

## INDEPENDENT AUDITOR'S REPORT

### To The Members of Trishan Metals Private Limited Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Trishan Metals Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2021, and the Statement of Profit and Loss (including Other Comprehensive Loss), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, 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.



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- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive loss, cash flows and changes in equity 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 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.

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

## **Auditor's Responsibility 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 financial 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 system in place and the operating effectiveness of such controls.



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

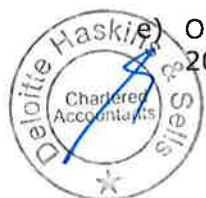
Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - 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 Statement of Profit and Loss including Other Comprehensive Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.



On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified

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as on 31 March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in 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.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's Registration No.302009E)



**Abhijit Bandyopadhyay**  
(Partner)  
(Membership No. 054785)  
UDIN: 21054785AAAADC9081

Kolkata, June 11, 2021

## **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

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

We have audited the internal financial controls over financial reporting of **Trishan Metals Private Limited** ("the Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

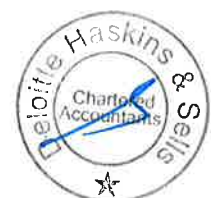
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, including the assessment of the risks of material misstatement 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 Over Financial Reporting

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

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

## Opinion

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

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's Registration No.302009E)



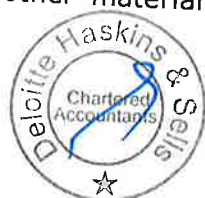
**Abhijit Bandyopadhyay**  
Partner  
(Membership No. 054785)  
UDIN: 21054785AAAADC9081

Kolkata, June 11, 2021

## **ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i)
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
  - (b) The property, plant and equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all property, plant and equipment at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/ transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans are held in the name of the Company based on the confirmations directly received by us from lenders.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals (including the verifications conducted by the Management post year end on account of the lock-down) and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) The Company has not granted any loans, made investments or provide guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and had no unclaimed deposits at the beginning of the year as per the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- (vi) The maintenance of cost records has been prescribed by the Central Government under section 148(1) of the Companies Act, 2013 in respect of specified products of the Company. For such products we have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods & Services Tax, Cess and other material statutory dues applicable to it to the appropriate authorities.



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- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods & Services Tax, Cess and other material statutory dues in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.
- (c) Details of dues of Sales Tax, Value Added Tax, Excise Duty and Service Tax which have not been deposited as on 31 March 2021 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the amount relates	Amount involved (Rs. in Lacs)
Central Excise Act, 1994	Excise Duty	Assistant Commissioner	2008-09 and 2015-16 to 2016-17	7
		Additional Commissioner	2009-10 to 2011-12	24
		Deputy Commissioner	2014-15	4
		CESTAT	2012-13 to 2015-16	146
The Finance Act, 1994	Service Tax	Assistant Commissioner	2015-16 and 2016-17	1

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and government. The Company has not taken loans or borrowings from financial institutions neither issued any debentures.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company is a private company and hence the provisions of section 197 of the Companies Act, 2013 do not apply to the Company.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.





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- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS**  
Chartered Accountants  
(Firm's Registration No.302009E)



**Abhijit Bandyopadhyay**  
(Partner)  
(Membership No. 054785)  
UDIN: 21054785AAAADC9081

Kolkata, June 11, 2021

Trishan Metals Private Limited  
Balance Sheet as at 31 March 2021

	Notes	As at	As at
		31 March 2021	31 March 2020
		Rs. in lacs	Rs. in lacs
<b>Assets</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	3A	2,162	2,237
(b) Capital work-in-progress	3A	-	34
(c) Intangible assets	3B	1	1
(d) Income tax assets	4	9	5
(e) Other non-current assets	6	15	19
<b>Current assets</b>			
(a) Inventories	7	747	622
(b) Financial Assets			
(i) Trade receivables	8	300	642
(ii) Cash and cash equivalents*	9	1	-
(iii) Other bank balances	10	393	74
(iv) Others	5	4	4
(c) Other current assets	6	70	230
<b>Total assets</b>		<b>3,702</b>	<b>3,868</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
(a) Equity share capital	11	2,347	2,347
(b) Other equity		(2,201)	(2,265)
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
Borrowings	12	128	205
(b) Provisions	13	17	16
(c) Deferred tax liabilities (net)	14	-	324
(d) Other non-current liabilities	15	11	18
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	322	909
(ii) Trade payables			
a) Total outstanding dues of micro enterprise and small enterprises		-	-
b) Total outstanding dues of creditors other than micro enterprise and small enterprises.	17	910	1,134
(iii) Other financial liabilities	18	174	174
(b) Other current liabilities	15	1,991	1,000
(c) Provisions	13	3	6
<b>Total equity and liabilities</b>		<b>3,702</b>	<b>3,868</b>

The accompanying notes 1 to 37 are an integral part of the Financial Statements  
\* re-present amount less than Rs. 50,000/-

In terms of our report attached  
for **DELOITTE HASKINS & SELLS**  
Chartered Accountants



**Abhijit Bandyopadhyay**  
Partner

Kolkata

Date: 11th June 2021

For and on behalf of the Board of Directors  
of **Trishan Metals Private Limited**



**Rathindra Nath Mitra**  
Director

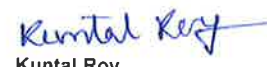


**Partha Sen**  
Director



**Rajat Purkayastha**  
CFO

Kolkata



**Kuntal Roy**  
Company Secretary




**Trishan Metals Private Limited**  
**Statement of Profit and Loss for the year ended 31 March 2021**

	Notes	For the year ended	For the year ended
		31 March 2021	31 March 2020
		Rs. in lacs	Rs. in lacs
I Revenue from operations	19	7,521	7,583
II Other income	20	294	23
<b>III Total Income (I + II)</b>		<b>7,815</b>	<b>7,606</b>
<b>IV Expenses</b>			
(a) Cost of materials consumed	21	6,200	6,323
(b) Changes in inventories of finished goods and work-in-progress*	22	23	(41)
(c) Employee benefits expense	23	303	293
(d) Finance costs	24	116	145
(e) Depreciation and amortisation expense	25	130	150
(f) Other expenses	26	1,308	1,150
<b>Total expenses (IV)</b>		<b>8,080</b>	<b>8,020</b>
<b>V Profit/(Loss) before tax (III - IV)</b>		<b>(265)</b>	<b>(414)</b>
<b>VI Tax expense</b>			
Deferred tax	27	(325)	(79)
Short/(Excess) provision for earlier years*		(0)	-
<b>VII Profit/(Loss) for the year (V - VI)</b>		<b>60</b>	<b>(335)</b>
<b>VIII Other comprehensive loss</b>			
<b>A</b> (i) Items that will not to be reclassified to profit or loss			
- Remeasurements of the defined benefit plan		4	(6)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>B</b> (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total other comprehensive Profit/(loss)</b>		<b>4</b>	<b>(6)</b>
<b>IX Total comprehensive profit/(loss) for the year (VII + VIII)</b>		<b>64</b>	<b>(341)</b>
<b>X Earnings per equity share (Face Value Rs. 10 each)</b>			
(a) Basic (in Rs.)	28	0.26	(1.43)
(b) Diluted (in Rs.)	28	0.26	(1.43)

