.55	0.00	788.03	6.87	16.25	0.00	23.12	764.90	531.60

**NOTE - 3****OTHER NON CURRENT FINANCIAL ASSETS**

(₹ in Lacs)

PARTICULARS	2020-2021	2019-2020
Security Deposits (MPEB)	0.68	0.68
<b>Total</b>	<b>0.68</b>	<b>0.68</b>

**NOTE - 4****OTHER NON CURRENT ASSETS**

(₹ in Lacs)

PARTICULARS	2020-2021	2019-2020
Pre-Operative Expenses	0.00	7.87
<b>Total</b>	<b>0.00</b>	<b>7.87</b>

**NOTE - 5****TRADE RECEIVABLES**

(₹ in Lacs)

PARTICULARS	2020-2021	2019-2020
<b>(Unsecured, Considered Good unless otherwise stated)</b>		
<b>Over Due for More than Six Months</b>		
Related Parties	0.00	0.00
Other than Related Parties	0.35	0.00
<b>Others</b>		
Related Parties	102.30	15.36
Other than Related Parties	0.00	0.35
<b>Total</b>	<b>102.65</b>	<b>15.71</b>

**NOTE - 6****CASH AND CASH EQUIVALENTS**

(₹ in Lacs)

PARTICULARS	2020-2021	2019-2020
Balances with banks (of the nature of cash and cash equivalents)	0.00	0.20
Cash on Hand	0.12	0.12
<b>Total</b>	<b>0.12</b>	<b>0.32</b>

**NOTE - 7**

(₹ in Lacs)

**OTHER CURRENT ASSETS**

PARTICULARS	2020-2021	2019-2020
Advance to Supplier (Related Party)	19.45	0.00
Prepaid Expenses	0.27	0.27
GST Receivable	27.04	38.06
Advance Income Tax	0.00	0.25
TDS Receivable	3.60	3.60
Income Tax Refundable (FY 2018-19)	0.00	0.73
Income Tax Refundable (FY 2019-20)	3.85	0.00
TCS Receivable	0.18	0.00
<b>Total</b>	<b>54.39</b>	<b>42.91</b>

**NOTE - 8****EQUITY SHARE CAPITAL**

PARTICULARS	2020-2021		2019-2020	
	Number	₹ (in Lacs)	Number	₹ (in Lacs)
<b>AUTHORISED</b>				
Equity Shares of ₹100/- each carrying voting rights	100000	100.00	100000	100.00
<b>Total</b>	<b>100000</b>	<b>100.00</b>	<b>100000</b>	<b>100.00</b>
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>				
Equity Shares of ₹100/- each carrying voting rights fully paid up	58000	58.00	58000	58.00
<b>Total</b>	<b>58000</b>	<b>58.00</b>	<b>58000</b>	<b>58.00</b>

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

Particulars	2020-2021		2019-2020	
	Number	₹ (in Lacs)	Number	₹ (in Lacs)
Outstanding at the beginning of the year	58000	58.00	58000	58.00
Issued during the year	0.00	0.00	0.00	0.00
Bought back during the year	0.00	0.00	0.00	0.00
<b>Outstanding at the end of the year</b>	<b>58000</b>	<b>58.00</b>	<b>58000</b>	<b>58.00</b>

**b) Terms / Rights attached to Equity Shares**

(i) The company has only one class of Equity shares, each Equity share is entitled for one vote.

(ii) Out of the above, 30480 Equity shares of ₹100 each are held by ITL Industries Limited, being holding company.

**c) Details of shareholders holding more than 5% shares of the company**

Name of Shareholders	2020-2021		2019-2020	
	Number	% of Holding	Number	% of Holding
ITL Industries Limited (Holding company)	30480	52.55%	30480	52.55%
Smt. Meena Jain	1250	2.16%	1250	2.16%
Shri Manish Jain	2880	4.97%	2880	4.97%
Shri Ravish Jain	2880	4.97%	2880	4.97%
Shri Prakhar Jain	2255	3.89%	2255	3.89%
Shri Shekhar Jain	2255	3.89%	2255	3.89%
Shri Rajendra Jain	8000	13.79%	8000	13.79%
Shri Mahendra Jain	8000	13.79%	8000	13.79%
<b>Total</b>	<b>58000</b>	<b>100.00%</b>	<b>58000</b>	<b>100.00%</b>

**d) Shareholding of Promoters**

Name of Shareholders	2020-2021		2019-2020		% Change during the year
	Number	% of Holding	Number	% of Holding	
ITL Industries Limited (Holding company)	30480	52.55%	30480	52.55%	0.00%
Smt. Meena Jain	1250	2.16%	1250	2.16%	0.00%
Shri Manish Jain	2880	4.97%	2880	4.97%	0.00%
Shri Ravish Jain	2880	4.97%	2880	4.97%	0.00%
Shri Prakhar Jain	2255	3.89%	2255	3.89%	0.00%
Shri Shekhar Jain	2255	3.89%	2255	3.89%	0.00%
Shri Rajendra Jain	8000	13.79%	8000	13.79%	0.00%
Shri Mahendra Jain	8000	13.79%	8000	13.79%	0.00%
	<b>58000</b>	<b>100.00%</b>	<b>58000</b>	<b>100.00%</b>	<b>0.00%</b>

**Note - 9****PREFERENCE SHARE CAPITAL**

(₹ in Lacs)

PARTICULARS	2020-2021	2019-2020
5% Redeemable Cumulative Preference Share (23000 Preference Share of Rs. 100 each.)	23.00	23.00
<b>Total</b>	<b>23.00</b>	<b>23.00</b>

**Note - 10****OTHER EQUITY**

(₹ in Lacs)

PARTICULARS	2020-2021	2019-2020
Assets Revaluation Reserve	91.68	91.68
	<b>91.68</b>	<b>91.68</b>
<b>Retained earnings</b>		
Opening Balance	-48.94	5.55
Add/less: Profit/ (loss) for the year	-8.04	-54.49
<b>Closing Balance</b>	<b>-56.98</b>	<b>-48.94</b>
<b>Total</b>	<b>34.70</b>	<b>42.74</b>

**Nature and purpose of reserves:****Retained earnings:**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

**Asset revaluation reserves:**

A reserve created on the revaluation of assets or net assets of an entity represented by the surplus of the estimated replacement cost or estimated market values over the book values thereof.

**NOTE - 11****BORROWINGS (Non Current)**

(₹ in Lacs)

PARTICULARS	2020-2021	2019-2020
<b>Secured Loans</b>		
Kotak Mahindra Bank - WCTL by way of GECL (Guaranteed Emergency Credit Line) (against future and current assets & equitable mortgage of land and factory building situated at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.) (Repayable in 36 EMI's after 12 months moratorium period)	60.24	0.00
Kotak Mahindra Bank - Term Loan - I	46.20	75.82



(against hypothecation of future and current assets & equitable mortgage of land and factory building situated at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.) (Repayable in 60 months)		
Kotak Mahindra Bank - Term Loan - II (against hypothecation of future and current assets & equitable mortgage of land and factory building situated at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.) (Repayable in 83 months)	179.10	236.95
<b>Total</b>	<b>285.54</b>	<b>312.77</b>

**Note: The company has used the borrowings from banks for the specific purpose for which it was taken at the balance sheet date.**

#### **NOTE - 12**

##### **OTHER NON-CURRENT FINANCIAL LIABILITIES**

(₹ in Lacs)

<b>PARTICULARS</b>	<b>2020-2021</b>	<b>2019-2020</b>
Security Deposits (Related Party)	18.00	18.00
Advance from Related Party (For Infrastructure Facility)	200.00	200.00
<b>Total</b>	<b>218.00</b>	<b>218.00</b>

#### **NOTE - 13**

##### **BORROWINGS (Current)**

(₹ in Lacs)

<b>PARTICULARS</b>	<b>2020-2021</b>	<b>2019-2020</b>
<b>Secured Loans</b>		
Kotak Mahendra Bank Ltd (CC Limit) (against hypothecation of future and current assets & equitable mortgage of land and factory building situated at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.)	38.06	49.69
<b>Current maturities of Long-term borrowings</b>		
Kotak Mahindra Bank - WCTL by way of GECL (Guaranteed Emergency Credit Line) (against hypothecation of future and current assets & equitable mortgage of land and factory building situated at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.) (Repayable in 36 EMI's after 12 months moratorium period)	10.76	0.00
Kotak Mahindra Bank - Term Loan - I (against hypothecation of future and current assets & equitable mortgage of land and factory building situated at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.) (Repayable in 60 months)	17.28	0.00
Kotak Mahindra Bank - Term Loan - II (against hypothecation of future and current assets & equitable mortgage of land and factory building situated at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.) (Repayable in 83 months)	34.59	0.00
<b>Total</b>	<b>100.69</b>	<b>49.69</b>

**Note: The company has used the borrowings from banks for the specific purpose for which it was taken at the balance sheet date.**

**NOTE - 14****TRADE PAYABLES**

(₹ in Lacs)

PARTICULARS	2020-2021	2019-2020
(i) Total outstanding dues of micro enterprises and small enterprises*		
Related Parties	0.00	0.00
Others	0.00	0.00
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		
Related Parties	90.88	59.35
Others	15.35	0.00
<b>Total</b>	<b>106.23</b>	<b>59.35</b>

\* Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act")

(₹ in Lacs)

PARTICULARS	2020-2021	2019-2020
Principal amount due and remain unpaid	0.00	0.00
Interest due on above and remain unpaid	0.00	0.00
Interest paid	0.00	0.00
Payment made beyond appointed day during the year	0.00	0.00
Interest due and payable for the period of delay	0.00	0.00
Interest accrued and remaining unpaid	0.00	0.00
Amount of further interest due and payable in succeeding years	0.00	0.00

The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the financial statements based on the information received and available with the Company.

**NOTE - 15****OTHER CURRENT FINANCIAL LIABILITIES**

(₹ in Lacs)

PARTICULARS	2020-2021	2019-2020
Directors Sitting Fees Payable	3.27	2.16
Interest accrued but not due (on Term Loan)	1.54	0.00
Payable to auditors	0.22	0.10
Payable to employees	0.42	0.09
Others	1.85	0.02
<b>Total</b>	<b>7.30</b>	<b>2.37</b>

**NOTE - 16****OTHER CURRENT LIABILITIES**

(₹ in Lacs)

PARTICULARS	2020-2021	2019-2020
Statutory dues Payable	0.24	0.12
<b>Total</b>	<b>0.24</b>	<b>0.12</b>

**NOTE: 17****Revenue From Operations**

(₹ in Lacs)

PARTICULARS	2020-2021	2019-2020
<b>Revenue from contracts with customers</b>		
Sale of Products (Related Party)	369.90	118.29
Sale of Products (Others)	2.50	0.30
<b>Other Operating Revenue</b>		
Job Work charges (Related Party)	6.00	0.00
Warehousing & Manufacturing Facility Charges received (Related Party)	48.00	36.00
<b>Total</b>	<b>426.40</b>	<b>154.59</b>



**NOTE: 18****OTHER INCOME**

(₹ in Lacs)

PARTICULARS	2020-2021	2019-2020
Interest on Security Deposit (M.P.E.B)	0.02	0.04
Interest on Income tax refund	0.03	0.00
Others	0.00	0.00
<b>Total</b>	<b>0.06</b>	<b>0.04</b>

**NOTE: 19****COST OF MATERIAL CONSUMED**

(₹ in Lacs)

PARTICULARS	2020-2021	2019-2020
Opening Stock	1.86	0.00
Purchases	360.12	118.60
	<b>0.00</b>	<b>0.00</b>
Less : Closing Stock	-12.64	-1.86
<b>TOTAL</b>	<b>349.34</b>	<b>116.74</b>

**NOTE: 20****FINANCE COST**

(₹ in Lacs)

PARTICULARS	2020-2021	2019-2020
Interest to Bank	32.37	7.06
Bank Charges	0.55	0.02
<b>Total</b>	<b>32.92</b>	<b>7.07</b>

**NOTE: 21****EMPLOYEE BENEFIT EXPENSES**

(₹ in Lacs)

PARTICULARS	2020-2021	2019-2020
Salaries, other allowance and bonus	4.66	1.90
<b>Total</b>	<b>4.66</b>	<b>1.90</b>

**NOTE: 22****OTHER EXPENSES**

(₹ in Lacs)

PARTICULARS	2020-2021	2019-2020
Audit Fees	0.10	0.10
Director's Sitting Fees	1.20	1.20
Freight Inwards	0.53	0.00
Insurance	0.32	0.10
Interest on TDS	0.01	0.00
Legal & Professional Fees	2.72	0.37
Pre Operative Expenses Written off	0.00	2.62
Printing & Stationery	0.00	0.01
Property Tax & Lease Rent	0.98	0.74
Repair & Maintenance Expenses	0.31	0.22
ROC Challan Expenses	0.06	0.06
Office Expenses	0.00	0.04
Late fees on GST	0.00	0.01
<b>Total</b>	<b>6.23</b>	<b>5.47</b>

**NOTE: 23****Additional Notes to the Financial Statements**

- 1 Notes 1 to 23 referred herein above forms an integral part of these Ind AS Financial Statements.
- 2 Contingent Liabilities and Commitments: Nil
- 3 Pursuant to disclosure pertaining to Section 186 (4) of the Companies Act, 2013 the following are the details thereof:

**Loan given—outstanding as at the year-end:**

During the year there is no such transaction.

**Investments Made:**

During the year there is no such transaction.

**Guarantee Given or Security Provided:**

During the year the company has not provided any guarantee.

