ITL Industries Ltd.

Azadi Ka Amrit Mahotsav

34TH ANNUAL REPORT
2021-2022

MESSAGE TO THE MEMBERS

Dear Shareholders,

The Global Economy

THE STORM BEFORE THE CALM? The global economy recovered from the pandemic shock in 2022 on the back of supportive fiscal and monetary policies and mass vaccination programmes. However, at the end of FY22, the war in Ukraine and the subsequent economic sanctions on Russia posed several challenges. It disrupted energy markets and supply chains and added to the already evolving inflationary pressures and concerns over consumer demand. Consequently, growth forecasts have been slashed. The International Monetary Fund (IMF) now expects the world economy to grow by 3.6% in CY22, which is 0.8 percentage points lower than its pre-war projections. Many economies have experienced a sharp surge in inflation, particularly in food and fuel prices, taking their inflation rates to multi-decade highs. Central banks have been forced to respond to surging prices with aggressive rate hikes

While the global economic backdrop remains challenging, there are reasons to remain optimistic. First, despite the slowdown, IMF's projection of world GDP growth in CY22 is still tracking the pre-pandemic average. Second, fiscal support in developed economies remains above the pre-pandemic trend, although diluted, versus past years. Third, mega-trends around sustainability, green investments, digitization, and disintermediation remain well-entrenched and will support 0growth and productivity enhancement in the medium-term. Thus, while businesses will need to remain on guard regarding financial market volatility and cost pressures this year, one could expect the medium-term growth recovery to remain on track.

INDIA: AN ENGINE OF GLOBAL GROWTH:

The Indian economy has not remained unscathed by these global developments. On the positive side, economic activity in India has witnessed a sharp recovery to pre-pandemic levels on the back of a rapid and widespread rollout of the vaccination programme. A strong digital ecosystem, fiscal and monetary policy and various government schemes helped small and medium enterprises and the worst affected sections of the population to survive while reviving demand and bringing the economy back on track. Even as the global headwinds are being felt, India's growth recovery is progressing well, and most estimates peg economic growth during FY23 around the 7% range. India, therefore, is poised to be the fastest-growing major economy in the world and an engine of global growth. Many industries have witnessed fresh project investment announcements. The burden of non-performing assets in the banking sector seems to have peaked out and is easing. Dynamism in India's digital ecosystem, diversification of global supply chains away from China and the greater emphasis of investors on sustainable finance offer new opportunities for India. The above trends lend confidence to a robust economic narrative for India in the medium-term, which augurs well for the corporate sector as well.

Performance of your Company

The year ended March 2022 was a good year for your Company. The Company during the year recorded a turnover of Rs.113.51 Crores in 2021-22 as against Rs.88.96 Crores in 2020-21 with a net profit after tax at Rs. 5.75 Crores as against Rs.5.04 Crores. We remain confident that your company will also perform well during the current year too.

New Developments

Innovation and Development is important continuous activity of your company which makes company fit for the Global demand and expectations. Since inception, ITL is developing import substitute for the countries requirements and innovated & developed products for the Home and Global market. Development of New NC Bandsaws is fourth generation of Bandsaw Machine which offers High Productivity at the low cost. Similarly, NC Circular Carbide Sawing Machines of higher cutting capacity have been developed which has been very well accepted in the home and Global Market.

Latest Manufacturing practices/activities have been adopted which includes Industry 4.0, IoT, AI etc. Now ITL machines are more intelligent helps customers to analyse timely and take suitable actions. Similarly, new business techniques have been adopted in the trading divisions and hope to perform very well in the near future.

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

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 - Manoj Maheshwari

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

BANKERS
State Bank of India
Industrial Finance Branch,
Khel Prashal, Race Course Road,
INDORE (M.P.)
Bank of Baroda
Siyaganj Branch, INDORE (M.P.)

ADVISORS/CONSULTANTS
Mahendra Badjatya & Co.
208, Mourya Centre
Race Course Road, INDORE (M.P.)

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

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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
Website : www.itl.co.in

BSE Scrip Code : 522183

CIN No. : L28939MP1989PLC005037

NOTICE OF 34TH ANNUAL GENERAL MEETING

Notice is hereby given that the 34th Annual General Meeting of the Members of ITL Industries Limited will be held on Wednesday, the 28th day of September, 2022 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 Standalone and Consolidated Financial Statement for the year ended 31st March, 2022 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 31st March, 2022.
3. To appoint a Director in place of Shri Mahendra Jain (DIN: 00256047), who retires by rotation and being eligible, offers himself for re-appointment.
4. Re-appointment of the Statutory Auditors

   To consider and if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:-

   "**RESOLVED THAT** pursuant to Section 139, 142 and other applicable provisions, if any of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [inclusing any statutory modification(s) or re-enactment(s) thereof for the time being in force] and pursuant to the recommendation of the Audit Committee, M/s Mahendra Badjatya & Co. Chartered Accountants, (ICAI FRN 001457C) be and are hereby re-appointed as the Statutory Auditors of the Company for the second consecutive term of five years, from the conclusion of this 34th Annual General Meeting till the conclusion of the 39th Annual General Meeting to be held in the year 2027, to examine and audit the accounts of the Company at such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company."

Special Business & Special Resolution:-

5. **To consider and approve payment of Remuneration Shri Niranjan 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 Niranjan 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."

For and on behalf of the Board
Rajendra Jain
Managing Director
DIN: 00256515

Place : Indore
Dated : 19/08/2022

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 COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circular No. 20/2020 dated May 5, 2020 in relation to clarification on holding of Annual General Meeting ('AGM') through video conferencing ('VC') or other audio visual means ('OAVM') read with General Circulars Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 19/2021 dated December 8, 2021 and Circular No. 2/2022 dated May 5, 2022 in relation to 'Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by COVID-19' and General Circular No.02/2021 dated January 13, 2021 (collectively referred to as 'MCA Circulars') and the Securities and Exchange Board of India ('SEBI') vide its circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to 'Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015-COVID-19 pandemic' and Circular Nos. SEBI/HO/ CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 (collectively referred to as 'SEBI Circulars') permitted the

holding of the Annual General Meeting ('AGM'/'the Meeting') 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'), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and MCA Circulars, the 34th AGM of the Company is being held through VC/OAVM on Wednesday, September 28, 2022 at 11:30 AM IST. The deemed venue for the AGM will be the Registered Office of the Company.

03. As per the provisions of clause 3.A.II. of the General Circular No. 20/2020 dated May 5, 2020, issued by the MCA, the matters of Special business as appearing at Item No. 5 of the accompanying Notice, are considered to be unavoidable by the Board and hence, form part of this Notice.
04. The Explanatory Statement pursuant to Section 102 of the Act in respect of the business under Item No. 3 & 5 set out above and the relevant details of the Directors seeking appointment/re-appointment at this AGM as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meeting issued by The Institute of Company Secretaries of India ("Secretarial Standard") are annexed hereto. Requisite declarations have been received from the Directors seeking appointment/re-appointment.
05. 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 2021-22 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.
06. **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.**
07. 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.
08. 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.
09. 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), MCA Circulars and the SEBI Circulars, 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.
10. The Register of Members, Beneficial Owner and Share Transfer Books of the Company will remain closed from Thursday, September 22, 2022 to Wednesday, September 28, 2022, (both days inclusive) for the purpose of payment of dividend, if declared at the Annual General Meeting.
11. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2021-22 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 2021-22 will also be available on the Company's website www.itl.co.in, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and on the website of NSDL (agency for providing the Remote e-Voting facility) https://www.evoting.nsdl.com.
12. The dividend on Equity Shares, if declared at the AGM, will be payable on or after Sunday, October 2, 2022 to those members whose names appear as Members in the Register of Members of the Company on Thursday, September 22, 2022 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.
13. Members who hold shares in dematerialized form are requested to quote Depository Account Number (Client ID No.) for recording of attendance at the meeting.

14. Members are requested to notify to the Company immediately, quoting Registered Folio No., change in their address, if any, with the pin code number.
15. 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.
16. 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.
17. Shareholders who are still holding physical share certificate are advised to dematerialize their shareholding to avail benefit of dematerialization.
18. The Company has transferred all unpaid/unclaimed equity dividends up to the financial year 2013-14 to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of Companies Act, 2013.
19. Members are advised to claim their unpaid dividend for the year 2014-15 to 2020-21 if any, the Company is having unpaid dividend of Rs. 5,99,939/- for the year 2014-15 to 2020-21. 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 encase 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.
20. Dividend for the financial year ended March 31st, 2015, 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 5, 2022. Members who have not yet encashed their dividend warrants for the financial year ended March 31st 2015 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
21. 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.
22. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is omitted vides notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. The Members at the 29th Annual General Meeting ('AGM') of the Company held on September 28, 2017, had approved appointment of M/s Mahendra Badjatya & Co. Chartered Accountants, (ICAI FRN 001457C), as the Statutory Auditors of the Company to hold office from the conclusion of the 29th AGM till the conclusion of the 34th AGM of the Company to be held in the year 2022. Now the resolution is proposed for re-appointment of Auditors as per Item No. 4 of the accompanying Notice.
23. As per the provisions of section 152 of the Companies Act, 2013 there is a requirement of not less two third of the total number of directors are liable to retire by rotation in every annual general meeting, the company has a board comprising of executive and non-executive directors and there is no director who is eligible for the retire by rotation in this annual general meeting. Although the Company is always ready to comply with all the rules and regulations which are applicable to the Company and in compliance with the said section the company is putting Item No. 3 in the Annual General Meeting Notice relating to the appointment of Shri Mahendra Jain (DIN: 00256047), who was appointed for 3 years as joint managing director in the 33rd Annual General Meeting held on September 23, 2021 and for compliance with the section, the company is retiring him and he is eligible for re-appointment.
24. 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.
25. 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.
26. Members are requested to intimate changes, if any pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number ('PAN'), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc;

    -For Shares held in electronic form: to their Depository Participant only and not to the Company's RTA. Changes intimated to the Depositor Participant will then be automatically reflected in the Company's records which will held the Company and its RTA provide efficient and better service to the Members.

    -For Shares held in physical form: to the Company's RTA in prescribed Form ISR-1 and other forms pursuant to SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021, as per instructions mentioned in the form. The said form can be downloaded from the Investor Section available on the Company's website.
27. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/ P/CIR/2022/8 dated

January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service request, viz; issue of duplicate securities certificate; claim form, unclaimed suspense account; renewal/exchange of securities certificate, consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service request by submitting duly filled and signed Form ISR-4. The said form can be downloaded from the Investor Section available on the Company's website . It may be noted that any service request can be processed only after the folio is KYC complaint.

28. SEBI vide its notification dated January 24, 2022 has amended Regulation 40 of the SEBI Listing Regulations and has mandated that all requests for transfer of securities including transmission and transpositions requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialize, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or Company's Registrars and Transfer Agents, Ankit Consultancy Private Limited for assistance in this regard.
29. 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.
30. 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.
31. 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.
32. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
33. 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.
34. 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.).
35. 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.

36. INSTRUCTIONS FOR E-VOTING

a) 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 EGM/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 EGM/AGM through VC/OAVM.

b) 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 the members is not available for this EGM/AGM. However, the Body Corporate are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

c) 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.

d) 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.

e) 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) Regulations2015 (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 EGM/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.

f) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.itl.co.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e.www.evoting.nsdl.com.

g) 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, 2020and 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 Sunday, 25th September 2022 (from 9.00 A.M.) and end on Tuesday, 27th September, 2022 (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. Wednesday, 21st September, 2022, 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 Wednesday, 21st September, 2022.

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.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **"Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** 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 **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** 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 & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. 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. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' 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 & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play

Individual Shareholders holding securities in demat mode with CDSL	1. 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 https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & 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.
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.

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 evoting@nsdl.co.in 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 helpdesk.evoting@cdslindia.com 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 user 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.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on 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 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 with a copy marked to 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 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 or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre at 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.

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 . 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.infor 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 THEEGM/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 EGM/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 , atleast 3 days prior to Annual General Meeting. The same will be replied by the Company suitably.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
7. 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 Wednesday, 21st September, 2022.

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 send through e-mail and holding shares as of the cut-off date i.e. 21st September, 2022 , 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. Wednesday, 21st September, 2022 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

M/s I G & 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 Scrutinizer 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 Scrutinizers' 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 Sunday, 25th September 2022 (from 9.00 A.M.) and end on Tuesday, 27th September, 2022 (at 5.00 P.M.) During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Wednesday, 21st September, 2022, 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 investor@ankitonline.com

For and on behalf of the Board
Rajendra Jain
Managing Director
DIN: 00256515

Place : Indore
Dated : 19/08/2022

EXPLANATORY STATEMENT

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act'), given hereunder sets out all material facts relating to the special business mentioned at Item No. 5 of the accompanying Notice as an additional information, the Explanatory Statement, also contains material facts pertaining to ordinary business mentioned at Item No. 4 of the said Notice.

Item No. 4

This Explanatory Statement is in terms of Regulation 36(5) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), though statutorily not required in terms of Section 102 of the Act.

The Members at the 29th Annual General Meeting ('AGM') of the Company held on September 28, 2017, had approved appointment of M/s Mahendra Badjatya & Co. Chartered Accountants, (ICAI FRN 001457C), as the Statutory Auditors of the Company to hold office from the conclusion of the 29th AGM till the conclusion of the 34th AGM of the Company to be held in the year 2022.

After evaluating and considering various factors such as the firm served for over 40+ years in the field of audit, income-tax, company law and host of other regulations., the Board of Directors of the Company ('Board') has, based on the recommendation of the Audit Committee, proposed the re-appointment of M/s Mahendra Badjatya & Co., as the Statutory Auditors of the Company, for the second consecutive term of five years, from the conclusion of this 34th Annual General Meeting till the conclusion of the 39th Annual General Meeting to be held in the year 2027, at a remuneration as may be mutually agreed between the Board and the Statutory Auditors.

M/s Mahendra Badjatya & Co. have consented to their appointment as the Statutory Auditors and have confirmed that the appointment, if made, would be within the limits specified under Section 141 of the Act and they are not disqualified to be appointed as the Statutory Auditors in terms of the provision of Section 139 and 141 of the Act and the Rules framed thereunder.

M/s Mahendra Badjatya & Co. was paid a fee of Rs.,1.65 Lakhs for the audit of standalone and consolidated financial statements of the Company for the financial year ended March 31, 2022 plus applicable taxes and out-of-pocket expenses. The fees proposed to be paid to M/s Mahendra Badjatya & Co. for the financial year ending March 31, 2023 will be mutually agreed basis the efforts involved and shall not exceed 10% of the fee paid for the previous year. The Board, in consultation with the Audit Committee shall approve revisions in the remuneration of the Statutory Auditors for the remaining part of the tenure.

The Board, in consultation with the Audit Committee, may alter and very the terms and conditions of re-appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No. 4 of the accompanying Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 4 of the Notice for approval by the Members.

Item No. 5

Shri Niranjan Chakarborty (DIN 00443524) was appointed as the Non Executive & Independent Director by the Members of the

Company at the AGM held on September 27th, 2014 to hold office from April 1, 2014 to March 31, 2019. Further, at AGM held on September 25th, 2019 he was re- appointed as Non Executive & Independent Director for the period April 1, 2019 to March 31, 2024

Shri Niranjan 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. 75000/- Per Board or Committee Meeting (within the limits under the provisions of Companies Act, 2013)

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 Niranjan Chakarborty, Non-Executive Director for the period from April 01, 2022 till March 31, 2023.

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

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 5 of the Notice for approval by the Members

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

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

Name of Director	**Shri N. Chakraborty**
Category	Independent and Non-Executive Director
Inter relationship	Not related
Date of Birth	24th October, 1943
Date of Appointment	1st May, 1999
Qualification	B.Com. & L.L.B.
Expertise in specific	Wide experience in the field of Machine tools Industries
List of other Public Companies in which Directorships held	NIL
Chairman / Member of the Committee as on 31st March 2022	1. Audit Committee- Chairman 2. Shareholders'/ Investors' Grievance Committee - Chairman 3. Nomination and Remuneration Committee - Member
Chairman / Member of Committees of other Public Companies (includes only Audit Committee and Shareholders'/Investors' Grievance Committee	NIL
Shareholdings in the Company	NIL
Name of Director	**Shri Mahendra Jain**
Category	Executive Director/Joint Managing Director
Inter relationship	Non-related
Date of Birth	19th October, 1957
Date of Appointment	1st February, 1993
Qualification	M.Com, PGDBM
Expertise in specific Functional areas	Mr. Mahendra Jain is a post graduate in Commerce and has done PGDBM. He is ex-banker also and has rich experience of about 45 years in this Industry. He has thorough knowledge in the field of Finance and administration
List of other Public Companies in which Directorships held	NIL
Chairman / Member of the Committee of the Board of Directors of the Company (includes only Audit Committee and Shareholders' /Investors' Grievance Committee	NIL
Chairman / Member of Committees as on 31st March 2022	1. Corporate Social Responsibility Committee - Member 2. Financial Decision Making Committee - Member
Shareholdings in the Company	251113

DIRECTOR'S REPORT

Your Directors have pleasure in presenting the 34th Annual Report of the Company and the Audited statement of accounts for the year ended 31st March , 2022.

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

	Particulars	Financial year ended 31.03.2022	Financial year ended 31.03.2021
a)	Sales & Other Income	11524.90	8956.49
b)	Profit before interest, Depreciation & Tax	1028.25	894.80
c)	Less : - Interest and Finance Charges	118.03	129.89
	- Depreciation	128.79	135.69
d)	Profit before Tax	781.43	629.22
e)	Less : Provision for Tax Current year	200.00	120.00
f)	Less : Deferred Tax Liabilities	-24.29	16.78
g)	Less : Income Tax earlier year	30.41	-8.46
h)	Less: Dividend Distribution Tax	0.00	-3.29
i)	Profit after Tax	575.31	504.19
j)	Profit brought forward from previous year	398.47	410.30
k)	Profit available for appropriations	973.78	914.49
l)	Transferred to General Reserve	500.00	500.00
m)	Proposed Dividend	16.02	16.02
n)	Balance carried to Balance Sheet	457.75	398.47

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 31st March, 2022 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. 8956.49 Lacs to Rs. 11524.90 Lacs showing a growth of 28.68 % & profit after Tax of the Company for the year under review has increased from Rs. 504.19 lacs to Rs. 575.31 Lacs showing a growth of 14.11%.

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. MANAGEMENT:

i) DIRECTORS AND KEY MANAGERIAL PERRSONNEL

Changes in Directors:-

During the year under review, Shri Manohar Singh Jain (DIN:00256131), Non-Executive/Promoter Director of the Company ceased to be director on April 27, 2021 due to his sad demise.

As per the provisions of section 152 of the Companies Act, 2013 there is a requirement of not less two third of the total number of directors are liable to retire by rotation in every annual general meeting, the company has a board comprising of executive and non-executive directors and there is no director who is eligible for the retire by rotation in this annual general meeting.

Although the Company is always ready to comply with all the rules and regulations which are applicable to the Company and in compliance with the said section the company is putting Item No. 3 in the Annual General Meeting Notice relating to the appointment of Shri Mahendra Jain (DIN: 00256047), who was appointed for 3 years as joint managing director in the 33rd Annual General Meeting held on September 23, 2021 and for compliance with the section, the company is retiring him and he is eligible for re-appointment.

Changes in KMPs:-

During the year under review Mr. Manoj Maheshwari has been appointed as Company Secretary & Compliance Officer of the Company in place of Mr. Akhilesh Gautam, in terms of Section 203 of the Companies Act, 2013 with effect from November 15, 2021. Mr. Akhilesh Gautam has resigned as Company Secretary & Compliance Officer of the Company with effect from October 6, 2021.

INDEPENDENT DIRECTORS

During the year under review Mr. Niranjan Chakraborty; Mrs. Pratima Jain and Mr. Rajesh Jain were Independent Director of the Company and there is no change in the Independent Directors of the Company.

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, 2022, 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, 2022 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 Members at the 29th Annual General Meeting ('AGM') of the Company held on September 28, 2017, had approved appointment of M/s Mahendra Badjatya & Co. Chartered Accountants, (ICAI FRN 001457C), as the Statutory Auditors of the Company to hold office from the conclusion of the 29th AGM till the conclusion of the 34th AGM of the Company to be held in the year 2022.

After evaluating and considering various factors such as the firm served for over 40+ years in the field of audit, income-tax, company law and host of other regulations., the Board of Directors of the Company ('Board') has, based on the recommendation of the Audit Committee, proposed the re-appointment of **M/s Mahendra Badjatya & Co.,** as the Statutory Auditors of the Company, for the second consecutive term of five years, , from the conclusion of this 34th Annual General Meeting till the conclusion of the 39th Annual General Meeting to be held in the year 2027.

- **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 I G & Associates, Company Secretaries, F.R. No.: I2013MP1054000** ,to undertake the secretarial audit of the company. The Secretarial Audit Report is given at page no. 20-22 forming part of this report.

- **INTERNAL AUDITORS**

  Mrs. Pratibha Kothari, Chartered Accountants performs the duties of internal auditors of the company and their 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 2021-22, The Company has Transfer 7,434 (Seven Thousand Four Hundred Thirty Four) 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 31st March, 2022 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. The business operations of the said companies have not been commenced.

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-B." 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. These documents shall also be available for inspection during the business, 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-C" 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 having profit before tax of Rs. 781.43 Lakhs and as per provisions of Section135 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 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 PERSONNELAND 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 ion 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 1.02 Crore per annum or Rs. 8.50 Lakhs per month for the part of the year, the information required under section 197 of the Companies Act 2013 read with rule 5(2) & 5 (3) of the Companies (appointment and remuneration) Rule 2014 as ammended are given as annexure E

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

Pursuant to Regulation 34(2)(e) of the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, a spate 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 AVIGIL MECHANISM/WHITLE 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.

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 armed 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 DEVLOPMENT & IMPLEMENTATION OF RISK MANAGEMNT 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.

22. SEXUALHARASSMENTOFWOMENATWORKPLACE (PREVANTION 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 INSDER 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' 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 2022-23.

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 OFANNUAL RETURN :

Pursuant to section 134(3)(a) and section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return in form MGT-7 for the year ended 31st March, 2022 is hosted on www.itl.co.in. The same shall be filed to Registrar of Companies after annual General Meeting to be held on 28th September, 2022.

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
Date : 19/08/2022

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	The Research & Development activities resulted in the out by the Company. development of new range of products of the Company and technological upgradation of existing products 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.
3.	Future plan on R & D	To develop special purpose Machines/ Plants and technological upgradationof existing products

4. Expenditure on R & D:

Particulars	Financial Year 2021-22	Financial Year 2020-21	Financial Year 2019-20
Capital	Nil	Nil	Rs.2.84 Lacs
Recurring	Rs.258.64 lacs	Rs. 272.38 Lacs	Rs. 284.32 Lacs
Total	**Rs.258.64 lacs**	**Rs. 272.38 Lacs**	**Rs. 287.16 Lacs**
Total R & D expenditures as a Percentage of total turnover	2.28%	3.06%	3.62%

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	Not Applicable
	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, however the company has taken suitable steps in this regards.
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 earning and outgo is given Note 32(31) in Notes to account

For and On behalf of the Board

Place : Indore
Date : 19/08/2022

Rajendra Jain
Managing Director
DIN:00256515

Mahendra Jain
Joint Managing Director
DIN: 00256047

ANNEXURE-B

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 Lacs)

(Number/Amount ₹ in Lacs)

S.No.	Name of the Subsidiary	M.M. Metal Pvt. Ltd.
1	Reporting period for the subsidiary	31.03.2022
2	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	NA
3	Share capital (equity and preference)	81.00
4	Reserves &Surplus	59.20
5	Total assets	778.50
6	Total Liabilities and Equity	778.50
7	Investments	0
8	Turnover	600.50
9	Profit before taxation	27.84
10	Share of Profit of Associate Company	0
11	Provision for taxation(Deferred Tax Expenses)	3.35
12	Profit after taxation	24.49
13	Proposed Dividend	0
14	% of shareholding	52.55%

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

1. Names of subsidiaries which are yet to commence operations: NA
2. Names of subsidiaries which have been liquidated or sold during the year: NA

Part "B": Associates and Joint Ventures

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

S.No.	Name of the Associate	XXXX
1	Latest audited Balance Sheet Date	
2	Date on which the Associate or Joint Venture was associated or acquired	
3	Shares of Associate held by the company on the year end (a) Number (b) Amount of Investment in Associates (c) Extend of Holding (in %)	NA
4	Description of how there is significant influence	
5	Reason why the associate is not consolidated	
6	Net worth attributable to Share holding as per latest audited Balance Sheet	
7	**Profit / Loss for the year** (a) Considered in Consolidation (b) Not Considered in Consolidation	

Note:The Company was holding more than 20% Equity Shares in Luhadiya Sons Shahpura Private Limited 0.00% (PY 30.79%) which was therefore an associate company within the meaning of section 2(6) of the Companies Act, 2013, until 12.10.2021.

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

Registered Offce:
ITL INDUSTRIES LIMITED
CIN – L28939MP1989PLC005037
111, Sector-B, Sanwer Road, Industrial Area
Indore – 452015 (M.P)
Date: 30.05.2022
Place: Indore

By and on behalf of the Board

Rajendra Jain
(Managing Director)
DIN:00256515

Mahendra Jain
(Joint Managing Director)
DIN: 00256047

ANNEXURE – C

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.

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- **(Rs. In Lacs)**

Sr. No	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)
1	Mr. Rajendra Jain (Managing Director)	Remuneration	Continue	63.16	---	NIL
2	Mr. Mahendra Jain (Joint Managing Director)	Remuneration	Continue	58.10	---	NIL
3	Mrs. Bharti Chakraborty (Director's Wife)	Rent	Continue	3.6	---	NIL
4	Mr. N. Chakraborty (Director)	Sitting Fees	Continue	10.20	---	NIL
5	Mrs. Pratima Jain (Director)	Sitting Fees	Continue	0.36	---	NIL
6	Mr. Rajesh Jain (Director)	Sitting Fees	Continue	0.34	---	NIL
7	Mr. Ravish Jain (Managing Director's Son)	Remuneration	Continue	27.46	---	NIL
8	Mr. Prakhar Jain (Joint Managing Director's Son)	Remuneration	Continue	27.46	---	NIL
9	Mr. Manish Jain (Managing Director's Son)	Remuneration	Continue	27.46	---	NIL
10	Mr. Shekhar Jain (Joint Managing Director's Son)	Remuneration	Continue	27.46	---	NIL
11	Dimart Engineering Pvt. Ltd. (Director's are Director)	Advance given refunded	Continue	4.00	---	NIL
12	Remswegs Marketing Private Limited (Director's Wife is Director)	Sales of Material & Job Work	Continue	22.03	---	NIL
		Purchase of Material & Job Work		116.36		
		Warehousing & Facility ChargesPaid		1.2		
13	Indore Tools Private Limited (Director's Son is Director)	Sales of Material	Continue	21.14	---	NIL
		Purchase of Material & Job Work		1144.62		
		Warehousing & Facility Charges Paid		2.4		
14	M. M. Metals Private Limited (Subsidiary Company)	Purchase of Material & Job Work	Continue	552.12	---	NIL
		Warehousing & Facility Charges Paid		48.00		
15	Fillracks Technologies Private Limited (Joint Managing Director's son is Director)	Purchase of Services	Continue	5.4	---	NIL

Registered Offce:
ITL INDUSTRIES LIMITED
CIN – L28939MP1989PLC005037
111, Sector-B, Sanwer Road, Industrial Area
Indore – 452015 (M.P)
Date: 30.05.2022
Place: Indore

By and on behalf of the Board

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 31st MARCH 2022

[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 31st March 2022 ('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 31stMarch, 2022 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.

(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 9th November, 2018) and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (effective from 10th 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 10th September, 2018) and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. (effective from 11th 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) In 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 15th 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 13th, 2015.

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

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 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 I G & ASSOCIATES
COMPANY SECRETARIES
F.R. No.: I2013MP1054000

ISHA GARG
(Proprietor)
M. NO: FCS 9955 CP: 12184
PEER REVIEW NO.: 914/2020
UDIN: F009955D000417593

Date : 28.05.2022
Place : Indore (MP)

To,
The Members,
ITL Industries Limited
M/s ITL Industries Limited
111-Sector-B, Sanwar Road,
Industrial Area, Indore (MP)
CIN: L28939MP1989PLC005037

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. 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.
2. We have not verified the correctness and appropriateness of financial records and books of Accounts of the company. We have obtained the Management Representation about the compliance of all applicable, laws, rules regulations/circulars/guidelines and happening of events etc.
3. 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 filled the requests forms on MCA, but in some case it files with additional fees.
4. It is the responsibilities of the management of the company, to maintain records, devise proper systems to ensure compliance with provisions of all applicable SEBI Regulations and circulars/guidelines issued there under from time to time and to ensure that the systems are operating effectively. Our responsibilities is to verify compliance by the company with the provisions of all applicable SEBI Regulations and circulars/guidelines issued there under from time to time and issue a report thereon and our examination was limited to the verification of procedures on test basis.
5. We have not verified the correctness, eligibility, appropriateness and validity of the certificates issued by any professionals such as Chartered Accountants/Company Secretary in Practice and information submitted by the company as per SEBI (LODR) Regulations, 2015 and any other certificates and reports required to be submitted with the public portal for the provisions of all applicable SEBI Regulations and circulars/guidelines issued there under from time to time.
6. Based on the above examination 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. and have conducted online verification and examination of records as facilitated by the company/ authorised persons for the purpose of issuing this report.

For I G & ASSOCIATES
COMPANY SECRETARIES
F.R. No.: I2013MP1054000

ISHA GARG
(Proprietor)
M. NO: FCS 9955 CP: 12184
PEER REVIEW NO.: 914/2020
UDIN: F009955D000417593

Date : 28.05.2022
Place : Indore (MP)

ANNEXURE -D

Annual Report on CSR Activities

1.	**Brief Outline of CSR Policy**	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 www.itl.co.in

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)	2	2
2.	Mr. Mahendra Jain	Joint Managing Director (Member)	2	2
3.	Dr. Pratima Jain	Independent Director (Member)	2	2

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	www.itl.co.in
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)	Not Applicable
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	Nil
6.	Average net profit of the Company as per section 135(5) for preceding 3 years	Rs. 690.14 Lakhs
7.	a) Two percent of the average net profit of the Company as per section 135(5)	Rs. 13.80 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, if any	Nil
	e) Total CSR obligation at the end of financial year (7a+7b- 7c+7d)	Rs. 13.80 Lakhs

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

Total amount Spent for the Prior Years	Total amount Spent for the Finanlcial Year 2020-21	Amount Unspent (in Rs.)				
		Total Amount transferred to Unspent CSR account as per section 135(6)		Amount transferred to any fund specified under schedule VII as per second proviso to section 135(5)		
Amount	Amount	Amount	Date of Transfer	Name of the fund	Amount	Date of Transfer
20.05 Lakhs	13.94 Lakhs	NA		NA		

(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	13.80 Lakhs	13.94 Lakhs	13.94 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) – 13.94 Lakhs

(g) Excess amount for set off, if any – Rs. 0.14 Lakhs

9. (a) Details of Unspent CSR amount for the preceding three financial years: Nil 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): NA
12. We hereby declare that implementation and monitoring of the CSR policy, is in compliance with CSR objectives and policy of the Company.

Date – 19.08.2022
Place- Indore

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

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

ANNEXURE -E

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 2021-22, ratio of the remuneration of each Director to the median remuneration of employees of the Company for the Financial year 2021-22 are as under:

S.No.	Name	Remuneration of Director/ KMP for the FY 2021-22	% Increase in remuneration in the FY 2021-22	Ratio of Remuneration of each Director to median remuneration of employees
1.	Shri Rajendra Jain Managing Director	63.16	23.47%	22:1
2.	Shri Mahenda Jain Joint Managing Director	58.11	23.48%	20.24:1
3.	Shri Ashok Ajmera, CFO	11.01	22.33%	N.A.
4.	Shri Akhilesh Gautam, CS*	3.96	10%	N.A.
5.	Shri ManojMaheshwari, CS*	2.72	Nil	N.A.