The accompanying notes 1 to 37 are an integral part of the Financial Statements  
\* re-present amount less than Rs. 50,000/-

In terms of our report attached  
for **DELOITTE HASKINS & SELLS**  
Chartered Accountants

  
**Abhijit Bandyopadhyay**  
Partner

Kolkata

Date: 11th June 2021

For and on behalf of the Board of Directors  
of **Trishan Metals Private Limited**

  
**Rathindra Nath Mitra**  
Director

  
**Partha Sen**  
Director

  
**Rajat Purkayastha**  
CFO

Kolkata

  
**Kuntal Roy**  
Company Secretary



**Trishan Metals Private limited**  
**Statement of Changes in Equity for the year ended 31 March 2021**

**A Equity Share Capital**

For the year ended 31 March 2020  
 For the year ended 31 March 2021

As at the beginning of the reporting year	Changes in equity share capital during the year	As at the end of the reporting year
Rs. in lacs	Rs. in lacs	Rs. in lacs
2,347	-	2,347
2,347	-	2,347

**B Other Equity**

	Reserves and Surplus Retained earnings	Total (Rs in Lacs)
Balance As at 1 April 2019	(1,924)	(1,924)
Loss for the year	(335)	(335)
Other comprehensive profit/(loss)	(6)	(6)
<b>Total comprehensive loss for the year ended March 2020</b>	<b>(341)</b>	<b>(341)</b>
<b>Balance as at 31 March 2020</b>	<b>(2,265)</b>	<b>(2,265)</b>
Profit/(Loss) for the year	60	60
Other comprehensive profit/(loss)	4	4
<b>Total comprehensive loss for the year</b>	<b>64</b>	<b>64</b>
<b>Balance at 31 Mar 2021</b>	<b>(2,201)</b>	<b>(2,201)</b>

**Retained Earnings**

This reserves represents the cumulative loss of the Company and effects of remeasurement of defined benefit plans. This can be utilised in accordance with the provisions of the Companies Act, 2013.

The accompanying notes 1 to 37 are an integral part of the Financial Statements

In terms of our report attached  
 for **DELOITTE HASKINS & SELLS**  
 Chartered Accountants

For and on behalf of the Board of Directors  
 of **Trishan Metals Private Limited**



**Abhijit Bandyopadhyay**  
 Partner

Kolkata

Date: 11th June 2021



**Rathindra Nath Mitra**  
 Director

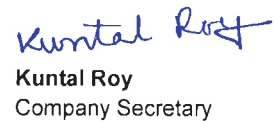


**Partha Sen**  
 Director



**Rajat Purkayastha**  
 CFO

Kolkata



**Kuntal Roy**  
 Company Secretary



Trishan Metals Private limited  
Cash Flow Statement for the period ended 31 March 2021


	For the period year ended 31 March 2021 Rs. in lacs	For the year ended 31 March 2020 Rs. in lacs
<b>A. Cash flows from operating activities</b>		
Loss before tax	(265)	(414)
Adjustments for:		
Depreciation and amortisation expense	130	150
Write-off of property, plant and equipment	9	-
Write-off of debts/ advances	12	1
Allowances for doubtful debts and advances	(3)	-
Income in respect to deferred revenue from government grant	(7)	(8)
Inventory Write off	(14)	14
Write back of liabilities no longer required	(262)	-
Interest income on financial assets	(7)	(9)
Finance costs	116	145
<b>Operating loss before working capital changes</b>	<b>(291)</b>	<b>(121)</b>
Adjustments for:		
Trade payables	38	(1,819)
Provisions	(2)	11
Other financial liabilities	0	-
Other liabilities	991	727
Trade receivables	342	1,731
Other financial assets	-	(1)
Other assets	156	(15)
Loans and advances	-	(1)
Inventories	(125)	133
<b>Cash generated from operations</b>	<b>1,110</b>	<b>645</b>
Income tax paid (net of refunds)	(4)	(3)
<b>Net cash from operating activities</b>	<b>1,106</b>	<b>642</b>
<b>B. Cash flows from investing activities</b>		
Purchase of fixed asset (net)	(38)	(106)
Sale of property, plant and equipment	17	-
Increase in other bank balances	(319)	(13)
Interest income on financial assets	7	8
<b>Net cash used in investing activities</b>	<b>(333)</b>	<b>(111)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from Issue of shares	-	-
Proceeds from borrowings	-	-
Repayment of borrowing	(90)	(238)
Finance costs	(116)	(145)
<b>Net cash (used in) financing activities</b>	<b>(206)</b>	<b>(383)</b>
<b>Net change in cash and cash equivalents (A+B+C)</b>	<b>566</b>	<b>148</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>(616)</b>	<b>(764)</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>(50)</b>	<b>(616)</b>

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS-7 "Statements of Cash Flow"  
Reconciliation of Cash and Cash Equivalents

	As at 31 March 2021	As at 31 March 2020
Cash and Cash Equivalents (refer to Note 9)	1	-
Less: Cash Credit Facilities (refer to Note 16)	(51)	(616)
	<b>(50)</b>	<b>(616)</b>

The accompanying notes 1 to 37 are an integral part of the Financial Statements

In terms of our report attached  
for DELOITTE HASKINS & SELLS  
Chartered Accountants

  
Abhijit Bandyopadhyay  
Partner

Kolkata

Date: 11th June 2021

For and on behalf of the Board of Directors  
of Trishan Metals Private Limited

  
Rathindra Nath Mitra  
Director

  
Rajal Purkayastha  
CFO

Kolkata

  
Partha Sen  
Director

  
Kuntal Roy  
Company Secretary



## Trishan Metals Private Limited

### Notes to the standalone financial statements for the year ended 31 March 2021

#### 1A. BACKGROUND

Trishan Metals Private Limited ("the Company") is a Private Limited Company having its registered office in Hooghly. The Company is engaged in the business of manufacturing of cold rolled steel strips.

#### 1B. SIGNIFICANT ACCOUNTING POLICIES:

##### a. Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind ASs) notified the Companies (Indian Accounting Standards) Rules, 2015. These financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

Except for the changes below, the company has consistently applied accounting policies to all periods.

i) The Company has adopted the amendments to Ind AS 116 for the first time in the current year. The amendments provide practical relief to lessees in accounting for rent concessions occurring as a direct consequence of Covid-19, by introducing a practical expedient to Ind AS 116. The practical expedient permits a lessee to elect not to assess whether a Covid-19 related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change applying Ind AS 116 if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of Covid-19 and only if all of the following conditions are met:

- a. The change in lease payments results in revised consideration for the lease that is substantially same as, or less than, the consideration for the lease immediately preceding the change;
- b. Any reduction in lease payments affects only payments originally due on or before 30 June 2021 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2021 and increased lease payments that extend beyond 30 June 2021); and
- c. There is no substantive change to other terms and conditions of the lease.

ii) The Company has adopted the amendments to Ind AS 1 and Ind AS 8 for the first time in the current year. The amendments make the definition of material in Ind AS 1 easier to understand and are not intended to alter the underlying concept of materiality in Ind ASs. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition. The threshold for materiality influencing users has been changed from 'could influence' to 'could reasonably be expected to influence'. The definition of material in Ind AS 8 has been replaced by a reference to the definition of material in Ind AS 1. In addition, the MCA amended other standards that contain the definition of 'material' or refer to the term 'material' to ensure consistency.