- 4 There were no such transactions that were not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**5 Financial Ratios disclosure:**

Particulars	2020-2021	2019-2020	Variance	Reasons for variance
(a) Current Ratio	0.79	0.55	45.24%	Due to Covid Pandemic
(b) Debt-Equity Ratio	3.34	2.93	13.97%	
(c) Debt Service Coverage Ratio	1.06	2.02	-47.61%	Due to Covid Pandemic
(d) Return on Equity Ratio	-0.07	-0.44	-84.22%	Due to Covid Pandemic
(e) Inventory turnover ratio	48.18	125.64	-61.65%	Due to Covid Pandemic
(f) Trade Receivables turnover ratio	0.14	0.05	173.15%	Due to Covid Pandemic
(g) Trade payables turnover ratio	0.23	0.25	-8.97%	
(h) Net capital turnover ratio	-0.10	-0.33	-68.08%	Due to Covid Pandemic
(i) Net profit ratio	-0.02	-0.35	-94.65%	Due to Covid Pandemic
(j) Return on Capital employed	0.06	0.02	154.05%	Due to Covid Pandemic
(k) Return on investment	0.30	0.12	157.06%	Due to Covid Pandemic

**6 Tax Expenses as per IND AS 12:****a. Deferred Tax:**

(₹ in Lacs)

Particulars	2020-2021	2019-2020
WDV as per Company Law	741.37	764.90
Less: WDV as per Income Tax	430.93	493.90
Timing difference between Income Tax and Company Law	310.43	271.00
Deferred Tax Liability/ (Asset) - Tax effect	78.14	68.21
Less: Provision already made	68.21	6.49
Deferred Tax Liability provided for/ (Written Back)	9.93	61.72

**b. The income tax expense for the year can be reconciled to the accounting profit as follows :**

(₹ in Lacs)

Particulars	2020-2021	2019-2020
<b>Profit before tax</b>	<b>1.89</b>	<b>7.20</b>
Tax rate	25.17%	25.17%
Income Tax expense calculated @ 25.17% (115BAA)	0.48	1.81
Effect of income that is exempt from taxation	0.00	0.00
Effect of expenses that are not deductible in determining taxable profits	0.00	0.00
Effect of concession (allowances)	0.00	0.00
Adjustments recognised in current year in relation to the current tax of prior years	0.00	0.00
Other temporary differences (Short/ (Excess) provision in current year	9.46	59.88
<b>Income tax expense recognised in profit or loss</b>	<b>9.93</b>	<b>61.69</b>

**c. Provision For Taxation**

Provision for taxation for the year has been made after considering allowance, claims and relief available to the Company, if any.

**7 Auditor's Remuneration: (Excluding GST)**

(₹ in Lacs)

Particulars	2020-2021	2019-2020
Statutory Audit Fees	0.10	0.10
<b>Total</b>	<b>0.10</b>	<b>0.10</b>

8 In accordance with IND AS-24 the related party disclosure is as under, the information regarding related party have been determined to the extent, such parties have been identified on the basis of information available with the company:

**I. Name of the Related Parties:****A) Key Management Personnel:**

Shri Manish Jain (Director)

Smt. Meena Jain (Director)

**B) Holding Company:**

ITL Industries Limited

**C) Related Parties in which KMP have Significant Influence:**

Remswags Marketing Pvt.Ltd.

Indore Tools Pvt. Ltd.

**II. Transactions with Related Parties:**

(₹ in Lacs)

Name of Related Parties	Nature of Transaction	2020-2021	2019-2020	Outstanding Amount (₹)
		Transactions during the year	Outstanding Amount (₹)	
ITL Industries Limited	Purchase	2.20	102.30	15.36
	Warehousing & Facility Charges received	48.00		
	Job Work Charges	6.00		
	Sales	369.90		
Remswags Marketing Pvt.Ltd.	Purchase	159.29	19.45	30.63
Indore Tools Pvt. Ltd.	Purchase	171.72	90.88	28.71

**9 Basic and Diluted EPS as per Ind AS 33:**

₹ in Lacs ( Except EPS)

Particulars	2020-2021	2019-2020
Net (Loss)/Profit attributable to equity shareholders	-8.04	-54.49
Number of equity shares issued (basic)	58000	58000
<b>Basic and Diluted earnings per share</b>	<b>-13.86</b>	<b>-93.95</b>

**10 Provision for Expected credit loss on Trade Receivables:**

The Company has not recognized any ECL on trade receivables as required under Ind AS 109, because, the maximum amount is receivable from its Holding Company.

**11 Estimation of uncertainties relating to the global health pandemic from COVID-19:**

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these financial statements including the recoverability of carrying amounts of financial and non financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information that the carrying amount of these assets will be recovered.

12 Additional Information as required under Part II of Schedule III of the Companies Act, 2013 in respect of Foreign Exchange Earnings & Outgo - NIL.

13 The provisions of CSR and Cashflow are not appliable to the company, as per the limits mentioned under the respective sections of Companies Act, 2013.

**14 Risk Management:**

The company does not envisage any market risk, currency risk, interest rate risk, price risk, liquidity risk and credit risk. The Company's senior management has the responsibility for establishing and governing the Company's overall risk management framework, wherever applicable.

**15 Financial Instruments by Category and fair value hierarchy:**

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values.

The fair values of the financial assets and financial liabilities included in the level 2 and level 3 categories have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counter parties.

(₹ in Lacs)

As 31 <sup>st</sup> March 2021	Fair Value Measurement			Fair Value hierarchy		
Particulars	FVTPL	FVOCI	Amortised Cost	Level-1	Level-2	Level-3
<b>Financial assets</b>						
Trade receivables	0.00	0.00	102.65	0.00	0.00	0.00
Cash and cash equivalents	0.00	0.00	0.12	0.00	0.00	0.00
Other non current financial assets	0.00	0.00	0.67	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>103.44</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Financial liabilities</b>						
Long term borrowings	0.00	0.00	285.54	0.00	0.00	0.00
Other non current financial liabilities	0.00	0.00	218.00	0.00	0.00	0.00
Short term borrowings	0.00	0.00	100.69			0.00
Trade payables	0.00	0.00	106.23	0.00	0.00	0.00
Other current financial liabilities	0.00	0.00	7.30	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>717.76</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

(₹ in Lacs)

As 31 <sup>st</sup> March 2020	Fair Value Measurement			Fair Value hierarchy		
Particulars	FVTPL	FVOCI	Amortised Cost	Level-1	Level-2	Level-3
<b>Financial assets</b>						
Trade receivables	0.00	0.00	15.71	0.00	0.00	0.00
Cash and cash equivalents	0.00	0.00	0.32	0.00	0.00	0.00
Other non current financial assets	0.00	0.00	0.68	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>16.71</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Financial liabilities</b>						
Long term borrowings	0.00	0.00	312.77	0.00	0.00	0.00
Other non current financial liabilities	0.00	0.00	218.00	0.00	0.00	0.00
Short term borrowings	0.00	0.00	49.69			0.00
Trade payables	0.00	0.00	59.35	0.00	0.00	0.00
Other current financial liabilities	0.00	0.00	2.37	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>642.18</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the Ind AS. An explanation for each level is given below.

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

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

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

16 The company is a subsidiary within the meaning of section 2(87) of the Companies Act, 2013 of ITL Industries Limited, which is holding 52.55% (PY 52.55%) equity shares of the company.

17 In the opinion of board of directors of the company, the current assets are to be valued at which they are stated in the balance sheet if realised in the ordinary course of business.

18 Events after reporting date:

There have been no events after the reporting date that require adjustment/ disclosure in these financial statements.

19 As per the information on records, the company does not have any overdue outstanding to micro and small-scale industrial enterprises under MSMED Act, 2006.



- 20 Figures of borrowings and other financial liabilities are subject to respective consent, confirmation, reconciliation and consequential adjustments, if any.
- 21 Previous year's figures have been regrouped, rearranged, and recast wherever necessary.
- 22 Figures are rounded off to the nearest multiple of ` (Rupee).

By and on Behalf of the Board

**Manish Jain**  
**Director**  
**DIN 00444115**

**Meena Jain**  
**Director**  
**DIN 00256341**

**Place:- Indore**  
**Date: 10.06.2021**

As per our report of even date attached  
Statutory Auditors  
**Mahendra Badjatya & Co**  
**Chartered Accountants**  
**ICAI FRN 001457C**

**CA Nirdesh Badjatya**  
**Partner**  
**ICAI MNO 420388**  
**ICAI UDIN: 21420388AAAAIG3301**



**INDEPENDENT AUDITOR'S REPORT****TO THE MEMBERS OF ITL INDUSTRIES LIMITED****REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS****OPINION**

We have audited the accompanying Consolidated Financial Statements of **ITL INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the Financial Statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Financial Statements").

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

**BASIS FOR OPINION**

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and Rules there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**EMPHASIS OF MATTERS**

The Operations of the Company during the year ended 31<sup>st</sup> March 2021 were marginally affected due to Lockdown announced by the Central / State Governments during the year in phased manner, due to the outbreak of Novel Corona virus COVID19.

Considering the restrictions in physical movement and visits to the company offices, the Company has given us access to their computer/ ERP System. We were able to access the relevant data & records for our Audit purpose. Further the company has provided all other data / information / records as required by us using e-data/ e-mail sharing modes. We also had continuous communication with the Audit Team & Management of the Company using various modes such as Audio/ Video Conferencing, etc.

Due to the phase wise Lockdown imposed by Central / State Governments and the resulting travel restrictions, it was not possible for us to physically visit the Company on a regular basis and carry out the audit function. We have carried out the Audit Process using various techniques of Online Auditing. We have verified the records / documents / statements received by us through electronic media. We have also received Management Representation Letters wherever necessary. Using such techniques and relying on the inputs provided by the management, we have ensured reasonable assurance that the information / record / statements provided to us are free from material misstatement and adhere to the relevant standards.

We have carried out the Audit Process subject to our disclosures as mentioned above. The audit evidence obtained by us is adequate to express our audit opinion. While expressing our audit opinion, we have also relied upon certifications by the management or certifications by other independent auditors, wherever required.

**KEY AUDIT MATTERS**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Procedures Performed / Auditor's Response:
1.	<b>Appropriateness of Current / Non-current classification</b>	For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of business and the time between the acquisition of assets or inventories for Sales processing and their realisation in cash and cash equivalents.



		The classification of assets and liabilities has been done based on documentary evidence. Where conclusive evidence is not available, the classification has been done based on management's best estimate of the period in which the assets would be realised, or the liabilities would be settled. We have evaluated the reasonability of the management's estimates.
2.	<p><b>Non-responses of external confirmations request perpetrated pursuant to SA 505.</b></p> <p>COVID-19 has impacted the procedure of external confirmation request by management to vendors and customers. Postal facilities were not available in the near end of the financial year. To combat this, the management had sent positive external confirmation requests through electronic modes. However, due to suspension of business activities of many confirming parties, there are fewer confirmations received than anticipated.</p> <p>In such events, SA also directs the auditors to perform alternative audit procedures.</p>	In the absence of related confirmations, we performed alternative audit procedures like follow-up confirmation requests, verification of subsequent payments and receipts to verify part of the balances appearing in the books of accounts.
3.	<p><b>Provisions and contingent liabilities relating to taxation, litigations and arbitrations.</b></p> <p>The provisions and contingent liabilities relate to ongoing litigations and claims with various authorities and third parties. These relate to direct tax, indirect tax, claims and general legal proceedings arising in the regular course of business. As at the year ended 31st March 2021, the amounts involved are significant. The computation of a provision or contingent liability requires significant judgement by the Company because of the inherent complexity in estimating future costs. The amount recognised as a provision is the best estimate of the expenditure. The provisions and contingent liabilities are subject to changes in the outcomes of litigations and claims and the positions taken by the Company. It involves significant judgement and estimation to determine the likelihood and timing of the cash outflows and interpretations of the legal aspects, tax legislations and judgements previously made by authorities.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>• Understanding the process followed by the Company for assessment and determination of the amount of provisions and contingent liabilities relating to taxation, litigations and claims.</li> <li>• Evaluating the design and implementation and testing operating effectiveness of key internal controls around the recognition and measurement of provisions and reassessment of contingent liabilities.</li> <li>• Involving tax professionals with specialised skills and knowledge to assist in the assessment of the value of significant provisions and contingent liabilities relating to taxation matter, on sample basis, in light of the nature of the exposures, applicable regulations and related correspondence with the authorities.</li> <li>• Inquiring the status in respect of significant provisions and contingent liabilities with the Company's internal tax and legal team, including challenging the assumptions and critical judgements made by the Company which impacted the computation of the provisions and inspecting the computation.</li> </ul>
4.	<p><b>Measurement of inventory quantities</b></p> <p>As of 31<sup>st</sup> March 2021, the Company has inventory of ₹300350707. This was determined a key audit matter, as the measurement of these inventory quantities lying at the warehouse involves significant judgement and estimate resulting from measuring the area. The Company uses internal and external experts, to perform assessments, basis which the quantity for these inventories is estimated.</p>	<p><b>Our audit procedures relating to the measurement of inventory includes the following:</b></p> <ul style="list-style-type: none"> <li>• Understanding and evaluating the design and operating effectiveness of controls over physical count and measurement of such inventory.</li> <li>• Evaluation of competency and capabilities of management's experts.</li> <li>• Involving external expert for quantification of the inventories on sample basis.</li> <li>• Physically observing inventory measurement and count procedures carried out by management using experts, to ensure its appropriateness and completeness; and</li> </ul>