*Mr. Akhilesh Gautam has resigned as Company Secretary of the Company w.e.f. October 6, 2021 and
* Mr. Manoj Maheshwari has joined as Company Secretary w.e.f. November 15, 2021.

i. The median remuneration of employees of the Company during the financial year was 2.87 Lacs.
ii. In the financial year, there was 10% increment, in the median remuneration of employees.
iii. The number of permanent employees on the roll of the company is 284 Employees.
iv. The Price earnings ratio as at 31.03.2022 is 7.01 and 31.03.2021 was 6.54.
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 asper remuneration policy of the Company.

List of the top 10 employee in respect of the remuneration drawn during the year 2021-22 are as under. (₹ inLacs)

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	63.16	Permanent	BE(MECH.) Phd	45 yrs	01.02.1993	20.04.1954	Dewas Tools Pvt. Ltd	13.89%	
.2.	Shri Mahendra Jain	Jt.Managing Director	58.11	Permanent	M.COM	45 yrs	01.02.1993	19.10.1957	State Bank of India	7.84%	
3.	Shri Ravish Jain	CEO (Research & Development)	27.46	Permanent	BE, MBA	16 yrs	01.08.2006	20.11.1981	Fresh Appoint.	2.94%	Son of Managing Director
4.	Shri Prakhar Jain	CEO (Business Development)	27.46	Permanent	BE, MBA, MS (Hydraulics)	17 yrs	02.05.2005	21.09.1983	Fresh Appoint.	2.58%	Son of Jt.Managing Director
5.	Shri Manish Jain	COO (Business Operation)	27.46	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)	27.46	Permanent	BE(Elec.)	10 yrs	01.04.2012	30.09.1988	Fresh Appoint.	2.90%	Son of Jt.Managing Director
7.	Shri Vikas Choudhary	Vice President	14.06	Permanent	BE(MECH.)	28 yrs	05.05.2017	20.02.1967	Tata International	Nil	
8.	Shri Mukesh Patni	DGM	13.01	Permanent	M.Com	27 yrs	01.01.1995	12.12.1968	Fresh Appoint.	Nil	
9.	Shri Ashish Kanungo	Sr.Manager	11.98	Permanent	MBA	14 yrs	01.01.2008	09.01.1980	Fresh Appoint	Nil	
10.	Shri Harsh Jain	CTO	11.93	Permanent	BE(Elec. & Electronics)	13 yrs	09.09.2009	17.01.1987	Fresh Appoint	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) INDUSTRYSTRUCTURE 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. 8368.50 lacs in the year 2021-22 as against Rs. 6597.14 lacs in the year 2020-21,showing a growth of 26.85% 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. 3657.55 lacs in the year 2021-22 as against Rs. 2973.61 lacs in the year 2020-21, showing a growth of 23.28%. 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. 8956.49 Lacs to Rs. 11524.90 Lacs showing a growth of 28.68% & profit after Tax of the Company for the year under review has increased from Rs. 504.19 Lacs to Rs. 575.31 lacs showing a growth of 14.11%.

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

	Rajendra Jain	**Mahendra Jain**
PLACE: INDORE	**Managing Director**	**Joint Managing Director**
DATE: 19/08/2022	**DIN-00256515**	**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. MANDATORYREQUIREMENTS

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, 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 2021-2022 and the last AGM.

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 N.Chakraborty	Non-Executive /Independent	4	4	Yes
Dr. Pratima Jain	Non-Executive / Independent	4	4	Yes
Shri Rajesh Jain	Non-Executive /Independent	4	4	Yes

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 N.Chakraborty	Nil	Nil
Shri Rajesh Jain	1	Nil
Dr. Pratima Jain	1	Nil

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

During the financial year ended on 31st March, 2022 Four Board Meetings were held on 10th June, 2021, 12th August, 2021, 13th November, 2021 and 10th February 2022.

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, statrtegic 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 statrtegic 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 polices, 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 posses 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 Compete-ncies	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 Niranjan 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

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 2021-22. 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 Board Meetings:

During the financial year ended on 31st March, 2022 Four Board Meetings were held on 10th June, 2021, 12th August, 2021, 13th November, 2021 and 10th February 2022.

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

a. 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.

b. To lay down criteria for determining qualification, positive attributes and Independence of a Director;

c. 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:-

i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-Time Director;

ii. Company Secretary; and

iii. Chief Financial Officer

iv. 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:

Four meeting of the Nomination & Remuneration Committee was held during the year 2021-22. 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	4	4
Shri Rajesh Jain	4	3
Dr. Pratima Jain	4	4

(A) The details of the remuneration paid to Whole time Directors during the year 2021-22 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 liked 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)	63.16	NIL	NIL	NIL
Shri Mahendra Jain (Joint Managing Director)	58.11	NIL	NIL	NIL

(B) The details of payments to Non-Executive & Independent Director during the year 2021-22 are given below: (₹ in Lacs)

Name of Director	Sitting Fees	Commission
Shri N. Chakraborty	10.20	NIL
Dr. Pratima Jain	0.36	NIL
Mr. Rajesh Jain	0.34	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 2021-22. 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	4
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 2021-22.

F. Separate Independent Directors' Meeting

The meeting of Independent Directors held on 10.02.2022, 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.

Meeting and attendance during the year:

Two meetings of the Corporate Social Responsibility Committee were held during the year 2021-22. 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 Rajendra Jain	2	2
Shri Mahendra Jain	2	2
Dr. Pratima Jain	2	2

H. Financial Decision Making Committee :-

The Committee was formed at the Board Meeting held on February 12th, 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
33rd	23.09.2021	Registered Office	11.30 A.M.	Yes (AGM held through Video Conferencing Mode)
32nd	24.09.2020	Registered Office	11.30 A.M.	Yes (AGM held through Video Conferencing Mode)
31st	25.09.2019	Registered Office	11.30 A.M.	Yes

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 approve payment of Remuneration of Shri N Chakraborty.
2. To approve Re-appointment of of Shri Rajendra Jain.
3. To approve Re-appointment 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 Note no. 32(5) 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- allia, 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 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 2021-22 signed by Managing Director of the Company was placed before the Board of Directors at their meeting held on 19th August, 2022. 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 Wednesday, the 28th day of September, 2022 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.

- **Financial Calendar :**

Quarter	Period	Publication of Results
First	April to June	On or before 14th August, 2022
Second	July to September	On or before 15th November,2022
Third	October to December	On or before 15th February, 2023
Fourth	January to March	On or before 30th May, 2023

- **Date of Book Closure:**

  Thursday, the 22nd September, 2022 to Wednesday, 28th September, 2022 (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 details of the monthly high and low prices of the Equity Shares of the Company and its comparison to broad based indices BSE Sensex for period April 1, 2021 to March 31, 2022 are as follows:

Month	Share Price on BSE		BSE-Sensex	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 21	111.95	91.35	50375.77	47204.5
May 21	151	99	52013.22	48028.07
June 21	146	121.15	53126.73	51450.58
July 21	225	124	53290.81	51802.73
August 21	211.9	135	57625.26	52804.08
September 21	151	123.1	60412.32	57263.9
October 21	182.15	132	62245.43	58551.14
November 21	166.95	138	61036.56	56382.93
December 21	169.7	135.1	59203.37	55132.68
January 22	169	140.25	61475.15	56409.63
February 22	158.8	119.1	59618.51	54383.2
March 22	139.65	115.6	58890.92	52260.82

Source: **This information is compiled from the data available from the website of BSE.**

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. Manoj Maheshwari

(Company Secretary & Compliance Officer)

ITL Industries Limited

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

- **Distribution of Shareholding pattern as on 31st March, 2022**

SHARE HOLDING OF NOMINAL VALUE OF Rs.	Rs.	SHARE HOLDERS NUMBERS	%	SHARE AMOUNT IN RS.	%
	(1)	(2)	(3)	(4)	(5)
UPTO	1000	3951	67.83	1969760	6.15
1001	2000	705	12.10	1173270	3.66
2001	3000	309	5.30	828620	2.59
3001	4000	160	2.75	586210	1.83
4001	5000	181	3.11	876160	2.73
5001	10000	282	4.84	2175490	6.79
10001	20000	115	1.97	1698510	5.30
20001	30000	39	0.67	931250	2.91
30001	40000	20	0.34	719010	2.24
40001	50000	13	0.22	627700	1.96
50001	100000	24	0.41	1725150	5.38
100000	ABOVE	26	0.45	18731870	58.46

SEBI COMPLAINTS REDERESS 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.

Shareholding Pattern as on 31st March, 2022

Category	No.of Share Holders	No. of Shares	Percentage
Promoters	14	1441241	44.98
Foreign Collaborators	Nil	Nil	Nil
Mutual Funds	Nil	Nil	Nil
FIs. / Banks	Nil	Nil	Nil
FIIs / NRIs	69	79131	2.47
Domestic Companies	26	63629	1.99
Clearing Member	13	1881	0.06
Public	5703	1491434	46.54
IEPF	1	126984	3.96
Total :	5825	3204300	100.00

- **Dematerialisation of Shares and liquidity**

About 96.74% of Company's paid-up Share capital has been dematerialized upto 31st March, 2022

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.

For ITL Industries Limited

PLACE : INDORE **Rajendra Jain**

DATED : 19.08.2022 **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.

For ITL Industries Limited

PLACE : INDORE **Rajendra Jain**

DATED : 19.08.2022 **Managing Director**

DIN-00256515

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

{Requirements under the SEBI (LODR) Regulations, 2015}

To the Members of

ITL Industries Limited

1. We, **MAHENDRA BADJATYA & CO,** Chartered Accountants, the Statutory Auditors of **ITL INDUSTRIES LIMITED** ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

MANAGEMENT'S RESPONSIBILITY

2. The compliance with the conditions of Corporate Governance is the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

AUDITOR'S RESPONSIBILITY

3. Our responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the condition of Corporate Governance, as stipulated in the Listing Regulation.
4. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
6. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include but not limited to verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.
7. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

OPINION

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations as applicable during the year ended March 31, 2022.
9. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

RESTRICTION ON USE

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

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

CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388
ICAI UDIN : 22420388APFEGF8094

PLACE: INDORE
DATE: 12/08/2022

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, 2015)

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) 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 31st March, 2022,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	Wholetime 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 not associated with the company, due to cessation on dated 27.04.2021.**

For I G & ASSOCIATES
COMPANY SECRETARIES
F.R. No.: I2013MP1054000

CS ISHA GARG
(Proprietor)
M. NO: FCS 9955 CP: 12184
PEER REVIEW NO.: 914/2020
UDIN: F009955D000776721
Date :10.08.2022
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, 2022, 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, 2022, 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.

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	Procedures Performed / Auditor's Response:
1.	**Appropriateness of Current / Non-current classification**	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.	**Non-responses of external confirmations request perpetrated pursuant to SA 505.**	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.	**Provisions and contingent liabilities relating to taxation, litigations and arbitrations.** 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 2022, 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.	Our audit procedures included: • 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. • 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. • 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. • 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.
4.	**Measurement of inventory quantities** As of 31st March 2022, the Company has inventory of ₹380030093. 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.	**Our audit procedures relating to the measurement of inventory includes the following:** • Understanding and evaluating the design and operating effectiveness of controls over physical count and measurement of such inventory. • Evaluation of competency and capabilities of management's experts. • Involving external expert for quantification of the inventories on sample basis. • Physically observing inventory measurement and count procedures carried out by management using experts, to ensure its appropriateness and completeness; and • 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.
5.	**Timing of revenue recognition and adjustments for quality variances involving critical estimates** 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. 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. Inappropriate assessment could lead to a risk of revenue	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: • Assessing the Company's accounting policies for revenue recognition by comparing with the applicable accounting standards i.e Ind AS 115. • Assessing the appropriateness of the estimated adjustments in the process. • 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.

	being recognized on sale of goods before the control in the goods is transferred to the customer. Subsequent adjustments are made to the transaction price due to grade mismatch/slippage of the transferred goods. 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. Such adjustments in revenue are made on estimated basis following historical trend. Inappropriate estimation could lead to a risk of revenue being overvalued or undervalued. Accordingly, timing of recognition of revenue and adjustments for quality variances involving critical estimates is a key audit matter.	• 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.

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 standalone Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is 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 standalone 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 standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

- Identify and assess the risks of material misstatements of the standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Financial Statements, including the disclosures, and whether the standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a 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 standalone 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 standalone 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 standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
   e) On the basis of the written representations received from the directors as on 31st March 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

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 31st March 2022 on its financial position in its financial statements – Refer Note 32(3a) to the financial Statements.

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

iii. The Company has transferred an amount of ₹ 2.03 Lakhs (P.Y - ₹1.46 Lakhs) to the Investor Education and Protection Fund during the year ended 31st March 2022.

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, 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 an amount of ₹16.02 Lacs during the year by the company is in compliance with section 123 of the Companies Act, 2013.

vi. 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 22420388AJWJCU6782

PLACE: INDORE
DATE: 30/05/2022

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 31st March 2022]

The Annexure required under CARO, 2020 referred to in our Report to the members of **ITL INDUSTRIES LIMITED** ("the Company") for the year ended 31st March 2022, and according to information and explanations given to us, we report as under:

i. a) (A) The company is maintaining reasonable 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 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	2021-2022		2020-2021	
	Aggregate amount during the year	Balance outstanding at the balance sheet date	Aggregate amount during the year	Balance outstanding at the balance sheet date
PROMOTER	0	0	0	0
DIRECTORS	0	0	0	0
KEY MANAGERIAL PERSONNEL	0	0	0	0
OTHERS	(0.72)	200.00	200.72	200.72

(b) The investments made and the terms and conditions of the grant of advances in the nature of loans are not prejudicial to the Company's interest. The Company has not provided any guarantee, given any security.

(c) According to the information and explanations given to us, repayment of loan instalments together with interest, wherever stipulated, are regular.

(d) According to the information and explanations and based on our audit procedures, there is no overdue amount that remains outstanding as the year end.

(e) None of the advances in the nature of loan granted and 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.

(f) The Company has not granted any loans or advances in the nature of loans to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013, 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. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans and making investments. The Company has not provided any guarantees and securities.

v. In our opinion, the Company has not accepted any deposits nor accepted any amounts which are deemed to be 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 are 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	0.12	AY 2022-23	CPC
Income Tax Act, 1961	TDS	0.36	AY 2021-22	CPC
Income Tax Act, 1961	TDS	0.22	FY 2020-21	CPC
Income Tax Act, 1961	TDS	0.01	FY 2019-20	CPC
Income Tax Act, 1961	TDS	2.47	Prior Years	CPC
Central Sales Tax, 1956	CST	85.63	Prior Years	Appellate Authority
Value Added Tax	VAT	11.54	Prior Years	Appellate Authority
	Total	**112.46**		

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, 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 provision 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) In respect of other than ongoing projects, the company has no unspent amount required to be transferred to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, the provision of clause 3(xx)(a) of the Order is not applicable. The company has provided for an amount of ₹ 13.80/- Lacs (Pr. Yr. ₹ 13.86/- Lacs) towards the discharge of Corporate Social Responsibility

b) The Company has no ongoing projects. 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 22420388AJWJCU6782

PLACE: INDORE
DATE: 30/05/2022

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 31st March 2022)

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

OPINION

We have audited the internal financial controls over financial reporting of ITL INDUSTRIES LIMITED ("the Company") as of 31st March 2022 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

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 2022, 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.

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.

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

CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388
ICAI UDIN 22420388AJWJCU6782

PLACE: INDORE
DATE: 30/05/2022

ITL INDUSTRIES LIMITED
STANDALONE BALANCE SHEET AS AT 31st MARCH, 2022

(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

PARTICULARS	Notes No.	2021-2022	2020-2021
ASSETS			
1) Non Current Assets			
a) Property, Plant and Equipment	2	1001.40	1078.66
b) Other Intangible Assets	3	40.09	59.36
c) Financial Assets:			
i. Investments	4	799.73	553.35
ii. Other financial assets	5	25.35	25.53
d) Other non-current assets	6	18.00	218.00
Total Non-Current Assets (1)		**1884.57**	**1934.91**
2) Current Assets			
a) Inventories	7	3800.30	2990.87
b) Financial Assets:			
i. Investments	8	370.00	370.00
ii. Trade receivables	9	2135.76	2104.20
iii. Cash and cash equivalents	10	6.77	2.50
iv. Bank balances other than (iii) above	11	145.14	95.11
v. Other financial assets	12	724.47	704.08
c) Current Tax Assets (Net)	13	0.00	20.60
d) Other current assets	14	302.80	140.58
Total Current Assets (2)		**7485.24**	**6427.93**
TOTAL ASSETS (1+2)		**9369.81**	**8362.83**
EQUITY AND LIABILITIES			
1) EQUITY			
a) Equity Share Capital	15	320.43	320.43
b) Other Equity	16	5071.73	4506.84
Total Equity (1)		**5392.16**	**4827.27**
LIABILITIES			
2) NON-CURRENT LIABILITIES			
a) Financial Liabilities:			
i. Borrowings	17	293.15	250.95
b) Deferred tax liabilities (Net)		93.00	117.08
Total Non-Current Liabilities (2)		**386.15**	**368.03**
3) CURRENT LIABILITIES			
a) Financial Liabilities:			
i. Borrowings	18	1045.38	1134.67
ii. Trade Payables	19		
(A) total outstanding dues of micro enterprises and small enterprises; and		0.00	0.00
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		1702.55	1353.96
iii.Other financial liabilities	20	22.02	23.54
b) Other current liabilities	21	699.54	553.86
c) Provisions	22	107.77	101.49
d) Current Tax Liabilities (Net)	23	14.23	0.00
Total Current Liabilities (3)		**3591.49**	**3167.52**
TOTAL EQUITY AND LIABILITIES (1+2+3)		**9369.81**	**8362.83**
Summary of significant accounting policies	**1**		

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

As Per our report of even date attached
STATUTORY AUDITORS
For MAHENDRA BADJATYA & CO.
CHARTERED ACCOUNTANTS
ICAI FRN 001457C

CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388
PLACE: INDORE
DATE: 30/05/2022

For and on behalf of Board of Directors
ITL INDUSTRIES LIMITED

Rajendra Jain
Managing Director
DIN : 00256515

Mahendra Jain
Joint Managing Director
DIN : 00256047

Ashok Ajmera
Chief Financial Officer

Manoj Maheshwari
Company Secretary
FCS : 7878

ITL INDUSTRIES LIMITED

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

(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

PARTICULARS	Notes No.	2021-2022	2020-2021
INCOME			
Revenue from Operations	24	11351.29	8895.57
Other Income	25	173.61	60.92
Total Income		**11524.90**	**8956.49**
EXPENSES			
Cost of materials consumed (manufacturing companies)	26	6027.39	3837.01
Purchase Of Stock-in-trade	27	2692.68	1422.41
Changes in Inventories & Stock-in-trade	28	-661.07	981.65
Employee benefits expense	29	1368.42	1068.19
Finance costs	30	118.03	129.89
Depreciation and amortization expenses	2-3	128.79	135.69
Other expenses	31	1069.23	752.43
Total Expenses		**10743.47**	**8327.27**
Profit before Tax and exceptional items		**781.43**	**629.22**
Exceptional items		0.00	0.00
Profit Before Tax		**781.43**	**629.22**
Tax Expenses :		**206.12**	**125.03**
(i) Current Tax		200.00	120.00
(ii) Prior Period Income Tax		30.41	-8.46
(iii) Deferred Tax Provided (Written Back)		-24.29	16.78
(iv) Dividend Distribution Tax Written Back		0.00	-3.29
Profit/loss after Tax for the Period from Continuing Operations		**575.31**	**504.19**
Profit/(loss) from discontinued operations		0.00	0.00
Tax expenses of discontinued operations		0.00	0.00
Profit/ (loss) from Discontinued operations (after tax)		**0.00**	**0.00**
Profit/(loss) for the period		**575.31**	**504.19**
Other Comprehensive Income:			
(A) (I) Items that will not be reclassified to profit or loss			
i. Equity Instruments through Other Comprehensive Income		5.82	3.74
		5.82	**3.74**
(II) Income tax relating to items that will not be reclassified to profit or loss		-0.21	-0.37
		-0.21	**-0.37**
(B) (I) Items that will be reclassified to profit or loss		**0.00**	**0.00**
(II) Income tax relating to items that will be reclassified to profit or loss		**0.00**	**0.00**
Total Other Comprehensive Income for the period		**5.61**	**3.37**
Total Comprehensive Income For the Period comprising Profit(Loss) and Other Comprehensive Income For The Period		**580.92**	**507.56**
Earnings per equity share (₹10/-)			
(i) Basic (₹)		17.95	15.73
(ii) Diluted (₹)		17.95	15.73
Summary of significant accounting policies	**1**		

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

As Per our report of even date attached
STATUTORY AUDITORS
For MAHENDRA BADJATYA & CO.
CHARTERED ACCOUNTANTS
ICAI FRN 001457C

CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388
PLACE: INDORE
DATE: 30/05/2022

For and on behalf of Board of Directors
ITL INDUSTRIES LIMITED

Rajendra Jain
Managing Director
DIN : 00256515

Mahendra Jain
Joint Managing Director
DIN : 00256047

Ashok Ajmera
Chief Financial Officer

Manoj Maheshwari
Company Secretary
FCS : 7878

ITL INDUSTRIES LIMITED

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2022

(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

A. EQUITY SHARE CAPITAL

(1) Current reporting period

Balance at the beginning of the current reporting period	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 at the end of the current reporting period
320.43	0.00	320.43	0.00	320.43

(2) Previous reporting period

Balance at the beginning of the previous reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
320.43	0.00	320.43	0.00	320.43

B. OTHER EQUITY

(1) Current reporting period

Particulars	Reserve and Surplus			Other Reserves	Total
	Capital Reserve	General Reserve	Retained Earnings	Fair value through other comprehensive income	
Balance at the beginning of the current reporting period	**5.01**	**4100.00**	**398.47**	**3.37**	**4506.85**
Changes in accounting policy/prior period errors	0.00	0.00	0.00	0.00	0.00
Restated balances at the beginning of the reporting period	**5.01**	**4100.00**	**398.47**	**3.37**	**4506.85**
Profit/ (loss) for the Year	0.00	0.00	575.31	0.00	575.31
Other Comprehensive Income for the Year	0.00	0.00	0.00	5.61	5.61
Transfer to / from Retained Earnings	0.00	500.00	-500.00	0.00	0.00
Proposed Dividend	0.00	0.00	-16.02	0.00	0.00
Balance at the end of the current reporting period	**5.01**	**4600.00**	**457.75**	**8.97**	**5071.74**

(2) Previous reporting period

Particulars	Reserve and Surplus			Other Reserves	Total
	Capital Reserve	General Reserve	Retained Earnings	Fair value through other comprehensive income	
Balance at the beginning of the previous reporting period	**5.01**	**3600.00**	**410.30**	**0.00**	**4015.31**
Changes in accounting policy/prior period errors	0.00	0.00	0.00	0.00	0.00
Restated balances at the beginning of the reporting period	**5.01**	**3600.00**	**410.30**	**0.00**	**4015.31**
Profit/ (loss) for the Year	0.00	0.00	504.19	0.00	504.19
Other Comprehensive Income for the Year	0.00	0.00	0.00	3.37	3.37
Transfer to / from Retained Earnings	0.00	500.00	-500.00	0.00	0.00
Proposed Dividend	0.00	0.00	-16.02	0.00	-16.02
Balance at the end of the previous reporting period	**5.01**	**4100.00**	**398.47**	**3.37**	**4506.85**

As Per our report of even date attached
STATUTORY AUDITORS
For MAHENDRA BADJATYA & CO.
CHARTERED ACCOUNTANTS
ICAI FRN 001457C

CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388
PLACE: INDORE
DATE: 30/05/2022

For and on behalf of Board of Directors
ITL INDUSTRIES LIMITED

Rajendra Jain
Managing Director
DIN : 00256515

Mahendra Jain
Joint Managing Director
DIN : 00256047

Ashok Ajmera
Chief Financial Officer

Manoj Maheshwari
Company Secretary
FCS : 7878

ITL INDUSTRIES LIMITED
STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH, 2022

(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

	Particulars	2021-2022	2020-2021
(A)	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit/(Loss) before tax for the year	**781.43**	**629.22**
	Add / (Less): Ajustment for:		
	Depreciation and amortisation expenses	128.79	135.69
	Loss / Profit on Sale of Investment	-3.94	0.00
	Loss / Profit on Sale of Fixed Assets	0.43	0.53
	Interest received	-9.71	-5.82
	Interest paid	118.03	129.89
	Operating profit before working capital changes	**1015.02**	**889.51**
	Adjustments for changes in working capital :		
	Decrease/(increase) in inventories	-809.43	1183.64
	Decrease/ (increase) in trade receivables	-31.56	-289.18
	Decrease/ (increase) in other financial assets	-20.22	-339.36
	Decrease/ (increase) in other non current assets	200.00	0.00
	Decrease/(increase) in other current assets	-162.22	99.30
	(Decrease)/increase in trade payables	348.58	-123.49
	(Decrease)/increase in other financial liabilities	-1.52	-26.05
	(Decrease)/increase in other current liabilities	145.69	-237.73
	(Decrease)/increase in provisions	6.28	3.51
	Cash Generated from Operations	**690.63**	**1160.15**
	Direct taxes (paid) /refund	**-195.67**	**-108.24**
	Net Cash from Operating Activities	**494.96**	**1051.91**
B)	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property and equipment including intangible assets (net)	-32.34	-380.95
	Proceeds from sale of property, plant and equipment	-0.26	318.89
	Purchase of investments	-334.82	0.00
	Sale of Investments	98.20	-747.84
	Interest received	9.71	5.82
	Net Cash used in Investing Activities	**-259.51**	**-804.08**
C)	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from Non-current Borrowing	42.20	135.94
	Repayment of current Borrowing	-89.29	-297.00
	Dividend/ Croporate Dividend Tax	-16.02	-16.02
	Interest paid	-118.03	-129.89
	Net Cash used in Financing Activities	**-181.14**	**-306.97**
	Net Increase in Cash & Cash Equivalents (A+B+C)	**54.31**	**-59.14**
	Effects of exchange rate changes of cash and cash equivalents	0.00	0.00
	Cash and cash equivalents at beginning of year	97.60	156.74
	Cash and cash equivalents at end of year	**151.91**	**97.60**

Notes to the Statement of Cash Flow :

i) Cash and cash equivalents as per above comprises of the following :

(₹ in Lacs)

PARTICULARS	2021-2022	2020-2021
Cash in hand	6.77	2.50
Balances with bank	145.14	95.11
Deposit with original maturity of less than 3 months	0.00	0.00
Cash and cash equivalents at end of year	**151.91**	**97.60**

ii. The statement of cash flow has been prepared under the indirect method as set out in Ind AS 7 - 'Statement of Cash Flows'.

iii. Cash and cash equivalents represents Cash and bank balances.

iv. Effective 1 April 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of these standalone financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The Company did not have any non-cash transactions for financial activities during the year, accordingly same has not been disclosed in these standalone financial statements.

As Per our report of even date attached
STATUTORY AUDITORS
For MAHENDRA BADJATYA & CO.
CHARTERED ACCOUNTANTS
ICAI FRN 001457C

CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388
PLACE: INDORE
DATE: 30/05/2022

For and on behalf of Board of Directors
ITL INDUSTRIES LIMITED

Rajendra Jain
Managing Director
DIN : 00256515

Mahendra Jain
Joint Managing Director
DIN : 00256047

Ashok Ajmera
Chief Financial Officer

Manoj Maheshwari
Company Secretary
FCS : 7878

NOTE 1:

Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2022

(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

1. 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 machine parts and trading business.

The standalone financial statements (SFS) were authorized for issue in accordance with a resolution of Board of Directors on 30.05.2022.

2. Basis of preparation and measurement

a. Statement of compliance:

These standalone financial statements are prepared and presented in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time as notified under section 133 of Companies Act, 2013, the relevant provisions of the Companies Act, 2013 ("the Act").

b. Basis of Measurement:

The financial statements have been prepared and presented on the going concern basis and at historical cost, except for the following assets and liabilities, which have been measured as indicated below:

- Derivative Financial Instruments at fair value (covered under para 3.7)
- Certain financial assets and liabilities at fair value [refer accounting policy regarding financial instruments (covered under para 3.7)]

c. Functional and Presentation Currency:

The financial statements are presented in Indian Rupees ("₹"), which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates, and all values are rounded to the nearest lakh, up-to 2 decimal places except as otherwise indicated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

d. Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time lag between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12-month period has been considered by the Company as its normal operating cycle.

e. Use of estimates and judgements

The preparation of the Standalone Financial Statements in conformity with IND AS requires the use of estimates, judgements and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates.

Any revision to accounting estimates is recognised prospectively in current and future periods.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are as follows:

- **Useful life and residual value of property, plant and equipment and intangible assets**

  Useful lives of tangible, Investment Property and intangible assets are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different based from that prescribed in Schedule II of the Act, they are based on internal technical evaluation. Assumptions are also made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

- **Expected Credit losses and Impairment losses on investment**

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

- **Fair value measurement of financial instruments**

When the fair values of the financial assets and liabilities recorded in the balance sheet cannot be measured based on the quoted market prices in active markets, their fair value is measured using valuation technique. The inputs to these models are taken from the observable market where possible, but where this is not feasible, a review of judgement is required in establishing fair values. Any changes in the aforesaid assumptions will affect the fair value of financial instruments

- **Evaluation of Net realisable Value of Inventories**

  Inventories of Traded goods are valued at lower of cost and net realisable value. Net Realisable value is based upon the estimates of the management. The effect of changes, if any, to the estimates is recognised in the Standalone Financial Statements for the year in which such changes are determined.

- **Recognition of deferred tax asset**

  The Company's tax jurisdiction is India. Judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered for uncertain tax positions.

  The recognition of deferred tax requires assumptions about the availability of future taxable profits against which the tax losses can be carried forward. The Company reviews the carrying amount of deferred tax assets at the end of each reporting period.

- **Impairment of non-financial assets**

  The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company's estimates the asset's recoverable amount. An asset's recoverable amount is the higher of assets or Cash Generating Units' ('CGU') fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent to those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

  In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

- **Provisions and contingent liabilities**

  A provision is recognised when the Company has a present obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

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

  Provisions and contingent liabilities are reviewed at each balance sheet date.

f. Standard issued but not yet effective

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 Apr 2021. The Company has not earlier adopted any other standard or amendment that has been issued but is not yet effective:

(i) Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the standalone financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

(ii) Conceptual framework for financial reporting under Ind AS issued by ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS. includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments had no impact on the standalone financial statements of the Company.

(iii) Ind AS 116: COVID-19 related rent concessions

MCA issued an amendment to Ind AS 116 Covid-19- Related Rent Concessions beyond 30 June2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approvedthe financial statements for issue before the issuance of this amendment, then the same maybe applied for annual reporting periods beginning on or after 1 April 2020.

These amendments had no impact on the standalone financial statements of the Company.

(iv) Ind AS 103: Business combination

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards* issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

These amendments had no impact on the standalone financial statements of the Company.

(v) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no impact on the standalone financial statements of the Company.

g. Recent Pronouncements

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

Balance Sheet:

- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables and trade payables.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of Profit and Loss:

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

  The amendments are extensive, and the Company has provided the information as required by law to the extent applicable.

h. Measurement of fair values

The Company measures financial instruments, such as investments (other than equity investments in Subsidiary) and derivatives at fair values at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, 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 categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

The Company's accounting policies and disclosures require the measurement of fair values for financial and nonfinancial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices in active markets for identical assets or liabilities.