The adoption of the amendments has not had any material impact on the disclosures or on amounts reported in these financial statements.



## Trishan Metals Private Limited

### Notes to the standalone financial statements for the year ended 31 March 2021

#### b. Basis of preparation

The standalone financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values at the end of each reporting period, as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions (such estimates and judgements are renewed every year) that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

All assets and liabilities have been classified as current or non-current as per Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act 2013 and Ind AS 1 - Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.



## Trishan Metals Private Limited

### Notes to the standalone financial statements for the year ended 31 March 2021

#### c. Going Concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### d. Revenue recognition

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations are satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the terms of relevant contractual agreements/ arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Revenue from services rendered over a period of time, such as annual maintenance contracts, are recognised on straight line basis over the period or as per the terms of the contract.

Dividend income from investments is recognised when the shareholder's right to receive dividend has been established provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

Interest income is recognised using the effective interest method.

Rental income from operating leases is accounted for on a straight-line basis over the lease term.

#### e. Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring significant additional benefits.

Depreciation on property, plant and equipment has been provided on the straight-line method less residual values as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the tools and moulds, in whose case the life of the assets has been assessed as 5 years based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of





## Trishan Metals Private Limited

### Notes to the standalone financial statements for the year ended 31 March 2021

replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc. Depreciation commences when the assets are ready for their intended use.

Land is not depreciated.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives of property, plant and equipment of the Company are as follows:

Buildings	30 years
Buildings (Roads and Fences)	5 years
Plant and equipment	15 years
Plant and equipment (Tools and Moulds)	5 years
Furniture and fixtures	10 years
Office equipment	5 years
Vehicles	8 years
Computers	3 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the standalone statement of profit and Loss.

#### f. Investment property

Investment property are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 – Property, Plant and Equipment requirement for cost model, other than those that meet the criteria to be classified as held for sale (or are included in a disposal group that is classified as held for sale) in accordance with Ind AS 105 – Non-current Assets Held for Sale and Discontinued Operations.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in standalone statement of profit and loss in the period in which the property is derecognised.

#### g. Intangible assets

Intangible assets that the Company acquires separately and from which it expects future economic benefits are capitalised upon acquisition and measured initially at cost comprising the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated assets for which the cost is clearly identifiable are capitalised at cost. All directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets.



## Trishan Metals Private Limited

### Notes to the standalone financial statements for the year ended 31 March 2021

Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. All directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets.

Internally generated brands, websites and customer lists are not recognised as intangible assets.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law (e.g., patents, licences, trademarks, franchise and servicing rights) or the likelihood of technical, technological obsolescence (e.g., computer software, design, prototypes) or commercial obsolescence (e.g., lesser known brands are those to which adequate marketing support may not be provided).

Intangible assets that have finite lives are amortised over their estimated useful lives by the straight-line method unless it is practical to reliably determine the pattern of benefits arising from the asset. An intangible asset with an indefinite useful life is not amortised.

The estimated useful lives of intangible assets of the Company are as follows:

Computer software	5 years
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An intangible asset is derecognised on disposal or when no future economic benefits are expected from use or disposal. Gains or losses from derecognitions are measured as the difference between the net disposal proceeds and the carrying amount of the assets, and are recognised in profit or loss when the asset is derecognised.

#### h. Impairment of tangible and intangible assets

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

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

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

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in the standalone statement of profit and loss.



## Trishan Metals Private Limited

### Notes to the standalone financial statements for the year ended 31 March 2021

When an impairment loss subsequently reverses, the carrying amount of the asset (or a CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised immediately in standalone statement of profit and loss.

#### i. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the standalone statement of profit and loss in the period in which they are incurred.

#### j. Foreign currency transactions

The functional and presentation currency of the Company is Indian Rupee.

Foreign currency transactions are recorded at the exchange rate prevailing on the date of the respective transactions. Gains / losses arising on foreign currency transactions settled during the year are recognised in the standalone statement of profit and loss.

Exchange differences arising on translation of monetary items are recognised in the standalone statement of profit and loss except for exchange differences on foreign currency borrowings relating to assets under constructions for future productive use, which are included in the cost of the assets when they are regarded as an adjustment to interest costs on these foreign currency borrowings.

Exchange differences arising on monetary items that, in substance, form part of the Company's net investment in a foreign operation (having a functional currency other than Indian Rupee) are accumulated in foreign currency translation reserve.

Non-monetary items denominated in foreign currency are carried at cost.

#### k. Inventories

Inventories are valued at the lower of cost and net realisable value. Costs of inventories are determined using weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories



## Trishan Metals Private Limited

### Notes to the standalone financial statements for the year ended 31 March 2021

#### I. Employee benefits

##### Retirement benefit costs

Contribution payable for provident fund and superannuation fund, which are defined contribution schemes are recognised as an employee benefit expense in the standalone statement of profit and loss.

For retirement benefit - defined benefit plan i.e. gratuity, other long-term employee benefits i.e., leave encashment and sick leave, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Re-measurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit in other comprehensive income for gratuity and standalone statement of profit and loss for leave encashment and sick leave in the period in which they occur.

Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit and loss. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit and loss in the line item 'Employee benefits expense'.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

##### Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

#### m. Taxation

Tax expenses comprises current and deferred tax.

##### Current tax

Current tax is measured at the amount expected to be paid to tax authorities in accordance with the Income Tax Act, 1961. The Company's current tax is calculated using tax rates and tax laws that have been enacted during the period, together with any adjustment to tax payable in respect of previous years. Current tax assets and tax liabilities are offset where the entity



## Trishan Metals Private Limited

### Notes to the standalone financial statements for the year ended 31 March 2021

has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously

#### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority.

#### **n. Government grants**

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant. Accordingly, government grants:

- a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.
- b) related to incurring specific expenditures are taken to the standalone statement of profit and loss on the same basis and in the same periods as the expenditures incurred.
- c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

#### **o. Provisions and contingent liabilities**

The Company recognises a provision when there is a present obligation as a result of an obligating event that probably requires outflow of resources and a reliable estimate can be made of the amount of the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. When a provision is measured using the cash flows



## Trishan Metals Private Limited

### Notes to the standalone financial statements for the year ended 31 March 2021

estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A disclosure of a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure of contingent liability is made.

#### p. 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 assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through standalone statement of profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in profit and loss.

Financial assets and liabilities are offset and the net amount is included in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

#### q. Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

##### Recognition

Financial assets include investments, trade receivables, derivative instruments, cash and cash equivalents, other bank balances, loans and other financial assets. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the standalone statement of profit and loss.

##### Classification

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:



## Trishan Metals Private Limited

### Notes to the standalone financial statements for the year ended 31 March 2021

(a) Amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.

(b) Fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

(c) Fair value through statement of profit and loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on their fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the standalone statement of profit and loss in the period in which they arise.

Trade receivables, cash and cash equivalents, other bank balances, loans and other financial assets are classified for measurement at amortised cost. Derivative instruments are measured at fair value through statement of profit and loss while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit and loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The effective interest method is a method of calculating the amortised cost of an instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

#### Impairment

At each reporting date a financial asset such as investment, trade receivable, loans and other financial assets held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit loss is assessed and loss allowance is recognised if the credit quality of that financial asset has deteriorated significantly since initial recognition.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount of the financial asset in the balance sheet.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the trade receivable does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities



## Trishan Metals Private Limited

### Notes to the standalone financial statements for the year ended 31 March 2021

under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in standalone statement of profit and loss.