		<ul style="list-style-type: none"> <li>Obtaining and inspecting, inventory measurement and physical count results for such inventories, including assessing and evaluating the results of analysis performed by management in respect of differences between book and physical quantities.</li> </ul>
5.	<p><b>Timing of revenue recognition and adjustments for quality variances involving critical estimates</b></p> <p>Material estimation by the Company is involved in recognition and measurement of its revenue. The value and timing of revenue recognition for sale of goods varies from contract to contract, and the activity can span beyond the year end.</p> <p>Revenue from sale of goods is recognised when control is transferred to the customers and when there are no other unfulfilled obligations. This requires detailed analysis of each sale agreement/contract/customer purchase order regarding timing of revenue recognition.</p> <p>Inappropriate assessment could lead to a risk of revenue being recognized on sale of goods before the control in the goods is transferred to the customer.</p> <p>Subsequent adjustments are made to the transaction price due to grade mismatch/slippage of the transferred goods.</p> <p>The variation in the contract price if not settled mutually between the parties to the contract is referred to third party testing and the Company estimates the adjustments required for revenue recognition pending settlement of such dispute.</p> <p>Such adjustments in revenue are made on estimated basis following historical trend.</p> <p>Inappropriate estimation could lead to a risk of revenue being overvalued or undervalued.</p> <p>Accordingly, timing of recognition of revenue and adjustments for quality variances involving critical estimates is a key audit matter.</p>	<p><b>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</b></p> <ul style="list-style-type: none"> <li>Assessing the Company's accounting policies for revenue recognition by comparing with the applicable accounting standards i.e Ind AS 115.</li> <li>Assessing the appropriateness of the estimated adjustments in the process.</li> <li>Testing the design, implementation and operating effectiveness of key internal controls over timing of recognition of revenue from sale of goods and subsequent adjustments made to the transaction price.</li> <li>Performing testing on selected statistical samples of customer contracts. Checked terms and condition related to acceptance of goods, acknowledged delivery receipts and tested the transit time to deliver the goods and its revenue recognition. Our tests of details focused on cut-off samples to verify only revenue pertaining to current year is recognized based on terms and conditions set out in sale agreements/ contracts and delivery documents. We also performed tests to establish the basis of estimation of the consideration and whether such estimates are commensurate with the accounting policy of the Company.</li> </ul>

#### INFORMATION OTHER THAN THE 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 Board's Report including Annexure to Board's Report and management compliance certificate but does not include the Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained 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 no material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act, read with relevant rules issued there under. 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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, 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.

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

#### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

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 Statements that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by Section 143 (3) of the Act, based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.





- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statements of Profit and Loss including Other Comprehensive Income, Statements of Changes in Equity and the Cash Flow Statements dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations as of 31<sup>st</sup> March 2021 on its financial position in its financial statements – Refer Note 30(2a) to the financial Statements.
  - ii. We draw attention to the Note 30(24) to the financial statements, as regards to the management evaluation of COVID-19 impact on the future performance of the Company.
  - iii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iv. The Company has transferred an amount of ₹ 146071 to the Investor Education and Protection Fund during the year ended 31<sup>st</sup> March 2021.
  - v.
    - (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (if any);
    - (ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (if any); and
    - (iii) Based on such audit procedures that we (the auditors of the company) have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatements.
  - vi. The dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.
  - vii. The company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

**STATUTORY AUDITORS**  
**FOR MAHENDRA BADJATYA & CO.**  
**CHARTERED ACCOUNTANTS**  
**ICAI FRN 001457C**

**CANIRDESH BADJATYA**  
**PARTNER**

**ICAI MNO 420388**  
**ICAI UDIN 21420388AAAIE1520**

**PLACE: INDORE**  
**DATE: 10<sup>th</sup> June 2021**





## **Annexure – “A” to the Independent Auditor’s Report**

**(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ in the Independent Auditor’s Report of even date to the members of ITL INDUSTRIES LIMITED on the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2021)**

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

We have audited the internal financial controls over financial reporting of ITL INDUSTRIES Limited (“the Company”) as of 31<sup>st</sup> March 2021 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

#### **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 issued by the Institute of Chartered Accountants of India (the “Guidance Note”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **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, issued by ICAI and deemed to be 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 Controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

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 WITH REFERENCE TO FINANCIAL STATEMENTS**

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, and to the best of our information and according to the explanation 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 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

**STATUTORY AUDITORS  
FOR MAHENDRA BADJATYA & CO.  
CHARTERED ACCOUNTANTS  
ICAI FRN 001457C**

**CA NIRDESH BADJATYA  
PARTNER  
ICAI MNO 420388  
ICAI UDIN 21420388AAAAIE1520**

**PLACE: INDORE**

**DATE: 10<sup>th</sup> June 2021**



**ITL INDUSTRIES LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2021**

(₹ in Lacs)

PARTICULARS	Notes No.	2020-2021	2019-2020
<b>ASSETS</b>			
<b>A Non Current Assets</b>			
Property Plant & Equipment	2	1820.03	1584.27
Capital Work in Progress		0.00	317.43
Intangible Assets	3	59.36	75.39
Investment in Subsidiary and Associates	4	76.75	75.75
<b>Financial Assets</b>			
Investments	4	459.18	77.60
Other Financial Assets	5	26.20	35.73
<b>Total Non Current Assets</b>		<b>2441.52</b>	<b>2166.17</b>
<b>B Current Assets</b>			
Inventories	6	3003.51	4176.36
<b>Financial Assets</b>			
Investments	7	370.00	0.00
Trade Receivables	8	2104.55	1815.37
Cash & Cash Equivalents	9	2.62	35.62
Other Balances with Banks	10	95.11	121.44
Other Financial Assets	11	825.84	378.42
Current Tax Assets (Net)	12	20.60	0.00
Other Current Assets	13	175.52	303.40
<b>Total Current Assets</b>		<b>6597.75</b>	<b>6830.61</b>
<b>TOTAL ASSETS</b>		<b>9039.27</b>	<b>8996.78</b>
<b>EQUITY AND LIABILITIES</b>			
<b>A Equity</b>			
Equity Share Capital	14	320.43	320.43
Other Equity	15	4607.30	4118.98
		<b>4927.73</b>	<b>4439.41</b>
Non-Controlling Interest	16	-2.15	1.66
<b>Total Equity</b>		<b>4925.58</b>	<b>4441.07</b>
<b>B Non Current Liabilities</b>			
<b>Financial Liabilities</b>			
Long Term Borrowings	17	536.49	427.79
Deferred Tax Liabilities		195.22	168.13
<b>Total Non-Current Liabilities</b>		<b>731.71</b>	<b>595.92</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Short Term Borrowings	18	1235.36	1481.36
Trade Payables	19	1460.19	1536.79
Other Financial Liabilities	20	286.04	307.16
Other Current Liabilities	21	298.90	527.75
Provisions	22	101.49	97.98
Other Tax Liabilities (Net)	23	0.00	8.75
<b>Total Current Liabilities</b>		<b>3381.98</b>	<b>3959.79</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>9039.27</b>	<b>8996.78</b>

See accompanying additional notes to the financial statements

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For and on Behalf of Board

**Rajendra Jain**  
**Managing Director**  
**DIN : 00256515**

**Mahendra Jain**  
**Joint Managing Director**  
**DIN : 00256047**

As per report of even date attached  
**STATUTORY AUDITORS**  
**FOR MAHENDRA BADJATYA & CO.**  
**CHARTERED ACCOUNTANTS**  
**ICAI FRN 001457C**

**Ashok Ajmera**  
**Chief Financial Officer**

**Akhilesh Gautam**  
**Company Secretary**  
**FCS : 8592**

**CA NIRDESH BADJATYA**  
**PARTNER**  
**ICAI MNO 420388**  
**ICAI UDIN: 21420388AAAAIE1520**

Date : 10<sup>th</sup> June 2021

Place : Indore



**ITL INDUSTRIES LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

(₹ in Lacs)

PARTICULARS	Notes No.	2020-2021	2019-2020
<b>A Income</b>			
Revenue from Operations	24	8898.07	7925.71
Other Income	25	60.98	98.03
<b>Total Revenue</b>		<b>8959.05</b>	<b>8023.74</b>
<b>B Expenses</b>			
(a) Cost of Material Consumed	26	5232.86	5489.47
(b) Changes in inventories of Finished Goods, Work in Process and Stock in Trade	27	981.65	-385.02
(c) Employee Benefits Expenses	28	1059.85	1135.54
(d) Other Expenses	29	723.65	881.17
(e) Finance Cost	30	162.81	152.22
(f) Depreciation and Amortisation		167.09	134.55
<b>Total Expenses</b>		<b>8327.92</b>	<b>7407.93</b>
<b>Profit Before Tax</b>		<b>631.13</b>	<b>615.81</b>
Tax Expenses		134.96	202.76
(a) Current Tax Expenses		120.00	150.00
(b) Tax Expenses of Previous Years		-8.46	-3.70
(c) Deferred tax		26.71	56.46
(d) Dividend Distribution Tax Written Back		-3.29	0.00
<b>Profit After Tax From Continued Operation</b>		<b>496.17</b>	<b>413.05</b>
<b>Share in Profit of Associates</b>		<b>1.00</b>	<b>1.08</b>
<b>Consolidated Profit for the Year</b>		<b>497.17</b>	<b>414.13</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss		3.74	0.00
Income tax relating to item that will not be reclassified to profit or loss		-0.37	0.00
<b>Total Other Comprehensive Income for the Period</b>		<b>3.37</b>	<b>0.00</b>
<b>Total Net Income for the Period</b>		<b>500.54</b>	<b>414.13</b>
Earnings per equity share (Face Value of ` 10 each)			
(i) Basic (in ₹)		15.52	12.92
(ii) Diluted (in ₹)		15.52	12.92

See accompanying additional notes to the financial statements

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For and on Behalf of Board

**Rajendra Jain**  
**Managing Director**  
**DIN : 00256515**

**Mahendra Jain**  
**Joint Managing Director**  
**DIN : 00256047**

**Ashok Ajmera**  
**Chief Financial Officer**

**Akhilesh Gautam**  
**Company Secretary**  
**FCS : 8592**

**Date : 10<sup>th</sup> June 2021**  
**Place : Indore**

As per report of even date attached  
**STATUTORY AUDITORS**  
**FOR MAHENDRA BADJATYA & CO.**  
**CHARTERED ACCOUNTANTS**  
**ICAI FRN 001457C**

**CA NIRDESH BADJATYA**  
**PARTNER**  
**ICAI MNO 420388**  
**ICAI UDIN: 21420388AAAAIE1520**



**ITL INDUSTRIES LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021**

(₹ in Lacs)

**A) EQUITY SHARE CAPITAL**

Particulars	2020-21	2019-20
Balance at the beginning of the reporting year	320.43	320.43
Changes in Equity Share capital during the year	0.00	0.00
<b>Balance at the end of the reporting year</b>	<b>320.43</b>	<b>320.43</b>

**B) OTHER EQUITY**

2020-2021

Particulars	Reserve and Surplus					Other Reserves	Total
	General Reserve	Retained Earnings	Assets Revaluation Reserve	Security Premium Reserve	Capital Reserve	Fair value through other comprehensive income	
<b>Balance as at March 31, 2020</b>	<b>3600.00</b>	<b>393.50</b>	<b>91.68</b>	<b>16.43</b>	<b>17.37</b>	<b>0.00</b>	<b>4118.98</b>
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
Restated balances at the beginning of the reporting period	3600.00	387.21	91.68	16.43	17.37	0.00	4112.70
Profit/(Loss) for the Year	0.00	500.98	-	-	-	-	500.98
Share in Revenue Profit of associates	-	6.28	-	-	-	-	6.28
Other Comprehensive Income for the Year	-	-	-	-	-	3.37	3.37
Total Comprehensive Income/(Loss) for the Year	-	894.48	-	-	-	3.37	897.84

**Transactions with owners in capacity as owners**

Proposed Dividends	-	-16.02	-	-	-	-	-16.02
Dividend Distribution Tax	-	0.00	-	-	-	-	0.00
Movement during the year	500.00	-500.00	-	-	-	-	0.00
<b>Balance as at March 31, 2021</b>	<b>4100.00</b>	<b>378.45</b>	<b>91.68</b>	<b>16.43</b>	<b>17.37</b>	<b>3.37</b>	<b>4607.30</b>

2019-2020

Particulars	Reserve and Surplus					Other Reserves	Total
	General Reserve	Retained Earnings	Assets Revaluation Reserve	Security Premium Reserve	Capital Reserve	Fair value through other comprehensive income	
<b>Balance as at March 31, 2019</b>	<b>3400.00</b>	<b>172.80</b>	<b>91.68</b>	<b>16.43</b>	<b>17.37</b>	<b>0.00</b>	<b>3698.28</b>
Changes in accounting policy/prior period errors	-	-	-	-	-	-	-
Restated balances at the beginning of the reporting period	3400.00	167.62	91.68	16.43	17.37	0.00	3693.11
Profit/(Loss) for the Year	200.00	439.99	-	-	-	-	639.99
Share in Revenue Profit of associates	-	5.20	-	-	-	-	5.20
Other Comprehensive Income for the Year	-	-	-	-	-	0.00	0.00
Total Comprehensive Income/(Loss) for the Year	-	612.81	-	-	-	0.00	612.81

**Transactions with owners in capacity as owners**

Proposed Dividends	-	-16.02	-	-	-	-	-16.02
Dividend Distribution Tax	-	-3.29	-	-	-	-	-3.29
Movement during the year	-	-200.00	-	-	-	-	-200.00
<b>Balance as at March 31, 2020</b>	<b>3600.00</b>	<b>393.50</b>	<b>91.68</b>	<b>16.43</b>	<b>17.37</b>	<b>0.00</b>	<b>4118.98</b>

For and on Behalf of Board

**Rajendra Jain**  
**Managing Director**  
**DIN : 00256515**  
**Ashok Ajmera**  
**Chief Financial Officer**

**Mahendra Jain**  
**Joint Managing Director**  
**DIN : 00256047**  
**Akhilesh Gautam**  
**Company Secretary**  
**FCS : 8592**