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

Level 3: inputs for the asset or liability that are not based on observable market data.If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3. Summary of significant accounting policies

3.1 Property, Plant and Equipment (PPE)and depreciation and amortisation:

i) Recognition and Measurement:

Items of property, plant, and equipmentare measured at cost less accumulated depreciation and impairment losses, if any.The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and
- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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.

An asset under construction includes the cost of property, plant and equipment that are not ready to use at the balance sheet date. Advances paid to acquire property; plant and equipment before the balance sheet date are disclosed under other non-current assets. Assets under construction are not depreciated as these assets are not yet readyfor use.

ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the expenditure can be measured reliably.

iii) Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on property, plant and equipment of the Company has been provided using the straight-line method based on the useful lives specified in Schedule II to the Companies Act, 2013.

A summary of the policies applied to the Company's tangible assets is, as follows:

Tangible assets	Useful life (Years)
Office and other equipment	5-15
Land other than Agricultural Land	Not depreciable
Office Building	60
Plant and machinery	15
Furniture and fixtures	10
Information Technology Hardware	3
Vehicles	8 – 10

iv) De-recognition:

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.

3.2 Intangible assets and amortisation

i) Recognition and measurement:

Items of Intangible Assets are measured at cost less accumulated amortisation and impairment losses, if any. The cost of intangible assets comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and
- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Gains or losses arising from de-recognition 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.

ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the expenditure can be measured reliably.

iii) Amortisation

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 in accordance with IND AS 38 and Schedule II to the Companies Act, 2013 or based on technical estimates.

A summary of the policies applied to the Company's Intangibles is as follows:

Intangible Assets	Useful lives
Information Technology Software	6

3.3 Impairment of non-financial assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceeds the estimated recoverable amount, an impairment loss is recognised for such excess amount. The impairment loss is recognised as an expense in the Standalone Statement of Profit

and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and the value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Standalone Statement of Profit and Loss, to the extent the amount was previously charged to the Standalone Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

3.4 Foreign currency transactions

Transactions in foreign currencies are translated into the Company's functional currency at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous Standalone Financial Statements are recognised in the Standalone Statement of Profit and Loss in the period in which they are settled.

3.5 Investment in subsidiary

Investments in equity shares of subsidiary are recorded at cost and reviewed for impairment at each reporting date. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary, the difference between net disposal proceeds and the carrying amounts are recognised in the Standalone Statement of Profit and Loss.

3.6 Derivative financial Instruments

The Company enters forward contracts to hedge the foreign currency risk of firm commitments and highly probable forecast transactions. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Standalone Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Standalone Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item.

The Company enters derivative financial instruments viz. foreign exchange forward contracts to manage its exposure to foreign exchange rate risks. The Company does not hold derivative financial instruments for speculative purposes.

3.7 Financial Instruments

I. Financial assets

Classification

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

Initial recognition and measurement

Trade receivables and debt securities issued are initially recognised when they originate.

The Company recognises financial assets (other than trade receivables and debt securities) when it becomes a party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For subsequent measurement, the financial assets are classified in three categories:

- Equity investments

Equity investments

All equity investments other than investment in subsidiaries, joint ventures and associate are measured at fair value. For all other equity instruments, the Company decides to classify the same at fair value through other comprehensive income (FVTOCI). The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

The Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in other comprehensive income (OCI). There is no recycling of the amounts from OCI to the Standalone Statement of Profit and Loss, even on sale of such investments.

Derecognition

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

(a) The rights to receive cash flows from the asset have expired, or

(b) The Company has transferred substantially all the risks and rewards of the asset, or

(c) The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Impairment of financial assets

The Company applies 'simplified approach' 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.

b) Trade receivables.

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 Expected Credit Loss at each reporting date, right from its initial recognition.

II. Financial Liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost.

Initial recognition and measurement

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

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the Standalone Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisitionand transactions costs. The EIR amortisation is included as finance costs in the Standalone Statement of Profit and Loss.

This category generally applies to loans and borrowings.

Derecognition

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

III. Offsetting of financial instruments

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

3.8 Inventories

Inventories are valued at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs to complete the sale.

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

3.9 Revenue recognition

The Company derives revenues manufacturing of machines and trading business.

Revenue from services is recognised as they are rendered based on agreements/arrangements with the concerned parties and recognised net of Goods and Service Tax (GST).

The Company recognises revenue when it determines the satisfaction of performance obligations at a point in time and subsequently over time when the Company has enforceable right for payment for performance completed to date.

Revenue is measured at the fair value of consideration received or receivable considering of discounts, incentives, volume rebates, and outgoing taxes on sales. Any amounts receivable from the customers are recognised as revenue after the control over the goods sold are transferred to the customer which is generally on dispatch of goods

Significant financing component - Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract Liabilities are recognised when there is billing in excess of revenue and advance received from customers.

Interest income

Interest income is accounted on an accrual basis at effective interest rate. Interest on delayed payment and for feiture income are accounted based upon underlying agreements with customers.

3.10 Leases

At the inception of a contract, the Company assesses whether a contract is or contains, a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration. To assess whether a contract conveys the right to control the use of an asset the Company assesses whether:

- The contracts involve the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capability of a physical distinct asset. If the supplier has a substantive substitution right, then the asset is not identified
- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

As a Lessee

Right-of-use Asset

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. At the commencement date, a lessee shall measure the right-of-use asset at cost which comprises initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received, any initial direct costs incurred by the lessee; and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Lease Liability

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

Short-term lease and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of less than 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The election for short-term leases shall be made by class of underlying asset to which the right of use relates. A class of underlying asset is a grouping of underlying assets of a similar nature and use in Company's operations. The election for leases for which the underlying asset is of low value can be made on a lease-by-lease basis.

3.11 Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in the Standalone Statement of Profit and Loss except to the extent that it relates to items recognised directly in equity or in OCI.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

a) Has a legally enforceable right to set off the recognised amounts; and

b) Intends either to realise the asset or settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent there is convincing evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Deferred tax liabilities are recognised for taxable temporary differences

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

a) The Company has a legally enforceable right to set off current tax assets against current tax liabilities;

3.12 Employee benefits

Short term employee benefits

Short-term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount because of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Obligations for contributions to defined contribution plans such as Provident Fund, Gratuity and Employee State Insurance Corporations are expensed as the related service is provided.

3.13 Borrowing costs

Borrowing cost includes interest expense, amortisation of discounts, hedge - related cost incurred in connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange difference, arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, that are attributable to the acquisition or construction or production of a qualifying asset, are capitalised as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period to get ready for its intended use.

All other borrowing costs are recognised as an expense in the period in which they are incurred

3.14 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 months or less, which are subject to an insignificant risk of changes in value.

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

3.15 Statement of Cash flow

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.

3.16 Earnings per share

Basic earnings per share are computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares. If potential equity shares converted into equity shares increases the earnings per share, then they are treated as anti-dilutive and anti-dilutive earning per share is computed.

3.17 Provisions and contingent liabilities

A provision is recognised when the Company has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are discounted to their present value at a pre-taxrate that reflects current market assessments of the time value of money and the risks specific to the liability and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed a teach Balance Sheet date and adjusted to reflect the current best estimates. The unwinding of the discount is recognised as finance cost.

Contingent liabilities are disclosed in the notes. Contingent liabilities are disclosed for:

(1) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or

(2) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the Standalone Financial Statements. However, the same are disclosed in the Standalone Financial Statements where an inflow of economic benefit is probable.

3.18 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 with the Standalone Financial Statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3.19 Exceptional Item

Exceptional items include income or expense that are part of ordinary activities, however, are of such significance and nature that separate disclosure enables the user of Standalone Financial Statements to understand the impact in a more meaningful manner Exceptional items are identified by virtue of either their size or nature so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of the Company.

3.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

ITL INDUSTRIES LIMITED

Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2022

(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

NOTE - 2

(A) PROPERTY PLANT & EQUIPMENT

PARTICULARS	Land other than Agricultural Land	Building	Furniture & Fixtures	Information Technology Hardware	Vehicles	Plant & Machinery	Office equipment	Other Equipments	Total
Gross Carrying Amount									
Balance as at 01st April 2020	**35.08**	**540.45**	**216.70**	**103.18**	**163.58**	**476.52**	**103.13**	**202.09**	**1840.73**
- Additions/ acquisitions	0.00	0.00	0.37	6.66	31.87	330.10	5.81	3.27	378.08
- Disposals/Transfers	0.00	0.00	0.00	0.31	0.29	12.77	0.00	0.00	13.37
Balance as at 31st March 2021	**35.08**	**540.45**	**217.07**	**109.53**	**195.17**	**793.85**	**108.93**	**205.36**	**2205.44**
- Additions/ acquisitions	0.00	0.00	1.34	12.22	0.59	11.11	4.15	2.93	32.34
- Disposals/Transfers	0.00	0.00	0.00	0.00	2.71	0.00	0.00	0.00	2.71
Balance as at 31st March 2022	**35.08**	**540.45**	**218.41**	**121.75**	**193.05**	**804.96**	**113.08**	**208.28**	**2235.06**
Accumulated Depreciation and Impairment									
Balance as at 01st April 2020	**0.00**	**180.76**	**142.69**	**85.58**	**88.53**	**330.07**	**68.94**	**124.79**	**1021.36**
- Depreciation charge for the year	0.79	15.04	16.61	11.28	11.92	44.16	7.07	9.93	116.80
- Disposals/Transfers	0.00	0.00	0.00	0.30	0.27	10.80	0.00	0.00	11.37
Balance as at 31st March 2021	**0.79**	**195.80**	**159.30**	**96.56**	**100.17**	**363.43**	**76.01**	**134.72**	**1126.78**
- Depreciation charge for the year	0.00	15.04	13.72	7.75	16.11	41.59	6.16	9.05	109.42
- Disposals/Transfers	0.79	0.00	0.00	0.00	1.74	0.00	0.00	0.00	2.53
Balance as at 31st March 2022	**0.00**	**210.83**	**173.02**	**104.31**	**114.54**	**405.02**	**82.17**	**143.76**	**1233.66**
Net Book Value									**0.00**
As at 31st March 2021	**34.28**	**344.66**	**57.77**	**12.97**	**95.00**	**430.42**	**32.92**	**70.64**	**1078.66**
As at 31st March 2022	**35.08**	**329.62**	**45.39**	**17.44**	**78.51**	**399.93**	**30.91**	**64.52**	**1001.40**

Note- 3

OTHER INTANGIBLE ASSETS

PARTICULARS	Information Technology Software	Total
Gross Carrying Amount		
Balance as at 01st April 2020	**264.63**	**264.63**
- Additions/ acquisitions	2.87	2.87
- Disposals/Transfers	0.00	0.00
Balance as at 31st March 2021	**267.50**	**267.50**
- Additions/ acquisitions	0.10	0.10
- Disposals/Transfers	0.00	0.00
Balance as at 31st March 2022	**267.60**	**267.60**
Accumulated Amortization and Impairment		
Balance as at 01st April 2020	**189.24**	**189.24**
- Depreciation charge for the year	18.90	18.90
- Disposals/Transfers	0.00	0.00
Balance as at 31st March 2021	**208.14**	**208.14**
- Depreciation charge for the year	19.37	19.37
- Disposals/Transfers	0.00	0.00
Balance as at 31st March 2022	**227.50**	**227.50**
Net Book Value		
As at 31st March 2021	**59.36**	**59.36**
As at 31st March 2022	**40.09**	**40.09**

ITL INDUSTRIES LIMITED
Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

Note- 4
INVESTMENTS
(Non-current)

PARTICULARS	2021-2022	2020-2021
(a) Investments in Equity lnstruments		
- Quoted	7.02	3.14
- Un-quoted	62.11	119.15
(b) lnvestments in Preference Shares	23.00	23.00
(c) Investments in Mutual Funds	21.13	19.19
(d) Other investments	686.47	388.87
TOTAL	**799.73**	**553.35**

Subsidiaries	41.12	41.12
Associates	0.00	53.04
Joint ventures	0.00	0.00
Structured entities	0.00	0.00

Aggregate amount of quoted investments and market value thereof	28.15	22.33
Aggregate amount of unquoted investments	771.58	531.02
Aggregate provision for diminution in value of investments	0.00	0.00

NOTE- 5
OTHER FINANCIAL ASSETS
(Non-current)

PARTICULARS	2021-2022	2020-2021
a) Security Deposits	25.35	25.53
TOTAL	**25.35**	**25.53**

NOTE- 6
OTHER NON-CURRENT ASSETS

PARTICULARS	2021-2022	2020-2021
a) Advances other than capital advances		
i) Security Deposits	18.00	218.00
TOTAL	**18.00**	**218.00**

NOTE- 7
INVENTORIES
(As approved by the Management- Valued at lower of cost and net realisable value)

PARTICULARS	2021-2022	2020-2021
a) Raw materials	1344.84	1196.28
b) Work-in-progress	1290.66	644.72
c) Finished goods	102.16	108.52
d) Stock-in-trade (in respect of goods acquired for trading)	1062.53	1041.04
e) Stores and spares	0.12	0.31
TOTAL	**3800.30**	**2990.87**

Note:
Working Capital Borrowings are secured by hypothecation of inventories of the Company.

ITL INDUSTRIES LIMITED
Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

NOTE -8
INVESTMENTS
(Current)

PARTICULARS	2021-2022	2020-2021
(a) Investments in bonds		
- UPPCL Bonds	370.00	370.00
TOTAL	**370.00**	**370.00**

Subsidiaries	0.00	0.00
Associates	0.00	0.00
Joint ventures	0.00	0.00
Structured entities	0.00	0.00

Aggregate amount of quoted investments and market value thereof	0.00	0.00
Aggregate amount of unquoted investments	370.00	370.00
Aggregate provision for diminution in value of investments	0.00	0.00

NOTE- 9
TRADE RECEIVABLES

PARTICULARS	2021-2022	2020-2021
a) Secured, considered good	0.00	0.00
b) Unsecured, considered good	2174.54	2114.77
c) Have significant increase in Credit Risk	0.00	0.00
d) Credit Impaired	0.00	0.00
	2174.54	**2114.77**
Less: Allowance for doubtful debts	38.79	10.57
TOTAL	**2135.76**	**2104.20**

Notes: 1 Working Capital Borrowings are secured by hypothecation of Book debts of the Company.
2 Refer note 32(17(b)) for information about credit risk.
3 There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.
4 **Trade Receivables ageing schedule:**

PARTICULARS	2021-2022					Total
	Outstanding for following periods from due date of transaction					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1718.28	77.46	67.42	89.52	221.86	2174.54
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Undisputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables–considered good	0.00	0.00	0.00	0.00	0.00	0.00
(v) Disputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Disputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00

ITL INDUSTRIES LIMITED
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(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

PARTICULARS	2020-2021					Total
	Outstanding for following periods from due date of transaction					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1506.12	141.52	107.81	146.99	212.33	2114.77
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Undisputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables–considered good	0.00	0.00	0.00	0.00	0.00	0.00
(v) Disputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Disputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00

NOTE - 10
CASH AND CASH EQUIVALENTS

PARTICULARS	2021-2022	2020-2021
a) Balances with Banks (of the nature of cash and cash equivalents)	5.07	0.00
b) Cash on hand	1.70	2.50
TOTAL	**6.77**	**2.50**

NOTE - 11
OTHER BALANCES WITH BANKS

PARTICULARS	2021-2022	2020-2021
(a) Fixed Deposit Account	135.83	85.29
(b) Accrued Interest on Fixed Deposits	3.31	2.30
(c) Unclaimed Dividend	6.00	7.52
TOTAL	**145.14**	**95.11**

NOTE - 12
OTHER FINANCIAL ASSETS
(Current)

PARTICULARS	2021-2022	2020-2021
a) Security Deposits	44.43	53.66
b) Advances to Related Parties	470.50	442.50
c) Accrued Interest on Investment	9.54	7.19
b) Others	200.00	200.72
TOTAL	**724.47**	**704.08**

NOTE - 13
CURRENT TAX ASSETS (NET)

PARTICULARS	2021-2022	2020-2021
a) Advance Tax, TDS & TCS	0.00	140.60
b) Income Tax Provision	0.00	-120.00
TOTAL	**0.00**	**20.60**

ITL INDUSTRIES LIMITED
Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

NOTE - 14
OTHER CURRENT ASSETS

PARTICULARS	2021-2022	2020-2021
a) Prepaid Expenses	3.48	4.34
b) Balance with Government Authorities	125.39	10.56
c) Advances other than capital advances	129.30	81.55
d) Advances to Employees	44.62	44.13
TOTAL	**302.80**	**140.58**

NOTE - 15
EQUITY SHARE CAPITAL

PARTICULARS	2021-2022		2020-2021	
	Number	Amount	Number	Amount
AUTHORISED				
40,00,000 Equity Shares of Rs.10/- each	4000000	400.00	4000000	400.00
TOTAL	**4000000**	**400.00**	**4000000**	**400.00**
ISSUED, SUBSCRIBED & PAID UP				
3204300 Equity Shares of Rs. 10/- each at par	3204300	320.43	3204300	320.43
TOTAL	**3204300**	**320.43**	**3204300**	**320.43**

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

PARTICULARS	2021-2022		2020-2021	
	Number	Amount	Number	Amount
Outstanding at the beginning of the year	**3204300**	**320.43**	**3204300**	**320.43**
Issued during the year	0	0.00	0	0.00
Bought back during the year	0	0.00	0	0.00
Outstanding at the end of the year	**3204300**	**320.43**	**3204300**	**320.43**

b) Terms / Rights attached to Equity Shares

The Company has one class of equity shares, having a par value of Rs.10 per share. A member of the company holding equity share carrying voting right therein have a right to vote on every resolution placed before the company and right to receive dividend and a member of the company holding equity share not carrying voting right therein doesn't have any right to vote on any resolution placed before the company but has a right to receive dividend. The voting rights on a poll is proportionate to the share of the paid-up equity capital of company carrying voting rights held by the shareholders.

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 preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

PARTICULARS	2021-2022	2020-2021
(A) Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash.	Nil	Nil
(B) Aggregate number and class of shares allotted as fully paid-up by way of bonus shares.	Nil	Nil
(C) Aggregate number and class of shares bought back.	Nil	Nil

d) Details of shareholders holding more than 5% shares of the company:

Name of Shareholders	2021-2022		2020-2021	
	Number	% of Holding	Number	% of Holding
Rajendra Jain*	445000	13.89%	369900	11.54%
Mahendra Jain	251113	7.84%	251113	7.84%

ITL INDUSTRIES LIMITED
Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

e) Shares held by promoters at the end of the year:

Name of Shareholders	2021-2022		2020-2021		% Change
	Number	% of Holding	Number	% of Holding	during the year
Rajendra Jain*	445000	13.89%	369900	11.54%	**20.30%**
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%**
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%**
Rekha Jain	10000	0.31%	10000	0.31%	**0.00%**
Harsh Jain	1024	0.03%	1000	0.03%	**2.40%**
Manohar Singh Jain*	0	0.00%	75100	2.34%	**-100.00%**
Remswegs Marketing Private Limited	131100	4.09%	131100	4.09%	**0.00%**
Total	1441241	44.98%	1441217	44.98%	

* Inter-se transfer of shares consequent to the transmission upon the death of the promoter shareholder and the transferee/acquirer is immediate relative and promoter.

NOTE - 16
OTHER EQUITY

PARTICULARS	2021-2022	2020-2021
a. Capital Reserve		
Balance as per last year	5.01	5.01
	5.01	**5.01**
b. General Reserves		
Opening balance	4100.00	3600.00
Add/ Less: Movement during the year	500.00	500.00
Closing balance	**4600.00**	**4100.00**
c. Retained earnings		
Opening balance	398.47	410.30
Add/ Less: Net Profit/ (loss) for the year	575.31	504.19
	973.78	**914.49**
Less : Transferred to General Reserve	500.00	500.00
Less : Proposed Dividend	16.02	16.02
Closing Balance	**457.75**	**398.47**
d. Fair value through other comprehensive income		
Opening balance	3.37	0.00
Add/ less: Movement during the year	5.61	3.37
Closing balance	**8.97**	**3.37**
TOTAL (a+b+c+d)	**5071.73**	**4506.85**

Nature and purpose of Reserves:

Capital Reserve: The Reserve is created based on statutory requirement under the Companies Act, 2013. This is not available for distribution of dividend but can be utilized for issuing bonus shares.

General Reserves: General reserve is a free reserve and it represents amount transferred from retained earnings.

Retained earnings: Retained earnings comprises of the Company's undistributed earnings after taxes.

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.

ITL INDUSTRIES LIMITED

Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2022

(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

NOTE - 17
BORROWINGS
(Non-Current)

PARTICULARS	2021-2022	2020-2021
a) Term loans		
i) From State Bank of India	288.20	237.83
ii) Vehicle Loans	4.96	13.12
TOTAL	**293.15**	**250.95**

Note:

1 The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

2 Instalments payable in next 12 months as at the balance sheet date are disclosed as current maturities of long-term debts under the head "Borrowings - current" (Refer note 18).

Secured	293.15	250.95
Unsecured	0.00	0.00

Nature of security and terms of repayment for secured borrowings

Nature of security	Terms of repayment and interest rates
Terms loans from banks	Secured by first legal mortage 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. Against hypothecation of vehicles acquired out of the loan. Repayable in equated monthly instalments over the period of loans.

NOTE - 18
BORROWINGS
(Current)

PARTICULARS	2021-2022	2020-2021
a) Loans repayable on demand		
i) From State Bank of India	912.04	904.49
b) Current Maturities of Long Term Loans		
i) Term loan from State Bank of India	95.51	223.37
c) Overdrafts against FDR	37.83	6.81
TOTAL	**1045.38**	**1134.67**

Note: 1 The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

Secured	1045.38	1134.67
Unsecured	0.00	0.00

Nature of security and terms of repayment for secured borrowings

Nature of security	Terms of repayment and interest rates
"a) Loans repayable on demand i) 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 passue charge on various industrial plots of the company.
"b) Current Maturities of Long Term Loansi) Term loan from State Bank of India"	Secured by first legal mortage 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.
c) Overdrafts against FDR	Secured against Fixed Deposits Receipt and personal guarantee of Directors. Repayable on demand.

ITL INDUSTRIES LIMITED
Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

NOTE - 19
TRADE PAYABLES

PARTICULARS	2021-2022	2020-2021
(a) Total Outstanding Due to Micro Small and Medium Enterprises*	0.00	0.00
	0.00	**0.00**
(b) Total Outstanding Due to Creditors other than (a). Above		
- Trade Payable to related parties	0.00	0.00
- Trade Payable to others	1702.55	1353.96
	1702.55	**1353.96**
TOTAL	**1702.55**	**1353.96**

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

PARTICULARS	2021-2022	2020-2021
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.

Trade Payables ageing schedule:

PARTICULARS	2021-2022				
	Outstanding for following periods from due date of transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.00	0.00	0.00	0.00	0.00
(ii) Others	1693	5.49	1.61	2.45	1702.55
(iii) Disputed dues – MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00

PARTICULARS	2020-2021				
	Outstanding for following periods from due date of transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.00	0.00	0.00	0.00	0.00
(ii) Others	1341.04	1.67	9.40	1.85	1353.96
(iii) Disputed dues – MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00

NOTE - 20
OTHER FINANCIAL LIABILITIES
(Current)

PARTICULARS	2021-2022	2020-2021
a) Proposed Dividend	16.02	16.02
b) Unclaimed Dividend	6.00	7.52
TOTAL	**22.02**	**23.54**

ITL INDUSTRIES LIMITED
Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2022
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NOTE - 21
OTHER CURRENT LIABILITIES

PARTICULARS	2021-2022	2020-2021
a) Revenue received in advance	431.01	286.97
b) Payable to emplyees	67.86	93.73
c) Payable to directors	22.99	20.81
d) Statutory dues payable	22.64	11.69
e) Other payables	155.05	140.66
TOTAL	**699.54**	**553.86**

NOTE - 22
PROVISIONS
(Current)

PARTICULARS	2021-2022	2020-2021
a) Provision for employee benefits	107.77	101.49
TOTAL	**107.77**	**101.49**

NOTE - 23
CURRENT TAX LIABILITIES (NET)

PARTICULARS	2021-2022	2020-2021
a) Income Tax Provision	200.00	0.00
b) Advance Tax, TDS & TCS	-185.77	0.00
TOTAL	**14.23**	**0.00**

NOTE - 24
REVENUE FROM OPERATIONS

PARTICULARS	2021-2022	2020-2021
Revenue From Contract with Customers		
a) Sale of Products (Net of GST)	11264.55	8847.54
b) Sale of Services:		
Job Work & Commissioning Charges	86.74	48.03
TOTAL	**11351.29**	**8895.57**

a. Reconciliation of revenue recognised in the statement of profit and loss with the contracted price:

PARTICULARS	2021-2022	2020-2021
Revenue from contracts with customers (as per Statement of Profit and Loss)	11351.29	8895.57
Add: Discounts, rebates, refunds, credits and price concessions	0.00	0.00
Contracted price with the customers	**11351.29**	**8895.57**

b Disaggregation of revenue by pattern of revenue recognition:

PARTICULARS	Sale of Products	Sale of Services	Total
March 31, 2022			
At a point in time	11264.55	0.00	11264.55
Over the period of time	0.00	86.74	86.74
Total	**11264.55**	**86.74**	**11351.29**
March 31, 2021			
At a point in time	8847.54	0.00	8847.54
Over the period of time	0.00	48.03	48.03
TOTAL	**8847.54**	**48.03**	**8895.57**

ITL INDUSTRIES LIMITED
Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2022
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c Revenue recognised from Contract liability (Advance received from customers):

PARTICULARS	2021-2022	2020-2021
Opening balance	**286.97**	**503.74**
Less: revenue recognised that was included in the contract liabilities at the beginning of the year	286.97	503.74
Add: During the year movement	431.01	286.97
Closing balance	**431.01**	**286.97**

d The amounts receivable from customers become due after expiry of credit period which on an average up to 90 days. There is no significant financing component in any transaction with the customers.

e The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. There are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.

f **Performance obligation**
The performance obligation is satisfied upon delivery of the goods and payment is generally due within 0 to 180 days from delivery.

NOTE - 25
OTHER INCOME

PARTICULARS	2021-2022	2020-2021
a) Interest Income	97.40	33.63
b) Dividend Income	0.04	0.00
c) Profit on sale of property, plant and equipment	0.00	0.19
d) Profit on sale of investments	3.94	0.00
e) Other non-operating income	72.23	27.10
TOTAL	**173.61**	**60.92**

NOTE - 26
COST OF MATERIALS CONSUMED

PARTICULARS	2021-2022	2020-2021
a) Raw materials		
Opening Stock	1196.28	1398.45
Add: Purchases	6175.94	3634.84
Less : Closing Stock (Including Goods in Transit)	1344.84	1196.28
TOTAL	**6027.39**	**3837.01**

NOTE - 27
PURCHASE OF STOCK IN TRADE

PARTICULARS	2021-2022	2020-2021
a) Purchases of stock in trade	2692.68	1422.41
TOTAL	**2692.68**	**1422.41**

NOTE - 28
CHANGES IN INVENTORIES OF FINISHED GOODS, WIP AND STOCK IN TRADE

PARTICULARS	2021-2022	2020-2021
a) (Increase) / Decrease in Finished goods & WIP		
Opening Stock	753.24	968.84
Less : Closing Stock (Including Goods in Transit)	1392.82	753.24
	-639.58	**215.60**

ITL INDUSTRIES LIMITED
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c) (Increase) / Decrease in Stock in Trade		
Opening Stock	1041.04	1807.09
Less : Closing Stock (Including Goods in Transit)	1062.53	1041.04
	-21.49	**766.05**
TOTAL	**-661.07**	**981.65**

NOTE - 29
EMPLOYEE BENEFITS EXPENSES

PARTICULARS	**2021-2022**	**2020-2021**
a) Salary and Wages		
- Directors	112.91	91.70
- others	1184.03	925.82
b) Contributions to Providend Funds & Other Funds		
- Directors	8.36	6.50
- others	47.82	36.30
c) Staff Welfare Expenses	15.29	7.87
TOTAL	**1368.42**	**1068.19**

NOTE -30
FINANCE COSTS

PARTICULARS	**2021-2022**	**2020-2021**
a) Interest	102.66	113.31
b) Other borrowing costs	15.37	16.58
TOTAL	**118.03**	**129.89**

NOTE - 31
OTHER EXPENSES

PARTICULARS	**2021-2022**	**2020-2021**
a) Direct Expenses		
Stores, Spares Parts & Standard Item Consumed		
Opening Stock	0.31	0.13
Add : Purchases	26.13	18.62
	26.44	**18.75**
Less : Closing Stock	0.12	0.31
Consumed during the Year	**26.32**	**18.44**
Component Processing Charges	180.97	122.78
Power Expenses	39.59	36.05
Repair & Maintenance of Plant & Machinery	8.12	0.81
Repair & Maintenance of Building	15.83	12.25
Freight & Cartage Inward	64.12	45.89
Material Shifting & Handling Charges	41.81	13.71
Other Direct Expenses	12.70	7.96
Total (a)	**389.45**	**257.89**
b) Administrative & General Expenses		
Bad Debts	45.06	30.06
Rent, Rates & Taxes	83.15	81.50
Charity & Donation	34.21	4.87
Computer Charges	19.63	25.62
Stationery & Printing	6.49	5.41

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Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2022
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Telephones & Internet	13.19	10.47
Postage & Courier	3.88	2.69
Travelling & Conveyance	149.08	96.14
Legal & Professional Charges	51.45	51.73
Auditor's Remuneration (Note 32(13))	1.65	1.65
Insurance	5.43	9.37
Security Expenses	12.13	8.97
Provision of ECL	38.30	10.57
Loss on Sale of Assets	0.43	0.73
Director's Sitting Fees	10.90	10.24
Other General Expenses	43.76	35.93
Total (b)	**518.73**	**385.94**
c) Selling & Distribution Expenses		
Sales Promotion & Entertainment	16.11	12.19
Freight & Cartage Outward	71.89	52.87
Sales Commission	44.31	26.62
Advertisement & Exhibition	11.88	6.77
Late Delivery Charges	4.77	3.03
After Sales & Services	10.26	3.35
Other Distribution Expenses	1.84	3.77
Total (c)	**161.05**	**108.60**
TOTAL (a+b+c)	**1069.23**	**752.43**

NOTE 32:

ADDITIONAL NOTES ON ACCOUNTS :

1) Note 1 to 32 referred herein forms an integral part of these Financial Statements.

2) In terms of IND AS 108 Operating Segment, the Company has identified following segments and details are furnished as under:

	2021-2022	2020-2021
Segment Revenue:		
Machine Manufacturing	8368.50	6597.14
Trading Activities	3657.55	2973.61
Total	**12026.05**	**9570.75**
Less: Inter Segment Revenue	501.15	614.26
Net Sales	**11524.90**	**8956.49**
Segment Profit / (Loss) before tax:		
Machine Manufacturing	680.98	616.30
Trading Activities	218.48	142.81
Total	**899.46**	**759.11**
Less: Interest	118.03	129.89
Net Profit before tax	**781.43**	**629.22**
Capital Employed:{Segment Assets-Segment Liabilities}		
Machine Manufacturing	3302.72	2953.55
Trading Activities	2089.45	1873.73
Total	**5392.17**	**4827.28**

3) Contingent Liability and commitements :

Particulars	**2021-2022**	**2020-2021**
a) Contingent Liabilities to the extent not provided for:		
Central Sales Tax	**85.63**	98.29
Value Added Tax	**11.54**	9.22
Income Tax	**15.29**	14.84
	112.46	**122.35**

ITL INDUSTRIES LIMITED
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b) Capital and other commitments:	**0.00**	**0.00**
	0.00	**0.00**

4) 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:

Particulars	Rate of Interest	2021-2022	2020-2021
Centrum Retail Services Limited (the principal is to be repaid in a period of 1 year, but the same is eligible for pre-mature repayment).	11% p.a	200.00	200.72
		200.00	**200.72**

b Investments Made:
Refer Note No. 4 & 8 of the Financial Statements.

c Guarantee Given or Security Provided:
During the year there is no such transaction.