#### Reclassification

When and only when the business model is changed the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through standalone statement of profit and loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial instruments.

#### De-recognition

Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Consequently, if the asset is one that is measured at

(a) Amortised cost, the gain or loss is recognised in the standalone statement of profit and loss.

(b) Fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the standalone statement of profit and loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

### **r. Financial liabilities and equity instruments**

#### Classification:

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company are recognised at the proceeds received.

#### Financial liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the standalone statement of profit and loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the balance sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

### **s. Earnings per share**

Basic earnings per share are calculated by dividing the profit and loss for the year attributable to shareholders by the weighted average number of shares outstanding during the year. For the purpose of calculating diluted earnings per share, the profit and loss for the year





## Trishan Metals Private Limited

### Notes to the standalone financial statements for the year ended 31 March 2021

attributable to shareholders and weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential shares

#### t. Leases

The company adopted Ind AS 116 'Leases' with the date of initial application being 1 April, 2019. Ind AS 116 replaces Ind AS 17 - Leases and related interpretation guidance. The standard sets out principles for recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and lessor. Ind AS 116 introduces a single lease accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The stated Ind AS 116 has not impacted the company as there are no contract arrangement which conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

## 2. USE OF ESTIMATES AND JUDGEMENTS:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about the significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are related to:

- (i) Useful life of property, plant and equipment and intangible assets
- (ii) Provision for employee benefits
- (iii) Fair value of financial assets / liabilities
- (iv) Provisions and contingent liabilities
- (v) Estimation uncertainty relating to COVID – 19 outbreak

#### Useful life of property, plant and equipment and intangible assets

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. The Company is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement.

#### Provision for employee benefits

The determination of Company's liability towards defined benefit obligation and other long-term employee benefits to employees is made through independent actuarial valuation including determination of amounts to be recognised in the standalone statement of profit and loss and in other comprehensive income. Such valuation depends upon assumptions



## Trishan Metals Private Limited

### Notes to the standalone financial statements for the year ended 31 March 2021

determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to accounts.

#### Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation, if required.

#### Provisions and contingent liabilities

The Company has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty.

#### Estimation uncertainty relating to COVID – 19 outbreak

The Management has considered the possible effects, if any that may result from the pandemic relating to COVID-19 on the carrying amounts of assets. In developing the assumptions and estimates relating to the uncertainties as at the Balance Sheet date in relation to the recoverable amounts of these assets, the management has considered the global economic conditions prevailing as at the date of approval of these financial statements, and has used internal and external sources of information to the extent determined by it. The actual outcome of these assumptions and estimates may vary in future due to the impact of the pandemic.

#### Recent Accounting Pronouncement

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 relates to companies whose financials statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

- (i) 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.
- (ii) Specified format for disclosure of shareholding of promoters.
- (iii) Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- (iv) If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosures of details of where it has been used.

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



Trishan Metals Private limited  
Notes to the financial statements for the year ended 31 March 2021

3A. Property, Plant and Equipment	Gross Block					Depreciation and amortisation			Net Book Value	
	As at 01 April 2020	Additions	Adjustments /disposals	Amount of change due to revaluation	As at 31 March 2021	As at 01 April 2020	For the year	Adjustments /disposals	As at 31 March 2021	As at 31 March 2020
	(a) Land	899	-	-	-	899	-	-	-	-
(b) Buildings	684	-	-	-	684	115	30	-	145	539
(c) Plant and equipment	1,150	76	181	-	1,045	395	98	155	337	708
(d) Furniture and fixtures*	16	1	-	-	17	6	1	0	7	10
(e) Vehicles	3	-	-	-	3	3	-	-	3	-
(f) Office equipment*	4	-	-	-	4	2	0	-	2	2
(g) Computers	9	3	-	-	12	7	1	-	8	4
Total	2,765	80	181	-	2,664	528	130	155	502	2,237
Capital work-in-progress	34	-	34	-	-	-	-	-	-	34

3B. Intangible Assets

(a) Computer software*	8	-	-	-	8	7	(0)	-	7	1
Total	8	-	-	-	8	7	(0)	-	7	1

\* re-present amount less than Rs. 50,000/-

Notes to the financial statements for the year ended 31 March 2020

3A. Property, Plant and Equipment	Gross Block					Depreciation and amortisation			Net Book Value	
	As at 01 April 2019	Additions	Adjustments /disposals	Amount of change due to revaluation	As at 31 March 2020	As at 01 April 2019	For the year	Adjustments /disposals	As at 31 March 2020	As at 31 March 2019
	(a) Land	899	-	-	-	899	-	-	-	-
(b) Buildings	684	-	-	-	684	85	30	-	115	569
(c) Plant and equipment	1,068	82	-	-	1,150	283	112	-	395	755
(d) Furniture and fixtures	16	-	-	-	16	4	2	-	6	10
(e) Vehicles	3	-	-	-	3	2	1	-	3	-
(f) Office equipment	4	-	-	-	4	2	-	-	2	2
(g) Computers	8	1	-	-	9	5	2	-	7	3
Total	2,682	83	-	-	2,765	381	147	-	528	2,301
Capital work-in-progress	30	83	79	-	34	-	-	-	-	34

3B. Intangible Assets

(a) Computer software	8	-	-	-	8	5	2	-	7	1
Total	8	-	-	-	8	5	2	-	7	1



Trishan Metals Private limited  
 Notes to the financial statements for the year ended 31 March 2021

4. Income tax assets

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs. in lacs	Rs. in lacs
Tax deducted at sources	9	5
<b>Total</b>	<b>9</b>	<b>5</b>

5. Other Financial assets- Current

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs. in lacs	Rs. in lacs
<b>Others</b> Interest accrued on fixed deposits	4	4
<b>Total</b>	<b>4</b>	<b>4</b>



**Trishan Metals Private limited**

**Notes to the financial statements for the year ended 31 March 2021**

**6 Other assets**

Particulars	As at 31 March 2021		As at 31st march 2020	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
	Current	Non Current	Current	Non Current
<b>Capital advance</b>	-	8	-	8
<b>Advances other than capital advance</b>				
- advances with statutory authorities	30	-	56	-
- advance to related party(*)			54	-
- Other deposits	1	6	-	8
<b>Other advances</b>				
- advance for goods and services	30	-	104	-
- prepaid expenses	9	1	16	3
<b>Total</b>	<b>70</b>	<b>15</b>	<b>230</b>	<b>19</b>

(\*)

Includes advances to private limited companies in which any director is a director or a member

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**Trishan Metals Private limited**  
**Notes to the financial statements for the year ended 31 March 2021**

**7 Inventories (valued at lower of cost and net realisable value)**

Particulars	As at 31 March 2021		As at 31 March 2020	
	Rs. in lacs		Rs. in lacs	
Raw materials	258		103	
Work-in-progress	259		211	
Finished goods	149		220	
Stores, spare parts and consumables	81		88	
<b>Total</b>	<b>747</b>		<b>622</b>	

The cost of inventory recognised as expenses during the year was Rs **7644 lacs** (for the year ended 31 March 2020: Rs 7

The cost of inventories recognised as an expense includes Nil lacs (31 March 2020: Rs. 14 lacs) in respect of write-downs to its net realisable value. Further a sum of **Rs. 14 lacs** (31 March 2020: NIL lacs) is in respect of reversal of such write-do  
The write downs have been reduced primarily as a result of subsequent disposals.