As per report of even date attached  
**STATUTORY AUDITORS**  
**FOR MAHENDRA BADJATYA & CO.**  
**CHARTERED ACCOUNTANTS**  
**ICAI FRN 001457C**  
**CA NIRDESH BADJATYA**  
**PARTNER**  
**ICAI MNO 420388**  
**ICAI UDIN: 21420388AAAAIE1520**

**Date : 10<sup>th</sup> June 2021**  
**Place : Indore**





**ITL INDUSTRIES LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31<sup>st</sup> MARCH 2021**

(₹ in Lacs)

Particulars	2020-21	2019-20
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Tax & Extra Ordinary Items	631.13	615.81
<b>Add : Adjustment for</b>		
Depreciation	167.10	134.54
Interest income	-5.88	-12.98
Interest expense	162.82	145.15
<b>Operating Profit before Working Capital Changes</b>	<b>955.17</b>	<b>882.52</b>
<b>Adjustments for changes in working capital :</b>		
Decrease/(increase) in inventories	1172.86	-627.62
Decrease/ (increase) in trade receivables	-289.19	396.39
Decrease/ (increase) in other financial assets	-445.75	45.22
Decrease/(increase) in other current assets	107.29	35.26
(Decrease)/increase in short-term borrowings		
(Decrease)/increase in trade payables	-76.61	-679.08
(Decrease)/increase in other financial liabilities	-21.13	-23.91
(Decrease)/increase in other current liabilities	-237.61	181.57
(Decrease)/increase in provisions	3.50	0.00
	<b>213.37</b>	<b>-672.16</b>
Tax expenses for the year	108.25	146.30
	<b>108.25</b>	<b>146.30</b>
<b>Cash Flow before extraordinary adjustments</b>	<b>1060.29</b>	<b>64.06</b>
Loss / Profit on Sale of Investment	0.00	-1.43
Loss / Profit on Sale of Fixed Assets	0.52	-0.98
Pre-Operative expenses	7.87	2.62
Equity Shares Forfeited	0.00	0.00
<b>Net Cash Flow from Operating Activities (A)</b>	<b>1068.67</b>	<b>64.28</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale/ purchase of investments	-747.85	-22.90
Sale of Investments	0.00	0.00
Interest Income	5.88	12.98
Purchase of Fixed Assets	-388.81	-331.82
Sale of Fixed Assets	318.90	1.08
<b>Net Cash Flow From Investing Activities (B)</b>	<b>-811.88</b>	<b>-340.66</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/ repayment from/ of Long-term borrowings	108.71	251.54
Proceeds/ repayment from/ of Short-term borrowings	-246.00	88.19
Interest Expense	-162.82	-145.15
Dividend / Corporate Dividend Tax paid	-16.02	-19.31
<b>Net Cash Flow From Financing Activities (C)</b>	<b>-316.13</b>	<b>175.26</b>
<b>Net Increase/Decrease in Cash (A+B+C)</b>	<b>-59.34</b>	<b>-101.12</b>
<b>Opening balance of cash and cash equivalents</b>	<b>157.06</b>	<b>258.18</b>
<b>Closing balance of cash and cash equivalents</b>	<b>97.72</b>	<b>157.06</b>

**Notes to the Statement of Cash Flow :**

i) Reconciliation of Cash and cash equivalents with the Balance Sheet:

(₹ in Lacs)

PARTICULARS	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Cash and cash equivalents as per Balance Sheet (Refer note 8 and 9)	97.72	157.06

ii) The Statement of Cash Flow has been prepared under the 'Indirect Method' set out in Ind AS 7 'Statement of Cash Flow'. (iii) As per the amendment in Ind AS 7 'Statement of Cash Flow': Disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

Particulars	As at 31 <sup>st</sup> March 2020	Financing cash flows	Non-Cash Changes				As at 31 <sup>st</sup> March, 2021
			Acquisition of Subsidiary	Disposal of Subsidiary	Fair Value Adjustment	Other Changes	
Long Term Borrowings (Refer note 17)	427.79	108.71	0.00	0.00	0.00	0.00	536.49
Short Term Borrowings (Refer note 18)	1481.36	-246.00	0.00	0.00	0.00	0.00	1235.36

Particulars	As at 31 <sup>st</sup> March 2019	Financing cash flows	Non-Cash Changes				As at 31 <sup>st</sup> March, 2020
			Acquisition of Subsidiary	Disposal of Subsidiary	Fair Value Adjustment	Other Changes	
Long Term Borrowings (Refer note 17)	225.94	251.54	0.00	0.00	0.00	-49.69	427.79
Short Term Borrowings (Refer note 18)	1303.50	88.19	0.00	0.00	0.00	89.68	1481.36

**For and on Behalf of Board**

**Rajendra Jain**  
**Managing Director**  
**DIN : 00256515**  
**Ashok Ajmera**  
**Chief Financial Officer**

**Mahendra Jain**  
**Joint Managing Director**  
**DIN : 00256047**  
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As per report of even date attached  
**STATUTORY AUDITORS**  
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**PARTNER**  
**ICAI MNO 420388**  
**ICAI UDIN: 21420388AAAAIE1520**

**Date : 10<sup>th</sup> June 2021**  
**Place : Indore**

**NOTE 1:****Notes forming part of Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2021**

(All amounts are in Indian Rupees in Lakhs unless otherwise stated)

**A. Corporate Information**

ITL Industries Limited (the 'Company') is a limited Company having its registered office situated at 111-SECTOR-B, SANWAR ROAD, INDUSTRIAL AREA, INDORE MP. The company is engaged in the business of Manufacturing of machines and trading business.

**B. Significant accounting policies****I. Basis of Preparation****a. Statement of compliance**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other accounting principles generally accepted in India.

These financial statements have been prepared and presented under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

The financial statements are presented in INR except when otherwise stated. All amounts have been rounded-off to the nearest Lakhs, unless otherwise indicated.

**b. Use of Estimates, Judgments and Assumptions**

The preparation of financial statements in conformity with Ind AS requires management to make certain judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities (including contingent liabilities) and the accompanying disclosures. Future results could differ due to these estimates and differences between the actual results and the estimates are recognized in the periods in which the results are known/ materialized. Estimates and underlying assumptions are reviewed on an ongoing basis.

**Significant estimates and assumptions are required in particular for:****i) Useful life of property, plant and equipment and intangible assets:**

This involves determination of the estimated useful life of property, plant and equipment and intangible assets and the assessment as to which components of the cost may be capitalized. Useful life of these assets is based on the life prescribed in Schedule II to the Companies Act, 2013 or based on technical estimates, taking into account the nature of the asset, estimated usage, expected residual values and operating conditions of the asset. Management reviews its estimate of the useful lives of depreciable/ amortizable assets at each reporting date, based on the expected utility of the assets.

**ii) Impairment of Non-Financial Asset:**

Determining whether property, plant and equipment and intangible assets are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the underlying assets or cash generating units. Further, the cash flow projections are based on estimates and assumptions relating to expected revenues, operational performance of the assets, market prices of related products or services, inflation, terminal value etc. which are considered reasonable by the management.

**iii) Taxes:**

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Significant management judgement is also required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, including estimates of temporary differences reversing on account of available benefits from the Income Tax Act, 1961.

**iv) Fair value measurement of financial instruments:**

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.



#### v) **Inventory Measurement**

Measurement of bulk inventory quantities of stock lying at warehouse/ ports/ yards is material, complex and involves significant judgement and estimate. The Company performs physical counts of above inventory on a periodic basis using internal/external experts to perform surveys and assessments, basis which the estimate of quantity for these inventories is determined. The variations noted between book records and physical quantities of above inventories are evaluated and appropriately accounted in the books of accounts.

#### vi) **Principles of Consolidation**

The consolidated financial statements comprise the financial statements of the Company, its subsidiaries and equity accounting of its investment in associates.

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, 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 the entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company.

The consolidated financial statements have been prepared on the following basis:

##### **Subsidiaries**

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group is exposed, or has rights, to variable returns from its power and involvement with the investee and has the ability to affect those returns through its power over the investee.

Subsidiaries are considered for consolidation when the Group obtains control over the subsidiary and are derecognized when the Group loses control of the subsidiary. Subsidiaries have been consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains resulting on intra-group transactions are eliminated in full. Unrealized losses resulting from intra-group transactions are eliminated in arriving at the carrying amount of assets unless transaction provides an evidence of impairment of transferred asset.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the Statement of Profit and Loss and Consolidated Balance Sheet, separately from parent shareholders' equity, profit and loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

##### **Associates- Equity Accounting**

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, an investment in an associate is initially recognized at cost and adjusted thereafter to recognize the Group's share of post-acquisition profits or losses and that of other comprehensive income of the associate. Distributions received from an associate reduces the carrying amount of the investment. Unrealized gains and losses resulting from transactions between the Group, and Associate entities are eliminated to the extent of the interest in the Associate entities.

After application of the equity method, at each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there exists such evidence, the Group determines extent of impairment and then recognizes the loss in the Statement of Profit and Loss. Upon loss of significant influence over the associate, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate the fair value of the retained investment and proceeds from disposal is recognized in profit and loss.

#### c. **Current & Non-Current Classification**

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i) The asset/liability is expected to be realized/settled in the Company's normal operating cycle.
- ii) The asset is intended for sale or consumption.
- iii) The asset/liability is held primarily for the purpose of manufacturing.
- iv) The asset/liability is expected to be realized/settled within twelve months after the reporting period.



- v) The asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
- vi) In the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

## **II. Summary of Significant Accounting Policies**

### **a) Foreign Currency Transactions and Translation**

#### **i) Functional and presentation currency**

The financial statements are presented in Indian Rupee (INR), which is entity's functional and presentation currency.

#### **ii) Transactions and Balances**

Foreign currency transactions are translated into the functional currency, for initial recognition, using the exchange rates at the dates of the transactions.

All foreign currency denominated monetary assets and liabilities are translated at the exchange rates on the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalized as cost of assets. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

### **b) Cash & Cash Equivalents**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### **c) Property, Plant and Equipment**

Recognition and Measurement:

Property, Plant and Equipment, including Capital Work in Progress, are stated at cost of acquisition or construction less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price (net of tax credits, wherever applicable), import duty and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour and allocation of overheads. Borrowing cost relating to acquisition/ construction of Property, Plant and Equipment which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

#### **Subsequent Measurement:**

Subsequent expenditure related to an item of Property, Plant and Equipment are included in its carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequent costs are depreciated over the residual life of the respective assets. All other expenses on existing Property, Plant and Equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

#### **Capital Work in Progress:**

Expenditure related to and incurred during implementation of capital projects to get the assets ready for intended use is included under "Capital Work in Progress". The same is allocated to the respective items of property plant and equipment on completion of construction/ erection of the capital project/ property plant and equipment. The cost of asset not ready for its intended use before the year end & capital inventory are disclosed under capital work in progress.



**Depreciation:**

Depreciation is provided using straight-line method as specified in Schedule II to the Companies Act, 2013 or based on technical estimates. Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition / disposal.

**Derecognition:**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognized in Statement of Profit and Loss.

**d) Investment Properties**

- i. Property which is held for long-term rental yields or for capital appreciation or both, is classified as Investment Property. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.
- ii. The Company depreciates investment properties over their estimated useful lives, as specified in Schedule II to the Companies Act, 2013.
- iii. Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in Statement of Profit and Loss in the period in which the property is derecognized.

**e) Intangible Assets**

- i. Intangible assets are measured on initial recognition at cost and are subsequently carried at cost less any accumulated amortization and accumulated impairment losses, if any. Internally generated intangibles are not capitalized.
- ii. The intangible assets of the Company are assessed to be of finite lives and are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The Company reviews amortization period on an annual basis. Intangible assets are amortized on straight line basis as specified in Schedule II to the Companies Act, 2013 or based on technical estimates.
- iii. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

**f) Impairment of Non-Financial Assets**

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets, other than inventories and deferred tax assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

An impairment loss is recognized immediately in statement of profit and loss. Impairment loss recognized in respect of a CGU is allocated to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

Non-Financial Assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit and loss.





**g) Investment in Subsidiaries and associates**

Entities and Associates are measured at cost less impairment in accordance with Ind AS 27 "Separate Financial Statements".

**h) Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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 to 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 categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - quoted (unadjusted) 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.

Level 3 - inputs that are unobservable for the asset or liability.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

**i) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options, and embedded derivatives in the host contract.

**I. Financial Assets**

The Company classifies financial assets and subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

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

**1. At amortized cost**

Assets that are held for contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVTPL, are measured at amortized cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognized and measured. Interest income from these financial assets is recognized using the effective interest rate method.

**2. At Fair Value through Other Comprehensive Income (FVTOCI)**

Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income. Movements in the carrying amount are taken through FVOCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortized cost which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

**3. At Fair Value through Profit & 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 and is not part of a hedging relationship is recognized in Statement of Profit and Loss in the period in which it arises, unless it arises from debt instruments that were designated at fair value or which are not held for trading. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

**Interest income:**

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets.

**Equity instruments:**

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. Ind AS 109 requires all investments in equity instruments and contracts on those instruments to be measured at fair value.

The Company subsequently measures all quoted equity investments at fair value. The company's management has elected to present fair value gains and losses on equity investments in profit and loss account.

The Company subsequently measures all un-quoted equity investments at cost based on the requirements of Ind AS 109, where in some limited circumstances cost is a more appropriate estimate of fair value, that may be the case if insufficient more recent information is available to measure the fair value or if there is a wide range of possible fair value measurements and cost represents the best estimate of the fair value within that range.