5) 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 Rajendra Jain (Managing Director)
Shri Mahendra Jain (Joint Managing Director)
Shri N. Chakraborty (Non-Executive & Independent Director)
Smt. Pratima Jain (Non-Executive & Independent Director)
Shri Rajesh Jain (Non-Executive & Independent Director)
Shri Ashok Ajmera (CFO)
Shri Akhilesh Gautam (CS)(resigned w.e.f. October 6, 2021)
Shri Manoj Maheshwari (CS)(appointed w.e.f. November 15, 2021)

B) Subsidiary enterprise:
M.M. Metals Private Limited

C) Relatives of Key Managerial Personnel:
Mrs. Bharti Chakraborty
Mr. Ravish Jain
Mr. Prakhar Jain
Mr. Manish Jain
Mr. Shekhar Jain

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) Associate enterprise:
Luhadiya Sons Shahpura Private Limited
(controlled disolved w.e.f 12.10.2021)

II. Transactions with Related Parties:

Particulars	Transaction Type of Transaction	2021-2022 Amount Amount	Outstanding Transaction	2020-2021 Amount of Amount	Outstanding
Mr. Rajendra Jain	Remuneration	63.16	8.01 (Cr.)	51.15	6.34 (Cr.)
Mr. Mahendra Jain	Remuneration	58.11	5.17 (Cr.)	47.06	4.34 (Cr.)
Mr. N. Chakraborty	Sitting Fees	10.20	9.18 (Cr.)	9.60	8.88 (Cr.)
Mrs. Pratima Jain	Sitting Fees	0.36	0.32 (Cr.)	0.32	0.30 (Cr.)
Mr. Rajesh Jain	Sitting Fees	0.34	0.31 (Cr.)	0.32	0.30 (Cr.)
Mrs. Bharti Chakraborty	Rent	3.60	0	3.60	0
Mr. Ravish Jain	Remuneration	27.46	2.24 (Cr.)	20.27	1.11 (Cr.)
Mr. Prakhar Jain	Remuneration	27.46	2.24 (Cr.)	20.27	0.98 (Dr.)

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Mr. Manish Jain	Remuneration	27.46	3.43 (Cr.)	20.27	0.37 (Dr.)
Mr. Shekhar Jain	Remuneration	27.46	1.09 (Cr.)	20.27	0.38 (Cr.)
Dimart Engineering Pvt. Ltd.	Advance given refunded	4.00	162.42 (Dr.)	4.50	166.42 (Dr.)
Remswegs Marketing Private Limited	Sales of Material & Job Work	22.04	8.43 (Dr.)	40.17	46.90 (Dr.)
	Purchase of Material & Job Work	116.36		96.75	
	Warehousing & Facility Charges Paid	1.20		0.60	
Indore Tools Private Limited	Sales of Material	21.15	331.83 (Dr.)	6.93	331.47 (Dr.)
	Purchase of Material & Job Work	1144.62		498.98	
	Warehousing & Facility Charges Paid	2.40		2.40	
M. M. Metals Private Limited	Sales of Material	0.00	32.18 (Cr.)	2.20	102.30 (Cr.)
	Purchase of Material & Job Work	552.13		375.90	
	Warehousing & Facility Charges Paid	48.00		48.00	
Fillracks Technology Private Limited	Purchase of Services	5.40	1.02 (Cr.)	0.00	0.82 (Cr.)

Note: 1. All the above transactions are on arm's length basis. Current Account transactions are excluded.
2. The aforementioned transactions in respect of expenses purchases & sales are shown exclusive of GST.

6) The company has not received any funds from any person/entities, for the purpose of directly or indirectly lending/ investing/ providing guarantee/ security to a another person/ entity, by or on behalf of the person/ entity from whom such amount is received.

7) Pursuant to Ind AS 112 – 'Disclosure of Interests in Other Entities', the interest of the Company in its Subsidiary/ Associate is as follows:

A) Subsidiary

The Company is holding more than 50% Equity Shares in M. M. Metals Private Limited 52.55% (PY 52.55%), which is therefore a subsidiary within the meaning of section 2(7) of the Companies Act, 2013 and as per applicable IND AS the consolidated financial statements shall be separately prepared.

B) Associate

The Company was holding more than 20% Equity Shares in Luhadiya Sons Shahpura Private Limited 0.00% (PY 30.79%) which was therefore an associate company within the meaning of section 2(6) of the Companies Act, 2013, until 12.10.2021.

C) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

8) Directors Remuneration:

The Company has paid directors' remuneration as per the provisions of Schedule V to the Companies Act, 2013 and has complied with all the provisions of the said act:

Name of Director	Nature of payment	2021-2022	2020-2021
Mr. Rajendra Jain	Remuneration and perquisites	63.16	51.15
Mr. Mahendra Jain	Remuneration and perquisites	58.11	47.06
		121.27	**98.21**

9) The Company has entered into various Derivative & Forward contract (Forex), not speculative in nature, for the purpose of hedging foreign exchange exposures. The outstanding transactions (excluding direct parties) are as under:

A) Hedged exposure :-

Nature of exposure	2021-2022		2020-2021	
	Forex	₹ In Lakhs	Forex	₹ In Lakhs
Suppliers Credit	Nil	Nil	Nil	Nil

B) Un-Hedged exposure :-

Nature of exposure	2021-2022		2020-2021	
	Forex	₹ In Lakhs	Forex	₹ In Lakhs
Suppliers Credit	0.00	0.00	1500.11 (USD)	1.12
	0.00	0.00	**330000 (JPY)**	**2.28**
Suppliers Debit	0.00	0.00	1133.92 (USD)	0.83
	0.00	0.00	**560.00 (EURO)**	**0.50**
Customers Debit	28500(USD)	19.47	66889.50 (USD)	47.37
Customers Credit	99165.85(USD)	73.72	12243.65 (USD)	8.86

ITL INDUSTRIES LIMITED

Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2022

(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

10) The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2022 and March 31, 2021.

11) In accordance of Ind AS-33, the earning per share (E.P.S.) of the company is as under:

Particulars	**2021-2022**	**2020-2021**
Profit after Tax	575.31	504.19
Weighted average No. of Equity Shares outstanding	3204300	3204300
Earning Per Share - Basic & Diluted	**17.95**	**15.73**

12) Tax expenses as per Ind AS 12:

a Deferred Tax:

Profit and Loss account

Particulars	**2021-2022**	**2020-2021**
WDV as per Company Law	1041.49	1138.02
Less: WDV as per Income Tax	625.22	707.95
Timing difference between Income Tax and Company Law	416.27	430.07
Deferred tax liability/ (asset) on above	**101.90**	**119.65**
Provision for Expected Credit loss	38.79	10.57
Deferred tax (asset) on above	**-9.48**	-2.94
Accumulated liability/ (asset) as on 31.03.2022	**92.42**	**116.71**
Liability Already Provided up to 31.03.2021	116.71	99.93
Balance Liability provided for / (written off) during the year	**-24.29**	**16.78**

Other comprehensive income

Particulars	**2021-2022**	**2020-2021**
Fair value of equity instruments	5.82	3.74
Deferred tax liability on above	0.58	0.37
Accumulated liability as on 31.03.2022	**0.58**	**0.37**
Liability already provided up to 31.03.2021	0.37	0.00
Balance liability provided for during the year	**0.21**	**0.37**

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

Particulars	**2021-2022**	**2020-2021**
Profit before tax from continuing operation	**781.43**	**629.22**
Income Tax expense calculated	191.29	175.05
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	-10.57
Effect of concession (allowances)	0.00	0.00
Adjustments recognised in current year in relation to the current tax of prior years	30.41	-8.46
Other temporary differences {(Short)/Excess} provision in current year	8.71	-44.48
Income tax expense recognised in profit or loss	**230.41**	**111.54**

c Provision For Taxation:

Provision for taxation for the year has been made as per the old regime of Income Tax Act, 1961 after considering allowance, claims and relief available to the Company (if any).

d 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).

ITL INDUSTRIES LIMITED
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13) Payments to the auditor: (Excluding Goods and Service Tax):

Particulars	2021-2022	2020-2021
a) Auditor	1.35	1.35
b) For taxation matters	0.30	0.30
c) For reimbursement of expenses	0.00	0.00
Total	**1.65**	**1.65**

14) Following Ratios to be disclosed:-

	Particulars	Numerator	Demoninator	2021-2022	2020-2021	% Variance	Reasons
(a)	Current Ratio	Current assets	Current liabilities	2.08	2.03	2.70%	No explaination required.
(b)	Debt-Equity Ratio	Borrowings	Total Equity	0.25	0.29	-13.52%	No explaination required.
(c)	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	0.80	0.65	21.90%	No explaination required.
(d)	Return on Equity Ratio	Profit after tax	Total Equity	10.77%	10.51%	2.46%	No explaination required.
(e)	Inventory turnover ratio	Cost of Goods sold	Average inventory	2.37	1.74	36.24%	Increase in the ratio is due to increase in the turnaround of stock into sales (on an average basis) in the current year.
(f)	Trade Receivables turnover ratio	Revenue from operation	Average Trade receivable	5.35	4.54	17.95%	No explaination required.
(g)	Trade payables turnover ratio	Total purchases	Average Accounts Payable	5.80	3.57	62.45%	Increase in the ratio is due to increase in purchases of the company especially in the last month i.e. March 2022, resultantly the creditors oustanding amount on cut-off date i.e. 31/03/2022 was comparatively higher from previous year.
(h)	Net capital turnover ratio	Net Sales	Working Capital	2.92	2.73	6.85%	No explaination required.
(i)	Net profit ratio	Profit after tax	Total Revenue	4.99%	5.63%	-11.32%	No explaination required.
(j)	Return on Capital employed	Profit before Interest and Tax	Capital Employed	17.79%	17.22%	3.32%	No explaination required.
(k)	Return on investment	Dividend Income and profit on sale of investments	Average investment in treasury funds	2.19%	1.37%	59.39%	Increase in the ratio is due to increase in the passive income from the investments current year.

15) Disclosure of CSR Activities as per Sec. 135 :

Particulars	2021-2022	2020-2021
i) Total of previous years shortfall	20.05	10.90
ii) Amount required to be spent by the company for the year	13.80	13.86
iii) Amount of expenditure incurred	33.99	4.71
iv) Shortfall at the end of the year	-0.14	20.05
v) Reason for shortfall	N.A.	The Company was looking the CSR projects in identifiable areas.

ITL INDUSTRIES LIMITED
Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

vi) Nature of CSR activities	As per the provisions of Schedule VII of Section 135 of the Companies Act, 2013.	As per the provisions of Schedule VII of Section 135 of the Companies Act, 2013.
vii) 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
viii) 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	**2021-2022**	**2020-2021**
(i) Gross amount required to be spent by the company during the year.	**13.80**	**13.86**
(ii) Amount spent during the year on:		
- Promoting health care including preventive Health care, Education and Social Transformation	33.99	4.71
	33.99	**4.71**

16) 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.

Particulars(2021-2022)	**Fair Value Management**			**Fair Value Hierarchy**		
	FVTPL	**FVOCI**	**Amortised Cost**	**Level-1**	**Level-2**	**Level-3**
Financial assets						
Investments	0.00	28.15	1141.58	28.15	0.00	0.00
Cash and cash equivalents	0.00	0.00	6.77	0.00	0.00	0.00
Bank balances other than cash and cash equivalents	0.00	0.00	145.14	0.00	0.00	0.00
Trade Receivables	0.00	0.00	2135.76	0.00	0.00	0.00
Other financial assets	0.00	0.00	749.83	0.00	0.00	0.00
Total	**0.00**	**28.15**	**4179.07**	**28.15**	**0.00**	**0.00**
Financial liabilities						
Borrowings	0.00	0.00	1338.54	0.00	0.00	0.00
Trade Payables	0.00	0.00	1702.55	0.00	0.00	0.00
Other financial liabilites	0.00	0.00	22.02	0.00	0.00	0.00
Total	**0.00**	**0.00**	**3063.10**	**0.00**	**0.00**	**0.00**

Particulars(2020-2021)	**Fair Value Management**			**Fair Value Hierarchy**		
	FVTPL	**FVOCI**	**Amortised Cost**	**Level-1**	**Level-2**	**Level-3**
Financial assets						
Investments	0.00	22.33	901.02	22.33	0.00	0.00
Cash and cash equivalents	0.00	0.00	2.50	0.00	0.00	0.00
Bank balances other than cash and cash equivalents	0.00	0.00	95.11	0.00	0.00	0.00
Trade Receivables	0.00	0.00	2104.20	0.00	0.00	0.00
Other financial assets	0.00	0.00	729.61	0.00	0.00	0.00
Total	**0.00**	**22.33**	**3832.43**	**22.33**	**0.00**	**0.00**

ITL INDUSTRIES LIMITED
Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

Financial liabilities						
Borrowings	0.00	0.00	1385.63	0.00	0.00	0.00
Trade Payables	0.00	0.00	1353.96	0.00	0.00	0.00
Other financial liabilites	0.00	0.00	23.54	0.00	0.00	0.00
Total	**0.00**	**0.00**	**2763.13**	**0.00**	**0.00**	**0.00**

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.

Notes:

1 There have been no transfer between Level 1, Level 2 and Level 3 during the period March 31, 2022 and March 31, 2021.

2 The management assessed that cash and bank balances, trade receivables, loans, trade payables, borrowings (cash credits, commercial papers, foreign currency loans, working capital loans) and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

17) Financial risk management objectives and policies to the extent applicable:

The Company's risk management activities are subject to the Board 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.

The Company is primarily exposed to risks resulting from fluctuation in market risk, credit risk and liquidity risk, which may adversely impact the fair value of its financial instruments.

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 rate 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's risk management activities are subject to the management, direction and control of Central Treasury Team of the 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	**2021-2022**	**2020-2021**
Interest rate risk exposure	0.00	0.00
Borrowings from banks		
Fund Based	1338.54	1385.63
Non Fund Based	0.00	0.00
Total borrowings	**1338.54**	**1385.63**

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 interest rate variation (fund based) 1%, and (non fund based) 0.25%. If the interest rates had been 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:

ITL INDUSTRIES LIMITED
Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

Particulars	2021-2022	2020-2021
Impact on Profit or Loss for the year decrease	13.39	13.86
Impact on Profit or Loss for the year increase	13.39	13.86

ii) Foreign currency 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.

For open positions on outstanding foreign currency contracts and details on unhedged foreign currency exposure, please refer note no. 9 above.

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

Particulars	2021-2022	2020-2021
Receivable in Foreign currency	19.47	47.74
Payable in Foreign currency	0.00	3.39

Sensitivity to foreign currency risk

The following table demonstrates the sensitivity in the USD 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:

Currency	Sensitivity analysis			
	2021-2022		2020-2021	
	USD/EURO/JPY Increase	USD/EURO/JPY Decrease	USD/EURO/JPY Increase	USD/EURO/JPY Decrease
Sensitivity to foreign currency risk (USD)	706.66	706.66	550.12	550.12
Sensitivity to foreign currency risk (EURO)	0.00	0.00	5.60	5.60
Sensitivity to foreign currency risk (JPY)	0.00	0.00	3300.00	3300.00

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, company has placed a customer credit limit monitoring system in its accounting software and also 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. To cover its risk/ losses, the company makes a provision (ECL) on the outstanding balance at the year end.

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

ITL INDUSTRIES LIMITED

Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2022

(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

Trade and other receivables

To Manage trade and other receivables, company has placed a customer credit limit monitoring system in its accounting software and also 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. To cover its risk/ losses, the company makes a provision (ECL) on the outstanding balance at the year end.

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

Particulars	2021-2022	2020-2021
Up to 6 months	1718.28	1506.12
More than 6 months	456.26	608.65
Total	**2174.54**	**2114.77**

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 significant liabilities as at the end of each year end presented.

Particulars	Less than 1 Year	1 to 5 years	>5 years	Total
As at 31st March, 2022				
Borrowings	1045.38	293.15	0.00	1338.54
Trade payables	1702.55	0.00	0.00	1702.55
Other financial liabilities	22.02	0.00	0.00	22.02
Total	**2769.95**	**293.15**	**0.00**	**3063.10**
As at 31st March, 2021				
Borrowings	1134.67	250.95	0.00	1385.63
Trade payables	1353.96	0.00	0.00	1353.96
Other financial liabilities	23.54	0.00	0.00	23.54
Total	**2512.18**	**250.95**	**0.00**	**2763.13**

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 31st March, 2022 and 31st March, 2021.

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

Particulars	2021-2022	2020-2021
Debt	1338.54	1385.63
Cash and Bank Balances (Refer Note No.10 & 11)	151.91	97.60
Adjusted net Debt	**1186.63**	**1288.02**
Total Equity	5392.16	4827.27
Net Debt to equity ratio	**0.22**	**0.27**

18) Consolidation of Accounts:

a 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 accordingly the said consolidated audited balance sheet will be separately made.

b The company was under an obligation to make consolidated financial statements covering its associate Luhadiya Sons Shahpura Private Limited (CIN no.U29100MP2010PTC023272) (Shareholding PY 30.79%). From October 12, 2021, the control has been dissolved hence consolidated audited balance sheet has not been separately made.

19) Figures of Trade Receivables, Trade Payables, Borrowings and Loans & Advances are subject to respective consent, confirmation, reconciliation and consequential adjustments, if any.

20) Subsequent events

The Company has evaluated all subsequent events through 30.05.2022, the date on which these financial statements are authorized for issuance. No adjusting or significant non-adjusting events have occurred between March 31, 2022 and the date of authorization of these standalone financial statements that would have a material impact on these financial statements or that would warrant additional disclosures.

21) In the opinion of board of directors of the company, the current assets, loans and advances have to value at which they are stated in the balance sheet if realised in the ordinary course of business.

22) Disclosure Pursuant to regulation 54(F) of the SEBI (Listing Obligations & Disclosure Requirements) Regulation 2013.

a Loans and Advances in the nature of Loans to Subsidiary:

There were no such transaction during the year.

b Loans and Advances in the nature of loan to Associates, Related Party and parties where directors/promotors are interested:

There were no such transaction during the year.

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

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

23) Gratuity and post employment benefits:

Defined contribution plan - Provident fund and ESIC

Particulars	2021-2022	2020-2021
Company's contribution to provident fund and other funds charged to statement of profit and loss	56.19	42.80
Total	**56.19**	**42.80**

Defined contribution plan - Gratuity

"The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.The Company has Defined Contribution Plan with Life Insurance Corporation of India."

The following tables summarise the components of gratuity benefit expense recognised in the statement of profit and loss.

Particulars	2021-2022	2020-2021
Company's contribution to LIC Group Gratuity fund charged to statement of profit and loss	5.46	10.25
Total	**5.46**	**10.25**

24) Details of Benami Property held:

During the year, no proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

25) Indications of Impairment:

In the opinion of management, there are no indications, internal or external which could have the effect of impairing the value of assets to any material extent as at the Balance sheet date requiring recognition in terms of Ind AS 36.

26) 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.

ITL INDUSTRIES LIMITED
Notes forming part of the Standalone financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

26) 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.

27) The Company has borrowings from banks or financial institutions on the basis of security of current assets with respect to which the periodival returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

28) Relationship with Struck off Companies:

The Company has no Investment in securities, Receivables, Payables, Share-holding or Other outstanding balances with such companies.

29) The company has not advanced/ loaned/ invested funds to any person/ entity for the purpose of directly or indirectly lending/ investing/ providing guarantee/ security to a third person/entity, by or on behalf of the company.

30) Recent Pronouncements:

On 24th March, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1st April, 2021.

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

31) Additional information as required under part II of schedule III to the Companies Act, 2013 is as under:

a. Expenditure in foreign currency on account of Raw Material ₹ 691.17 Lacs [Previous Year ₹ 369.06 Lacs]

b. Earning in foreign currency on account of Export of goods on CIF/FOB Basis and advance from customers is ₹ 867.59 Lacs [Previous Year ₹ 635.78 Lacs]

c. Particulars of consumption of Imported and Indigenous Raw Materials:

Particulars	2021-22		2020-21	
	Value	% of Total	Value	% of Total
Imported	691.17	7.93%	369.06	7.02%
Indigenous	8028.90	92.07%	4890.36	92.98%
Total	**8720.07**	**100.00%**	**5259.42**	**100.00%**

32) Research and Development Expenditure Details are as below :

Particulars	2021-22	2020-21
Capital expenditure	0	0
Revenue expenditure	258.64	272.38
Total R&D Expenditure	**258.64**	**272.38**

33) Previous year figures have been regrouped or rearranged where ever necessary.

34) The figures have been rounded off to the nearest multiple of a rupee, in lakhs.

As Per our report of even date attached
STATUTORY AUDITORS
For MAHENDRA BADJATYA & CO.
CHARTERED ACCOUNTANTS
ICAI FRN 001457C

CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388
PLACE: INDORE
DATE: 30/05/2022

For and on behalf of Board of Directors
ITL INDUSTRIES LIMITED

Rajendra Jain
Managing Director
DIN : 00256515

Mahendra Jain
Joint Managing Director
DIN : 00256047

Ashok Ajmera
Chief Financial Officer

Manoj Maheshwari
Company Secretary
FCS : 7878

BOARD'S REPORT

To

The Members of

M.M. METALS PRIVATE LIMITED

The Board of directors takes pleasure in presenting the 10th Annual Report together with the Audited financial statements for the year ended 31st March, 2022.

Your directors submit the following particulars/disclosures and information as required under section 134(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Accounts) Rules 2014 and other applicable rules thereunder.

1. Financial Results:

(Rs. in, Lakhs except EPS)

Particulars	2021-22	2020-21
Revenue from operation	600.50	426.40
Other Income	3.62	0.05
Gross turnover	**604.12**	**426.45**
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	73.52	66.22
Less: Depreciation and amortisation expenses	16.49	31.41
Profit /loss before Finance Costs, Exceptional items and Tax Expense	57.03	34.81
Less: Finance Costs	29.19	32.92
Profit /loss before Exceptional items and Tax Expense	**27.84**	**1.89**
Add/(less): Exceptional items	0.00	0.00
Profit /loss before Tax Expense	**27.84**	**1.89**
Less: Current Tax	0.00	0.00
Less: Prior period income Tax	0.00	0.00
Less/Add: Deferred Tax (written back)	-3.35	9.45
PROFIT FOR THE YEAR (A)	**24.49**	**-8.04**
Add: Other comprehensive income	0.00	0.00
Total comprehensive income	**24.49**	**-8.04**
Balance B/F from profit and loss Account (B)	**-56.97**	**-48.93**
Transfer to General Reserve	0.00	0.00
Transfer to Capital Redemption Reserve	0.00	0.00
Dividend Paid on equity shares	0.00	0.00
BALANCE CARRIED TO BALANCE SHEET (A+B)	**-32.48**	**-56.97**
Earnings Per Share:		
Basic	**42.23**	**-13.86**
Diluted	**42.23**	**-13.86**

2. The State of the Company's Affairs:

The Company is mainly operating in the business of manufacturing of machines , machine parts and allied goods. During the year the company has achieved a turnover of ₹600.50 Lakhs against a turnover of ₹426.40 Lakhs in the previous year registering an increase by 40.83%.

Further Profit for the financial year has been increased by 404.56% which is Rs. 24.49 Lakhs as compared to Rs. (8.04) Lakhs in the previous year.

The overall performance of the company remained satisfactory.

3. The Amount, which it recommends to be paid by way of Dividend:

The Board strongly believes that the current market scenario would offer attractive business development opportunities and re-investing the capital in such opportunities would create more wealth and value for the shareholders in long term. Accordingly, with a view to create long term economic value, your Board have not recommended any dividend on equity shares for the year ended 31st March, 2022.

4. The Names of Companies which have become or ceased to be its Holding, Subsidiaries, Joint ventures or Associate Companies during the year:

The company has no Subsidiaries, Joint Ventures and Associates. The company is a subsidiary of ITL Industries Limited where the latter is holding its 52.55 % Equity Share Capital (30480 Equity Shares).

5. Directors' Responsibility Statement:

Pursuant to Provisions of section 134(5) of the Companies Act 2013, Directors' Responsibility Statement is as under:

a. That in the preparation of the annual financial statements for the period ended on 31st March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures from the same.

b. The directors have selected such accounting policies as and applied them consistently and made 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 Company as at 31st March, 2022, and of the Loss of the Company for the year ended 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 the systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

6. **Appointment of the Auditors and explanations or comments on qualification, reservation or adverse remark or disclaimer made by the Auditors in their report:**

Pursuant to the provisions of section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, **M/s. Mahendra Badjatya & Co,** (FRN001457C) Chartered Accountants, were appointed as the Statutory Auditors of the Company in terms of Section 139 of the Companies Act, 2013 to hold the office till the conclusion of the AGM related to financial year 2023-24.

The Auditors Report and notes given therein by the auditors have been explained in the relevant notes to the financial statements for the period ended on 31st March, 2022 which are self-explanatory and need not require any further comments by the Board.

7. **The Details about the policy developed and implemented by the company on CSR (Corporate Social Responsibility) initiatives taken during the year:**

The Provisions of Section 135 of the Companies Act 2013 read with rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to the company.

8. **Number of meetings of the Board:**

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other Board business. The Board met 6 (Six Times) 12.04.2021, 10.06.2021, 28.06.2021, 30.09.2021, 20.11.2021 and 17.03.2022 during the year 2021-22 and there were no gap exceeding 120 days between two Board Meeting.

9. **Details in respect of Fraud Reported by Auditor's u/s 143(12) other than those which are reportable to the Central Government:**

During the year under review, Statutory Auditors have not reported, any instances of fraud committed against your Company by its officers and employees to the Board, details of which would need to be mentioned in the Board's Report under section 143(12) of the Companies Act, 2013.

10. **Web-address for placing annual return as:**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 the Company is not having website and hence, the requirement to host Annual Return as on March 31, 2022 is not applicable to the Company.

11. **Statement on Declaration by Independent Directors under section 149(6):**

Your Company is a Private Limited Company; hence the provisions relating to appointment of Independent Directors and the requirement of declaration pursuant to section 149(6) of the Companies Act, 2013 is not applicable to the Company.

12. **Criteria for determining qualifications, positive attributes, independence of a Director and other matters under section 178(3):**

Your Company is not covered u/s 178(1) hence the information as required u/s 178(3) is not applicable to the Company during the year 2021-22.

13. **Particulars of Loans, Guarantees, Security or Investments U/s 186:**

There were no Investments, Loan and Corporate Guarantee given during the financial year 2021-22, pursuant to Section 186 of the Companies Act, 2013.

14. **Particulars of contracts or arrangements with related parties referred to section 188(1):**

The company has entered in related party transactions as specified under section 188(1) of the Companies Act, 2013 hence; the disclosure in the Form AOC-2 is enclosed herewith as per "Annexure –A". For further details, please refer relevant notes to the financial statements attached with the Board Report.

15. **Statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk:**

The Company is engaged in the business of manufacturing of machines, machine parts and allied goods and is associated with the normal business risk of the market which may affect the profitability of the Company. Further, upcoming new competitors may affect the demand of the product which may affect the turnover and profitability of the company. Any change in the taxation and Industrial policy by the Government may adversely affect the profitability of the Company. The Company is having adequate internal control to monitor the financial transactions and the books of accounts are being audited by the independent auditor of the Company.

16. **Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report:**

There have been no material changes and commitments, affecting the financial position of the Company which had occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

17. **Capital Structure and Finance:**

The Paid-up Equity Share Capital as on 31st March, 2022 is ₹5800000/- divided into 58000 Equity Shares carrying voting rights of ₹100 each and Preference Share Capital as on 31st March, 2022 is ₹2300000/- divided into 23000 Preference shares of ₹100 each. There were no such Equity Shares not carrying voting rights.

During the year under review, the company has not issued any shares with differential voting rights nor granted stock options nor sweat equity Shares as on 31st March, 2022.

18. **The amount proposed to carry to any reserves:**

The Board of Directors of your Company has decided not to transfer any amount to the General Reserves, for the financial year ended 31st March 2022.

19. **Statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors:**

The company is a Private Limited Company, therefore, the Statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors is not applicable.

20. **The change in the nature of business, if any:**

There is no change in the nature of business of the company during the year under review.

21. **Details of Directors or Key Managerial Personnel who were appointed or have resigned during the year:**

The Company is having required number of Directors during the year and the Company being a Private Limited Company is not required to appoint Key Managerial Personnel under the provisions of Section 203 of the Companies Act, 2013 and applicable rules made there under.

22. **The details relating to deposits, covered under Chapter V of the Act, 2013:**

The Company has not accepted any deposits which are covered under Chapter V of the Act, 2013.

23. Details of deposits which are not in compliance with the requirements of Chapter V of the Act:

The Company has not accepted any deposits which are not in compliance of the (Companies Acceptance of Deposits) Rules, 2014 during the year.

24. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

There are no significant or material orders passed by the regulators or courts or tribunals impacting the going concern and companies operations in future.

25. Details in respect of adequacy of Internal FinancialControls with reference to the Financial Statements:

Your Company has in place adequate internal control system (including internal financial control system) commensurate with the size of its operations and have devised systems, policies, and procedures / frameworks, which are currently operational within the Company for ensuring the orderly and efficient conduct of its business, which includes adherence to Company's policies, safeguarding assets of the Company, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. In line with best practices, the Board reviews these internal control systems to ensure they remain effective and are achieving their intended purpose. Where weaknesses, if any, are identified as a result of the reviews, new procedures are put in place to strengthen controls. These controls are in turn reviewed at regular intervals.

Nothing has come to the attention of the Directors to indicate that any material breakdown in the function of these controls, procedures or systems occurred during the year under review. There have been no significant changes in the Company's internal financial controls during the year that have materially affected or are reasonably likely to materially affect its internal financial controls. There are inherent limitations to the effectiveness of any system of disclosure, controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures.

26. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made thereunder, your company has constituted Internal Complaints Committees (ICC). Statement showing the number of complaints filed during the financial year and the number of complaints pending as on the end of the financial year is shown as under: -

Category	No. of complaints pending at the beginning of F.Y. 2021-22	No. of complaints filed during the F.Y. 2021-22	No. of complaints pending as at the end of F.Y. 2021-22
Sexual Harassment	Nil	Nil	Nil

Since, there was no complaint received during the year which is appreciable as the management of the company endeavor efforts to provide safe environment for the female employees of the company.

27. General Disclosure:

Your directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these matters or were not applicable to the Company during the year under review:

1) The Company is not required to conduct the Secretarial Audit, Cost Audit and is not required to maintain Cost Records as specified under the Companies Act, 2013
2) There are no voting rights exercises by any employee of the Company pursuant to the section 67(3) read with the Rule 16 of the Companies (Share Capital and Debenture) Rules, 2014.
3) The Company has neither announced any Corporate Action (buy back of securities, payment of dividend declared, mergers and de-mergers, split and issue of any securities) nor failed to implement or complete the Corporate Action within prescribed timelines;
4) There was no instance of one-time settlement with any Bank or Financial Institution;
5) There were no revisions in the Financial Statement and Board's Report;

28. The Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The information on Conservation of energy, technology absorption stipulated under Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8 of The Companies (Accounts) Rules, 2014 are enclosed at "Annexure – B".

29. Acknowledgements:

Your Directors express their deep sense of gratitude to the banks, financial institutions, stakeholders, business associates, Central and State Governments for their co-operation and support and look forward to their continued support in future.

Your Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company. We applaud them for their superior levels of competence, dedication and commitment to your Company. We have immense respect for every person who risked their lives and safety to fight this pandemic.