Carrying amount of inventories pledged as security for borrowings Rs. 747 lacs (31 March 2020: Rs. 622 lacs)



Trishan Metals Private limited

Notes to the financial statements for the year ended 31 March 2021

8 Trade receivables

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs. in lacs	Rs. in lacs
<b>Unsecured considered good</b>		
-receivable from Related party*	30	9
-receivable from Others	270	633
<b>Total</b>	<b>300</b>	<b>642</b>
<b>Unsecured considered doubtful</b>		
-Receivable credit Impaired		3
Less: Allowance for Trade Receivable		3
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>300</b>	<b>642</b>

(\*) Includes Trade receivable from private limited companies in which any director is a director or a member

30

9

(\*) Receivable from holding company for current and previous year is Nil.

The average credit period on sale of goods is 0 to 60 days and trade receivables are non-interest bearing.



**Trishan Metals Private limited**  
**Notes to the financial statements for the year ended 31 March 2021**

**9 Cash and cash equivalents**

Particulars	As at 31 March 2021		As at 31 March 2020	
	Rs. in lacs		Rs. in lacs	
Balances with banks:				
Current account*	-		-	
Cash on hand*	1		-	
<b>Total</b>	<b>1</b>		<b>-</b>	

**10 Other bank balances**

Particulars	As at 31 March 2021		As at 31 March 2020	
	Rs. in lacs		Rs. in lacs	
Margin money deposits	393		74	
<b>Total</b>	<b>393</b>		<b>74</b>	

\* re-present amount less than Rs. 50,000/-





Trishan Metals Private limited  
Notes to the financial statements for the year ended 31 March 2021

11 Equity share capital

Authorised Share Capital:  
Equity shares of Rs. 10 each  
Total

As at 31 March 2021		As at 31 March 2020	
No of shares	Rs. in lacs	No of shares	Rs. in lacs
24,000,000	2,400	24,000,000	2,400
24,000,000	2,400	24,000,000	2,400

Issued, subscribed and fully paid up:  
Equity shares of Rs. 10 each,  
Total

As at 31 March 2021		As at 31 March 2020	
No of shares	Rs. in lacs	No of shares	Rs. in lacs
23,474,020	2,347	23,474,020	2,347
23,474,020	2,347	23,474,020	2,347

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

There has been no change in equity share capital during the year.

**Rights, preferences and restrictions attached to equity shares**

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company.

Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the residual

**Details of shares held by the holding company**

IFB Industries Limited

No of shares	No of shares
31 Mar. 2021	31 March 2020
12,000,000	12,000,000

**Details of shareholders holding more than 5% equity shares in the Company**

Particulars	As at 31 March 2021		As at 31 March 2020	
	%	No of shares	%	No of shares
1. IFB Industries Limited	100.00%	23,474,020	51.12%	12,000,000
2. Trishan Exports Private Limited			29.15%	6,842,778
3. Harbans Singh Bagga			9.79%	2,297,909
4. Navkaran Singh Bagga			5.21%	1,222,222

IFB Industries Limited has entered into an agreement on 31st October'2020 with the other shareholders of Trishan Metals Private Limited to acquire balance 48.88% (1,14,74,020 nos.) equity shares, thereby making Trishan Metals Private Limited as its wholly owned subsidiary.



## 12 Non-current borrowings

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs. in lacs	Rs. in lacs
Term loan - secured (*) -from bank	128	205
<b>Total</b>	<b>128</b>	<b>205</b>

(\*) Repayable in 16 instalments by way of graded quarterly instalments commencing from 30 June 2018 or after 15 months from the date of disbursement i.e. 16 June 2017, of the loan, whichever is earlier or any part thereof till the loan amount together with interest, cost, expense, levies and other charges are paid in full. First Repayment has started from Sep 18.

Equal quarterly instalments of Rs 40.25 lacs for the first 15 quarters and thereafter final instalments of Rs 36 lacs in the last quarter till the entire loan is discharged by the elapse of 60 months from the date of execution of this agreement.

The said loan has been restructured in Sep'20 and thereafter equal quarterly instalments of Rs. 42.58 lacs is payable for 10 quarters, the entire loan will discharge in December'22.

Interest rate is one year MCLR + 0.48%.

The scheduled maturity of the above borrowings is as under:

	As at 31 March 2021	As at 31 March 2020
	Rs. in lacs	Rs. in lacs
Repayable in first year	170	161
<b>Current maturities of long term debt (refer note 18)</b>	<b>170</b>	<b>161</b>
In the second year	128	161
In the third to fifth year	-	44
<b>Non-current borrowings</b>	<b>128</b>	<b>205</b>

For sanction of term loan amounting to Rs 650 lacs loan by Federal Bank Ltd, following securities have been created:

**Primary Security:**

Term Loan: First charge on the plant and machineries in the name of the company.

**Collateral Security:**

Equitable Mortgage of factory land and building along with the property, fixed assets (present & future) in the name of the company.



Trishan Metals Private limited  
 Notes to the financial statements for the year ended 31 March 2021

13 Provisions

Particulars	As at 31 March 2021		As at 31 March 2020	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
	Current	Non Current	Current	Non Current
Provision for employee benefits				
Gratuity	-	17	-	16
Leave encashment	3	-	6	-
<b>Total</b>	<b>3</b>	<b>17</b>	<b>6</b>	<b>16</b>



**Trishan Metals Private limited**

**Notes to the financial statements for the year ended 31 March 2021**

**14 Deferred tax liabilities (net)**

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs. in lacs	Rs. in lacs
Deferred tax liabilities	326	326
Less: Deferred tax assets	326	2
<b>Total Deferred tax liabilities (net)</b>	-	324

**Breakup of deferred tax liabilities / asset balances is as under:**

**Deferred tax liabilities**

On property, plant and equipment and intangible assets

	326	327
	<b>326</b>	<b>406</b>

**Deferred tax assets**

On allowance for doubtful debts and advances

- 1

On employee benefits

- 1

On Carry forward Losses

**326 -**

**326 2**

**Deferred tax liabilities/ (Unrecognised**

**Deferred tax assets)\***

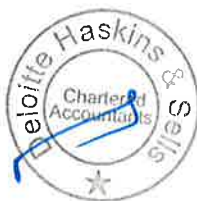
- 325

At the reporting date, the company has unused tax losses of Rs. 2,634 lacs (March 31, 2020: Rs. 2,385 lacs) available for offset against future profits. A deferred tax asset has been recognised in respect of Rs. 1,254 lacs of such losses. Deferred tax asset has been recognised to the extent of deferred tax liability. Included in unrecognised tax losses are losses of Rs.1,299 lacs (March 31, 2020: of Rs. 1,160 lacs) that will expire in as per the schedule given below, Other losses may be carried forward indefinitely.