Changes in the fair value of financial assets at fair value through profit or loss are recognized in net gain/ loss on fair value changes in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Gains and losses on equity investments at FVTPL are included in the Statement of Profit and Loss.

**Debt instruments:**

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds and trade receivables. Based on the factors, the Company classifies its debt instruments into one of the above three measurement categories.

**Derecognition**

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated inequity is recognized in Statement of Profit and Loss if such gain or loss would have otherwise been recognized in Statement of Profit and Loss on disposal of that financial asset.

**Impairment of financial assets**

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

**a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance:**

The Company follows general approach for recognition of impairment loss allowance for financials assets other than trade receivables. In general approach, the financial asset is divided into 3 stages and the amount of ECL is recognized depending on the stage of the financial asset into consideration.

The loss under this approach is either based on the 12 months ECL or lifetime ECL. All financial assets falling in stage 1 is performing and requires 12 months ECL, whereas financial assets in stage 2 where the credit risk has increased significantly post recognition or financial assets in stage 3 which are credit impaired a lifetime ECL is required.

**b) Trade receivables:**

The Company follows simplified approach for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

**II. Financial Liabilities**

Financial liabilities are classified, at initial recognition as at amortized cost or fair value through profit or loss.

Loans and borrowings

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

**Derecognition of Financial Liability**

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.



### III. Derivative financial instruments

The Company uses derivative financial instruments such as forward and options currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognized and subsequently measured at fair value through profit or loss (FVTPL). Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivative financial instrument are recognized in the Statement of Profit and Loss and reported with foreign exchange gains/ (loss). Changes in fair value and gains/(losses) on settlement of foreign currency derivative financial instruments relating to borrowings, which have not been designated as hedge are recorded as finance cost.

#### j) Income Taxes

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

##### I. Current Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax (including Minimum Alternate Tax (MAT)) is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Current income tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss (either in other comprehensive income (OCI) or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

##### II. Deferred Tax

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

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of unrecognized deferred tax assets are reviewed at each reporting date to assess their realizability and corresponding adjustment is made to carrying values of deferred tax assets in the financial statements.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset where a legally enforceable right exists to offset current tax assets and liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. Net outstanding balance in Deferred Tax account is recognized as deferred tax liability/asset.

Deferred tax includes MAT tax credit. The Company recognizes tax credits in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. The Company reviews the such tax credit asset at each reporting date to assess its recoverability.

#### k) Inventories

I. Inventories are valued at lower of cost or net realizable value.

II. Cost of inventories have been computed to include all costs of purchases, cost of conversion, all non-refundable duties & taxes and other costs incurred in bringing the inventories to their present location and condition.

III. The basis of determining cost for various categories of inventories are as follows:

Manufactured goods: At Cost

Traded goods: Weighted Average Cost Moving Average Cost

Stores and Spares: Weighted Average Cost Moving Average Cost

IV. Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale. Necessary adjustment for shortage / excess stock is given based on the available evidence and past experience of the Company.



**l) Provision, Contingent Liabilities and Contingent Assets**

Provisions are recognized for when the Company has at present, legal or contractual obligation as a result of past events, only if it is probable that an outflow of resources embodying economic outgo or loss will be required and if the amount involved can be measured reliably.

Contingent liabilities being a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more future events not wholly in control of the Company are not recognized in the accounts. The nature of such liabilities and an estimate of its financial effect are disclosed in notes to the financial statements.

Contingent assets are not recognized in the financial statements. the nature of such assets and an estimate of its financial effect are disclosed in notes to the financial statements.

**m) Revenue Recognition**

Revenue from contract with customer is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as per contracts with the customers. Revenue also excludes taxes or amounts collected from customers in its capacity as agent.

The specific recognition criteria from various stream of revenue is described below:

**I. Sale of Goods**

Revenue from the sale of goods is recognized when the control of the goods has been passed to the customer as per the terms of agreement and there is no continuing effective control or managerial involvement with the goods.

**II. Rendering of Services**

Revenue from services rendered is recognized when the work is performed and as per the terms of agreement.

**III. Dividends**

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

**IV. Interest Income**

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

**n) Employee Benefits**

Retirement benefits in the form of Provident Fund & Other Fund are paid & charged to the Statement of Profit and Loss for the year when contributions to the respective Funds are due.

Gratuity liability under the Payment of Gratuity Act is paid & charged to the Statement of Profit and Loss for the year when contributions to the LIC Group Gratuity trust is paid.

**o) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

**p) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. Borrowing costs consist of interest and transaction costs that an entity incurs in connection with the borrowing of funds. Transaction costs in respect of long-term borrowings are amortized over the tenor of respective loans using effective interest method. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs also includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the borrowing costs.

**q) Segment Accounting**

Operating segments are reported in a manner consistent with the internal reporting to management. For management purposes, the Company is organized into business units based on its products and services.

Operating results of the business units are monitored separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with the statement of profit or loss in the financial statements.



r) **Earnings Per Share**

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. DilutedEPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of equity shares, for the effects of all dilutive potential equity shares.

s) **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.

t) **Research and Development Expenses**

Research and Development expenses are charged to the statement of Profit and Loss in the year of incurrence. However, Capital expenditure on Research and Development is treated in the same way as other fixed assets.

u) **Expenditure**

Expenses are net of taxes recoverable, wherever applicable.





## ITL INDUSTRIES LIMITED

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2021

**NOTE - 2****(A) PROPERTY PLANT & EQUIPMENT**

2020-21

(₹ in Lacs)

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	Balance as at 01.04.2020	Additions during the year	Disposals during the year	Balance as at 31.03.2021	Balance as at 01.04.2020	Depreciation For The Year	Deduction & Adjustment	Balance as at 31.03.2021	Balance as at 31.03.2021	Balance as at 31.03.2020
<b>(A) TANGIBLE ASSETS</b>										
Leasehold Industrial Land	246.76	7.87	0.00	254.63	0.00	4.39	0.00	4.39	250.23	246.76
Site Development	1.50	0.00	0.00	1.50	0.69	0.05	0.00	0.74	0.76	0.81
Factory Building and Shed	808.59	0.00	0.00	808.59	189.69	23.67	0.00	213.35	595.24	618.91
Plant & Machinery	727.37	330.10	12.77	1044.70	334.47	60.04	10.80	383.72	660.98	392.90
Other Equipments	242.59	3.27	0.00	245.86	128.64	12.49	0.00	141.13	104.72	113.95
Electrical Equipment	15.35	0.00	0.00	15.35	5.25	0.69	0.00	5.93	9.42	10.11
Office Equipments	103.13	5.81	0.00	108.93	68.94	7.07	0.00	76.01	32.92	34.19
Furniture & Fixture	216.70	0.37	0.00	217.07	142.69	16.61	0.00	159.30	57.77	74.01
Computer	103.18	6.66	0.31	109.53	85.58	11.28	0.30	96.56	12.97	17.60
Vehicles	162.83	31.87	0.29	194.42	87.92	11.89	0.27	99.54	94.88	74.91
Cycle & Handcart	0.75	0.00	0.00	0.75	0.61	0.03	0.00	0.64	0.12	0.14
<b>TOTAL (A)</b>	<b>2628.76</b>	<b>385.94</b>	<b>13.37</b>	<b>3001.33</b>	<b>1044.48</b>	<b>148.20</b>	<b>11.37</b>	<b>1181.31</b>	<b>1820.03</b>	<b>1584.28</b>

**NOTE - 3****(B) INTANGIBLE ASSETS**

Software	264.63	2.87	0.00	267.50	189.24	18.90	0.00	208.14	59.36	75.39
<b>TOTAL (B)</b>	<b>264.63</b>	<b>2.87</b>	<b>0.00</b>	<b>267.50</b>	<b>189.24</b>	<b>18.90</b>	<b>0.00</b>	<b>208.14</b>	<b>59.36</b>	<b>75.39</b>
<b>TOTAL (A) + (B)</b>	<b>2893.39</b>	<b>388.81</b>	<b>13.37</b>	<b>3268.83</b>	<b>1233.72</b>	<b>167.09</b>	<b>11.37</b>	<b>1389.44</b>	<b>1879.40</b>	<b>1659.66</b>
Previous year	2580.85	316.50	3.96	2893.39	1103.05	134.54	3.87	1233.72	1659.66	1477.80

**NOTE - 2****(A) PROPERTY PLANT & EQUIPMENT**

2019-20

(₹ in Lacs)

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	Balance as at 01.04.2019	Additions during the year	Disposals during the year	Balance as at 31.03.2020	Balance as at 01.04.2019	Depreciation For The Year	Deduction & Adjustment	Balance as at 31.03.2020	Balance as at 31.03.2020	Balance as at 31.03.2019
<b>(A) TANGIBLE ASSETS</b>										
Leasehold Industrial Land	246.76	0.00	0.00	246.76	0.00	0.00	0.00	0.00	246.76	246.76
Site Development	1.50	0.00	0.00	1.50	0.65	0.05	0.00	0.69	0.81	0.85
Factory Building and Shed	806.64	1.95	0.00	808.59	166.06	23.63	0.00	189.69	618.91	640.59
Plant & Machinery	468.26	259.11	0.00	727.37	304.99	29.48	0.00	334.47	392.90	163.27
Other Equipments	242.12	0.47	0.00	242.59	116.23	12.41	0.00	128.64	113.95	125.89
Electrical Equipment	15.35	0.00	0.00	15.35	4.56	0.69	0.00	5.25	10.11	10.79
Office Equipments	99.60	3.52	0.00	103.13	61.80	7.14	0.00	68.94	34.19	37.80
Furniture & Fixture	213.48	3.48	0.26	216.70	128.94	14.01	0.26	142.69	74.01	84.54
Computer	100.69	2.49	0.00	103.18	68.98	16.61	0.00	85.58	17.60	31.72
Vehicles	146.92	19.62	3.70	162.83	76.33	15.20	3.61	87.92	74.91	70.59
Cycle & Handcart	0.75	0.00	0.00	0.75	0.57	0.04	0.00	0.61	0.14	0.18
<b>TOTAL (A)</b>	<b>2342.08</b>	<b>290.64</b>	<b>3.96</b>	<b>2628.76</b>	<b>929.11</b>	<b>119.25</b>	<b>3.87</b>	<b>1044.48</b>	<b>1584.28</b>	<b>1412.97</b>

**NOTE-3****(B) INTANGIBLE ASSETS**

Software	238.77	25.86	0.00	264.63	173.94	15.30	0.00	189.24	75.39	64.82
Goodwill	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL (B)</b>	<b>238.77</b>	<b>25.86</b>	<b>0.00</b>	<b>264.63</b>	<b>173.94</b>	<b>15.30</b>	<b>0.00</b>	<b>189.24</b>	<b>75.39</b>	<b>64.82</b>
<b>TOTAL (A) + (B)</b>	<b>2580.85</b>	<b>316.50</b>	<b>3.96</b>	<b>2893.39</b>	<b>1103.05</b>	<b>134.54</b>	<b>3.87</b>	<b>1233.72</b>	<b>1659.66</b>	<b>1477.80</b>
Previous year	2141.25	728.79	289.20	2580.85	984.01	135.83	16.79	1103.05	1477.80	1157.21



**ITL INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2021**  
(₹ in Lacs)

<b>PARTICULARS</b>	<b>2020-21</b>	<b>2019-20</b>
<b>NOTE - 4</b>		
<b><u>Investments(Non-Current)</u></b>		
- In Associates Company		
M/s Luhadiya Sons Pvt. Ltd.		
294690 (Previous year 294690) Equity Shares of ₹ 10 each		
Share in Net Assets	29.68	29.68
Add : Goodwill / (Capital Reserve) on consolidation	23.36	23.36
Equity Investment in Associate at cost	53.04	53.04
Add : Share in Profit / Reserves of Associates	23.71	22.71
<b>TOTAL</b>	<b>76.75</b>	<b>75.75</b>
- In Related Concerns		
M/s Indore Tools Pvt. Ltd.	25.73	25.73
568400 (Previous year 568400) Equity Shares of ₹ 10 each		
M/s Dimart Engineering P.Ltd.		
64000 (Previous year 64000) Equity Shares of ₹ 10 each	4.00	4.00
M/s Fillracks Technology Pvt. Ltd.		
3950 (Previous year 3950) Equity Shares of ₹ 100 each	3.95	3.95
- Others		
NCD of Ratnaakar Infratech Ltd	19.48	25.33
NCD of Casagrand Millenia Pvt. Ltd.	47.38	0.00
India Realty Excellence Fund V (IREF-V)	20.00	0.00
CRSL MLD Series 2020-21/04/B (Debt Plus)	201.91	0.00
NCD of Sadbhav Engineering Limited	100.10	0.00
(a) Quoted - Mutual Funds	19.19	15.00
(b) Quoted and Listed - Equity Shares	3.14	3.59
(c) Investment in Un Listed - Equity Shares	14.30	0.00
<b>TOTAL</b>	<b>459.18</b>	<b>77.60</b>
- In Subsidiary Company		
M/s M.M.Metals Pvt. Ltd.	0.00	0.00
30480 (Previous year 30480) Equity Shares of ₹ 100 each		
M/s M.M.Metals Pvt. Ltd.	0.00	0.00
23000 (Previous year 23000) 5% Redeemable Cumulative Preference Share of ₹ 100 each		
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>
<b>GRAND TOTAL</b>	<b>535.94</b>	<b>153.36</b>
<b>NOTE - 5</b>		
<b><u>Other Financial Assets - Non Current</u></b>		
<b>Unsecured, Considered Good</b>		
(a) Loans and Advances to Related Parties	0.00	0.00
(b) Other Financial Assets	26.20	27.86
(d) Pre Operative Expenses	0.00	7.87
<b>TOTAL</b>	<b>26.20</b>	<b>35.73</b>
<b>NOTE - 6</b>		
<b><u>Inventories (Valued at lower of cost or net realisable value)</u></b>		
(As taken, valued and certified by management)		
(a) Raw Materials & Bought Out Components	1208.92	1400.31
(b) Stock of Trading Goods	1041.04	1807.09
(c) Finished Products	108.52	64.39
(d) Work in Process & Semi Finished Goods	644.72	904.45
(e) Stores, Spare Parts & Standard Items	0.31	0.13
<b>TOTAL</b>	<b>3003.51</b>	<b>4176.36</b>