M.M. Metals Private Limited
By Order of the Board
CIN: U02710MP1983PTC002163

Registered Office:
Plot No. 103-B Sanwer Road
Indore – 452003 (M.P)

RAVISH JAIN
(DIRECTOR)
(DIN: 00444026)

PRAKHAR JAIN
(DIRECTOR)
(DIN: 01959843)

PLACE: INDORE
DATE: 30.05.2022

Annexure - A

Particulars of contracts/arrangements entered into by the Company with related parties

Form 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**.**

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)	Justification for entering into such contracts or arrangements or transactions (e)	Date of approval by the Board (f)	Amount paid as advances, if any (g)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188 (h)
			NIL				

2. Details of material contracts or arrangement or transactions 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) (₹ in 000)	Date(s) of approval by the Board, if any (e)	Amount paid as advances, if any (f)
ITL Industries Limited	Warehousing & Facility Charges received	Continue	48.00	---	NA
	Job Work Charges		12.00		
	Sales		540.13		
RemswegsMarketing Pvt.Ltd.	Purchase	Continue	344.98	---	NA
Shri Manish Jain (Director)	Director sitting fees	Continue	0.90	---	NA
Shri Prakhar Jain (Director)	Director sitting fees	Continue	0.45	---	NA
Shri Shekhar Jain (Director)	Director sitting fees	Continue	0.45	---	NA
Shri Ravish Jain (Director)	Director sitting fees	Continue	0.45	---	NA
Smt. Meena Jain (Director)	Director sitting fees	Continue	0.45	---	NA
Indore Tools Pvt. Ltd.	Purchase	Continue	137.65	---	NA
	Sales		0.37		

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PRAKHAR JAIN
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(DIN: 01959843)

PLACE: INDORE
DATE: 30.05.2022

ANNEXURE – B

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. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :

1.	Efforts in brief made towards Technology Absorption	No major scope, however suitable steps have been taken in this regards
2.	Benefits derived as a result of efforts, e.g. product improvement, cost reduction, product development, import substitution etc.	NA
3. A.	Technology imported	Nil
B.	Year of Import	NA
C.	Has technology been fully absorbed	NA
D.	If no fully absorbed areas where this has not taken place reasons thereof and future plan of action.	NA

B. CONSERVATION OF ENERGY :

a.	Energy Conservation Measures taken	No major scope for energy conservation, however suitable steps have been taken in this regards
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

C. FOREIGN EXCHANGE EARNING AND OUT GO :

The information of Foreign Exchange Earnings and out go is: Nil

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(DIRECTOR)
(DIN: 00444026)

PRAKHAR JAIN
(DIRECTOR)
(DIN: 01959843)

PLACE: INDORE
DATE: 30.05.2022

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, 2022, 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, 2022, 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.

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.
- 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 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.

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 31st March 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
   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 Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.

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 31st March 2022 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 31st March 2022.

(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, 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 Company has not declared or paid any dividend during the year.

(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 01/04/2023 vide revised notification dated 31/03/2022.

Statutory Auditors
FOR: MAHENDRA BADJATYA & CO
CHARTERED ACCOUNTANTS
ICAI FRN 001457C

CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388
ICAI UDIN: 22420388AMMBYU9008
PLACE: INDORE
DATE: 30.05.2022

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 31st March 2022]

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 31st March 2022, 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. Although, 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 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 31st 2022		As on March 31st 2021	
	Aggregate amount during the year	Balance outstanding at the balance sheet date	Aggregate amount during the year	Balance outstanding at the balance sheet date
Promoter	0	0	0	0
Directors	0	0	0	0
Key managerial personnel	0	0	0	0
Others	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.

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. The provision of section 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) in so far as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon. Based on our examination of the records of the Company, the Company has entered transactions, during the period, with the related parties in compliance with the provisions of 188 of the Act where applicable and details have been disclosed in the Financial Statements as required by the applicable accounting standards.

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. The provisions of clause 3(xxi) of the Order is not applicable to the Company, as it does not prepare consolidated financial statements.

Statutory Auditors
FOR: MAHENDRA BADJATYA & CO
CHARTERED ACCOUNTANTS
ICAI FRN 001457C

CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388
ICAI UDIN: 22420388AMMBYU9008
PLACE: INDORE
DATE: 30.05.2022

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 M.M. METALS PRIVATE LIMITED on the Financial Statements for the year ended 31st March 2022)

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

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.

We have audited the internal financial controls over financial reporting of **M.M. METALS PRIVATE LIMITED** ("the Company") as of 31st March 2022 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.

Statutory Auditors
FOR: MAHENDRA BADJATYA & CO
CHARTERED ACCOUNTANTS
ICAI FRN 001457C

CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388
ICAI UDIN: 22420388AMMBYU9008
PLACE: INDORE
DATE: 30.05.2022

M.M. METALS PRIVATE LIMITED
BALANCE SHEET AS AT 31st MARCH, 2022

(All amounts are in ₹ lakh, except share and per share data, unless otherwise stated)

PARTICULARS	Note No.	2021-2022	2020-2021
ASSETS			
1) NON-CURRENT ASSETS			
a) Property, Plant and Equipment	2	503.88	741.37
b) Financial Assets:			
i. Other financial assets	3	112.97	0.68
Total Non-Current Assets (1)		**616.85**	**742.05**
2) CURRENT ASSETS			
a) Inventories		41.43	12.64
b) Financial Assets:			
i. Trade receivables	4	32.18	102.65
ii. Cash and cash equivalents	5	0.11	0.12
iii. Other financial assets	6	56.15	0.00
c) Current Tax Assets (Net)	7	5.90	3.78
d) Other current assets	8	25.88	50.61
Total Current Assets (2)		**161.65**	**169.80**
TOTAL ASSETS (1+2)		**778.50**	**911.85**
EQUITY AND LIABILITIES			
1) EQUITY			
a) Equity Share Capital	9	58.00	58.00
b) Preference Share Capital	10	23.00	23.00
c) Other Equity	11	59.20	34.71
Total Equity (1)		**140.20**	**115.71**
LIABILITIES			
2) NON-CURRENT LIABILITIES			
a) Financial Liabilities:			
i. Borrowings	12	290.97	285.54
ii.Other financial liabilities	13	18.00	218.00
b) Deferred tax liabilities (Net)		81.49	78.14
Total Non-Current Liabilities (2)		**390.46**	**581.68**
3) CURRENT LIABILITIES			
a) Financial Liabilities:			
i. Borrowings	14	146.15	100.69
ii. Trade Payables	15		
(A) total outstanding dues of micro enterprises and small enterprises; and		0.00	0.00
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		93.62	106.23
iii. Other financial liabilities	16	7.80	7.30
b) Other current liabilities	17	0.27	0.24
Total Current Liabilities (3)		**247.84**	**214.46**
TOTAL EQUITY AND LIABILITIES (1+2+3)		**778.50**	**911.85**
Summary of significant accounting policies	**1**		

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

As Per our report of even date attached
STATUTORY AUDITORS
For: Mahendra Badjatya & Co
Chartered Accountants
ICAI FRN 001457C

CA Nirdesh Badjatya
PARTNER
ICAI MNO 420388
PLACE: Indore
DATE: 30/05/2022

For and on behalf of Board of Directors
M.M. Metals Private Limited

Ravish Jain
Director
(DIN:00444026)

Prakhar Jain
Director
(DIN: 01959843)

M.M. METALS PRIVATE LIMITED

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

(All amounts are in ₹ lakh, except share and per share data, unless otherwise stated)

PARTICULARS	Note No.	2021-2022	2020-2021
Income			
Revenue from Operations	18	600.50	426.40
Other Income	19	3.62	0.05
Total Income		**604.12**	**426.45**
EXPENSES			
Cost of materials consumed (manufacturing companies)	20	518.21	349.34
Employee benefits expense	21	2.92	4.66
Finance costs	22	29.19	32.92
Depreciation and amortization expenses	2	16.49	31.41
Other expenses	23	9.47	6.23
Total Expenses		**576.28**	**424.56**
Profit before Tax and exceptional items		**27.84**	**1.89**
Profit Before Tax		**27.84**	**1.89**
Tax Expenses :		**3.35**	**9.93**
Current Tax		0.00	0.00
Deferred Tax Charge		3.35	9.93
Profit/(loss) for the period		**24.49**	**-8.04**
Other Comprehensive Income		0.00	0.00
Total Comprehensive Income For the Period comprising Profit (Loss) and Other Comprehensive Income For The Period		**24.49**	**-8.04**
Earnings per equity share (₹10/-)			
(i) Basic (₹)		42.23	-13.86
(ii) Diluted (₹)		42.23	-13.86
Summary of significant accounting policies	1		

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

As Per our report of even date attached
STATUTORY AUDITORS
For: Mahendra Badjatya & Co
Chartered Accountants
ICAI FRN 001457C

CA Nirdesh Badjatya
PARTNER
ICAI MNO 420388
PLACE: Indore
DATE: 30/05/2022

For and on behalf of Board of Directors
M.M. Metals Private Limited

Ravish Jain
Director
(DIN:00444026)

Prakhar Jain
Director
(DIN: 01959843)

M.M. METALS PRIVATE LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH, 2022

(All amounts are in ₹ lakh, except share and per share data, unless otherwise stated)

PARTICULARS	2021-2022	2020-2021
A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax for the year	**27.84**	**1.89**
Add / (Less): Ajustment for:		
Depreciation and amortisation expenses	16.49	31.41
Interest paid	29.19	32.92
Prior period expense reversed	-3.60	0.00
Operating profit before working capital changes	**69.92**	**66.22**
Adjustments for changes in working capital :		
Increase / (decrease) in trade payables	-12.61	46.88
(Increase) / decrease in trade receivables	70.47	-86.94
(Increase) / decrease in other current assets	24.72	-11.55
(Increase) / decrease in inventories	-28.79	-10.78
(Increase) / decrease in other financial assets	-168.43	0.00
Increase / (decrease) in other current liabilities	0.03	0.12
Increase / (decrease)in other financial liabilities	-199.49	4.93
Preoperative expenses	0.00	7.87
Cash used in / generated from Operations	**-244.18**	**16.75**
Direct taxes (paid) /refund	**-2.12**	**0.07**
Net cash used in / generated from operating activities	**-246.30**	**16.82**
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property and equipment including intangible assets (net)	0.00	-7.87
Proceeds from sale of property, plant and equipment	0.00	0.00
Subsidy on Capital Asset	224.59	0.00
Net cash generated from/ used in investing activities	**224.59**	**-7.87**
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	50.89	23.77
Interest paid	-29.19	-32.92
Net cash generated from / used in financing activities	**21.70**	**-9.15**
Net Increase in Cash & Cash Equivalents (A+B+C)	**-0.01**	**-0.20**
Effects of exchange rate changes of cash and cash equivalents	0.00	0.00
Cash and cash equivalents at beginning of year	0.12	0.32
Cash and cash equivalents at end of year	**0.11**	**0.12**

Notes to the Statement of Cash Flow :

i. Cash and cash equivalents as per above comprises of the following:

PARTICULARS	2021-2022	2020-2021
a) Cash in hand	0.11	0.12
b) Balances with bank	0.00	0.00
c) Deposit with original maturity of less than 3 months	0.00	0.00
Cash and cash equivalents at end of year	0.11	0.12

ii. The statement of cash flow has been prepared under the indirect method as set out in Ind AS 7 - 'Statement of Cash Flows'.

iii. Cash and cash equivalents represents Cash and bank balances (refer Note 5).

iv. Effective 1 April 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of these financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The Company did not have any non-cash transactions for financial activities during the year, accordingly same has not been disclosed in these financial statements.

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

As Per our report of even date attached
STATUTORY AUDITORS
For: Mahendra Badjatya & Co
Chartered Accountants
ICAI FRN 001457C

CA Nirdesh Badjatya
PARTNER
ICAI MNO 420388
PLACE: Indore
DATE: 30/05/2022

For and on behalf of Board of Directors
M.M. Metals Private Limited

Ravish Jain
Director
(DIN:00444026)

Prakhar Jain
Director
(DIN: 01959843)

M.M.METALS PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2022
(All amounts are in ₹ lakh, except share and per share data, unless otherwise stated)

A. EQUITY SHARE CAPITAL

(1) Current reporting period

Balance at the beginning of the current reporting period	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 at the end of the current reporting period
58.00	0.00	58.00	0.00	58.00

(2) Previous reporting period

Balance at the beginning of the previous reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
58.00	0.00	58.00	0.00	58.00

B. OTHER EQUITY

(1) Current reporting period

Particulars	Reserve and Surplus		Total
	Asset Revaluation Reserve	Retained Earnings	
Balance at the beginning of the current reporting period	**91.68**	**-56.97**	**34.71**
Changes in accounting policy/prior period errors	0.00	0.00	0.00
Restated balances at the beginning of the reporting period	**91.68**	**-56.97**	**34.71**
Profit/ (loss) for the Year	0.00	24.49	24.49
Balance at the end of the current reporting period	**91.68**	**-32.48**	**59.20**

(2) Previous reporting period

Particulars	Reserve and Surplus		Total
	Asset Revaluation Reserve	Retained Earnings	
Balance at the beginning of the previous reporting period	**91.68**	**-48.93**	**42.75**
Changes in accounting policy/prior period errors	0.00	0.00	0.00
Restated balances at the beginning of the reporting period	**91.68**	**-48.93**	**42.75**
Profit/ (loss) for the Year	0.00	-8.04	-8.04
Balance at the end of the previous reporting period	**91.68**	**-56.97**	**34.71**

As Per our report of even date attached
STATUTORY AUDITORS
For: Mahendra Badjatya & Co
Chartered Accountants
ICAI FRN 001457C

CA Nirdesh Badjatya
PARTNER
ICAI MNO 420388
PLACE: Indore
DATE: 30/05/2022

For and on behalf of Board of Directors
M.M. Metals Private Limited

Ravish Jain
Director
(DIN:00444026)

Prakhar Jain
Director
(DIN: 01959843)

Note 1:

Notes forming part of Financial Statements for the year ended 31st March,2022.

(All amounts are in Indian Rupees in lakhs 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 and allied goods".

The financial statements were authorized for issue in accordance with a resolution of Board of Directors on 30.05.2022.

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 lakhs 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 judgements 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. Standard issued but not yet effective

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 Apr 2021. The Company has not early adopted any other standard or amendment that has been issued but is not yet effective:

(i) Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

(ii) Conceptual framework for financial reporting under Ind AS issued by ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS. includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition ovliability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Frame work under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments had no impact on the financial statements of the Company.

(iii) Ind AS 116: COVID-19 related rent concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2020.

These amendments had no impact on the financial statements of the Company.

(iv) Ind AS 103: Business combination

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards* issued by The Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

These amendments had no impact on the financial statements of the Company.

(v) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no impact on the financial statements of the Company.

5. Recent Pronouncements

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

Balance Sheet:

- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables and trade payables.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of Profit and Loss:

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

The amendments are extensive, and the Company has provided the information as required by law to the extent applicable.

6. 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.

7. 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.

8. 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.

9. 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

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 in accordance with IND AS 38 and Schedule II to the Companies Act,2013 or based on technical estimates.

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.

10. 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.

11. 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.

12. Employee Benefits

Short Term Employee Benefits

Short term employee benefits are recognized in the period during which the services have been rendered.

13. 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 certainly 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.

14. 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.

15. 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.

16. 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 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 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.

17. 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.

18. Earnings per share

a. Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners if the Company by the weighted average number of equities 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.

19. Events after reporting date

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

Notes forming part of the financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lakh, except share and per share data, unless otherwise stated)

NOTE- 2

PROPERTY, PLANT & EQUIPMENT

Amount in ₹ Lacs

PARTICULARS	Leasehold Land & Site Development	Factory Building and shed	Plant, Machinery and electrical installation	Electrical Equipments	Other Equipments, Tools & Fixtures	Total
Gross Carrying Amount						
Balance as at 01st April 2020	**211.68**	**274.58**	**250.85**	**10.41**	**40.50**	**788.02**
- Additions/ acquisitions	7.87	0.00	0.00	0.00	0.00	7.87
- Disposals/Transfers	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31st March 2021	**219.55**	**274.58**	**250.85**	**10.41**	**40.50**	**795.89**
- Additions/ acquisitions	0.00	0.00	0.00	0.00	0.00	0.00
- Disposals/Transfers	0.00	0.00	0.00	0.00	0.00	0.00
- Deduction on account of subsidy received	0.00	105.24	100.23	0.00	19.12	224.59
Balance as at 31st March 2022	**219.55**	**169.34**	**150.62**	**10.41**	**21.38**	**571.30**
Accumulated Depreciation and Impairment						
Balance as at 01st April 2020	**0.00**	**14.21**	**4.40**	**0.66**	**3.84**	**23.11**
- Depreciation charge for the year	3.60	8.70	15.88	0.66	2.57	31.41
- Disposals/Transfers	0.00	0.00	0.00	0.00	0.00	0.00
Balance as at 31st March 2021	**3.60**	**22.91**	**20.28**	**1.32**	**6.41**	**54.52**
- Depreciation charge for the year	0.00	5.23	9.30	0.64	1.32	16.49
- Disposals/ Transfers	-3.60	0.00	0.00	0.00	0.00	-3.60
Balance as at 31st March 2022	**0.00**	**28.14**	**29.58**	**1.96**	**7.73**	**67.41**
Net Book Value						
As at 31st March 2021	**215.95**	**251.67**	**230.57**	**9.09**	**34.09**	**741.37**
As at 31st March 2022	**219.55**	**141.20**	**121.05**	**8.44**	**13.65**	**503.88**

Note: *Mortgaged with Kotak Mahindra Bank against various fund-based and non-fund based limits (Refer Note no.12 & 14 for details).

NOTE - 3

OTHER FINANCIAL ASSETS

(Non-current)

Particulars	2021-2022	2020-2021
Security Deposits (MPEB)	0.68	0.68
Accrued Government Grant	112.29	0.00
TOTAL	**112.97**	**0.68**

NOTE- 4

TRADE RECEIVABLES

Particulars	2021-2022	2020-2021
Secured, considered good	0.00	0.00
Unsecured, considered good		
- Related Parties	32.18	102.30
- Other than Related Parties	0.00	0.35
Have significant increase in Credit Risk	0.00	0.00
Credit Impaired	0.00	0.00
	32.18	**102.65**
Less: Allowance for doubtful debts	0.00	0.00
Total	**32.18**	**102.65**

Notes: 1. Working Capital Borrowings are secured by hypothecation of book debts of the Company.
2. There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

Notes forming part of the financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lakh, except share and per share data, unless otherwise stated)

Trade Receivables ageing schedule:

Particulars	2021-2022					Total
	Outstanding for following periods from due date of transaction					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	32.18	0.00	0.00	0.00	0.00	32.18
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Undisputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables–considered good	0.00	0.00	0.00	0.00	0.00	0.00
(v) Disputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Disputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00

Particulars	2020-2021					Total
	Outstanding for following periods from due date of transaction					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	102.30	0.00	0.35	0.00	0.00	102.65
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Undisputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables–considered good	0.00	0.00	0.00	0.00	0.00	0.00
(v) Disputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Disputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00

NOTE - 5

CASH AND CASH EQUIVALENTS

Particulars	2021-2022	2020-2021
Balances with Banks (of the nature of cash and cash equivalents)	0.00	0.00
Cheques, drafts on hand	0.00	0.00
Cash on hand	0.11	0.12
Total	**0.11**	**0.12**

NOTE - 6

OTHER FINANCIAL ASSETS

(Current)

Particulars	2021-2022	2020-2021
Accrued Government Grant	56.15	0.00
Total	**56.15**	**0.00**

NOTE - 7

CURRENT TAX ASSETS (NET)

Particulars	2021-2022	2020-2021
Advance Tax	0.00	0.00
TDS receivable	5.50	3.60
TCS receivable	0.40	0.18
Total	**5.90**	**3.78**

Notes forming part of the financial statements as at and for the year ended March 31, 2022

NOTE - 8 (All amounts are in ₹ lakh, except share and per share data, unless otherwise stated)

OTHER CURRENT ASSETS

Particulars	2021-2022	2020-2021
Advance to supplier (Related Party)	0.00	19.45
Other Advances	0.04	0.00
Prepaid Expenses	0.27	0.27
GST Receivable	17.95	27.04
Income Tax Refundable (FY 2019-20)	3.85	3.85
Income Tax Refundable (FY 2020-21)	3.78	0.00
Total	**25.88**	**50.61**

NOTE - 9

EQUITY SHARE CAPITAL

Particulars	2021-2022		2020-2021	
	Number	Amount	Number	Amount
AUTHORISED				
Equity Shares of ₹100/- each carrying voting rights	100000	100.00	100000	100.00
TOTAL	**100000**	**100.00**	**100000**	**100.00**
ISSUED, SUBSCRIBED & PAID UP				
Equity Shares of ₹100/- each carrying voting rights fully paid up	58000	58.00	58000	58.00
TOTAL	**58000**	**58.00**	**58000**	**58.00**

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

Particulars	2021-2022		2020-2021	
	Number	Amount	Number	Amount
Outstanding at the beginning of the year	**58000**	**58.00**	**58000**	**58.00**
Issued during the year	0	0.00	0	0.00
Bought back during the year	0	0.00	0	0.00
Outstanding at the end of the year	**58000**	**58.00**	**58000**	**58.00**

b) Terms / Rights attached to Equity Shares

(i) The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends, (if any), in Indian rupees. The dividend, if proposed, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(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 preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Name of the shareholders	2021-2022		2020-2021	
	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	2880	4.97%	2255	3.89%
Shri Shekhar Jain	2880	4.97%	2255	3.89%
Shri Rajendra Jain	8000	13.79%	8000	13.79%
Shri Mahendra Jain	6750	11.64%	8000	13.79%
TOTAL	**58000**	**100%**	**58000**	**100%**

As per records of the Company, including its register of shareholders / members, the above shareholding represents both legal and beneficial ownerships of shares.

Notes forming part of the financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lakh, except share and per share data, unless otherwise stated)

d) For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

Particulars	2021-2022	2020-2021
(A) Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash.	Nil	Nil
(B) Aggregate number and class of shares allotted as fully paid-up by way of bonus shares.	Nil	Nil
(C) Aggregate number and class of shares bought back.	Nil	Nil

e) Shares held by promoters at the end of the year:

Name of Shareholders	2021-2022		2020-2021		% 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	2880	4.97%	2255	3.89%	27.72%
Shri Shekhar Jain	2880	4.97%	2255	3.89%	27.72%
Shri Rajendra Jain	8000	13.79%	8000	13.79%	0.00%
Shri Mahendra Jain	6750	11.64%	8000	13.79%	-15.63%
TOTAL	**58000**	**100%**	**58000**	**100%**	

NOTE - 10
PREFERENCE SHARE CAPITAL

Particulars	2021-2022		2020-2021	
	Number	Amount	Number	Amount
5% Redeemable Cumulative Preference Share (23000 Preference Share of Rs. 100 each.)	23000	23.00	23000	23.00
TOTAL	**23000**	**23.00**	**23000**	**23.00**

NOTE - 11
OTHER EQUITY

Particulars	2021-2022	2020-2021
a. Assets Revaluation Reserve		
Balance as per last year	91.68	91.68
	91.68	**91.68**
b. Retained earnings		
Opening balance	-56.97	-48.93
Add/ Less: Net Profit/ (loss) for the year	24.49	-8.04
Closing Balance	**-32.48**	**-56.97**
TOTAL (a+b)	**59.20**	**34.71**

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.

Notes forming part of the financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lakh, except share and per share data, unless otherwise stated)

NOTE - 12
BORROWINGS
(Non-Current)

Particulars	2021-2022	2020-2021
Term loans		
From Banks:		
Kotak Mahindra Bank - WCTL by way of GECL (Guaranteed Emergency Credit Line)	33.67	60.24
Kotak Mahindra Bank - Term Loan - I	26.71	46.20
Kotak Mahindra Bank - Term Loan - II	139.55	179.10
Kotak Mahindra Bank - Term Loan - III	91.04	0.00
TOTAL	**290.97**	**285.54**

The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

Secured	290.97	285.54
Unsecured	0.00	0.00

Nature of security and terms of repayment for secured borrowings

Nature of security	Terms of repayment and interest rates
Kotak Mahindra Bank - WCTL by way of GECL (Guaranteed Emergency Credit Line) (against charge on all existing and future current assets & equitable mortgage of Industrial property at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.) and Personal Guarantee of all Directors & a shareholder)	Repayable in 36 EMI's after 12 months moratorium period ; and Rate of Interest is 8% p.a. fixed for the entire tenor of this facility
Kotak Mahindra Bank - Term Loan - I (against charge on all existing and future current assets & equitable mortgage of Industrial property at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.) and Personal Guarantee of all Directors & a shareholder)	"Repayable in 60 months; Rate of Interest is REPO i.e. 4.00% + 4.00% (Spread)"
Kotak Mahindra Bank - Term Loan - II (against charge on all existing and future current assets & equitable mortgage of Industrial property at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.) and Personal Guarantee of all Directors & a shareholder)	"Repayable in 83 months; Rate of Interest is REPO i.e. 4.00% + 4.00% (Spread)"
Kotak Mahindra Bank - Term Loan - III (against charge on all existing and future current assets & equitable mortgage of Industrial property at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.) and Personal Guarantee of all Directors & a shareholder)	"Repayable in 60 months; Rate of Interest is RPRR i.e. 4.00% +3.50% (Spread)"

NOTE - 13
OTHER FINANCIAL LIABILITIES
(Non-Current)

Particulars	2021-2022	2020-2021
Security Deposits (Related Party)	18.00	18.00
Advance from Related Party (For Infrastructure Facility)	0.00	200.00
TOTAL	**18.00**	**218.00**

NOTE - 14
BORROWINGS
(Current)

Particulars	2021-2022	2020-2021
Loans repayable on demand		
Kotak Mahindra Bank Ltd (OD Limit)	46.56	38.06

Notes forming part of the financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lakh, except share and per share data, unless otherwise stated)

Current maturities of long term borrowings		
Kotak Mahindra Bank - WCTL by way of GECL (Guaranteed Emergency Credit Line)	22.99	10.76
Kotak Mahindra Bank - Term Loan - I	19.11	17.28
Kotak Mahindra Bank - Term Loan - II	38.53	34.59
Kotak Mahindra Bank - Term Loan - III	18.96	0.00
TOTAL	**146.15**	**100.69**

The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

Secured	146.15	100.69
Unsecured	0.00	0.00

Nature of security and terms of repayment for secured borrowings

Nature of security	Terms of repayment and interest rates
Kotak Mahindra Bank Ltd (OD Limit) (against charge on all existing and future current assets & equitable mortgage of Industrial property at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.) and Personal Guarantee of all Directors & a shareholder)	Rate of Interest is REPO i.e. 4.00% + 4.00% (Spread)
Kotak Mahindra Bank - WCTL by way of GECL (Guaranteed Emergency Credit Line) (against charge on all existing and future current assets & equitable mortgage of Industrial property at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.) and Personal Guarantee of all Directors & a shareholder)	Repayable in 36 EMI's after 12 months moratorium period ; and Rate of Interest is 8% p.a. fixed for the entire tenor of this facility
Kotak Mahindra Bank - Term Loan - I (against charge on all existing and future current assets & equitable mortgage of Industrial property at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.) and Personal Guarantee of all Directors & a shareholder)	"Repayable in 60 months; Rate of Interest is REPO i.e. 4.00% + 4.00% (Spread)"
Kotak Mahindra Bank - Term Loan - II (against charge on all existing and future current assets & equitable mortgage of Industrial property at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.) and Personal Guarantee of all Directors & a shareholder)	"Repayable in 83 months; Rate of Interest is REPO i.e. 4.00% + 4.00% (Spread)"
Kotak Mahindra Bank - Term Loan - III (against charge on all existing and future current assets & equitable mortgage of Industrial property at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.) and Personal Guarantee of all Directors & a shareholder)	"Repayable in 60 months; Rate of Interest is RPRR i.e. 4.00% +3.50% (Spread)"

NOTE - 15
TRADE PAYABLES

Particulars	2021-2022	2020-2021
a)Total Outstanding Due to Micro Small and Medium Enterprises*		
Related Parties	0.00	0.00
Others	0.00	0.00
	0.00	**0.00**
b) Total Outstanding Due to Creditors other than (a). Above		
Related Parties	68.75	90.88
Others	24.87	15.35
	93.62	**106.23**
TOTAL	**93.62**	**106.23**

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

Notes forming part of the financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lakh, except share and per share data, unless otherwise stated)

Particulars	2021-2022	2020-2021
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.

Trade Payables ageing schedule:

Particulars	2021-2022				Total
	Outstanding for following periods from due date of transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.00	0.00	0.00	0.00	0.00
(ii) Others	93.62	0.00	0.00	0.00	93.62
(iii) Disputed dues – MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00

Trade Payables ageing schedule:

Particulars	2020-2021				Total
	Outstanding for following periods from due date of transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.00	0.00	0.00	0.00	0.00
(ii) Others	106.23	0.00	0.00	0.00	106.23
(iii) Disputed dues – MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00

NOTE - 16
OTHER FINANCIAL LIABILITIES
(Current)

Particulars	2021-2022	2020-2021
Interest accrued	1.45	1.54
Directors sitting fees payable	5.70	3.27
Payable to auditors	0.10	0.22
Payable to employees	0.22	0.42
Creditors for expenses	0.33	1.85
TOTAL	**7.80**	**7.30**

NOTE - 17
OTHER CURRENT LIABILITIES

Particulars	2021-2022	2020-2021
Statutory Dues:		
- Tax deducted at Source Payable	0.27	0.24
TOTAL	**0.27**	**0.24**

Notes forming part of the financial statements as at and for the year ended March 31, 2022

(All amounts are in ₹ lakh, except share and per share data, unless otherwise stated)

NOTE - 18
REVENUE FROM OPERATIONS

Particulars	2021-2022	2020-2021
Revenue From Contract with Customers		
Sale of Products:		
- Sale of Products (Related Party)	540.50	369.90
- Sale of Products (Others)	0.00	2.50
Other Operating Revenues		
- Job Work charges (Related Party)	12.00	6.00
- Warehousing & Manufacturing Facility Charges received (Related Party)	48.00	48.00
Total	**600.50**	**426.40**

a) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	2021-2022	2020-2021
Revenue from contracts with customers (as per Statement of Profit and Loss)	600.50	426.40
Add: Discounts, rebates, refunds, credits and price concessions	0.00	0.00
Contracted price with the customers	**600.50**	**426.40**

b) Disaggregation of revenue by pattern of revenue recognition:

Particulars	Sale of Products	Other Operating Revenues
March 31, 2022		
At a point in time	540.50	60.00
Over the period of time	0.00	0.00
Total	**540.50**	**60.00**
March 31, 2021		
At a point in time	372.40	54.00
Over the period of time	0.00	0.00
Total	**372.40**	**54.00**

NOTE - 19
OTHER INCOME

Particulars	2021-2022	2020-2021
Interest Income		
- Interest on Security Deposit (M.P.E.B)	0.02	0.02
- Interest on Income tax refund	0.00	0.03
Previous year expense reversed	3.60	0.00
Total	**3.62**	**0.05**

NOTE - 20
COST OF MATERIALS CONSUMED

Particulars	2021-2022	2020-2021
Raw materials		
- Opening Stock	12.64	1.86
- Add: Purchases	547.00	360.12
- Less : Closing Stock (Including Goods in Transit)	-41.43	-12.64
Total	**518.21**	**349.34**

NOTE - 21
EMPLOYEE BENEFITS EXPENSE

Particulars	2021-2022	2020-2021
Salary and wages	2.92	4.66
Contributions to Provident Funds & Other Funds	0.00	0.00
Staff Welfare Expenses	0.00	0.00
Total	**2.92**	**4.66**

Notes forming part of the financial statements as at and for the year ended March 31, 2022

(All amounts are in ₹ lakh, except share and per share data, unless otherwise stated)

NOTE -22

FINANCE COSTS

Particulars	2021-2022	2020-2021
Interest expenses	28.77	32.37
Bank Charges	0.42	0.55
Total	**29.19**	**32.92**

NOTE - 23

OTHER EXPENSES

Particulars	2021-2022	2020-2021
a) Direct Expenses		
Freight Inwards	0.96	0.53
Power Charges	3.50	0.00
	4.46	**0.53**
b) Administrative & General Expenses		
Audit Fees (Refer note 24(8))	0.10	0.10
Director's Sitting Fees	2.70	1.20
Insurance	0.27	0.32
Interest on TDS	0.00	0.01
Legal & Professional Fees	0.41	2.72
Property Tax & Lease Rent	0.97	0.98
Repair & Maintenance Expenses	0.49	0.31
ROC Challan Expenses	0.06	0.06
Office Expenses	0.01	0.00
Late fees on GST	0.00	0.00
	5.01	**5.70**
TOTAL (a+b)	**9.47**	**6.23**

Note 24:

ADDITIONAL NOTES ON ACCOUNTS :

1) Note 1 to 24 referred herein forms an integral part of these Financial Statements.