Expiration Schedule of Tax Losses:

Year ending on	Amount (Rs. in Lacs)
31st March 2025	474
31st March 2026	249
31st March 2027	163
31st March 2028	274
31st March 2029*	139
<b>Total</b>	<b>1,299</b>

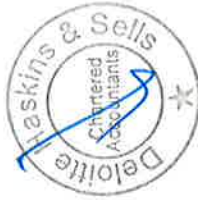
\*Based on estimated computation of F.Y. 20-21, for which income tax return will be filled within due date.



**Trishan Metals Private limited**  
**Notes to the financial statements for the year ended 31 March 2021**

**15 Other liabilities**

Particulars	As at 31 March 2021		As at 31 March 2020	
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
	Current	Non Current	Current	Non Current
Advance from customers	1,975	-	987	-
Others	9	-	6	-
- Statutory liabilities	7	11	7	18
- Deferred revenue arising from government grant				
<b>Total</b>	<b>1,991</b>	<b>11</b>	<b>1,000</b>	<b>18</b>



**Trishan Metals Private limited****Notes to the financial statements for the year ended 31 March 2021****16 Current borrowings**

Particulars	As at 31 March 2021	As at 31 March 2020
	Rs. in lacs	Rs. in lacs
<b>Loans from banks - secured</b>		
-Cash credit facility from a bank *	51	616
<b>Loans from other parties - secured</b>		
-Trishan Exports Private Limited **	271	
<b>Loan from related parties - unsecured</b>		
-Harbans Singh Bagga	-	11
-Navkaran Singh Bagga	-	4
-Trishan Exports Private Limited	-	278
<b>Total</b>	<b>322</b>	<b>909</b>

**\*Hypothecation details of current borrowings existing as at 31 Mar. 2021**

Working capital facilities has been sanctioned by The Federal Bank Limited to the extent **Rs. 2,000 lacs**. Out of this Rs. 1500 lacs can be used inter-changeably between fund based and non- fund based. Another Rs. 500 Lacs is exclusively for non-fund based. Interest rate for fund based limits are one year MCLR+0.48%. Following securities has been created:

**Primary Security:**

Cash credit / Working Capital Demand Loan. Hypothecation of the all the current assets (Present & Future).

LC (Import/Inland) - 10% cash margin. Extention of charge on current assets.

**Collateral Security:**

Equitable Mortgage of factory land and building along with the property, fixed assets (present &

\*\* Loan from Trishan Metals Private Limited is secured by issuance of bank gaurantee which is payable on 30th June 2021.



**Trishan Metals Private limited**  
**Notes to the financial statements for the year ended 31 March 2021**

**17 Trade Payables**

Particulars	As at 31 March 2021		As at 31 March 2020	
	Rs. in lacs		Rs. in lacs	
Payable for goods	805		949	
Payable for expenses	105		185	
<b>Total</b>	<b>910</b>		<b>1,134</b>	

**18 Other financial liabilities**

Particulars	As at 31 March 2021		As at 31 March 2020	
	Rs. in lacs		Rs. in lacs	
	Current		Current	
Current maturities of long-term debts (Refer note 12)	170		161	
Others				
- Payable for purchase of property, plant and equipment and intangibles	4		13	
<b>Total</b>	<b>174</b>		<b>174</b>	



Trishan Metals Private Limited  
Notes to Financial Statement for the year ended 31 March 2021

	For the year ended 31 March 2021 Rs. in lacs	For the year ended 31 March 2020 Rs. in lacs
<b>19 Revenue from operations</b>		
Gross revenue from sale of products	7,035	7,128
Less: Trade Scheme and discounts	78	53
<b>Sale of products (net of trade schemes and discounts)</b>	<b>6,957</b>	<b>7,075</b>
Other operating revenues:		
- Scrap sales	395	372
- Others	169	136
	<b>7,521</b>	<b>7,583</b>
<b>20 Other income</b>		
<b>Interest Income</b>		
- Interest on financial assets measured at amortised cost	7	9
<b>Other non-operating income</b>		
(i) Write back of liabilities no longer required	262	-
(ii) Write back of provision on debts/advances no longer required	3	-
(iii) Income in respect to deferred revenue from government grant	7	8
(iv) Foreign Exchange Gain	-	(1)
(v) Miscellaneous income	15	7
	<b>294</b>	<b>23</b>
<b>21 Cost of materials consumed</b>		
<b>Raw material consumed</b>		
Raw material inventory at the beginning of the year	103	291
Add: Purchases during the year	6,355	6,135
	<b>6,458</b>	<b>6,426</b>
Raw material inventory at the end of the year	258	103
<b>Cost of raw material consumed</b>	<b>6,200</b>	<b>6,323</b>
<b>22 Changes in inventories of finished goods and work- in -progress</b>		
<b>Inventories as at the end of the year</b>		
Work-in-progress	259	211
Finished goods (Cold Rolled Strips)	149	220
	<b>(A) 408</b>	<b>431</b>
<b>Inventories as at the beginning of the year</b>		
Work-in-progress	211	160
Finished goods (Cold Rolled Strips)	220	230
	<b>(B) 431</b>	<b>390</b>
	<b>(B - A) 23</b>	<b>(41)</b>
<b>23 Employee benefits expense</b>		
Salaries and wages	269	260
Contribution to provident and other funds	24	25
Staff welfare expenses	10	8
	<b>303</b>	<b>293</b>
<b>24 Finance costs</b>		
Interest on financial liabilities measured at amortised cost	116	145
	<b>116</b>	<b>145</b>
<b>25 Depreciation and amortisation expense</b>		
Depreciation of property, plant and equipment	130	148
Amortisation of intangible assets	-	2
	<b>130</b>	<b>150</b>





**26 Other expenses**

Consumption of stores and spare parts	153	169
Insurance	8	8
Freight, octroi and carriage	235	170
Power and fuels	450	473
Ancillary cost	100	93
Rates and taxes	5	4
Office expenses	39	30
Travelling	15	19
Repairs :		
Buildings	11	19
Plant and machinery	139	88
Others	3	1
Professional and Consultancy charges	55	15
Write-off of property, plant and equipment	9	-
Write-off of debts and advances	12	1
Bank charges	21	5
Miscellaneous expenses	53	55
	<b>1,308</b>	<b>1,150</b>

**Payment to statutory auditors included under office expenses (excluding taxes )**

As auditors:		
Audit fees	4	4
Tax audit fees	1	1
For other services*	0	-
	<b>5</b>	<b>5</b>

\* Amount indicates less than Rs. 1 Lakh

For the year ended  
31 March 2021  
Rs. in lacs

**27 Tax expenses**

**A Amount recognised in statement of profit and loss**

**Deferred tax**

Deferred tax for the year

**Total tax expense**

(325)	(79)
<b>(325)</b>	<b>(79)</b>

**B Reconciliation of effective tax rate**

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

**Loss before tax**

Income tax expense calculated @ 26%

Effect of carry forward of previous years losses

Effect of depreciation on revaluation of asset

Effect of non allowable expenses

**Income tax recognised in Statement of profit and loss**

(265)	(414)
-	-
(326)	-
	(79)
1	-
<b>(325)</b>	<b>(79)</b>

Tax rate used for current tax

Tax rate used for deferred tax

26.00%	26.00%
26.00%	26.00%

**28 Earnings per share**

	For the year ended 31 March 2021 Rs. in lacs	For the year ended 31 March 2020 Rs. in lacs
(a) Profit / (Loss) after taxes available to equity shareholders	60	(335)
(b) Weighted average number of equity shares outstanding	23,474,020	23,474,020
(c) Basic and Diluted earnings per equity share of face value Rs 10 each (in Rs.) [(a)/(b)]	0.26	(1.43)



**29 Defined Benefit Plan - Gratuity**

The Company operates a defined benefit plan for Gratuity for its employees. It is managed through Insurance companies.