**ITL INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2021**  
(₹ in Lacs)

PARTICULARS	2020-21	2019-20
<b>NOTE - 7</b>		
<b>Short Term Investment</b>		
Investment in UPPCL Bonds	370.00	0.00
<b>TOTAL</b>	<b>370.00</b>	<b>0.00</b>
<b>NOTE - 8</b>		
<b>Trade Receivables</b>		
(Unsecured, Considered Good unless otherwise stated)		
(a) Considered Good	0.00	735.41
(b) Considered Impaired	2115.12	1079.96
	2115.12	1815.37
Less: Allowance for Credit Losses	10.57	0.00
<b>TOTAL</b>	<b>2104.55</b>	<b>1815.37</b>
<b>NOTE - 9</b>		
<b>Cash &amp; Cash Equivalents</b>		
(a) Cash in hand	2.62	7.59
(b) Balances with schedule Bank		
- In Current Accounts	0.00	28.03
<b>TOTAL</b>	<b>2.62</b>	<b>35.62</b>
<b>NOTE - 10</b>		
<b>Bank Balances Others</b>		
(a) Fixed Deposit Account	85.29	111.61
(b) Accrued Interest on Fixed Deposits	2.30	1.32
(c) Unclaimed Dividend	7.52	8.51
<b>TOTAL</b>	<b>95.11</b>	<b>121.44</b>
<b>NOTE - 11</b>		
<b>Other Financial Assets- Current</b>		
(Unsecured, Considered Good unless otherwise stated)		
(a) Other Deposits	53.67	52.21
(b) Advances to Related Parties	564.25	326.21
(c) Inter Corporate Deposits	200.72	0.00
(d) Accrued Interest on Investment (UPPCL Bond)	7.19	0.00
<b>TOTAL</b>	<b>825.84</b>	<b>378.42</b>
<b>NOTE - 12</b>		
<b>Current Tax Assets (Net)</b>		
Advance payment of Income Tax	140.60	0.00
Less : Provision for Income Tax	120.00	0.00
<b>TOTAL</b>	<b>20.60</b>	<b>0.00</b>
<b>NOTE - 13</b>		
<b>Other Current Assets</b>		
(a) Prepaid Expenses	4.61	7.11
(b) Balance with Government Authorities	45.23	161.70
(d) Others - Unsecured Considered Good	81.55	109.01
(e) Loans and Advances to Employees	44.13	25.58
<b>TOTAL</b>	<b>175.52</b>	<b>303.40</b>
<b>NOTE - 14</b>		
<b>Equity Share Capital</b>		
(a) Authorised		
40,00,000 Equity Shares of ₹ 10/- each	400.00	400.00
(b) Issued, Subscribed & Paid-up		
3204300 Equity Shares of ₹ 10/- each at par	320.43	320.43
<b>TOTAL</b>	<b>320.43</b>	<b>320.43</b>



**ITL INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2021**  
 (₹ in Lacs)

PARTICULARS	2020-21	2019-20
<b>NOTE - 15</b>		
<b>Other Equity</b>		
<b>General Reserve</b>		
Balance as per Previous Year	3600.00	3400.00
Add: Transfer from P & L A/c	500.00	200.00
<b>Closing Balance (a)</b>	<b>4100.00</b>	<b>3600.00</b>
<b>Retained Earnings</b>		
Balance as per Previous Year	387.21	167.62
Add: Surplus/ (Deficit) in statement of Profit & Loss	500.98	439.99
<b>TOTAL</b>	<b>888.20</b>	<b>607.61</b>
Less: Transferred to General Reserve	500.00	200.00
Less: Proposed Dividend	16.02	16.02
Less: Dividend Distribution Tax	0.00	3.29
<b>TOTAL</b>	<b>372.17</b>	<b>388.30</b>
Add: Share in Revenue Profit of Associates	6.28	5.20
<b>Closing Balance (a)</b>	<b>378.45</b>	<b>393.50</b>
<b>Assets Revaluation Reserve</b>	<b>91.68</b>	<b>91.68</b>
<b>Security Premium</b>		
Balance as per last Balance Sheet	16.43	16.43
Add: Share in Security Premium (Associates)	0.00	0.00
<b>Closing Balance (c)</b>	<b>16.43</b>	<b>16.43</b>
<b>Capital Reserve</b>		
Balance as per last Balance Sheet	17.37	17.37
<b>Closing Balance (d)</b>	<b>17.37</b>	<b>17.37</b>
<b>Fair value through comprehensive income</b>		
Balance as per Previous Year	0.00	0.00
Movement during the year	3.37	0.00
<b>Closing Balance (d)</b>	<b>3.37</b>	<b>0.00</b>
<b>TOTAL</b>	<b>4607.30</b>	<b>4118.98</b>

**Nature and purpose of Reserves:**

**General Reserve:** General reserve is referred to as the reserve fund that is created by keeping aside a part of profit earned by the business during the course of an accounting period for fulfilling various business needs like meeting contingencies, offsetting future losses, enhancing the working capital, paying dividends to the shareholders, etc.

**Retained earnings:** Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, other distributions paid to shareholders.

**Asset revaluation reserves:** A reserve created on the revaluation of assets or net assets of an entity represented by the surplus of the estimated replacement cost or estimated market values over the book values thereof.

**Capital Reserve:** The capital reserve is the reserve which is created out of the profits of the company generated from its non-operating activities during a period of time and this is not available for distribution of dividend but can be utilized for issuing bonus shares.

**Security Premium:** Security Premium Reserve is the additional amount charged on the face value of any share when the shares are issued, redeemed, and forfeited and can be utilized for writing off any preliminary expenses, expenses of issue of shares and debentures, such as commission paid or discount given on the issue of shares of the company.

**FVOCI equity instrument:** The fair value changes of the long term investments in securities have been recognised in reserves under FVOCI equity instruments as at the date of transition and subsequently in the other comprehensive income for the year.

<b>NOTE - 16</b>		
<b>Non-Controlling Interest</b>		
NCI at the beginning of the year	1.66	1.66
Share of NCI in the subsidiary company	-3.81	
<b>TOTAL</b>	<b>-2.15</b>	<b>1.66</b>



**ITL INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2021**  
(₹ in Lacs)

PARTICULARS	2020-21	2019-20
<b>NOTE - 17</b>		
<b>Long Term Borrowings</b>		
Term Loan		
(a) From State Bank of India (Secured by first legal mortgage in respect of Company's fixed assets acquired out of this loan and personal guarantee of Directors. Repayable in quarterly instalments over specified period of loans last instalment due in March 2025)	237.83	90.19
(b) Vehicle Loans (Against hypothecation of vehicles acquired out of the loan. Repayable in equated monthly instalments over the period of loans)	13.12	24.83
(c) From Kotak Mahindra Bank	285.54	312.77
<b>TOTAL</b>	<b>536.49</b>	<b>427.79</b>
<b>NOTE - 18</b>		
<b>Short Term Borrowings</b>		
<b>Secured</b>		
Loans Repayable on Demand		
(a) From State Bank of India (Secured by hypothecation by way of charge on inventories both in hand and in transit, book debts, bills & other receivables both present & future and personal guarantee of Directors and first pari passu charge on various industrial plots situated at 111, Sector-B, Sanwer Road Indore -452015)	904.49	1341.82
(b) Current Maturities of Long Term Loans		
State Bank of India	223.37	40.00
Kotak Mahindra Bank	62.63	0.00
(c) State bank of India (Overdraft against pledge of FDR)	6.81	10.15
(d) From Kotak Mahindra Bank	38.06	49.69
<b>Unsecured</b>		
From Axis Bank (Siemens Ltd. channel financing loan from Axis Bank)	0.00	39.70
<b>TOTAL</b>	<b>1235.36</b>	<b>1481.36</b>
<b>NOTE - 19</b>		
<b>TRADE PAYABLES</b>		
(a) Total Outstanding Due to Micro Small and Medium Enterprise*	0.00	0.00
(b) Total Outstanding Due to Creditors other than (a). Above		
- For Purchase of Material	1460.19	1536.79
<b>Total</b>	<b>1460.19</b>	<b>1536.79</b>

**NOTES:**\* Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act")

PARTICULARS	2020-21	2019-20
Principal amount due and remain unpaid	0.00	0.00
Interest due on above and remain unpaid	0.00	0.00
Interest paid	0.00	0.00
Payment made beyond appointed day during the year	0.00	0.00
Interest due and payable for the period of delay	0.00	0.00
Interest accrued and remaining unpaid	0.00	0.00
Amount of further interest due and payable in succeeding years	0.00	0.00

The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the financial statements based on the information received and available with the Company.





**ITL INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2021**  
(₹ in Lacs)

<b>PARTICULARS</b>	<b>2020-21</b>	<b>2019-20</b>
<b><u>NOTE - 20</u></b>		
<b><u>Other Current Liabilities</u></b>		
(a) Payable to Directors	15.20	41.03
(b) Other Payables	247.30	241.60
(c) Proposed Dividend	16.02	16.02
(d) Unclaimed Dividend	7.52	8.51
<b>TOTAL</b>	<b>286.04</b>	<b>307.16</b>
<b><u>NOTE - 21</u></b>		
<b><u>Other Current Liabilities</u></b>		
(a) Statutory Liabilities	11.93	24.02
(d) Advance against supplies	286.97	503.74
<b>TOTAL</b>	<b>298.90</b>	<b>527.75</b>
<b><u>NOTE - 22</u></b>		
<b><u>Provisions</u></b>		
Provision of Gratuity	62.16	55.10
Provision of Bonus	39.33	42.88
<b>TOTAL</b>	<b>101.49</b>	<b>97.98</b>
<b><u>NOTE - 23</u></b>		
<b><u>Current Tax Liabilities (Net)</u></b>		
Provision for Income Tax	0.00	150.00
Less : Advance Payment of Income Tax	0.00	141.25
<b>TOTAL</b>	<b>0.00</b>	<b>8.75</b>
<b><u>NOTE - 24</u></b>		
<b><u>Revenue from Operations</u></b>		
Sales (Net of GST)	8850.04	7843.29
Job Work & Commissioning Charges	48.03	82.42
<b>TOTAL</b>	<b>8898.07</b>	<b>7925.71</b>
<b><u>NOTE - 25</u></b>		
<b><u>Other Income</u></b>		
Interest Received	5.88	13.02
Profit on Sales of Fixed Assets	0.19	0.98
Profit on Sales of Investments	0.00	1.43
Export Incentives Received	15.45	56.30
Miscellaneous Income	39.46	26.30
<b>TOTAL</b>	<b>60.98</b>	<b>98.03</b>
<b><u>NOTE - 26</u></b>		
<b><u>Cost of Material Consumed/Sold</u></b>		
Opening Stock	1400.31	1156.53
Add : Purchases	5041.47	5733.25
	<b>6441.77</b>	<b>6889.78</b>
Less : Closing Stock	1208.92	1400.31
<b>TOTAL</b>	<b>5232.86</b>	<b>5489.47</b>



**ITL INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2021**  
 (₹ in Lacs)

PARTICULARS	2020-21	2019-20
<b>NOTE - 27</b>		
<b><u>Change in Inventory of Finished Goods, Work In Process and Stock in Trade</u></b>		
Opening Stock		
- Finished Goods	64.39	68.25
- Work In Process	904.45	1222.02
- Stock in Trade	1807.09	1100.63
Less : Closing Stock		
- Finished Goods	108.52	64.39
- Work In Process	644.72	904.45
- Stock in Trade	1041.04	1807.09
<b>TOTAL</b>	<b>981.65</b>	<b>-385.02</b>
<b>NOTE - 28</b>		
<b><u>Employee Benefits Expenses</u></b>		
Salary, Wages & Allowances (Including Bonus)	930.48	992.32
Director's Remuneration	85.20	93.00
Welfare Expenses	7.87	13.57
Contribution to E.S.I.C.	6.27	8.61
Contribution to P.F.	30.03	28.05
<b>TOTAL</b>	<b>1059.85</b>	<b>1135.55</b>
<b>NOTE - 29</b>		
<b><u>Manufacturing, Administration and Selling Expenses</u></b>		
<b><u>A. Manufacturing Expenses</u></b>		
Stores, Spare Parts & Standard Items Consumed		
Opening Stock	0.13	1.32
Add : Purchases	18.62	14.20
	18.75	15.53
Less : Closing Stock	0.31	0.13
Consumed during the Year	18.44	15.40
Component Processing Charges	122.78	119.06
Power Expenses	36.05	37.51
Repair & Maintenance of Plant & Machinery	0.81	1.81
Repair & Maintenance of Building	12.25	16.87
Freight & Cartage Inward	46.42	43.17
Material Shifting & Handling Charges	13.71	15.88
Other Manufacturing Expenses	7.96	20.69
<b>TOTAL (A)</b>	<b>258.42</b>	<b>270.40</b>
<b><u>B. General &amp; Administrative Expenses</u></b>		
Rent, Rates & Taxes	34.48	35.34
Warehousing Charges	0.00	0.00
Charity & Donation	4.87	6.49
Computer Charges	25.62	4.38
Stationery & Printing	5.41	5.58
Telephones & Internet	10.47	14.87
Postage & Courier	2.68	4.33
Travelling & Conveyance	96.14	203.05
Legal & Professional Charges	54.52	58.24
Auditor's Remuneration	1.75	1.75