2) The Company is mainly operating in the business of manufacturing of machines, machine parts and allied goods, therefore as per Ind AS 108 there are no reportable Segment.

3) Contingent Liability and commitements : NIL

4) 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:

During the year there is no such transaction.

b Investments Made:

During the year there is no such transaction.

c Guarantee Given or Security Provided:

During the year there is no such transaction.

5) 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)

Shri Prakhar Jain (Director)(appointed w.e.f 30.09.2021)

Shri Shekhar Jain (Director)(appointed w.e.f 30.09.2021)

Shri Ravish Jain (Director)(appointed w.e.f 30.09.2021)

Smt. Meena Jain (Director)(resigned w.e.f 30.09.2021)

Notes forming part of the financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lakh, except share and per share data, unless otherwise stated)

B) Holding Company:
ITL Industries Limited

C) Related Parties in which KMP have Significant Influence:
Remswegs Marketing Pvt.Ltd.
Indore Tools Pvt. Ltd.

II. Transactions with Related Parties:

Particulars	Nature of Transaction	2021-2022		2020-2021	
		Amount of Transactions	Outstanding Amount	Amount of Transactions	Outstanding Amount
ITL Industries Limited	Purchases	0.00	32.18	2.20	102.30
	Warehousing & Facility Charges received	48.00		48.00	
	Job Work Charges received	12.00		6.00	
	Sales	540.13		369.90	
Remswegs Marketing Pvt.Ltd.	Purchases	344.98	8.00	159.29	19.45
Indore Tools Pvt. Ltd.	Purchases	137.65	60.75	171.72	90.88
	Sales	0.37		0	
Shri Manish Jain (Director)	Director sitting fees	0.90	2.45	0.60	1.64
Shri Prakhar Jain (Director)	Director sitting fees	0.45	0.41	0	0
Shri Shekhar Jain (Director)	Director sitting fees	0.45	0.41	0	0
Shri Ravish Jain (Director)	Director sitting fees	0.45	0.41	0	0
Smt. Meena Jain (Director)	Director sitting fees	0.45	2.04	0.60	1.64

Note:
1.All the above transactions are on arm's length basis. Current Account transactions are excluded.
2.The aforementioned transactions in respect of expenses, purchases & sales are shown exclusive of GST.

6) In accordance of Ind AS-33, the earning per share (E.P.S.) of the company is as under:

Particulars	2021-2022	2020-2021
Net Profit/ (Loss) attributable to equity shareholders	24.49	-8.04
Number of equity shares issued (basic)	58000	58000
Earning Per Share - Basic & Diluted	**42.23**	**-13.86**

7) Tax expenses as per Ind AS 12:

a Deferred Tax:

Particulars	2021-2022	2020-2021
WDV as per Company Law	503.88	741.37
Less: WDV as per Income Tax	180.13	430.93
Timing difference between Income Tax and Company Law	323.75	310.43
Deferred tax liability on above	**81.49**	**78.14**
Accumulated liability as on 31.03.2022	**81.49**	**78.14**
Liability Already Provided up to 31.03.2021	78.14	68.21
Balance liability provided for during the year	**3.35**	**9.93**

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

Particulars	2021-2022	2020-2021
Profit before tax from continuing operation	**27.84**	**1.89**
Tax rate	**25.17%**	**25.17%**
Income Tax expense calculated	7.01	0.48
Effect of income that is exempt from taxation	0	0
Effect of expenses that are not deductible in determining taxable profits	0	0

Notes forming part of the financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lakh, except share and per share data, unless otherwise stated)

Effect of concession (allowances)	0	0
Adjustments recognised in current year in relation to the current tax of prior years	0	0
Other temporary differences {(Short)/Excess} Provision in current year	0	0
Deferred Tax Provision Written Back	-3.66	9.45
Income tax expense recognised in profit or loss	**3.35**	**9.93**

c Provision For Taxation:

Provision for taxation for the year has been made as per the new regime of Income Tax Act, 1961 u/s 115BAA after considering allowance, claims and relief available to the Company (if any).

d 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).

8) Payments to the Auditor: (Excluding Goods and Service Tax):

Particulars	**2021-2022**	**2020-2021**
a) Auditor	0.10	0.10
Total	**0.10**	**0.10**

9) Following Ratios to be disclosed:-

	Particulars	**Numerator**	**Denominator**	**2021-2022**	**2020-2021**	**% Variance**	**Reasons**
(a)	Current Ratio	Current assets	Current liabilities	0.65	0.79	-17.62%	No explanation required.
(b)	Debt-Equity Ratio	Borrowings	Total Equity	3.12	3.34	-6.60%	No explanation required.
(c)	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	0.17	0.17	-1.65%	No explanation required.
(d)	Return on Equity Ratio	Profit after tax	Total Equity	17.47%	-6.95%	351.36%	The variance is on account of increase in profit due to increase in turnover and reduction in depreciation.
(e)	Inventory turnover ratio	Cost of Goods sold	Average inventory	10.95	47.09	-76.76%	The variance is on account of increase in inventory.
(f)	Trade Receivables turnover ratio	Revenue from operation	Average Trade receivable	8.91	7.21	23.63%	No explanation required.
(g)	Trade payables turnover ratio	Total purchases	Average Accounts Payable	5.47	4.35	25.84%	The variance is on account of increase in purchases and reduction in creditors.
(h)	Net capital turnover ratio	Net Sales	Working Capital	-6.97	-9.55	-27.03%	The variance is on account of increase in turnover.
(i)	Net profit ratio	Profit after tax	Total Revenue	4.08%	-1.89%	316.26%	Increase in profit due to increase in turnover and reduction in depreciation
(j)	Return on Capital employed	Profit before Interest and Tax	Capital Employed	9.88%	6.94%	42.40%	The variance is on account of increase in profit due to increase in turnover and reduction in depreciation.
(k)	Return on investment	Dividend Income and profit on sale of investments	Average investment in treasury funds	0.00	0.00	0.00%	No explanation required.

Notes forming part of the financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lakh, except share and per share data, unless otherwise stated)

10) 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.

Particulars(2021-2022)	Fair Value Measurement			Fair Value hierarchy		
Particulars	**FVTPL**	**FVOCI**	**Amortised Cost**	**Level-1**	**Level-2**	**Level-3**
Financial assets						
Cash and cash equivalents	0.00	0.00	0.11	0.00	0.00	0.00
Trade Receivables	0.00	0.00	32.18	0.00	0.00	0.00
Other financial assets	0.00	0.00	169.12	0.00	0.00	0.00
Total	**0.00**	**0.00**	**201.41**	**0.00**	**0.00**	**0.00**
Financial liabilities						
Borrowings	0.00	0.00	437.12	0.00	0.00	0.00
Other financial liabilities	0.00	0.00	25.80	0.00	0.00	0.00
Trade payables	0.00	0.00	93.62	0.00	0.00	0.00
Total	**0.00**	**0.00**	**556.53**	**0.00**	**0.00**	**0.00**

Particulars(2020-2021)	Fair Value Measurement			Fair Value hierarchy		
Particulars	**FVTPL**	**FVOCI**	**Amortised Cost**	**Level-1**	**Level-2**	**Level-3**
Financial assets						
Cash and cash equivalents	0.00	0.00	0.12	0.00	0.00	0.00
Trade Receivables	0.00	0.00	102.65	0.00	0.00	0.00
Other financial assets	0.00	0.00	0.68	0.00	0.00	0.00
Total	**0.00**	**0.00**	**103.44**	**0.00**	**0.00**	**0.00**
Financial liabilities						
Borrowings	0.00	0.00	386.23	0.00	0.00	0.00
Other financial liabilities	0.00	0.00	218.24	0.00	0.00	0.00
Trade payables	0.00	0.00	106.23	0.00	0.00	0.00
Total	**0.00**	**0.00**	**710.70**	**0.00**	**0.00**	**0.00**

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.

Notes: 1 There have been no transfer between Level 1, Level 2 and Level 3 during the period March 31, 2022 and March 31, 2021.

2 The management assessed that cash and bank balances, trade receivables, loans, trade payables, borrowings (cash credits, commercial papers, foreign currency loans, working capital loans, if any) and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Note 24:

ADDITIONAL NOTES ON ACCOUNTS :

11) Consolidation of Accounts: As per Ind AS 110:

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.

12) 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.

13) Figures of Trade Receivables, Trade Payables, Borrowings and Loans & Advances are subject to respective consent, confirmation, reconciliation and consequential adjustments, if any.

14) Subsequent events

The Company has evaluated all subsequent events upto May 30, 2022, the date on which these financial statements are authorized for issuance. No adjusting or significant non-adjusting events have occurred between March 31, 2022 and the date of authorization of these standalone financial statements that would have a material impact on these financial statements or that would warrant additional disclosures.

15) Details of Benami Property held:

During the year, no proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

16) Indications of Impairment

In the opinion of management, there are no indications, internal or external which could have the effect of impairing the value of assets to any material extent as at the Balance sheet date requiring recognition in terms of Ind AS 36.

17) 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.

18) The Company has borrowings from banks or financial institutions on the basis of security of current assets with respect to which; the periodical returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

19) The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2022 and March 31, 2021.

20) The company has not received any funds from any person/entities, for the purpose of directly or indirectly lending/ investing/ providing guarantee/ security to another person/ entity, by or on behalf of the person/ entity from whom such amount is received.

21) The company has not advanced/ loaned/ invested funds to any person/entity for the purpose of directly or indirectly lending/ investing/ providing guarantee/ security to a third person/entity, by or on behalf of the company.

22) Pursuant to Division II of Schedule III - Additional Regulatory Information, requires to provide following information with respect to Relationship with Struck off Companies.

The Company has no Investment in securities, Receivables, Payables, Share-holding or Other outstanding balances with such companies.

23) Recent Pronouncements:

On 24th March, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1st April, 2021.

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

24) Previous year figures have been regrouped or rearranged where ever necessary.

25) The figures have been rounded off to the nearest multiple of a rupee in lakhs.

As Per our report of even date attached
STATUTORY AUDITORS
For: Mahendra Badjatya & Co
Chartered Accountants
ICAI FRN 001457C

CA Nirdesh Badjatya
PARTNER
ICAI MNO 420388
PLACE: Indore
DATE: 30/05/2022

For and on behalf of Board of Directors
M.M. Metals Private Limited

Ravish Jain
Director
(DIN:00444026)

Prakhar Jain
Director
(DIN: 01959843)

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 Ltd (hereinafter referred to as the 'Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and profit and other 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.

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.	**Appropriateness of Current / Non-current classification**	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.	**Non-responses of external confirmations request perpetrated pursuant to SA 505.**	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.	**Provisions and contingent liabilities relating to taxation, litigations and arbitrations.** 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 2022, 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.	Our audit procedures included: • 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. • 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. • 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. • 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.
4.	**Measurement of inventory quantities** As of 31st March 2022, the Company has inventory of ₹3841.73 Lakhs. 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.	**Our audit procedures relating to the measurement of inventory includes the following:** • Understanding and evaluating the design and operating effectiveness of controls over physical count and measurement of such inventory. • Evaluation of competency and capabilities of management's experts. • Involving external expert for quantification of the inventories on sample basis. • Physically observing inventory measurement and count procedures carried out by management using experts, to ensure its appropriateness and completeness; and • 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.
5.	**Timing of revenue recognition and adjustments for quality variances involving critical estimates** 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. 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. Inappropriate assessment could lead to a risk of revenue being recognized on sale of goods before the control in the	**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:** • Assessing the Company's accounting policies for revenue recognition by comparing with the applicable accounting standards i.e Ind AS 115. • Assessing the appropriateness of the estimated adjustments in the process. • 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. • Performing testing on selected statistical samples of

	goods is transferred to the customer. Subsequent adjustments are made to the transaction price due to grade mismatch/slippage of the transferred goods. 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. Such adjustments in revenue are made on estimated basis following historical trend. Inappropriate estimation could lead to a risk of revenue being overvalued or undervalued. Accordingly, timing of recognition of revenue and adjustments for quality variances involving critical estimates is a key audit matter.	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.

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 consolidated Financial Statements and our auditor's report thereon.

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

In connection with our audit of the consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 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 consolidated 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 consolidated Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 consolidated Financial Statements, including the disclosures, and whether the consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 the 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 consolidated 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 consolidated Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with the books of account.

   d) In our opinion, the aforesaid Financial Statements comply with the 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 31st March 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

   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 31st March 2022 on its financial position in its financial statements – Refer Note 32(3)(a) to the financial Statements.

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

iii. The Company has transferred an amount of ₹2.03Lakhs (P.Y - ₹1.46Lakhs) to the Investor Education and Protection Fund during the year ended 31st March 2022.

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, 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 of ₹16.02 Lacs for the year declared by the company is in compliance with section 123 of the Companies Act, 2013

vi. 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 22420388AJWJCU6782

PLACE: INDORE
DATE: 30/05/2022

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 31st March 2022)

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

OPINION

We have audited the internal financial controls over financial reporting of **ITL INDUSTRIES LIMITED** ("the Company") as of 31st March 2022 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

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 2022, 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.

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.

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

CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388
ICAI UDIN 22420388AJWJCU6782

PLACE: INDORE
DATE: 30/05/2022

ITL INDUSTRIES LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2022

(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

PARTICULARS	Notes No.	2021-2022	2020-2021
ASSETS			
1) Non Current Assets			
a) Property, Plant and Equipment	2	1505.28	1820.03
b) Other Intangible Assets	3	40.09	59.36
c) Financial Assets:			
i. Investments	4	758.61	512.23
ii. Other financial assets	5	138.32	26.21
Total Non-Current Assets (1)		**2442.30**	**2417.83**
2) CURRENT ASSETS			
a) Inventories	6	3841.73	3003.51
b) Financial Assets:			
i. Investments	7	370.00	370.00
ii. Trade receivables	8	2167.94	2226.29
iii. Cash and cash equivalents	9	6.88	2.62
iv. Bank balances other than (iii) above	10	145.14	95.11
v. Other financial assets	11	780.62	704.08
c) Current Tax Assets (Net)	12	5.90	24.38
d) Other current assets	13	328.67	171.74
Total Current Assets (2)		**7646.88**	**6597.72**
TOTAL ASSETS (1+2)		**10089.18**	**9015.55**
EQUITY AND LIABILITIES			
1) EQUITY			
a) Equity Share Capital	14	320.43	320.43
b) Other Equity	15	5161.34	4583.58
		5481.77	**4904.01**
c) Non-controlling Interest	16	9.47	-2.15
Total Equity (1)		**5491.24**	**4901.86**
LIABILITIES			
2) NON-CURRENT LIABILITIES			
a) Financial Liabilities:			
i. Borrowings	17	584.12	536.49
b) Deferred tax liabilities (Net)		174.49	195.22
Total Non-Current Liabilities (2)		**758.61**	**731.71**
3) CURRENT LIABILITIES			
a) Financial Liabilities:			
i. Borrowings	18	1191.52	1235.36
ii. Trade Payables	19		
(A) total outstanding dues of micro enterprises and small enterprises; and		0.00	0.00
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		1796.17	1460.19
iii.Other financial liabilities	20	23.47	25.08
b) Other current liabilities	21	706.16	559.86
c) Provisions	22	107.77	101.49
d) Current Tax Liabilities (Net)	23	14.23	0.00
Total Current Liabilities (3)		**3839.33**	**3381.98**
TOTAL EQUITY AND LIABILITIES (1+2+3)		**10089.18**	**9015.55**
Summary of significant accounting policies	**1**		

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

As Per our report of even date attached
STATUTORY AUDITORS
For MAHENDRA BADJATYA & CO.
CHARTERED ACCOUNTANTS
ICAI FRN 001457C

CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388
PLACE: INDORE
DATE: 30/05/2022

For and on behalf of Board of Directors
ITL INDUSTRIES LIMITED

Rajendra Jain
Managing Director
DIN : 00256515

Mahendra Jain
Joint Managing Director
DIN : 00256047

Ashok Ajmera
Chief Financial Officer

Manoj Maheshwari
Company Secretary
FCS : 7878

ITL INDUSTRIES LIMITED

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

(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

PARTICULARS	Notes No.	2021-2022	2020-2021
INCOME			
Revenue from Operations	24	11351.29	8898.07
Other Income	25	177.23	60.98
Total Income		**11528.52**	**8959.05**
EXPENSES			
Cost of materials consumed (manufacturing companies)	26	5993.10	3810.45
Purchase Of Stock-in-trade	27	2692.68	1422.41
Changes in Inventories & Stock-in-trade	28	-661.07	981.65
Employee benefits expense	29	1371.36	1073.15
Finance costs	30	147.23	162.82
Depreciation and amortization expenses	2-3	145.28	167.10
Other expenses	31	1030.67	710.35
Total Expenses		**10719.25**	**8327.93**
Profit before Tax and exceptional items		**809.27**	**631.12**
Exceptional items		**0.00**	**0.00**
Profit Before Tax		**809.27**	**631.12**
Tax Expenses :		**209.47**	**134.96**
(i) Current Tax		200.00	120.00
(ii) Prior Period Income Tax		30.41	-8.46
(iii) Deferred Tax Provided (Written Back)		-20.94	26.71
(iv) Dividend Distribution Tax Written Back		0.00	-3.29
Profit/loss after Tax for the Period from Continuing Operations		**599.80**	**496.16**
Profit/(loss) from discontinued operations		**0.00**	**0.00**
Tax expenses of discontinued operations		0.00	0.00
Profit/ (loss) from Discontinued operations (after tax)		**0.00**	**0.00**
Profit/(loss) for the period		**599.80**	**496.16**
Other Comprehensive Income:			
(A) (I) Items that will not be reclassified to profit or loss			
i. Equity Instruments through Other Comprehensive Income		5.82	3.74
		5.82	**3.74**
(II) Income tax relating to items that will not be reclassified to profit or loss		0.21	0.37
		0.21	**0.37**
(B) (I) Items that will be reclassified to profit or loss		**0.00**	**0.00**
(II) Income tax relating to items that will be reclassified to profit or loss		**0.00**	**0.00**
Total Other Comprehensive Income for the period		**5.61**	**3.37**
Total Comprehensive Income For the Period comprising Profit(Loss) and Other Comprehensive Income For The Period		**605.40**	**499.53**
Earnings per equity share (₹10/-)			
(i) Basic (₹)		18.72	15.48
(ii) Diluted (₹)		18.72	15.48
Summary of significant accounting policies	**1**		

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

As Per our report of even date attached
STATUTORY AUDITORS
For MAHENDRA BADJATYA & CO.
CHARTERED ACCOUNTANTS
ICAI FRN 001457C

CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388
PLACE: INDORE
DATE: 30/05/2022

For and on behalf of Board of Directors
ITL INDUSTRIES LIMITED

Rajendra Jain
Managing Director
DIN : 00256515

Mahendra Jain
Joint Managing Director
DIN : 00256047

Ashok Ajmera
Chief Financial Officer

Manoj Maheshwari
Company Secretary
FCS : 7878

ITL INDUSTRIES LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2022

(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

A. EQUITY SHARE CAPITAL

(1) Current reporting period

Balance at the beginning of the current reporting period	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 at the end of the current reporting period
320.43	0.00	320.43	0.00	**320.43**

(2) Previous reporting period

Balance at the beginning of the previous reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
320.43	0.00	320.43	0.00	**320.43**

B. OTHER EQUITY

(1) Current reporting period

Particulars	Reserve and Surplus			Other Reserves	Total
	Capital Reserve	General Reserve	Retained Earnings	Fair value through other comprehensive income	
Balance at the beginning of the current reporting period	**5.01**	**4100.00**	**398.47**	**3.37**	**4506.85**
Changes in accounting policy/prior period errors	0.00	0.00	0.00	0.00	**0.00**
Restated balances at the beginning of the reporting period	**5.01**	**4100.00**	**398.47**	**3.37**	**4506.85**
Profit/ (loss) for the Year	0.00	0.00	575.31	0.00	**575.31**
Other Comprehensive Income for the Year	0.00	0.00	0.00	5.61	**5.61**
Transfer to / from Retained Earnings	0.00	500.00	-500.00	0.00	**0.00**
Proposed Dividend	0.00	0.00	-16.02	0.00	**0.00**
Balance at the end of the current reporting period	**5.01**	**4600.00**	**457.75**	**8.97**	**5071.74**

(2) Previous reporting period

Particulars	Reserve and Surplus			Other Reserves	Total
	Capital Reserve	General Reserve	Retained Earnings	Fair value through other comprehensive income	
Balance at the beginning of the previous reporting period	**5.01**	**3600.00**	**410.30**	**0.00**	**4015.31**
Changes in accounting policy/prior period errors	0.00	0.00	0.00	0.00	0.00
Restated balances at the beginning of the reporting period	**5.01**	**3600.00**	**410.30**	**0.00**	**4015.31**
Profit/ (loss) for the Year	0.00	0.00	504.19	0.00	504.19
Other Comprehensive Income for the Year	0.00	0.00	0.00	3.37	3.37
Transfer to / from Retained Earnings	0.00	500.00	-500.00	0.00	0.00
Proposed Dividend	0.00	0.00	-16.02	0.00	-16.02
Balance at the end of the previous reporting period	**5.01**	**4100.00**	**398.47**	**3.37**	**4506.85**

As Per our report of even date attached
STATUTORY AUDITORS
For MAHENDRA BADJATYA & CO.
CHARTERED ACCOUNTANTS
ICAI FRN 001457C

CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388
PLACE: INDORE
DATE: 30/05/2022

For and on behalf of Board of Directors
ITL INDUSTRIES LIMITED

Rajendra Jain
Managing Director
DIN : 00256515

Mahendra Jain
Joint Managing Director
DIN : 00256047

Ashok Ajmera
Chief Financial Officer

Manoj Maheshwari
Company Secretary
FCS : 7878

ITL INDUSTRIES LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH, 2022

(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

	Particulars	2021-2022	2020-2021
(A)	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit/(Loss) before tax for the year	**809.27**	**631.12**
	Add / (Less): Ajustment for:		
	Depreciation and amortisation expenses	145.28	167.10
	Loss / Profit on Sale of Investment	-3.94	0.00
	Loss / Profit on Sale of Fixed Assets	0.43	0.52
	Interest received	-9.73	-5.88
	Interest paid	147.23	162.82
	Pre-Operative expenses	0.00	7.87
	Prior period expense reversed	-3.60	0.00
	Operating profit before working capital changes	**1084.95**	**963.55**
	Adjustments for changes in working capital :		
	Decrease/(increase) in inventories	-838.22	1172.86
	Decrease/ (increase) in trade receivables	58.35	-289.19
	Decrease/ (increase) in other financial assets	-188.66	-445.75
	Decrease/(increase) in other current assets	-156.93	107.29
	(Decrease)/increase in trade payables	335.97	-76.61
	(Decrease)/increase in other financial liabilities	-1.61	-21.13
	(Decrease)/increase in other current liabilities	146.31	-237.61
	(Decrease)/increase in provisions	6.28	3.50
	Cash Generated from Operations	**446.44**	**1176.91**
	Direct taxes (paid) /refund	**-197.78**	**-108.24**
	Net Cash from Operating Activities	**248.65**	**1068.67**
B)	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of property and equipment including intangible assets (net)	-32.34	-388.81
	Proceeds from sale of property, plant and equipment	-0.26	318.90
	Purchase of investments	-334.82	-747.84
	Sale of Investments	98.20	0.00
	Interest received	9.73	5.88
	Subsidy received against fixed assets	224.59	0.00
	Net Cash used in Investing Activities	**-34.90**	**-811.87**
C)	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from Non-current Borrowing	47.63	108.71
	Repayment of current Borrowing	-43.83	-246.00
	Dividend/ Croporate Dividend Tax	-16.02	-16.02
	Interest paid	-147.23	-162.82
	Net Cash used in Financing Activities	**-159.45**	**-316.13**
	Net Increase in Cash & Cash Equivalents (A+B+C)	**54.30**	**-59.33**
	Effects of exchange rate changes of cash and cash equivalents	0.00	0.00
	Cash and cash equivalents at beginning of year	97.72	157.05
	Cash and cash equivalents at end of year	**152.02**	**97.72**

Notes to the Statement of Cash Flow :

i. Cash and cash equivalents as per above comprises of the following:

	PARTICULARS	2021-2022	2020-2021
	Cash in hand	6.88	2.62
	Balances with bank	145.14	95.11
	Deposit with original maturity of less than 3 months	0.00	0.00
	Cash and cash equivalents at end of year	152.02	97.72

ii. The statement of cash flow has been prepared under the indirect method as set out in Ind AS 7 - 'Statement of Cash Flows'.

iii. Cash and cash equivalents represents Cash and bank balances.

iv. Effective 1 April 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of these consolidated financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The Company did not have any non-cash transactions for financial activities during the year, accordingly same has not been disclosed in these standalone financial statements.

As Per our report of even date attached
STATUTORY AUDITORS
For MAHENDRA BADJATYA & CO.
CHARTERED ACCOUNTANTS
ICAI FRN 001457C

CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388
PLACE: INDORE
DATE: 30/05/2022

For and on behalf of Board of Directors
ITL INDUSTRIES LIMITED

Rajendra Jain
Managing Director
DIN : 00256515

Mahendra Jain
Joint Managing Director
DIN : 00256047

Ashok Ajmera
Chief Financial Officer

Manoj Maheshwari
Company Secretary
FCS : 7878

NOTE 1: Significant Accounting Policies

Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2022

(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

1. 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 & machine parts and trading business.

The consolidated financial statements (CFS) were authorized for issue in accordance with a resolution of Board of Directors on 30.05.2022.

2. Basis of preparation and measurement

a. Statement of compliance:

These consolidated financial statements are prepared and presented in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time as notified under section 133 of Companies Act, 2013, the relevant provisions of the Companies Act, 2013 ("the Act").

b. Basis of Measurement:

The financial statements have been prepared and presented on the going concern basis and at historical cost, except for the following assets and liabilities, which have been measured as indicated below:

- Derivative Financial Instruments at fair value (covered under para 3.7)
- Certain financial assets and liabilities at fair value [refer accounting policy regarding financial instruments (covered under para 3.7)]

c. Functional and Presentation Currency:

The financial statements are presented in Indian Rupees ("₹"), which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates, and all values are rounded to the nearest lakh, up-to 2 decimal places except as otherwise indicated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

d. Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time lag between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12-month period has been considered by the Company as its normal operating cycle.

e. Principles of Consolidation:

The Group consolidates all the entities which are controlled by it. The Group establishes control when, it has the power over the entity, is exposed or has rights to variable return from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity. Entities controlled by the Group are consolidated from the date control commences until the date control ceases.

All inter-company transactions, balances and income and expenses are eliminated in full on consolidation. Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted as equity transactions. The carrying amount of the Group's interest and non-controlling interest are adjusted to reflect the change in their relative interest in the subsidiaries. Any difference between the amount at which the non- controlling interest are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to shareholders of the Group.

Non-controlling interest in the net assets of the consolidated subsidiaries consists of the amount of equity attributable to non-controlling shareholders at the date on which the investment in the subsidiary companies were made and the non-controlling share of movements in equity since the date the parent - subsidiary relationship comes into existence. The Total comprehensive income of Subsidiaries is attributed to the owners of the Group and to the non-controlling interests, even if this results in the non-controlling interest having deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. When the Group loses control over a Subsidiary, it derecognises the assets and liabilities of the Subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the Statement of Profit and Loss.

f. Use of estimates and judgements

The preparation of the Consolidated Financial Statements in conformity with IND AS requires the use of estimates, judgements and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Actual results could differ from those estimates.

Any revision to accounting estimates is recognised prospectively in current and future periods.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are as follows:

- **Useful life and residual value of property, plant and equipment and intangible assets**

  Useful lives of tangible, Investment Property and intangible assets are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different based from that prescribed in Schedule II of the Act, they are based on internal technical evaluation. Assumptions are also made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

- **Expected Credit losses and Impairment losses on investment**

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

- **Fair value measurement of financial instruments**

  When the fair values of the financial assets and liabilities recorded in the balance sheet cannot be measured based on the quoted market prices in active markets, their fair value is measured using valuation technique. The inputs to these models are taken from the observable market where possible, but where this is not feasible, a review of judgement is required in establishing fair values. Any changes in the aforesaid assumptions will affect the fair value of financial instruments

- **Evaluation of Net realisable Value of Inventories**

  Inventories of Traded goods are valued at lower of cost and net realisable value. Net Realisable value is based upon the estimates of the management. The effect of changes, if any, to the estimates is recognised in the Consolidated Financial Statements for the year in which such changes are determined.

- **Recognition of deferred tax asset**

  The Company's tax jurisdiction is India. Judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered for uncertain tax positions.

  The recognition of deferred tax requires assumptions about the availability of future taxable profits against which the tax losses can be carried forward. The Company reviews the carrying amount of deferred tax assets at the end of each reporting period.

- **Impairment of non-financial assets**

  The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of assets or Cash Generating Units' ('CGU') fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent to those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

  In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

- **Provisions and contingent liabilities**

  A provision is recognised when the Company has a present obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

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

  Provisions and contingent liabilities are reviewed at each balance sheet date.

g. Standard issued but not yet effective

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 Apr 2021. The Company has not early adopted any other standard or amendment that has been issued but is not yet effective:

(i) Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the consolidated financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

(ii) Conceptual framework for financial reporting under Ind AS issued by ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS. includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments had no impact on the consolidated financial statements of the Company.

(iii) Ind AS 116: COVID-19 related rent concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same maybe applied for annual reporting periods beginning on or after 1 April 2020.

These amendments had no impact on the consolidated financial statements of the Company.

(iv) Ind AS 103: Business combination

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards* issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

These amendments had no impact on the consolidated financial statements of the Company.

(v) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no impact on the consolidated financial statements of the Company.

h. Recent Pronouncements

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

Balance Sheet:

- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables and trade payables.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of Profit and Loss:

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

The amendments are extensive, and the Company has provided the information as required by law to the extent applicable.

i. Measurement of fair values

The Company measures financial instruments, such as investments (other than equity investments in Subsidiary) and derivatives at fair values at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, 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 categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

The Company's accounting policies and disclosures require the measurement of fair values for financial and nonfinancial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices in active markets for identical assets or liabilities.

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

Level 3: inputs for the asset or liability that are not based on observable market data. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3. Summary of significant accounting policies

3.1 Property, Plant and Equipment (PPE) and depreciation and amortisation:

i) Recognition and Measurement:

Items of property, plant, and equipment are measured at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and
- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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.