The liability arising in the defined benefit plan is determined by an independent professionally qualified actuary using the projected unit credit method. Risk mitigation systems are in place to ensure that the health of the portfolio is regularly reviewed and the investments do not pose any significant risk of impairment. Periodic audits are conducted to ensure the adequacy of internal controls.

**Risk Management**

The risks commonly affecting the Gratuity liability and the financial results are expected to be:

1. Interest rate risk - The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yield falls, the defined benefit obligations will tend to increase.
2. Salary Inflation risk - Higher the expected increase in salary will increase the defined benefit obligation.
3. Demographic risk - This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

I Changes in Defined Benefit Obligations	Gratuity (Funded)	
	31 March 2021	31 March 2020
1. Defined Benefit Obligations at the beginning of the year	38	26
2. Current service cost	9	7
3. Interest costs	3	2
4. Past service cost - plan amendments	-	-
5. Acquisition cost / (credit)	-	-
6. Effect of experience adjustment	(4)	(0)
7. Effect of assumption change	(1)	5
8. Benefits paid	(1)	(1)
9. Defined Benefit Obligations at the end of the year	45	38

II Changes in Fair Value of Assets	Gratuity (Funded)	
	31 March 2021	31 March 2020
1. Fair Value of Assets at the beginning of the year	22	22
2. Interest income on plan assets	2	2
3. Employer contribution	5	-
4. Return on plan assets (less than discount rate)	-	(1)
5. Benefits paid	(1)	(1)
6. Fair Value of Assets at the end of the year	28	22
7. Actual Returns	2	1

III Net assets / (liabilities) recognised in Balance Sheet	Gratuity (Funded)	
	31 March 2021	31 March 2020
1. Defined benefit obligations	44.81	38.28
2. Fair value of plan assets	28.06	22.25
3. Funded Status ((Surplus) / Deficit)	16.75	16.03
4. Net (asset) / liability recognised in Balance Sheet		
-- Current	-	-
-- Non-current	16.75	16.03



IV Components of employer expenses	Gratuity (Funded)	
	31 March 2021	31 March 2020
<b>-Recognised in profit and loss</b>		
1. Current service cost	9	7
2. Past service cost - plan amendments	-	-
3. Net interest costs	1	0
4. Immediate recognition of gain/(loss) - other long term employee benefit plans	-	-
5. Total recognised in the Statement of Profit or Loss (*)	10	7
<b>-Recognised in other comprehensive income</b>		
1. Effect of experience adjustment	(4)	(0)
2. Effect of assumption change	(1)	5
3. Return on plan assets (less than discount rate)	0	1
4. Immediate recognition of gain/(loss) - other long term employee benefit plans	-	-
5. Total recognised in Other Comprehensive Income	(4)	6
Total expense recognised in Total Comprehensive Income	6	13

(\*) recognised in "Contribution to provident and other funds" in "Employee Benefit Expense" under note 24

V Actuarial assumptions	Gratuity (Funded)	
	31 March 2021	31 March 2020
Discount rate	6.9%	6.8%
Rate of salary increase	10.0%	10.0%
Mortality rate	Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult
Withdrawal rate	2.0%	2.0%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in employment market.

VI Plan asset information	Gratuity (Funded)	
	31 March 2021	31 March 2020
Scheme of insurance - conventional products	100%	100%

In the absence of detailed information regarding plan assets which is funded with insurance companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

VII Net asset / (liability) recognised in Balance Sheet (including experience adjustment impact)	Gratuity (Funded)	
	31 March 2021	31 March 2020
1. Present value of Defined benefit obligations	45	38
2. Fair value of plan assets	28	22
3. Funded Status (Surplus / (Deficit))	17	16
4. Experience adjustment of Plan Assets - Gain/(loss)	(0)	(1)
5. Experience adjustment of Obligations - Gain/(loss)	4	0



**Expected employer contribution for the next year**

17

16

**IX Sensitivity analysis**

The sensitivity results below determine their individual impact on the Plan's year end Defined Benefit Obligations. In reality, the plan is subject to multiple external experience items which may move the Defined Benefit Obligations in similar or opposite directions, while the Plans's sensitivity to such changes can vary over time.

	Gratuity (Funded) 31 March 2021	Gratuity (Funded) 31 March 2020
Defined Benefit Obligations on base assumptions (refer point no V)	45	38
a. 1% increase in discount rate	39	33
b. 1% decrease in discount rate	52	44
c. 1% increase in salary escalation rate	51	44
d. 1% decrease in salary escalation rate	39	33

**X Maturity analysis of benefit payments**

	Gratuity (Funded) 31 March 2021	Gratuity (Funded) 31 March 2020
Year 1	1	1
Year 2	1	1
Year 3	1	1
Year 4	3	1
Year 5	2	3
Next 5 years	53	40

The company has contributed Rs 23 lacs (31st March 2020 - Rs 18 lacs) to defined contribution scheme.



30. The company is principally engaged in a single business segment viz in the manufacture of cold rolled coils within one geographical segment i.e India. The financial performance relating to this single business segment is evaluated by the Board Directors.

### 31. Capital commitments

		(Rs in lacs)	
		31 March 2021	31 March 2020
i)	Outstanding capital commitments for tangible assets	55	40

### 32. Contingent liabilities

		(Rs in lacs)	
		31 March 2021	31 March 2020
i)	Disputed sales tax matters, excise matters and service tax matters contested in appeals.  (These disputes mostly relate to arbitrary disallowances of claims of the Company under various state laws, which are under appeal. The management is of the view that these demands are not sustainable in law and is hopeful of succeeding in appeals.)	183	193

### 33. Related party disclosures

(A) The Company has the following Related parties in accordance with Ind AS 24 – Related party disclosures:

<b>Holding Company</b>	1) IFB Industries Limited
<b>Investor of Holding Company</b>	1) IFB Automotive Private Limited
<b>Key Management Personnel (KMP)</b>	1) Mr. Harbans Singh Bagga, Director (Till 31 <sup>st</sup> October 2020) 2) Mr. Navkaran Singh Bagga, Director (Till 31 <sup>st</sup> October 2020) 3) Mr. Partha Sen, Director 4) Mr. Ramkrishna Chauhan, Director (Till 31 <sup>st</sup> October 2020) 5) Mr. Ejaj Ahmad, Chief Executive Officer 6) Mr. Rajat Purkhayastha, Chief Financial Officer (Appointed with effect from 1 <sup>st</sup> January 2021) 7) Mr. Tamal Bose, Chief Financial Officer (Till 29 <sup>th</sup> October 2020) 8) Mr. Rajib Basu, Head Marketing and Procurement.
<b>Other Related parties</b>	1) Trishan Exports Private Limited (Till 31 <sup>st</sup> October 2020) 2) Travel Systems Limited