**ITL INDUSTRIES LIMITED**  
**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2021**  
 (₹ in Lacs)

<b>PARTICULARS</b>	<b>2020-21</b>	<b>2019-20</b>
Insurance	9.69	5.07
Security Expenses	8.97	7.99
Loss on Sale of Assets	0.72	0.00
Director's Sitting Fees	11.44	10.88
Contribution to P.P.F	6.50	7.44
Bonus / Ex-gratia to Directors	6.50	7.44
Bad Debts	30.06	34.83
Provision of ECL	10.57	0.00
Other Administrative Expenses	36.26	47.44
<b>TOTAL (B)</b>	<b>356.64</b>	<b>455.11</b>
<b><u>C. Selling &amp; Distribution Expenses</u></b>		
Sales Promotion & Entertainment	12.19	17.91
Freight & Cartage Outward	52.87	74.31
Sales Commission	26.62	32.09
Advertisement & Exhibition	6.77	20.89
Late Delivery Charges	3.03	3.33
After Sales & Services	3.35	5.95
Other Selling & distribution Expenses	3.77	1.18
<b>TOTAL (C)</b>	<b>108.60</b>	<b>155.65</b>
<b>GRAND TOTAL (A+B+C)</b>	<b>723.65</b>	<b>881.16</b>
<b><u>NOTE - 30</u></b>		
<b><u>Interest &amp; Finance charges</u></b>		
Interest on Bank Loan	143.41	131.35
Interest to Others	2.83	3.44
Other Financial Charges	16.58	17.43
<b>TOTAL (A)</b>	<b>162.81</b>	<b>152.22</b>

**31 ADDITIONAL NOTES ON CONSOLIDATED FINANCIAL STATEMENTS**

1 Notes 1 to 31 referred herein above forms an integral part of these Consolidated Ind AS Financial Statements.

**2 (A) CONTINGENT LIABILITIES:****Contingent liability [to the extent not provided for]**

Central Sales Tax, 1956, matter under dispute - ₹ 98.29 Lacs (Previous year – ₹ 98.29 Lacs)

Value Added Tax, matter under dispute- ₹ 9.22 Lacs (Previous year – ₹ 9.22 Lacs )

Disputed Demand of Income tax- ₹ 14.84 Lacs (Previous year – ₹ 13.52 Lacs)

**(B) COMMITMENTS : NIL**

3 There were no such transactions that were not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

4 As per Ind AS 109 the long-term investments held by the company in its subsidiary and associates and in other company are to be carried at cost. Investments of the Company have been considered by the management to be of or short-term based on the nature/purpose of the investment.

**5 DEFERRED TAX LIABILITY AS PER IND AS – 12**

(₹ in Lacs)

Particulars	2020-21	2019-20
Difference in Block Value of Fixed Assets as per Income Tax Act and Company Law	740.50	604.35
Fair Value Gain/loss through OCI effect	3.74	0.00
Provision for ECL (DTA)	-10.57	0.00
Less: Deferred Tax Liability effect for unabsorbed losses	-	-
<b>Net deferred tax Liability (a)-(b)</b>	<b>195.22</b>	<b>168.13</b>
Less: Deferred tax Liability already provided in previous years	168.13	111.67
<b>Deferred Tax Liability/ written back for the year</b>	<b>27.08</b>	<b>56.46</b>

The income tax expense for the year can be reconciled to the accounting profit as follows:

(₹ in Lacs)

Particulars	2020-21	2019-20
Profit before tax from continuing operation	629.22	608.61
Income Tax expense calculated @ 27.82% (Previous Year 27.82%)	175.05	169.32
Effect of income that is exempt from taxation	0.00	-0.28
Effect of expenses that are not deductible in determining taxable profits	-10.57	-35.17
Effect of concession (allowances)	0.00	0.00
Adjustments recognized in current year in relation to the current tax of prior years	0.00	0.00
Other temporary differences	52.93	-12.44
<b>Income tax expense recognized in profit or loss (relating to continuing operation)</b>	<b>111.54</b>	<b>146.30</b>

**Provision For Taxation**

Provision for taxation for the year has been made after considering allowance, claims and relief available to the Company (if any).

**6 AUDITOR'S REMUNERATION: (Excluding GST)**

(₹ in Lacs)

Particulars	2020-21	2019-20
Statutory Audit Fees	1.45	1.45
Tax Audit	0.30	0.30
Reimbursement of Expenses	-	-
<b>Total</b>	<b>1.75</b>	<b>1.75</b>

7 In accordance with IND AS-24 the related party disclosure is as under, the information regarding related party have been determined to the extent, such parties have been identified on the basis of information available with the company:

**I. Name of the Related Parties :****A) Key Management Personnel & Directors**

Shri Rajendra Jain (KMP)

Shri Mahendra Jain (KMP)

Shri Ashok Ajmera (CFO)

Shri Akhilesh Goutam (CS)

Shri Manish Jain (Director)

Shri Meena Jain (Director)

Mr. N. Chakraborty (Director)

Mrs. Pratima Jain (Director)

Mr. Rajesh Jain (Director)

**B) Subsidiary Company**

M.M. Metals Private Limited

**D) Associate Company**

Luhadiya Sons Shahpura Private Limited

**E) Relatives of Key Managerial Personnel:**

Mrs. Bharti Chakraborty

**C) Key Management Personnel having Significant Influence in:**

Remswags Marketing Pvt.Ltd.  
Indore Tools Pvt. Ltd.

Ravish Jain  
Prakhar Jain  
Manish Jain  
Shekhar Jain

**Name of related parties:****Directors and KMP**

(₹ in Lacs)

Name of Director	Relationship	Nature of Transaction	Amount	Outstanding Amount
Shri Rajendra Jain	Managing Director	Remuneration	51.15	6.34 (Cr.) [PY 24.43 (Cr.)]
Shri Mahendra Jain	Joint Managing Director	Remuneration	47.06	4.34 (Cr.) [PY 13.07 (Cr.)]

**Relative and enterprises in which Managerial Personnel have significant influence**

(₹ in Lacs)

Name	Relationship	Nature of Payment	Amount	Outstanding Amount
Mrs. Bharti Chakraborty	Director's Wife	Rent	3.60	Nil [PY Nil]
Ravish Jain	Managing Director's Son	Remuneration	20.27	1.11 (Cr.) [PY 2.49 (Cr.)]
Prakhar Jain	Joint Managing Director's Son	Remuneration	20.27	0.98 (Dr.) [PY 0.94 (Cr.)]
Manish Jain	Managing Director's Son	Remuneration	20.27	0.37 (Dr.) [PY 1.72 (Cr.)]
Shekhar Jain	Joint Managing Director's Son	Remuneration	20.27	0.37 (Cr.) [PY 5.61 (Cr.)]
Remswags Marketing Private Limited	Director's Relative is director	Purchase (Net)	256.04	46.90 (Dr.) [PY 24.89 (Dr.)]
		Sales (Net)	40.17	
		Interest Received	0.00	
		Warehousing & Facility Charges Paid	0.60	
Indore Tools Private Limited	Director's Relative is Director	Purchase (Net)	670.70	331.47 (Dr.) [PY 130.39 (Dr.)]
		Warehousing & Facility Charges Paid	2.40	
		Sales (Net)	6.93	
M.M. Metals Private Limited	Subsidiary Company	Sales of Material	2.20	102.30 (Cr.) [PY 15.36 (Cr.)]
		Warehousing & Facility Charges Paid	48.00	
		Purchase (Net)	375.90	
Fillracks Technology Private Limited	Joint Managing Directors Son is Director	Purchase (Net)	4.55	0.82 (Cr.) [PY 3.43 (Cr.)]

**Note: All the above transactions are on arm's length basis.**

**8 BASIC AND DILUTED EPS:**

(₹ in Lacs)

Particulars	2020-21	2019-20
Net Profit attributable to equity shareholders	497.17	414.13
Number of equity shares issued (basic)	32.04	32.04
Number of equity shares issued (weighted)	32.04	32.04
<b>Basic and Diluted earnings per share</b>	<b>15.52</b>	<b>12.93</b>

- 9 The inventories amounting to ₹ 3003.51 Lacs have been shown at cost. As per Ind AS 2 - "Valuation of Inventories", inventories should be valued at cost or net realizable value whichever is lower. Such valuation requires technical judgments and consideration of market related factors. The diminution in the valuation thereof, if any, will be accounted for in the year of realization.
- 10 Balance of Trade Receivables, Trade Payables, Trade Deposit, Loans and Advances and others are subject to respective consent, confirmation, reconciliation and consequent adjustment, if any. However, in the opinion of the management these accounts will fetch the amount as stated in the books of accounts on realization in the ordinary course of business.
- 11 There were no dues outstanding for more than 45 days to any micro, small and medium enterprises creditors. The aforesaid information has been arrived at to the extent such communication has been received from the respective parties by the company.
- 12 Additional information as required under part II of schedule III to the companies Act, 2013 is as under:
- Expenditure in foreign currency on account of Raw Material ₹ 369.06 Lacs [Previous Year ₹ 470.22 Lacs]
  - Earning in foreign currency on account of Export of goods on CIF/FOB Basis and advance from customers is ₹ 635.78 Lacs [Previous Year ₹ 835.78 Lacs]
  - Particulars of consumption of Imported and Indigenous Raw Materials:





(₹ in Lacs)

Particulars	2020-21		2019-20	
	Value	% of Total	Value	% of Total
Imported	369.06	7.02%	470.22	8.56%
Indigenous	4890.36	92.98%	5020.80	91.44%
<b>Total</b>	<b>5259.42</b>	<b>100.00%</b>	<b>5491.02</b>	<b>100.00%</b>

13 Previous year's figures have been regrouped / reclassified wherever necessary to confirm to current year's classification.

14 Research and Development Expenditure Details:

(₹ in Lacs)

Particulars	2020-21	2019-20
Capital expenditure	NIL	2.84
Revenue expenditure	272.38	284.32

15 The Company has not entered into any derivative and forward contracts for the purpose of hedging foreign exchange exposures and there is no speculative transaction. The outstanding position of the Forex Exposure is as under:

## A) Hedged Exposure

(₹ in Lacs)

Particulars	2020-21		2019-20	
	Forex	INR (in Lacs)	Forex	INR (in Lacs)
Suppliers credit	NIL	NIL	NIL	NIL

## A) Un hedged Exposure: -

(₹ in Lacs)

Particulars	2020-21		2019-20	
	Forex	INR (in Lacs)	Forex	INR (in Lacs)
Suppliers Credit	1500.11 (USD) 330000 (JPY)	1.12 2.28	3207 (USD) 1305 (EURO)	2.38 1.13
Suppliers Debit	1133.92 (USD) 560.00 (EURO)	0.83 0.50	0.00 0.00	0.00 0.00
Customers Debit	66889.50 (USD) 0.00	47.37 0.00	88488 (USD) 1630 (EURO)	60.06 1.29
Customers Credit	12243.65 (USD)	8.86	0.00	0.00

16 In terms of IND AS 108 Segment Reporting, the company has identified following segments and details are furnished as under:

S. No.	Particulars	2020-21	2019-20
1	<b>Segment Revenue:</b>		
	Machine Manufacturing	6361.34	6047.57
	Trading Activities	2973.61	2582.86
	<b>TOTAL</b>	<b>9334.95</b>	<b>8630.43</b>
	Less: Inter Segment Revenue	375.90	606.69
	<b>Net Sales</b>	<b>8959.05</b>	<b>8023.74</b>
2	<b>Segment Profit / (Loss) before tax:</b>		
	Machine Manufacturing	651.13	589.08
	Trading Activities	142.81	178.95
	<b>TOTAL</b>	<b>793.94</b>	<b>768.03</b>
	Less: Interest	162.81	152.22
	<b>Net Profit before tax</b>	<b>631.13</b>	<b>615.81</b>
3	<b>Capital Employed: {Seg Assets-Seg Liabilities}</b>		
	Machine Manufacturing	3051.85	2703.2
	Trading Activities	1873.73	1737.86
	<b>TOTAL</b>	<b>4925.58</b>	<b>4441.06</b>

17 Pursuant to disclosure pertaining to Section 186(4) of the Companies Act, 2013 the following are the details thereof:

a. Loan given-outstanding as at the year-end: Nil

b. Investment Made:

The investments are classified under respective heads for purposes as mentioned in their object clause.

c. Guarantee Given and Security Provided:

During the year the company provided the Guarantee amounting to Rs. 5.08 Lacs [Previous Year ₹3.82 Lacs]

**18 Disclosure Pursuant to Regulation 34(3) of the SEBI (LODR) Regulation 2015**

- a. Loans and advances in the nature of loan to subsidiary - Nil
- b. Loans and Advances in the nature of loan to Associates, Related Party and Parties where directors are interested: Nil
- c. (i) None of the Parties to whom loans were given have made investment in the shares of the Company  
(ii) The above advances fall under the category of loans, which are repayable on demand and interest has been charged on it.