An asset under construction includes the cost of property, plant and equipment that are not ready to use at the balance sheet date. Advances paid to acquire property; plant and equipment before the balance sheet date are disclosed under other non-current assets. Assets under construction are not depreciated as these assets are not yet ready for use.

ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the expenditure can be measured reliably.

iii) Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on property, plant and equipment of the Company has been provided using the straight-line method based on the useful lives specified in Schedule II to the Companies Act, 2013.

A summary of the policies applied to the Company's tangible assets is, as follows:

Tangible assets	Useful life (Years)
Office and other equipment	5-15
Land other than Agricultural Land	Not depreciable
Office Building	60
Plant and machinery	15
Furniture and fixtures	10
Information Technology Hardware	3
Vehicles	8 – 10

iv) De-recognition:

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.

3.2 Intangible assets and amortisation

i) Recognition and measurement:

Items of Intangible Assets are measured at cost less accumulated amortisation and impairment losses, if any. The cost of intangible assets comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and
- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Gains or losses arising from de-recognition 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.

ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the expenditure can be measured reliably.

iii) Amortisation

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 in accordance with IND AS 38 and Schedule II to the Companies Act, 2013 or based on technical estimates.

A summary of the policies applied to the Company's Intangibles is, as follows:

Intangible Assets	Useful lives
Information Technology Software	6

3.3 Impairment of non-financial assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceeds the estimated recoverable amount, an impairment loss is recognised for such excess amount. The impairment loss is recognised as an expense in the Consolidated Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and the value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Consolidated Statement of Profit and Loss, to the extent the amount was previously charged to the Consolidated Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

3.4 Foreign currency transactions

Transactions in foreign currencies are translated into the Company's functional currency at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous Consolidated Financial Statements are recognised in the Consolidated Statement of Profit and Loss in the period in which they are settled.

3.5 Investment in subsidiary

Investments in equity shares of subsidiary are recorded at cost and reviewed for impairment at each reporting date. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary, the difference between net disposal proceeds and the carrying amounts are recognised in the Consolidated Statement of Profit and Loss.

3.6 Derivative financial Instruments

The Company enters forward contracts to hedge the foreign currency risk of firm commitments and highly probable forecast transactions. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Consolidated Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Consolidated Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item.

The Company enters derivative financial instruments viz. foreign exchange forward contracts to manage its exposure to foreign exchange rate risks. The Company does not hold derivative financial instruments for speculative purposes.

3.7 Financial Instruments

I. Financial assets

Classification

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

Initial recognition and measurement

Trade receivables and debt securities issued are initially recognised when they originate.

The Company recognises financial assets (other than trade receivables and debt securities) when it becomes a party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For subsequent measurement, the financial assets are classified in three categories:

- **Equity investments**

Equity investments

All equity investments other than investment in subsidiaries, joint ventures and associate are measured at fair value. For all other equity instruments, the Company decides to classify the same at fair value through other comprehensive income (FVTOCI). The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

The Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in other comprehensive income (OCI). There is no recycling of the amounts from OCI to the Consolidated Statement of Profit and Loss, even on sale of such investments.

Derecognition

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

(a) The rights to receive cash flows from the asset have expired, or

(b) The Company has transferred substantially all the risks and rewards of the asset, or

(c) The Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Impairment of financial assets

The Company applies 'simplified approach' 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.

b) Trade receivables.

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 Expected Credit Loss at each reporting date, right from its initial recognition.

II. Financial Liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost.

Initial recognition and measurement

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

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the Consolidated Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and transactions costs. The EIR amortisation is included as finance costs in the Consolidated Statement of Profit and Loss.

This category generally applies to loans and borrowings.

Derecognition

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

III. Offsetting of financial instruments

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

3.8 Inventories

Inventories are valued at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs to complete the sale.

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

3.9 Revenue recognition

The Company derives revenues manufacturing of machines and trading business.

Revenue from services is recognised as they are rendered based on agreements/arrangements with the concerned parties and recognised net of Goods and Service Tax (GST).

The Company recognises revenue when it determines the satisfaction of performance obligations at a point in time and subsequently over time when the Company has enforceable right for payment for performance completed to date.

Revenue is measured at the fair value of consideration received or receivable considering of discounts, incentives, volume rebates, and outgoing taxes on sales. Any amounts receivable from the customers are recognised as revenue after the control over the goods sold are transferred to the customer which is generally on dispatch of goods.

Significant financing component - Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract Liabilities are recognised when there is billing in excess of revenue and advance received from customers.

Interest income

Interest income is accounted on an accrual basis at effective interest rate. Interest on delayed payment and for feiture income are accounted based upon underlying agreements with customers.

3.10 Leases

At the inception of a contract, the Company assesses whether a contract is or contains, a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration. To assess whether a contract conveys the right to control the use of an asset the Company assesses whether:

- The contracts involve the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capability of a physical distinct asset. If the supplier has a substantive substitution right, then the asset is not identified
- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

As a Lessee

Right-of-use Asset

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. At the commencement date, a lessee shall measure the right-of-use asset at cost which comprises initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received, any initial direct costs incurred by the lessee; and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Lease Liability

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

Short-term lease and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of less than 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The election for short-term leases shall be made by class of underlying asset to which the right of use relates. A class of underlying asset is a grouping of underlying assets of a similar nature and use in Company's operations. The election for leases for which the underlying asset is of low value can be made on a lease-by-lease basis.

3.11 Income tax

Income tax expense comprises current tax and deferred tax. It is recognised in the Consolidated Statement of Profit and Loss except to the extent that it relates to items recognised directly in equity or in OCI.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

a) Has a legally enforceable right to set off the recognised amounts; and

b) Intends either to realise the asset or settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent there is convincing evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Deferred tax liabilities are recognised for taxable temporary differences

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

a) The Company has a legally enforceable right to set off current tax assets against current tax liabilities.

3.12 Employee benefits

Short term employee benefits

Short-term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount because of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Obligations for contributions to defined contribution plans such as Provident Fund, Gratuity and Employee State Insurance Corporations are expensed as the related service is provided.

3.13 Borrowing costs

Borrowing cost includes interest expense, amortisation of discounts, hedge - related cost incurred in connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange difference, arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, that are attributable to the acquisition or construction or production of a qualifying asset, are capitalised as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period to get ready for its intended use.

All other borrowing costs are recognised as an expense in the period in which they are incurred

3.14 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 months or less, which are subject to an insignificant risk of changes in value.

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

3.15 Statement of Cash flow

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.

3.16 Earnings per share

Basic earnings per share are computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares. If potential equity shares converted into equity shares increases the earnings per share, then they are treated as anti-dilutive and anti-dilutive earning per share is computed.

3.17 Provisions and contingent liabilities

A provision is recognised when the Company has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are discounted to their present value at a pre-taxrate that reflects current market assessments of the time value of money and the risks specific to the liability and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed a teach Balance Sheet date and adjusted to reflect the current best estimates. The unwinding of the discount is recognised as finance cost.

Contingent liabilities are disclosed in the notes. Contingent liabilities are disclosed for:

(1) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or

(2) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the Consolidated Financial Statements. However, the same are disclosed in the Consolidated Financial Statements where an inflow of economic benefit is probable.

3.18 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 with the Consolidated Financial Statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3.19 Exceptional Item

Exceptional items include income or expense that are part of ordinary activities, however, are of such significance and nature that separate disclosure enables the user of Consolidated Financial Statements to understand the impact in a more meaningful manner Exceptional items are identified by virtue of either their size or nature so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of the Company.

3.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

ITL INDUSTRIES LIMITED

Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2022

(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

NOTE - 2

PROPERTY, PLANT & EQUIPMENT

PARTICULARS	Land other than Agricultural Land	Building	Plant, Machinery and electrical installation	Furniture & Fixtures	Information Technology Hardware	Vehicles	Office equip -ment	Other Equip- -ment	Total
Gross Carrying Amount									
Balance as at 01st April 2020	**246.76**	**815.03**	**727.37**	**216.70**	**103.18**	**163.58**	**143.63**	**212.50**	**2628.76**
- Additions/ acquisitions	7.87	0.00	330.10	0.37	6.66	31.87	5.81	3.27	385.95
- Disposals/Transfers	0.00	0.00	12.77	0.00	0.31	0.29	0.00	0.00	13.37
Balance as at 31st March 2021	**254.63**	**815.03**	**1044.70**	**217.07**	**109.53**	**195.16**	**149.44**	**215.77**	**3001.33**
- Additions/ acquisitions	0.00	0.00	11.11	1.34	12.22	0.59	4.15	2.93	32.34
- Disposals/Transfers	0.00	0.00	0.00	0.00	0.00	2.71	0.00	0.00	2.71
- Deduction on account of subsidy received	0.00	105.24	100.23	0.00	0.00	0.00	19.12	0.00	224.59
Balance as at 31st March 2022	**254.63**	**709.79**	**950.58**	**218.41**	**121.75**	**193.04**	**134.47**	**218.70**	**2806.37**
Accumulated Depreciation and Impairment									
Balance as at 01st April 2020	**0.00**	**194.97**	**334.47**	**142.69**	**85.58**	**88.53**	**72.78**	**125.44**	**1044.46**
- Depreciation charge for the year	4.39	23.74	60.04	16.61	11.28	11.92	9.64	10.59	148.20
- Disposals/Transfers	0.00	0.00	10.80	0.00	0.30	0.27	0.00	0.00	11.37
Balance as at 31st March 2021	**4.39**	**218.71**	**383.71**	**159.30**	**96.56**	**100.18**	**82.42**	**136.03**	**1181.30**
- Depreciation charge for the year	0.00	20.27	50.89	13.72	7.75	16.11	7.48	9.70	125.91
- Disposals/Transfers	4.39	0.00	0.00	0.00	0.00	1.74	0.00	0.00	6.13
Balance as at 31st March 2022	**0.00**	**238.98**	**434.60**	**173.02**	**104.31**	**114.55**	**89.90**	**145.73**	**1301.08**
Net Book Value									
As at 31st March 2021	**250.24**	**596.32**	**660.99**	**57.77**	**12.97**	**94.98**	**67.02**	**79.74**	**1820.03**
As at 31st March 2022	**254.63**	**470.81**	**520.98**	**45.39**	**17.44**	**78.49**	**44.57**	**72.97**	**1505.28**

Note- 3

OTHER INTANGIBLE ASSETS

PARTICULARS	Information Technology Software	Total
Gross Carrying Amount		
Balance as at 01st April 2020	**264.63**	**264.63**
- Additions/ acquisitions	2.87	2.87
- Disposals/Transfers	0.00	0.00
Balance as at 31st March 2021	**267.50**	**267.50**
- Additions/ acquisitions	0.10	0.10
- Disposals/Transfers	0.00	0.00
Balance as at 31st March 2022	**267.60**	**267.60**
Accumulated Amortization and Impairment		
Balance as at 01st April 2020	**189.24**	**189.24**
- Depreciation charge for the year	18.90	18.90
- Disposals/Transfers	0.00	0.00
Balance as at 31st March 2021	**208.14**	**208.14**
- Depreciation charge for the year	19.37	19.37
- Disposals/Transfers	0.00	0.00
Balance as at 31st March 2022	**227.50**	**227.50**
Net Book Value		
As at 31st March 2021	**59.36**	**59.36**
As at 31st March 2022	**40.09**	**40.09**

ITL INDUSTRIES LIMITED
Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

NOTE- 4
INVESTMENTS
(Non-current)

PARTICULARS	2021-2022	2020-2021
(a) Investments in Equity lnstruments		
- Quoted	7.02	3.14
- Un-quoted	43.98	101.03
(b) Investments in Mutual Funds	21.13	19.19
(c) Other investments	686.48	388.87
TOTAL	**758.61**	**512.23**

Subsidiaries (eliminated on consolidation)	0.00	0.00
Associates	0.00	53.04
Joint ventures	0.00	0.00
Structured entities	0.00	0.00

Aggregate amount of quoted investments and market value thereof	28.15	22.33
Aggregate amount of unquoted investments	730.46	489.89
Aggregate provision for diminution in value of investments	0.00	0.00

NOTE- 5
OTHER FINANCIAL ASSETS
(Non-current)

PARTICULARS	2021-2022	2020-2021
a) Security Deposits	26.03	26.21
b) Accrued Government Grant	112.29	0.00
TOTAL	**138.32**	**26.21**

NOTE- 6
INVENTORIES
(As approved by the Management- Valued at lower of cost and net realisable value)

PARTICULARS	2021-2022	2020-2021
a) Raw materials	1386.27	1208.92
b) Work-in-progress	1290.66	644.72
c) Finished goods	102.16	108.52
d) Stock-in-trade (in respect of goods acquired for trading)	1062.53	1041.04
e) Stores and spares	0.12	0.31
TOTAL	**3841.73**	**3003.51**

Note:
Working Capital Borrowings are secured by hypothecation of inventories of the Company.

ITL INDUSTRIES LIMITED
Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

NOTE -7
INVESTMENTS
(Current)

PARTICULARS	2021-2022	2020-2021
(a) Investments in bonds		
- UPPCL bonds	370.00	370.00
TOTAL	**370.00**	**370.00**

Subsidiaries	0.00	0.00
Associates	0.00	0.00
Joint ventures	0.00	0.00
Structured entities	0.00	0.00

Aggregate amount of quoted investments and market value thereof	0.00	0.00
Aggregate amount of unquoted investments	370.00	370.00
Aggregate provision for diminution in value of investments	0.00	0.00

NOTE- 8
TRADE RECEIVABLES

PARTICULARS	2021-2022	2020-2021
a) Secured, considered good	0.00	0.00
b) Unsecured, considered good	2206.72	2236.86
c) Have significant increase in Credit Risk	0.00	0.00
d) Credit Impaired	0.00	0.00
	2206.72	**2236.86**
Less: Allowance for doubtful debts	38.79	10.57
TOTAL	**2167.94**	**2226.29**

Notes: 1 Working Capital Borrowings are secured by hypothecation of Book debts of the Company.
2 Refer note 32(17(b)) for information about credit risk.
3 There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.
4 **Trade Receivables ageing schedule:**

PARTICULARS	2021-2022					Total
	Outstanding for following periods from due date of transaction					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1750.46	77.47	67.42	89.52	221.85	**2206.72**
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	**0.00**
(iii) Undisputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	**0.00**
(iv) Disputed Trade Receivables–considered good	0.00	0.00	0.00	0.00	0.00	**0.00**
(v) Disputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	**0.00**
(vi) Disputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	**0.00**

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(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

PARTICULARS	2020-2021					Total
	Outstanding for following periods from due date of transaction					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1627.86	141.52	108.16	146.99	212.33	2236.86
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Undisputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables–considered good	0.00	0.00	0.00	0.00	0.00	0.00
(v) Disputed Trade Receivables – which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Disputed Trade Receivables – credit impaired	0.00	0.00	0.00	0.00	0.00	0.00

NOTE - 9
CASH AND CASH EQUIVALENTS

PARTICULARS	2021-2022	2020-2021
a) Balances with Banks (of the nature of cash and cash equivalents)	5.07	0.00
b) Cash on hand	1.81	2.62
TOTAL	**6.88**	**2.62**

NOTE - 10
OTHER BALANCES WITH BANKS

PARTICULARS	2021-2022	2020-2021
(a) Fixed Deposit Account	135.83	85.29
(b) Accrued Interest on Fixed Deposits	3.31	2.30
(c) Unclaimed Dividend	6.00	7.52
TOTAL	**145.14**	**95.11**

NOTE - 11
OTHER FINANCIAL ASSETS
(Current)

PARTICULARS	2021-2022	2020-2021
a) Security Deposits	44.43	53.66
b) Advances to Related Parties	470.50	442.50
c) Accrued Interest on Investment	9.54	7.19
d) Accrued Government Grant	56.15	0.00
e) Others	200.00	200.72
TOTAL	**780.62**	**704.08**

NOTE - 12
CURRENT TAX ASSETS (NET)

PARTICULARS	2021-2022	2020-2021
a) Advance Tax, TDS & TCS	5.90	144.38
b) Income Tax Provision	0.00	-120.00
TOTAL	**5.90**	**24.38**

ITL INDUSTRIES LIMITED
Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

NOTE - 13
OTHER CURRENT ASSETS

PARTICULARS	2021-2022	2020-2021
a) Prepaid Expenses	3.74	4.61
b) Balance with Government Authorities	150.96	41.45
c) Advances other than capital advances	129.34	81.55
d) Advances to Employees	44.62	44.13
TOTAL	**328.67**	**171.74**

NOTE - 14
EQUITY SHARE CAPITAL

PARTICULARS	2021-2022		2020-2021	
	Number	Amount	Number	Amount
AUTHORISED				
40,00,000 Equity Shares of Rs.10/- each	4000000	400.00	4000000	400.00
TOTAL	**4000000**	**400.00**	**4000000**	**400.00**
ISSUED, SUBSCRIBED & PAID UP				
3204300 Equity Shares of Rs. 10/- each at par	3204300	320.43	3204300	320.43
TOTAL	**3204300**	**320.43**	**3204300**	**320.43**

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

PARTICULARS	2021-2022		2020-2021	
	Number	Amount	Number	Amount
Outstanding at the beginning of the year	**3204300**	**320.43**	**3204300**	**320.43**
Issued during the year	0	0.00	0	0.00
Bought back during the year	0	0.00	0	0.00
Outstanding at the end of the year	**3204300**	**320.43**	**3204300**	**320.43**

b) Terms / Rights attached to Equity Shares

The Company has one class of equity shares, having a par value of ₹10 per share. A member of the company holding equity share carrying voting right therein have a right to vote on every resolution placed before the company and right to receive dividend and a member of the company holding equity share not carrying voting right therein doesn't have any right to vote on any resolution placed before the company but has a right to receive dividend. The voting rights on a poll is proportionate to the share of the paid-up equity capital of company carrying voting rights held by the shareholders.

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 preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

PARTICULARS	2021-2022	2020-2021
(A) Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash.	Nil	Nil
(B) Aggregate number and class of shares allotted as fully paid-up by way of bonus shares.	Nil	Nil
(C) Aggregate number and class of shares bought back.	Nil	Nil

d) Details of shareholders holding more than 5% shares of the company:

Name of Shareholders	2021-2022		2020-2021	
	Number	% of Holding	Number	% of Holding
Rajendra Jain*	445000	13.89%	369900	11.54%
Mahendra Jain	251113	7.84%	251113	7.84%

ITL INDUSTRIES LIMITED

Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2022

(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

e) Shares held by promoters at the end of the year:

Name of Shareholders	2021-2022		2020-2021		% Change
	Number	% of Holding	Number	% of Holding	during the year
Rajendra Jain*	445000	13.89%	369900	11.54%	**20.30%**
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%**
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%**
Rekha Jain	10000	0.31%	10000	0.31%	**0.00%**
Harsh Jain	1024	0.03%	1000	0.03%	**2.40%**
Manohar Singh Jain*	0	0.00%	75100	2.34%	**-100.00%**
Remswegs Marketing Private Limited	131100	4.09%	131100	4.09%	**0.00%**
Total	1441241	44.98%	1441217	44.98%	

* Inter-se transfer of shares consequent to the transmission upon the death of the promoter shareholder and the transferee/acquirer is immediate relative and promoter of TC.

NOTE - 15

OTHER EQUITY

PARTICULARS	2021-2022	2020-2021
a. Capital Reserve		
Balance as per last year	17.37	17.37
	17.37	**17.37**
b. Assets Revaluation Reserve		
Balance as per last year	91.68	91.68
	91.68	**91.68**
c. General Reserves		
Opening balance	4100.00	3600.00
Add/ Less: Movement during the year	500.00	500.00
Closing balance	**4600.00**	**4100.00**
d. Retained earnings		
Opening balance of Holding Company	398.47	410.30
Add/ Less: Net Profit/ (loss) for the year	599.80	496.16
Add: Share of parent in revenue profit/ (loss) of subsidiary	-27.30	-23.08
	970.96	**883.38**
Less: Non Controlling Interest current year	11.62	-3.81
Less : Transferred to General Reserve	500.00	500.00
Less : Proposed Dividend	16.02	16.02
Closing Balance	**443.32**	**371.16**
e. Fair value through other comprehensive income		
Opening balance	**3.37**	**0.00**
Add/ less: Movement during the year	5.61	3.37
Closing balance	**8.97**	**3.37**
TOTAL (a+b+c+d)	**5161.34**	**4583.58**

Nature and purpose of Reserves:

Capital Reserve: The Reserve is created based on statutory requirement under the Companies Act, 2013. This is not available for distribution of dividend but can be utilized for issuing bonus shares.

Asset Revaluation Reserves: A reserve created on the revolution 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.

General Reserves: General reserve is a free reserve and it represents amount transferred from retained earnings.

Retained earnings: Retained earnings comprises of the Company's undistributed earnings after taxes.

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.

ITL INDUSTRIES LIMITED

Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2022

(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

NOTE - 16
NON CONTROLLING INTEREST

PARTICULARS	2021-2022	2020-2021
NCI at the beginning of the year	-2.15	1.66
Add: Share of NCI in current year profit/ (loss) of MM Metals Pvt Ltd	11.62	-3.81
TOTAL	**9.47**	**-2.15**

NOTE - 17
BORROWINGS
(Non-Current)

PARTICULARS	2021-2022	2020-2021
a) Term loans		
i) From State Bank of India	288.20	237.83
ii) Kotak Mahindra Bank		
- WCTL by way of GECL (Guaranteed Emergency Credit Line)	33.67	60.24
- Term Loan - I	26.71	46.20
- Term Loan - II	139.55	179.10
- Term Loan - III (5915)	91.04	0.00
iii) Vehicle Loans	4.96	13.12
TOTAL	**584.12**	**536.49**

Note:

1 The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

2 Instalments payable in next 12 months as at the balance sheet date are disclosed as current maturities of long-term debts under the head "Borrowings - current" (Refer note 18).

Secured	584.12	536.49
Unsecured	0.00	0.00

Nature of security and terms of repayment for secured borrowings

Nature of security	Terms of repayment and interest rates
Terms loans from banks	Secured by first legal mortage 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. "Kotak Mahindra Bank - WCTL by way of GECL (Guaranteed Emergency Credit Line)(against charge on all existing and future current assets & equitable mortgage of Industrial property at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.) and Personal Guarantee of all Directors & a shareholder)Repayable in 36 EMI's after 12 months moratorium period ; and Rate of Interest is 8% p.a. fixed for the entire tenor of this facility" "Kotak Mahindra Bank - Term Loan - I (against charge on all existing and future current assets & equitable mortgage of Industrial property at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.) and Personal Guarantee of all Directors & a shareholder)Repayable in 60 months; Rate of Interest is REPO i.e. 4.00% + 4.00% (Spread)" "Kotak Mahindra Bank - Term Loan - II (against charge on all existing and future current assets & equitable mortgage of Industrial property at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.) and Personal Guarantee of all Directors & a shareholder)Repayable in 83 months; Rate of Interest is REPO i.e. 4.00% + 4.00% (Spread)" "Kotak Mahindra Bank - Term Loan - III(against charge on all existing and future current assets & equitable mortgage of Industrial property at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.) and Personal Guarantee of all Directors & a shareholder)Repayable in 60 months; Rate of Interest is RPRR i.e. 4.00% +3.50% (Spread)" Against hypothecation of vehicles acquired out of the loan. Repayable in equated monthly instalments over the period of loans.

ITL INDUSTRIES LIMITED
Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

NOTE - 18
BORROWINGS
(Current)

PARTICULARS	2021-2022	2020-2021
a) Loans repayable on demand		
i) From State Bank of India	912.04	904.49
ii) Kotak Mahindra Bank Ltd (OD Limit)	46.56	38.06
b) Current Maturities of Long Term Loans		
i) Term loan from State Bank of India	95.51	223.37
ii) Kotak Mahindra Bank		
- WCTL by way of GECL (Guaranteed Emergency Credit Line)	22.99	10.76
- Term Loan - I	19.11	17.28
- Term Loan - II	38.53	34.59
- Term Loan - III (5915)	18.96	0.00
c) Overdrafts against FDR	37.83	6.81
TOTAL	**1191.52**	**1235.36**

Note: 1 The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

Secured	1191.52	1235.36
Unsecured	0.00	0.00

Nature of security and terms of repayment for secured borrowings

Nature of security	Terms of repayment and interest rates
a) Loans repayable on demand	
i) 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 passue charge on various industrial plots of the company.
ii) Kotak Mahindra Bank Ltd (OD Limit)	(against charge on all existing and future current assets & equitable mortgage of Industrial property at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.) and Personal Guarantee of all Directors & a shareholder)Rate of Interest is REPO i.e. 4.00% + 4.00% (Spread)
b) Current Maturities of Long Term Loans	
i) Term loan from State Bank of India	Secured by first legal mortage 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.
ii) Kotak Mahindra Bank - WCTL by way of GECL (Guaranteed Emergency Credit Line)	(against charge on all existing and future current assets & equitable mortgage of Industrial property at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.) and Personal Guarantee of all Directors & a shareholder)Repayable in 36 EMI's after 12 months moratorium period ; and Rate of Interest is 8% p.a. fixed for the entire tenor of this facility
ii) Kotak Mahindra Bank - Term Loan - I	(against charge on all existing and future current assets & equitable mortgage of Industrial property at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.) and Personal Guarantee of all Directors & a shareholder)Repayable in 60 months; Rate of Interest is REPO i.e. 4.00% + 4.00% (Spread)
ii) Kotak Mahindra Bank - Term Loan - II	(against charge on all existing and future current assets & equitable mortgage of Industrial property at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.) and Personal Guarantee of all Directors & a shareholder)Repayable in 83 months; Rate of Interest is REPO i.e. 4.00% + 4.00% (Spread)
ii) Kotak Mahindra Bank - Term Loan - III	(against charge on all existing and future current assets & equitable mortgage of Industrial property at Plot No 103-B, Industrial Area, Sanwer Road, Village - Sukhliya Indore (M.P.) and Personal Guarantee of all Directors & a shareholder)Repayable in 60 months; Rate of Interest is RPRR i.e. 4.00% +3.50% (Spread)
c) Overdrafts against FDR	Secured against Fixed Deposits Receipt and personal guarantee of Directors. Repayable on demand.

ITL INDUSTRIES LIMITED
Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

NOTE - 19
TRADE PAYABLES

PARTICULARS	2021-2022	2020-2021
(a) Total Outstanding Due to Micro Small and Medium Enterprises*	0.00	0.00
	0.00	**0.00**
(b) Total Outstanding Due to Creditors other than (a). Above		
- Trade Payable to related parties	0.00	0.00
- Trade Payable to others	1796.17	1460.19
	1796.17	**1460.19**
TOTAL	**1796.17**	**1460.19**

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

PARTICULARS	2021-2022	2020-2021
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.

Trade Payables ageing schedule:

PARTICULARS	2021-2022				
	Outstanding for following periods from due date of transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.00	0.00	0.00	0.00	**0.00**
(ii) Others	1786.62	5.49	1.61	2.45	**1796.17**
(iii) Disputed dues – MSME	0.00	0.00	0.00	0.00	**0.00**
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	**0.00**

PARTICULARS	2020-2021				
	Outstanding for following periods from due date of transaction				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.00	0.00	0.00	0.00	**0.00**
(ii) Others	1447.27	1.67	9.40	1.85	**1460.19**
(iii) Disputed dues – MSME	0.00	0.00	0.00	0.00	**0.00**
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	**0.00**

NOTE - 20
OTHER FINANCIAL LIABILITIES
(Current)

PARTICULARS	2021-2022	2020-2021
a) Proposed Dividend	16.02	16.02
b) Interest accrued	1.45	1.54
c) Unclaimed Dividend	6.00	7.52
TOTAL	**23.47**	**25.08**

ITL INDUSTRIES LIMITED
Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

NOTE - 21
OTHER CURRENT LIABILITIES

PARTICULARS	2021-2022	2020-2021
a) Revenue received in advance	431.01	286.97
b) Payable to emplyees	67.86	93.73
c) Payable to directors	22.99	24.08
d) Statutory dues payable	22.91	11.93
e) Other payables	161.40	143.15
TOTAL	**706.16**	**559.86**

NOTE - 22
PROVISIONS
(Current)

PARTICULARS	2021-2022	2020-2021
a) Provision for employee benefits	107.77	101.49
TOTAL	**107.77**	**101.49**

NOTE - 23
CURRENT TAX LIABILITIES (NET)

PARTICULARS	2021-2022	2020-2021
a) Income Tax Provision	200.00	0.00
b) Advance Tax, TDS & TCS	-185.77	0.00
TOTAL	**14.23**	**0.00**

NOTE - 24
REVENUE FROM OPERATIONS

PARTICULARS	2021-2022	2020-2021
Revenue From Contract with Customers		
a) Sale of Products (Net of GST)	11264.55	8850.04
b) Sale of Services:		
Job Work & Commissioning Charges	86.74	48.03
TOTAL	**11351.29**	**8898.07**

a. Reconciliation of revenue recognised in the statement of profit and loss with the contracted price:

PARTICULARS	2021-2022	2020-2021
Revenue from contracts with customers (as per Statement of Profit and Loss)	11351.29	8898.07
Add: Discounts, rebates, refunds, credits and price concessions	0.00	0.00
Contracted price with the customers	**11351.29**	**8898.07**

b Disaggregation of revenue by pattern of revenue recognition:

PARTICULARS	Sale of Products	Sale of Services	Total
March 31, 2022			
At a point in time	11264.55	0.00	11264.55
Over the period of time	0.00	86.74	86.74
Total	**11264.55**	**86.74**	**11351.29**
March 31, 2021			
At a point in time	8850.04	0.00	8850.04
Over the period of time	0.00	48.03	48.03
TOTAL	**8850.04**	**48.03**	**8898.07**

ITL INDUSTRIES LIMITED
Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2022
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c Revenue recognised from Contract liability (Advance received from customers):

PARTICULARS	2021-2022	2020-2021
Opening balance	**286.97**	**503.74**
Less: revenue recognised that was included in the contract liabilities at the beginning of the year	286.97	503.74
Add: During the year movement	431.01	286.97
Closing balance	**431.01**	**286.97**

d The amounts receivable from customers become due after expiry of credit period which on an average up to 90 days. There is no significant financing component in any transaction with the customers.

e The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. There are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.

f **Performance obligation**
The performance obligation is satisfied upon delivery of the goods and payment is generally due within 0 to 180 days from delivery.