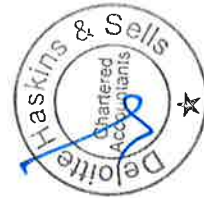


Trishan Metals Private Limited  
Additional Notes to the financial statements  
(B) Transactions with Related Parties

(Rs. lacs)

Particulars	Holding Company		Investor of Holding Company		KMP		Other Related parties		Total	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
1) Sales, Service income and other income	5979	4,254	160	66	-	-	37	183	6176	4,503
2) Purchase of raw materials	7	8	-	-	-	-	-	18	7	26
3) Purchase of fixed assets/Services	-	-	-	-	-	-	2	3	2	3
4) Remuneration - CFO and other KMP remuneration reimbursed	36	46	-	-	-	-	-	-	36	46
- Others	18	-	-	-	-	-	-	-	18	-
- Other remuneration (CEO & CFO - TMPL)	-	-	-	-	41	34	-	-	41	34

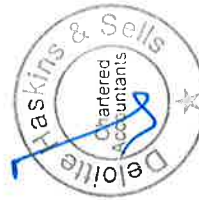
IFB Industries Limited has entered into an agreement on 31<sup>st</sup> October'2020 with the other shareholders of Trishan Metals Private Limited to acquire balance 48.88% (1,14,74,020 nos.) equity shares at a consideration of Rs. 1430 lacs, thereby making Trishan Metals Private Limited as its wholly owned subsidiary of IFB Industries Limited.



Trishan Metals Private Limited  
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(A) Outstanding balances with Related Parties

	Holding Company		Investor of Holding Company		KMP		Other Related parties		Total	
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
1) Trade receivables	-	-	30	10	-	-	-	9	30	19
2) Advances given	-	-	-	-	-	-	-	54	-	54
3) Trade payables	-	-	-	-	-	-	-	1	-	1
4) Advance taken	1958	946	-	-	-	-	-	35	1958	981
5) Borrowings	-	-	-	-	-	15	-	278	-	293



### 34. Dues to Micro, Small and Medium enterprises

The Ministry of Micro, Small and Medium enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprise Development Act, 2006 ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises has been made in the financial statements based on the information received and available with the Company. There are no dues to Micro, Small and Medium Enterprises which are outstanding over 45 days.

Further, in view of the management, the impact of the interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

### 35. Financial instruments and related disclosures

#### i) Capital management

The Company's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Company mostly funds its operations through internal accruals. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

#### ii) Categories of Financial Instruments

(Rs in lacs)

Particulars	Note	As at 31 March 2021		As at 31 March 2020	
		Carrying value	Fair value	Carrying value	Fair value
<b>A Financial Assets</b>					
<b>a) Measured at amortized cost:</b>					
i) Trade receivables	8	300	300	642	642
ii) Cash and cash equivalents*	9	1	1	-	-
iii) Other bank balances	10	393	393	74	74
iv) Other financial assets	5	4	4	4	4
<b>B Financial Liabilities</b>					
<b>a) Measured at amortized cost:</b>					
i) Borrowings	12	128	128	205	205
ii) Current borrowings (Loans from related parties)	16	-	-	293	293





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Additional Notes to the financial statements

iii)	Current borrowings (Loans from other parties)	16	271	271	-	-
iv)	Current Borrowings (Cash credit facility from bank)	16	51	51	616	616
v)	Trade payable	17	910	910	1,134	1,134
vi)	Other financial liabilities	18	174	174	174	174

\* re-present amount less than Rs. 50,000/-

iii) Financial risk management objectives

The Company has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

a) Liquidity risks

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company's objective is to maintain a balance between continuity of funding and flexibility through use of bank loans and cash credit facilities.

The following tables shows a maturity analysis of the anticipated cash flows for the company's non- derivative financial liabilities.

As at 31 March 2021

	Total	Due within one year	Rs. in lacs Due after one year
Borrowings	450	322	128
Trade Payables	910	910	-
Other financial Liabilities (including Current maturities of long-term debt)	174	174	-
<b>Total</b>	<b>1534</b>	<b>1406</b>	<b>128</b>

As at 31 March 2020

	Total	Due within one year	Rs. in lacs Due after one year
Borrowings	1,114	909	205



Trade Payables	1,134	1,134	-
Other financial Liabilities (including Current maturities of long-term debt)	174	174	-
<b>Total</b>	<b>2,422</b>	<b>2,217</b>	<b>205</b>

The Company's current assets aggregates to Rs. 1,515 lacs (31 March 2020: Rs 1,572 lacs,) including cash and cash equivalents and other bank balances of Rs.394 lacs (31 March 2020: Rs 74 lacs) against an aggregate current liability of Rs 3,400 lacs (31 March 2020: Rs 3,223 lacs).The Company has total borrowings of Rs 450 lacs (31 March 2020: Rs 1,114 lacs).

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an ongoing basis to meet its operational needs.

The Company has obtained fund and non-fund based working capital lines from banks and has the support of the Parent Company for its financing needs. Further, the Company is confident that the borrowings from related parties will be rolled over.

Refer Note no. 12 for details of maturities of long-term debts.

**b) Market risks**

The Company does not invest in equities. Treasury activities, focused on managing investments in debt instruments, are centralized and administered under a set of approved policies and procedures guided by the tenets of liquidity, safety and returns. This ensures that investments are only made within the acceptable risk parameters after due evaluation.

The Company's investments are predominantly held in debt mutual funds. Such investments are susceptible to market risks that arise mainly from changes in interest rate which may impact the return and value of such investments. Mark to market movements in respect of these investments are measured at fair value through statement of profit and loss.

Fixed deposits are held with highly rated banks and generally have a short tenure and are not subject to interest rate volatility.

**c) Foreign currency risk**

The company under take transaction denominated in foreign currency Rs 1.61 lacs (mainly in USD) which is subject to risk of exchange rate fluctuation.

The carrying amount of foreign currency denominated financial assets and liabilities is Rs Nil as on March, 31, 2021.

**d) Credit risk**

Credit risk arise from the possibility that the counter party may not be able to settle their obligations. Financial instruments that are subject to such risk primarily consist of investments, trade receivables, loans and other financial assets. To manage the trade receivables, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and ageing of such receivables.

The movement of allowance for doubtful advances and receivables is as under:-



Trishan Metals Private Limited  
Additional Notes to the financial statements

(Rs in Lacs)		
	As at 31 March 2021	As at 31 March 2020
<b>Balance at beginning of the year</b>	<b>3</b>	<b>3</b>
Provisions written back	3	-
<b>Balance at end of the year</b>	<b>-</b>	<b>3</b>

Other than financial assets mentioned above, none of the Company's financial assets are either impaired or past due, and there were no indications that defaults in payment would occur.

**e) Fair value hierarchy**

The fair value of trade receivable, other current financial assets, current borrowings, trade payables and other current financial liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature.

36. The spread of COVID-19 has impacted businesses around the globe. In India, Governments in certain states have imposed various restrictions with the increase in number of COVID 19 cases during the months of March 2021, April 2021 and May 2021.

On the basis of the assessment done by the management and internal/ external sources of information up to the date of approval of these financial results, the carrying amounts of assets are recoverable. The impact of pandemic may be different from that estimated as at the date of these financial results and the Company will closely monitor any material changes to the future economic conditions.

37. The financial statements were approved by the board of directors on 11.06.2021.