**19 Corporate Social Responsibility:**

The expenditure incurred on corporate social responsibility (CSR) as per Companies Act, 2013 is as under:

(₹ in Lacs)		
Particulars	2020-2021	2019-2020
(i) Gross amount required to be spent by the company during the year	13.86	13.02
(ii) Amount of expenditure incurred	4.71	6.46
(iii) Shortfall at the end of the year	9.15	6.56
(iv) Total of previous years shortfall	10.9	4.34
(v) Reasons for shortfall		
The Company was looking the CSR projects in identifiable areas		
(vi) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard:	NIL	NIL
(vii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	NIL	NIL

(₹ in Lacs)		
Particulars	2020-2021	2019-2020
(i) Gross amount required to be spent by the company during the year.	13.86	13.02
(ii) Amount spent during the year on:		
- Development of Blood Bank		
- Promoting health care, Education and Social Transformation	4.71	2.95
- Funding of an existing eye hospital (Shankar Natralaya)		3.00
- Promotion of Swachh Bharat Campaign		0.51
<b>TOTAL</b>	<b>4.71</b>	<b>6.46</b>

**20 Financial Risk Management Objective and Policies:**

The Company's risk management activities are subject to the management direction and control under the framework of Risk Management Policy as approved by the Board of Directors of the Company. The Management ensures appropriate risk governance framework for the Company through appropriate policies and procedures and that risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

**a) Market Risk**

Market risk is the risk that future earnings and fair value of future cash flows of a financial instrument may fluctuate because of changes in market price. Market risk comprises of currency risk and interest risk.

**i) Interest Risk**

The Company is exposed to changes in interest rates due to its financing, investing and cash management activities. The risks arising from interest rate movements arise from borrowings with variable interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The Company's risk management activities are subject to the management, direction and control of Central Treasury Team of the ITL Group under the framework of Risk Management Policy for interest rate risk. The Group's Central Treasury Team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

The Company's exposure to the risk of changes in market interest rates relates primarily to the borrowing from banks. Currently company is not using any mitigating factor to cover the interest rate risk.

(₹ in Lacs)		
Particulars	2020-21	2019-20
Interest Rate Risk exposure	0.00	0.00
Borrowing from banks	1771.86	1909.15

**Interest rate sensitivity**

The sensitivity analysis below have been determined based on exposure to interest rates for borrowing at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of Borrowings. If the interest rates had been 1% higher or lower and all the other variables were held constant, the effect on Interest expense for the respective financial years and consequent effect on companies profit in that financial year would have been as below:

(₹ in Lacs)

Particulars	2020-21	2019-20
Impact on Profit or Loss for the year decrease	17.72	19.09
Impact on Profit or Loss for the year increase	17.72	19.09

**ii) Foreign currency Exchange risk**

Since the Company operates internationally and portion of the business transacted are carried out in more than one currency, it is exposed to currency risks through its transactions in foreign currency or where assets or liabilities are denominated in currency other than functional currency.

The company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies including the use of derivatives like foreign exchange forward and option contracts to hedge exposure to foreign currency risks.

Following table analysis foreign currency assets and liabilities on balance sheet date.

(₹ in Lacs)

Particulars	2020-21	2019-20
Payable in Foreign Currency	3.39	3.51
Receivable in Foreign Currency	47.37	61.35

**Sensitivity to foreign currency risk**

The following table demonstrates the sensitivity in the various currencies if the currency rate is increased/(decreased) by 1% with all other variables held constant. The below impact on the Company's profit before tax is based on changes in the fair value of unhedged foreign currency monetary assets and liabilities at balance sheet date:

(₹ in Lacs)

Currency	Sensitivity Analysis			
	2020-21		2019-20	
	USD/EURO/JPY	USD/EURO/JPY	USD/EURO/JPY	USD/EURO/JPY
	Increase	Decrease	Increase	Decrease
Sensitivity to foreign currency risk (USD)	550.12	550.12	916.95	916.95
Sensitivity to foreign currency risk (EURO)	5.60	5.60	29.35	29.35
Sensitivity to foreign currency risk (JPY)	3300.00	3300.00	0.00	0.00

**b) Credit risk**

Credit risk refers to the risk that a counterparty or customer will default on its contractual obligations resulting in a loss to the Company. Financial instruments that are subject to credit risk principally consist of Loans, Trade and Other Receivables, Cash & Cash Equivalents, Investments and Other Financial Assets. The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of counter parties on continuous basis with appropriate approval mechanism for sanction of credit limits. Credit risk from balances with banks, financial institutions and investments is managed by the Company's treasury team in accordance with the Company's risk management policy. Cash and cash equivalents and Bank Deposits are placed with banks having good reputation, good past track record and high quality credit rating.

Since the Company has a fairly diversified portfolio of receivables in terms of spread, no concentration risk is foreseen.

**Trade and other receivables**

To Manage trade and other receivables, the company periodically assesses the financial reliability of customers, taking in to account the financial conditions, economic trends, analysis to historical bad debts and ageing of such receivables.

The ageing analysis of the trade receivables has been considered from the date the invoice falls due:

(₹ in Lacs)

Particulars	2020-21	2019-20
Up to 6 Months	1519.37	735.41
More than 6 Months	595.75	1079.61
<b>TOTAL</b>	<b>2115.12</b>	<b>1815.02</b>



The following table summarizes the change in the loss allowances measured using expected credit loss

(₹ in Lacs)	
Particulars	Amount
<b>Balance as at 1<sup>st</sup> April, 2020</b>	<b>0.00</b>
Bad Debts Written off during the year	30.06
Provided during the year	10.57
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>10.57</b>

#### Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counter-parties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties apart from those already given in financials, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

#### c) Liquidity risk

Liquidity risk refers the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities. The Company's objective is to provide financial resources to meet its obligations when they are due in a timely, cost effective and reliable manner without incurring unacceptable losses or risking damage to the Company's reputation. The Company monitors liquidity risk using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations.

The tables below provide details regarding contractual maturities of significant liabilities as at the end of each year end presented.

(₹ in Lacs)				
Particulars	Less than 1 Year	1 to 5 Years	>5 Years	Totals
<b>As at 31<sup>st</sup> March, 2021</b>				
Long term borrowings	0	536.49	0	536.49
Short term borrowings	1235.36	0	0	1235.36
Trade payables	1460.19	0	0	1460.19
Other financial liabilities	286.04	0	0	286.04
<b>Total</b>	<b>2981.59</b>	<b>536.49</b>	<b>0</b>	<b>3518.08</b>
<b>As at 31<sup>st</sup> March, 2020</b>				
Long term borrowings	0	427.79	0	427.79
Short term borrowings	1481.36	0	0	1481.36
Trade payables	1536.79	0	0	1536.79
Other financial liabilities	307.16	0	0	307.16
<b>Total</b>	<b>3325.31</b>	<b>427.79</b>	<b>0</b>	<b>3753.10</b>

#### d) Capital Management

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31<sup>st</sup> March, 2021 and 31<sup>st</sup> March, 2020.

The Company monitors capital using gearing ratio, which is net debt (borrowings less cash and bank balances) divided by total equity plus net debt.

Gearing Ratio:

(₹ in Lacs)		
Particulars	2020-21	2019-20
Debt	1771.85	1909.15
Cash and Cash Equivalent	2.50	35.30
<b>Adjusted Net Debt</b>	<b>1769.35</b>	<b>1873.85</b>
Total Equity	4827.28	4335.74
<b>Net Debt to Equity Ratio</b>	<b>0.37</b>	<b>0.43</b>

#### 21 Financial Instruments by Category and fair value hierarchy:

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values.



The fair values of the financial assets and financial liabilities included in the level 2 and level 3 categories have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

(₹ in Lacs)

As at 31 <sup>st</sup> March, 2021	Fair Value Management			Fair Value Hierarchy		
	FVTPL	FVOCI	Amortised Cost	Level-1	Level-2	Level-3
<b>Financial assets</b>						
Investments	0.00	22.33	806.85	22.33	0.00	0.00
Cash and cash equivalent	0.00	0.00	2.62	0.00	0.00	0.00
Bank balances other than cash and cash equivalent	0.00	0.00	95.11	0.00	0.00	0.00
Trade Receivables	0.00	0.00	2104.55	0.00	0.00	0.00
Other financial assets	0.00	0.00	852.04	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>22.33</b>	<b>3861.17</b>	<b>22.33</b>	<b>0.00</b>	<b>0.00</b>
<b>Financial liabilities</b>						
Borrowings	0.00	0.00	1771.85	0.00	0.00	0.00
Trade Payables	0.00	0.00	1460.19	0.00	0.00	0.00
Other financial liability	0.00	0.00	286.04	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>3518.08</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

As at 31 <sup>st</sup> March, 2020	Fair Value Management			Fair Value Hierarchy		
	FVTPL	FVOCI	Amortised Cost	Level-1	Level-2	Level-3
<b>Financial assets</b>						
Investments	0.00	0.00	77.60	0.00	0.00	0.00
Cash and cash equivalent	0.00	0.00	35.62	0.00	0.00	0.00
Bank balances other than cash and cash equivalent	0.00	0.00	121.44	0.00	0.00	0.00
Trade Receivables	0.00	0.00	1815.37	0.00	0.00	0.00
Other financial assets	0.00	0.00	414.15	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>2464.18</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Financial liabilities</b>						
Borrowings	0.00	0.00	1909.15	0.00	0.00	0.00
Trade Payables	0.00	0.00	1536.79	0.00	0.00	0.00
Other financial liability	0.00	0.00	307.16	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>3753.10</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the Ind AS. An explanation for each level is given below.

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

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

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

## 22 Financial Ratios:

Particulars	2020-2021	2019-2020	Variance	Reasons for variance
Current Ratio	1.95	1.72	13.37%	-
Debt-Equity Ratio	0.36	0.43	-16.28%	-
Debt Service Coverage Ratio	5.32	5.57	-4.49%	-
Return on Equity Ratio	0.10	0.09	8.24%	-
Inventory turnover ratio	1.73	1.32	31.06%	"Increase in following ratio is due to:- Substantial increase in purchases during the year- Also the company is maintainig lower year end inventory in current year, resulting the higher inventory turnover ratio."
Trade Receivables turnover ratio	4.54	3.85	18.05%	-
Trade payables turnover ratio	3.37	3.05	10.23%	-
Net capital turnover ratio	1.63	1.63	0.08%	-
Net profit ratio	5.63%	5.23%	7.66%	-
Return on Capital employed	14.23%	15.42%	-7.72%	-
Return on investment	15.78%	16.90%	-6.63%	-



**23 Estimation of uncertainties relating to the global health pandemic from COVID-19:**

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these financial statements including the recoverability of carrying amounts of financial and non financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information that the carrying amount of these assets will be recovered.

**24 Registration of charges or satisfaction with Registrar of Companies (ROC):**

During the year, the charges or satisfaction which were to be registered with ROC have been done within the statutory period.

**25 The Company has borrowings from banks or financial institutions on the basis of security of current assets with respect to which; the quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.****26 Additional information as required under Schedule III to the Companies Act, 2013, of the enterprises consolidated as subsidiaries/ associates:**

Name of the entity in the Group	Net Assets, i.e, Total Assets Minus Total Liabilities		Share in Profit/ (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit/ (Loss)	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
<b>Parent</b>								
ITL Industries Limited	96.93%	4774.25	101.4%	504.21	100.0%	3.37	101.4%	507.58
<b>Subsidiary</b>								
M.M. Metals Private Limited	1.51%	74.58	-1.6%	-8.04	0.0%	0.00	-1.6%	-8.04
<b>Associate</b>								
Luhadiya Sons Shahpura Private Limited	1.56%	76.75	0.2%	1.00	0.0%	0.00	0.2%	1.00
<b>Total</b>	<b>100.00%</b>	<b>4925.58</b>	<b>100.00%</b>	<b>497.17</b>	<b>100.00%</b>	<b>3.37</b>	<b>100.00%</b>	<b>500.54</b>

Name of the entity in the Group	Net Assets, i.e, Total Assets Minus Total Liabilities		Share in Profit/ (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit/ (Loss)	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
<b>Parent</b>								
ITL Industries Limited	96.43%	4282.70	112.90%	467.54	0.00%	0	112.90%	467.54
<b>Subsidiary</b>								
M.M. Metals Private Limited	1.86%	82.62	-13.16%	-54.49	0.00%	0	-13.16%	-54.49
<b>Associate</b>								
Luhadiya Sons Shahpura Private Limited	1.71%	75.75	0.26%	1.08	0.00%	0	0.26%	1.08
<b>Total</b>	<b>100.00%</b>	<b>4441.07</b>	<b>100.00%</b>	<b>414.13</b>	<b>0.00%</b>	<b>0</b>	<b>100.00%</b>	<b>414.13</b>

**27 Events after reporting date:** There is no event which occurred after the Balance Sheet Date

28 According to Ind AS - 7 the desired Cash flow statement is enclosed herewith.

29 Figures are rounded off to the nearest multiple of ₹ (Rupee).

By and on Behalf of the Board

**Rajendra Jain**  
Managing Director  
DIN : 00256515  
**Ashok Ajmera**  
Chief Financial Officer

**Mahendra Jain**  
Joint Managing Director  
DIN : 00256047  
**Akhilesh Gautam**  
Company Secretary  
FCS : 8592

As per report of even date attached  
**STATUTORY AUDITORS**  
**FOR MAHENDRA BADJATYA & CO.**  
**CHARTERED ACCOUNTANTS**  
ICAI FRN 001457C  
**CA NIRDESH BADJATYA**  
**PARTNER**  
ICAI MNO 420388  
ICAI UDIN: 21420388AAAAIE1520

Place : Indore  
DATE: 10<sup>th</sup> June 2021



If Undelivered, Please Return to:

# ITL Industries Ltd.

**ITL Industries Ltd. (a BSE Listed Company)**

111, Sector "B" Sanwer Road, Industrial Area, Indore-452015 (M.P.) INDIA

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E-mail : [info@itl.co.in](mailto:info@itl.co.in), Website : [www.itl.co.in](http://www.itl.co.in)