NOTE - 25
OTHER INCOME

PARTICULARS	2021-2022	2020-2021
a) Interest Income	97.42	33.69
b) Dividend Income	0.04	0.00
c) Profit on sale of property, plant and equipment	0.00	0.19
d) Profit on sale of investments	3.94	0.00
e) Other non-operating income	75.83	27.10
TOTAL	**177.23**	**60.98**

NOTE - 26
COST OF MATERIALS CONSUMED

PARTICULARS	2021-2022	2020-2021
a) Raw materials		
Opening Stock	1208.92	1400.31
Add: Purchases	6170.44	3619.06
Less : Closing Stock (Including Goods in Transit)	1386.27	1208.92
TOTAL	**5993.10**	**3810.45**

NOTE - 27
PURCHASE OF STOCK IN TRADE

PARTICULARS	2021-2022	2020-2021
a) Purchases of stock in trade	2692.68	1422.41
TOTAL	**2692.68**	**1422.41**

NOTE - 28
CHANGES IN INVENTORIES OF FINISHED GOODS, WIP AND STOCK IN TRADE

PARTICULARS	2021-2022	2020-2021
a) (Increase) / Decrease in Finished goods & WIP		
Opening Stock	753.24	968.84
Less : Closing Stock (Including Goods in Transit)	1392.82	753.24
	-639.58	**215.60**

ITL INDUSTRIES LIMITED
Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

c) (Increase) / Decrease in Stock in Trade		
Opening Stock	1041.04	1807.09
Less : Closing Stock (Including Goods in Transit)	1062.53	1041.04
	-21.49	**766.05**
TOTAL	**-661.07**	**981.65**

NOTE - 29
EMPLOYEE BENEFITS EXPENSE

PARTICULARS	**2021-2022**	**2020-2021**
a) Salary and Wages		
- directors	112.91	91.70
- others	1186.97	930.48
b) Contributions to Providend Funds & Other Funds		
- directors	8.36	6.50
- others	47.82	36.30
	15.29	8.17
TOTAL	**1371.36**	**1073.15**

NOTE -30
FINANCE COSTS

PARTICULARS	**2021-2022**	**2020-2021**
a) Interest	131.43	146.24
b) Other borrowing costs	15.80	16.58
TOTAL	**147.23**	**162.82**

NOTE - 31
OTHER EXPENSES

PARTICULARS	**2021-2022**	**2020-2021**
a) Direct Expenses		
Stores, Spares Parts & Standard Item Consumed		
Opening Stock	0.31	0.13
Add : Purchases	26.13	18.62
	26.44	**18.75**
Less : Closing Stock	0.12	0.31
Consumed during the Year	**26.32**	**18.44**
Component Processing Charges	180.97	122.78
Power Expenses	43.09	36.05
Repair & Maintenance of Plant & Machinery	8.12	0.81
Repair & Maintenance of Building	15.83	12.25
Freight & Cartage Inward	65.08	46.42
Material Shifting & Handling Charges	41.81	13.71
Other Direct Expenses	12.70	7.96
Total (a)	**393.91**	**258.42**
b) Administrative & General Expenses		
Bad Debts	45.06	30.06
Rent, Rates & Taxes	36.12	34.48
Charity & Donation	34.21	4.87
Computer Charges	19.63	25.62
Stationery & Printing	6.49	5.41

ITL INDUSTRIES LIMITED
Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

Telephones & Internet	13.19	10.47
Postage & Courier	3.88	2.69
Travelling & Conveyance	149.08	96.14
Legal & Professional Charges	51.92	54.52
Auditor's Remuneration (Note 32(13))	1.75	1.75
Insurance	5.71	9.69
Security Expenses	12.13	8.97
Provision of ECL	38.30	10.57
Loss on Sale of Assets	0.43	0.73
Director's' Sitting Fees	13.60	11.44
Other Generel Expenses	44.22	35.93
Total (b)	**475.71**	**343.33**
c) Selling & Distribution Expenses		
Sales Promotion & Entertainment	16.11	12.19
Freight & Cartage Outward	71.89	52.87
Sales Commission	44.31	26.62
Advertisement & Exhibition	11.88	6.77
Late Delivery Charges	4.77	3.03
After Sales & Services	10.26	3.35
Other Distribution Expenses	1.84	3.77
Total (c)	**161.05**	**108.60**
TOTAL (a+b+c)	**1030.67**	**710.35**

Note 32:
ADDITIONAL NOTES ON ACCOUNTS :

1) Note 1 to 32 referred herein forms an integral part of these Financial Statements.

2) In terms of IND AS 108 Operating Segment, the Company has identified following segments and details are furnished as under:

	2021-2022	**2020-2021**
Segment Revenue:		
Machine Manufacturing	8372.12	6361.34
Trading Activities	3657.55	2973.61
Total	**12029.67**	**9334.95**
Less: Inter Segment Revenue	501.15	375.90
Net Sales	**11528.52**	**8959.05**
Segment Profit / (Loss) before tax:		
Machine Manufacturing	738.02	651.13
Trading Activities	218.48	142.81
Total	**956.50**	**793.94**
Less: Interest	147.23	162.81
Net Profit before tax	**809.27**	**631.13**
Capital Employed:{Segment Assets-Segment Liabilities}		
Machine Manufacturing	3401.79	3028.13
Trading Activities	2089.45	1873.73
Total	**5491.24**	**4901.86**

3) Contingent Liability and commitments :

Particulars	**2021-2022**	**2020-2021**
a) Contingent Liabilities to the extent not provided for:		
Central Sales Tax	85.63	98.29
Value Added Tax	11.54	9.22
Income Tax	15.29	14.84
	112.46	**122.35**
b) Capital and other commitments:	0.00	0.00
	0.00	**0.00**

ITL INDUSTRIES LIMITED
Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

4) 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:

Particulars	Rate of Interest	2021-2022	2020-2021
Centrum Retail Services Limited (the principal is to be repaid in a period of 1 year, but the same is eligible for pre-mature repayment).	11% p.a	200.00	200.72
		200.00	**200.72**

b Investments Made:

Refer Note No. 4 & 7 of the Financial Statements.

c Guarantee Given or Security Provided:

During the year there is no such transaction.

5) 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 Rajendra Jain (Managing Director)
Shri Mahendra Jain (Joint Managing Director)
Shri N. Chakraborty (Non-Executive & Independent Director)
Smt. Pratima Jain (Non-Executive & Independent Director)
Shri Rajesh Jain (Non-Executive & Independent Director)
Shri Ashok Ajmera (CFO)
Shri Akhilesh Gautam (CS)(resigned w.e.f. October 6, 2021)
Shri Manoj Maheshwari (CS)(appointed w.e.f. November 15, 2021)
Shri Manish Jain (Director of Subsidiary)
Shri Prakhar Jain (Director of Subsidiary)(appointed w.e.f 30.09.2021)
Shri Shekhar Jain (Director of Subsidiary)(appointed w.e.f 30.09.2021)
Shri Ravish Jain (Director of Subsidiary)(appointed w.e.f 30.09.2021)
Smt. Meena Jain (Director of Subsidiary)(resigned w.e.f 30.09.2021)

B) Subsidiary enterprise:

M.M. Metals Private Limited

C) Relatives of Key Managerial Personnel:

Mrs. Bharti Chakraborty
Mr. Ravish Jain
Mr. Prakhar Jain
Mr. Manish Jain
Mr. Shekhar Jain

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) Associate enterprise:

Luhadiya Sons Shahpura Private Limited
(controlled disolved w.e.f. October 12, 2021)

II. Transactions with Related Parties (in ITL Industries Ltd.-Standalone) :

ITL INDUSTRIES LIMITED

Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2022

(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

Particulars	Transaction Type	2021-2022		2020-2021	
		Amount of Transaction	Outstanding Amount	Amount of Transaction	Outstanding Amount
Mr. Rajendra Jain	Remuneration	63.16	8.01 (Cr.)	51.15	6.34 (Cr.)
Mr. Mahendra Jain	Remuneration	58.11	5.17 (Cr.)	47.06	4.34 (Cr.)
Mr. N. Chakraborty	Sitting Fees	10.20	9.18 (Cr.)	9.60	8.88 (Cr.)
Mrs. Pratima Jain	Sitting Fees	0.36	0.32 (Cr.)	0.32	0.30 (Cr.)
Mr. Rajesh Jain	Sitting Fees	0.34	0.31 (Cr.)	0.32	0.30 (Cr.)
Mrs. Bharti Chakraborty	Rent	3.60	0	3.60	0
Mr. Ravish Jain	Remuneration	27.46	2.24 (Cr.)	20.27	1.11 (Cr.)
Mr. Prakhar Jain	Remuneration	27.46	2.24 (Cr.)	20.27	0.98 (Dr.)
Mr. Manish Jain	Remuneration	27.46	3.43 (Cr.)	20.27	0.37 (Dr.)
Mr. Shekhar Jain	Remuneration	27.46	1.09 (Cr.)	20.27	0.38 (Cr.)
Dimart Engineering Pvt. Ltd.	Advance given refunded	4.00	162.42 (Dr.)	4.50	166.42 (Dr.)
Remswegs Marketing Private Limited	Sales of Material & Job Work	22.04	8.43 (Dr.)	40.17	46.90 (Dr.)
	Purchase of Material & Job Work	116.36		96.75	
	Warehousing & Facility Charges Paid	1.20		0.60	
Indore Tools Private Limited	Sales of Material	21.15	331.83 (Dr.)	6.93	331.47 (Dr.)
	Purchase of Material & Job Work	1144.62		498.98	
	Warehousing & Facility Charges Paid	2.40		2.40	
Fillracks Technology Private Limited	Purchase of Services	5.40	1.02 (Cr.)	0.00	0.82 (Cr.)

Transactions with Related Parties (in M M metals Pvt. Ltd.) :

Particulars	Transaction Type	2021-2022		2020-2021	
		Amount of Transaction	Outstanding Amount	Amount of Transaction	Outstanding Amount
Remswegs Marketing Pvt.Ltd.	Purchase	344.98	8.00	159.29	19.45
Indore Tools Pvt. Ltd.	Purchase	137.65	60.75	171.72	90.88
	Sales	0.37		0	
Shri Manish Jain (Director)	Director sitting fees	0.90	2.45	0.60	1.64
Shri Prakhar Jain (Director)	Director sitting fees	0.45	0.41	0	0
Shri Shekhar Jain (Director)	Director sitting fees	0.45	0.41	0	0
Shri Ravish Jain (Director)	Director sitting fees	0.45	0.41	0	0
Smt. Meena Jain (Director)	Director sitting fees	0.45	2.04	0.60	1.64

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

2. The aforementioned transactions in respect of expenses purchases & sales are shown exclusive of GST.

6) The company has not received any funds from any person/entities, for the purpose of directly or indirectly lending/ investing/ providing guarantee/ security to a another person/ entity, by or on behalf of the person/ entity from whom such amount is received.

7) Pursuant to Ind AS 112 – 'Disclosure of Interests in Other Entities' the interest of the Company in its Subsidiary/ Associate is as follows:

A) Subsidiary

The Company is holding more than 50% Equity Shares in M. M. Metals Private Limited 52.55% (PY 52.55%), which is therefore a subsidiary within the meaning of section 2(7) of the Companies Act, 2013 and as per applicable IND AS the consolidated financial statements shall be separately prepared.

B) Associate

The Company was holding more than 20% Equity Shares in Luhadiya Sons Shahpura Private Limited 0.00% (PY 30.79%) which was therefore an associate company within the meaning of section 2(6) of the Companies Act, 2013, until October 12, 2021.

C) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

ITL INDUSTRIES LIMITED

Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2022

(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

8) Directors Remuneration:

The Company has paid directors' remuneration as per the provisions of Schedule V to the Companies Act, 2013 and has complied with all the provisions of the said act:

Name of Director	Nature of payment	2021-2022	2020-2021
Mr. Rajendra Jain	Remuneration and perquisites	63.16	51.15
Mr. Mahendra Jain	Remuneration and perquisites	58.11	47.06
		121.27	**98.20**

9) The Company has entered into various Derivative & Forward contract (Forex), not speculative in nature, for the purpose of hedging foreign exchange exposures. The outstanding transactions (excluding direct parties) are as under:

A) Hedged exposure :-

Nature of exposure	2021-2022		2020-2021	
	Forex	₹ In Lakhs	Forex	₹ In Lakhs
Suppliers Credit	Nil	Nil	Nil	Nil

B) Un-Hedged exposure :-

Nature of exposure	2021-2022		2020-2021	
	Forex	₹ In Lakhs	Forex	₹ In Lakhs
Suppliers Credit	0.00	0.00	1500.11 (USD)	1.12
	0.00	0.00	**330000 (JPY)**	**2.28**
Suppliers Debit	0.00	0.00	1133.92 (USD)	0.83
	0.00	0.00	**560.00 (EURO)**	**0.50**
Customers Debit	28500(USD)	19.47	66889.50 (USD)	47.37
Customers Credit	99165.85(USD)	73.72	12243.65 (USD)	8.86

10) The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2022 and March 31, 2021.

11) In accordance of Ind AS-33, the earning per share (E.P.S.) of the company is as under:

Particulars	2021-2022	2020-2021
Profit after Tax	599.80	496.16
Weighted average No. of Equity Shares outstanding	3204300	3204300
Earning Per Share - Basic & Diluted	**18.72**	**15.48**

12) Tax expenses as per Ind AS 12:

a Deferred Tax:

Profit and Loss account

Particulars	2021-2022	2020-2021
WDV as per Company Law	1545.37	1879.40
Less: WDV as per Income Tax	805.36	1138.88
Timing difference between Income Tax and Company Law	740.01	740.52
Deferred tax liability/ (asset) on above	**183.40**	**197.79**
Provision for Expected Credit loss	38.79	10.57
Deferred tax (asset) on above	**-9.49**	**-2.94**
Accumulated liability/ (asset) as on 31.03.2022	**173.91**	**194.85**
Liability Already Provided up to 31.03.2021	194.85	168.14
Balance Liability provided for / (written off) during the year	**-20.94**	**26.71**

ITL INDUSTRIES LIMITED
Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2022
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Other comprehensive income

Particulars	2021-2022	2020-2021
Fair value of equity instruments	5.82	3.74
Deferred tax liability on above	0.58	0.37
Accumulated liability as on 31.03.2022	**0.58**	**0.37**
Liability already provided up to 31.03.2021	0.37	0.00
Balance liability provided for during the year	**0.21**	**0.37**

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

Particulars	ITL Industries Limited		MM Metals Private Limited	
	2021-2022	2020-2021	2021-2022	2020-2021
Profit before tax from continuing operation	781.43	629.22	27.84	1.89
Income Tax expense calculated	217.39	175.05	7.01	0.48
Effect of income that is exempt from taxation	0.00	0.00	0.00	0.00
Effect of expenses that are not deductible in determining taxable profits	0.00	-10.57	0.00	0.00
Effect of concession (allowances)	0.00	0.00	0.00	0.00
Adjustments recognised in current year in relation to the current tax of prior years	30.41	-8.46	0.00	0.00
Other temporary differences {(Short)/Excess} provision in current year	-17.39	-44.48	-3.66	9.45
Income tax expense recognised in profit or loss	**230.41**	**111.54**	**3.35**	**9.93**

c Provision For Taxation:

Provision for taxation for the year has been made as per the old regieme of Income Tax Act, 1961 after considering allowance, claims and relief available to the Company (if any).

d 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).

13) Payments to the auditor: (Excluding Goods and Service Tax):

Particulars	2021-2022	2020-2021
a) Auditor	1.45	1.45
b) For taxation matters	0.30	0.3
c) For reimbursement of expenses	0.00	0.00
Total	**1.75**	**1.75**

14) Following Ratios to be disclosed:-

	Particulars	Numerator	Demoninator	2021-2022	2020-2021	% Variance	Reasons
(a)	Current Ratio	Current assets	Current liabilities	1.99	1.95	2.10%	No explaination required.
(b)	Debt-Equity Ratio	Borrowings	Total Equity	0.32	0.36	-10.54%	No explaination required.
(c)	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	0.64	0.55	17.05%	No explaination required
(d)	Return on Equity Ratio	Profit after tax	Total Equity	11.02%	10.19%	8.19%	No explaination required.
(e)	Inventory turnover ratio	Cost of Goods sold	Average inventory	2.34	1.73	35.44%	Increase in the ratio is due to increase in the turnaround of stock into sales (on an average basis) in the current year.
(f)	Trade Receivables turnover ratio	Revenue from operation	Average Trade receivable	5.17	4.40	17.33%	No explaination required.

ITL INDUSTRIES LIMITED
Notes forming part of the Consolidated financial statements as at and for the year ended March 31, 2022
(All amounts are in ₹ lacs, except share and per share data, unless otherwise stated)

(g)	Trade payables turnover ratio	Total purchases	Average Accounts Payable	5.44	3.36	61.80%	Increase in the ratio is due to increase in purchases of the company especially in the last month i.e. March 2022, resultantly the creditors oustanding amount on cut-off date i.e. 31/03/2022 was comparatively higher from previous year.
(h)	Net capital turnover ratio	Net Sales	Working Capital	2.98	2.77	7.74%	No explaination required.
(i)	Net profit ratio	Profit after tax	Total Revenue	5.20%	5.54%	-6.06%	No explaination required.
(j)	Return on Capital employed	Profit before Interest and Tax	Capital Employed	18.25%	17.26%	5.73%	No explaination required.
(k)	Return on investment	Dividend Income, Interest Income and profit on sale of investments	Average investment in treasury funds	9.12%	5.73%	59.09%	Increase in the ratio is due to increase in the passive income from the investments current year.

15) Disclosure of CSR Activities as per Sec. 135 :

Particulars	2021-2022	2020-2021
i) Total of previous years shortfall	20.05	10.9
ii) Amount required to be spent by the company for the year	13.80	13.86
iii) Amount of expenditure incurred	33.99	4.71
iv) Shortfall at the end of the year	-0.14	20.05
v) Reason for shortfall	NA	The Company was looking the CSR projects in identifiable areas.
vi) Nature of CSR activities	As per the provisions of Schedule VII of Section 135 of the Companies Act, 2013.	As per the provisions of Schedule VII of Section 135 of the Companies Act, 2013.
vii) 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
viii) 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	2021-2022	2020-2021
(i) Gross amount required to be spent by the company during the year.	13.80	13.86
(ii) Amount spent during the year on:		
- Promoting health care including preventive Health care, Education and Social Transformation	33.99	4.71
	33.99	**4.71**

16) 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.

ITL INDUSTRIES LIMITED
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Particulars(2021-2022)	Fair Value Management			Fair Value Hierarchy		
	FVTPL	FVOCI	Amortised Cost	Level-1	Level-2	Level-3
Financial assets						
Investments	0.00	28.15	1100.46	28.15	0.00	0.00
Cash and cash equivalents	0.00	0.00	6.88	0.00	0.00	0.00
Bank balances other than cash and cash equivalents	0.00	0.00	145.14	0.00	0.00	0.00
Trade Receivables	0.00	0.00	2167.94	0.00	0.00	0.00
Other financial assets	0.00	0.00	918.94	0.00	0.00	0.00
Total	**0.00**	**28.15**	**4339.37**	**28.15**	**0.00**	**0.00**
Financial liabilities						
Borrowings	0.00	0.00	1775.64	0.00	0.00	0.00
Trade Payables	0.00	0.00	1796.17	0.00	0.00	0.00
Other financial liabilites	0.00	0.00	23.47	0.00	0.00	0.00
Total	**0.00**	**0.00**	**3595.28**	**0.00**	**0.00**	**0.00**

Particulars(2020-2021)	Fair Value Management			Fair Value Hierarchy		
	FVTPL	FVOCI	Amortised Cost	Level-1	Level-2	Level-3
Financial assets						
Investments	0.00	22.33	859.89	22.33	0.00	0.00
Cash and cash equivalents	0.00	0.00	2.62	0.00	0.00	0.00
Bank balances other than cash and cash equivalents	0.00	0.00	95.11	0.00	0.00	0.00
Trade Receivables	0.00	0.00	2226.29	0.00	0.00	0.00
Other financial assets	0.00	0.00	730.28	0.00	0.00	0.00
Total	**0.00**	**22.33**	**3914.19**	**22.33**	**0.00**	**0.00**
Financial liabilities						
Borrowings	0.00	0.00	1771.86	0.00	0.00	0.00
Trade Payables	0.00	0.00	1460.19	0.00	0.00	0.00
Other financial liabilites	0.00	0.00	25.08	0.00	0.00	0.00
Total	**0.00**	**0.00**	**3257.13**	**0.00**	**0.00**	**0.00**

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.

Notes:

1 There have been no transfer between Level 1, Level 2 and Level 3 during the period March 31, 2022 and March 31, 2021.

2 The management assessed that cash and bank balances, trade receivables, loans, trade payables, borrowings (cash credits, commercial papers, foreign currency loans, working capital loans) and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

17) Financial risk management objectives and policies to the extent applicable:

The Company's risk management activities are subject to the Board 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.

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The Company is primarily exposed to risks resulting from fluctuation in market risk, credit risk and liquidity risk, which may adversely impact the fair value of its financial instruments.

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 rate 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's risk management activities are subject to the management, direction and control of Central Treasury Team of the 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	2021-2022	2020-2021
Interest rate risk exposure	0.00	0.00
Borrowings from banks		
Fund Based	1775.64	1771.86
Non Fund Based	0.00	0.00
Total borrowings	**1775.64**	**1771.86**

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 interest rate variation (fund based) 1%, and (non fund based) 0.25%. If the interest rates had been 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:

Particulars	2021-2022	2020-2021
Impact on Profit or Loss for the year decrease	17.76	17.72
Impact on Profit or Loss for the year increase	17.76	17.72

ii) Foreign currency 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.

For open positions on outstanding foreign currency contracts and details on unhedged foreign currency exposure, please refer note no. 9 above.

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

Particulars	2021-2022	2020-2021
Receivable in Foreign currency	19.47	47.37
Payable in Foreign currency	0.00	3.39

Sensitivity to foreign currency risk

The following table demonstrates the sensitivity in the USD 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:

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Currency	Sensitivity analysis			
	2021-2022		2020-2021	
	USD/EURO/JPY Increase	USD/EURO/JPY Decrease	USD/EURO/JPY Increase	USD/EURO/JPY Decrease
Sensitivity to foreign currency risk (USD)	706.66	706.66	550.12	550.12
Sensitivity to foreign currency risk (EURO)	0.00	0.00	5.60	5.60
Sensitivity to foreign currency risk (JPY)	0.00	0.00	3300.00	3300.00

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, company has placed a customer credit limit monitoring system in its accounting software and also 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. To cover its risk/ losses, the company makes a provision (ECL) on the outstanding balance at the year end.

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

Particulars	2021-2022	2020-2021
Up to 6 months	1750.46	1627.86
More than 6 months	456.26	609.00
Total	**2206.72**	**2236.86**

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 significant liabilities as at the end of each year end presented.

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Particulars	Less than 1 Year	1 to 5 years	>5 years	Total
As at 31st March, 2022				
Borrowings	1191.52	584.12	0.00	1775.64
Trade payables	1796.17	0.00	0.00	1796.17
Other financial liabilities	23.47	0.00	0.00	23.47
Total	**3011.16**	**584.12**	**0.00**	**3595.28**
As at 31st March, 2021				
Borrowings	1235.36	536.49	0.00	1771.86
Trade payables	1460.19	0.00	0.00	1460.19
Other financial liabilities	25.08	0.00	0.00	25.08
Total	**2720.64**	**536.49**	**0.00**	**3257.13**

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 31st March, 2022 and 31st March, 2021.

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

Particulars	2021-2022	2020-2021
Debt	1775.64	1771.86
Cash and Bank Balances (Refer Note No.9 & 10)	152.02	97.72
Adjusted net Debt	**1623.62**	**1674.13**
Total Equity	5491.24	4901.86
Net Debt to equity ratio	0.30	0.34

18) Consolidation of Accounts:

a 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 accordingly the said consolidated audited balance sheet will be separately made.

b The company was under an obligation to make consolidated financial statements covering its associate Luhadiya Sons Shahpura Private Limited (CIN no.U29100MP2010PTC023272) (Shareholding PY 30.79%). From October 12, 2021, the control has been dissolved hence consolidated audited balance sheet has not been separately made.

19) Figures of Trade Receivables, Trade Payables, Borrowings and Loans & Advances are subject to respective consent, confirmation, reconciliation and consequential adjustments, if any.

20) Subsequent events

The Company has evaluated all subsequent events through 30.05.2022, the date on which these financial statements are authorized for issuance. No adjusting or significant non-adjusting events have occurred between March 31, 2022 and the date of authorization of these standalone financial statements that would have a material impact on these financial statements or that would warrant additional disclosures.

21) In the opinion of board of directors of the company, the current assets, loans and advances have to value at which they are stated in the balance sheet if realised in the ordinary course of business.

22) Disclosure Pursuant to regulation 54(F) of the SEBI (Listing Obligations & Disclosure Requirements) Regulation 2013.

a Loans and Advances in the nature of Loans to Subsidiary:

There were no such transaction during the year.

b Loans and Advances in the nature of loan to Associates, Related Party and parties where directors/promotors are interested:

There were no such transaction during the year.

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

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

23) Gratuity and post employment benefits:

Defined contribution plan - Provident fund and ESIC

Particulars	2021-2022	2020-2021
Company's contribution to provident fund and other funds charged to statement of profit and loss	56.19	42.80
Total	**56.19**	**42.80**

Defined contribution plan - Gratuity

"The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.The Company has Defined Contribution Plan with Life Insurance Corporation of India."

The following tables summarise the components of gratuity benefit expense recognised in the statement of profit and loss.

Particulars	2021-2022	2020-2021
Company's contribution to LIC Group Gratuity fund charged to statement of profit and loss	5.46	10.25
Total	**5.46**	**10.25**

24) Details of Benami Property held:

During the year, no proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

25) Indications of Impairment:

In the opinion of management, there are no indications, internal or external which could have the effect of impairing the value of assets to any material extent as at the Balance sheet date requiring recognition in terms of Ind AS 36.

26) 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.

27) The Company has borrowings from banks or financial institutions on the basis of security of current assets with respect to which the periodival returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

28) Additional information as required under Schedule III to the Companies Act, 2013, of the enterprises consolidated as associates:

For the year ended 31st March 2022:

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 OCI	Amount	As % of consolidated TCI	Amount
Parent								
ITL Industries Limited	98.37%	5401.64	100.74%	604.24	100.00%	5.61	100.73%	609.85
Subsidiary								
Indian								
M.M. Metals Private Limited	1.63%	89.60	-0.74%	-4.44	0.00%	0.00	-0.73%	-4.44
Total	**1.00**	**5491.24**	**100.00%**	**599.80**	**100.00%**	**5.61**	**100.00%**	**605.40**

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For the year ended 31st March 2021:

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 OCI	Amount	As % of consolidated TCI	Amount
Parent								
ITL Industries Limited	98.43%	4825.12	101.62%	504.20	100.00%	3.37	101.61%	507.57
Subsidiary								
Indian								
M.M. Metals Private Limited	1.57%	76.73	-1.62%	-8.04	0.00%	0.00	-1.61%	-8.04
Total	**100.00%**	**4901.86**	**100.00%**	**496.16**	**100.00%**	**3.37**	**100.00%**	**499.53**

29) Relationship with Struck off Companies:
The Company has no Investment in securities, Receivables, Payables, Share-holding or Other outstanding balances with such companies.

30) The company has not advanced/ loaned/ invested funds to any person/ entity for the purpose of directly or indirectly lending/ investing/ providing guarantee/ security to a third person/entity, by or on behalf of the company.

31) Recent Pronouncements:
On 24th March, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1st April, 2021. The amendments are extensive and the Company has evaluated the same to give effect to them as required by law.

32) Additional information as required under part II of schedule III to the Companies Act, 2013 is as under:

a. Expenditure in foreign currency on account of Raw Material ₹ 691.17 Lacs [Previous Year ₹ 369.06 Lacs]

b. Earning in foreign currency on account of Export of goods on CIF/FOB Basis and advance from customers is ₹ 867.59 Lacs [Previous Year ₹ 635.78 Lacs]

c. Particulars of consumption of Imported and Indigenous Raw Materials:

Particulars	2021-22		2020-21	
	Value	% of Total	Value	% of Total
Imported	691.17	7.93%	369.06	7.02%
Indigenous	8028.90	92.07%	4890.36	92.98%
Total	**8720.07**	**100.00%**	**5259.42**	**100.00%**

33) Research and Development Expenditure Details are as below :

Particulars	2021-22	2020-21
Capital expenditure	0	0
Revenue expenditure	258.64	272.38
Total R&D Expenditure	**258.64**	**272.38**

34) Previous year figures have been regrouped or rearranged where ever necessary.

35) The figures have been rounded off to the nearest multiple of a rupee, in lakhs.

As Per our report of even date attached
STATUTORY AUDITORS
For MAHENDRA BADJATYA & CO.
CHARTERED ACCOUNTANTS
ICAI FRN 001457C

CA NIRDESH BADJATYA
PARTNER
ICAI MNO 420388
PLACE: INDORE
DATE: 30/05/2022

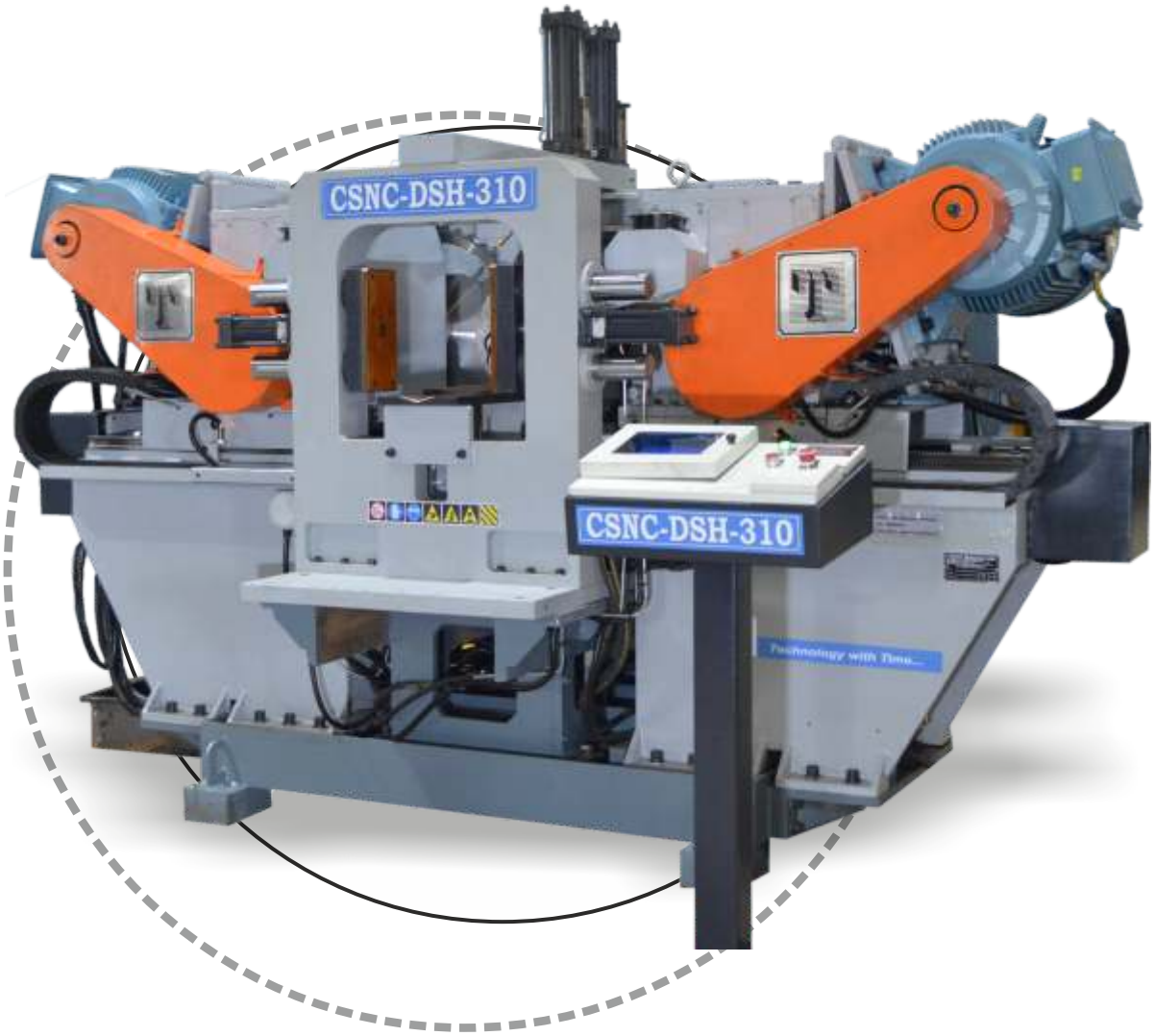
For and on behalf of Board of Directors
ITL INDUSTRIES LIMITED

Rajendra Jain
Managing Director
DIN : 00256515

Mahendra Jain
Joint Managing Director
DIN : 00256047

Ashok Ajmera
Chief Financial Officer

Manoj Maheshwari
Company Secretary
FCS : 7878



If Undelivered, Please Return to:

ITL Industries Ltd.

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E-mail : info@itl.co.in, Website : www.itl.co.in

Balaji Ent.#94251 72227