

**BSE Limited**

Floor 25, Phiroze Jeejeebhoy Tower,  
Dalal Street,  
Mumbai – 400 001  
**Scip Code:** 524109

**National Stock Exchange India Limited,**

Exchange Plaza, C-1, Block-G,  
Bandra Kurla Complex, Bandra (East),  
Mumbai-400051  
**Stock Code:** KABRAEXTRU

Dear Sir/ Madam,

**Sub.: Notice of the 37<sup>th</sup> Annual General Meeting to be held on September 15, 2020 and Annual Report for FY 2019-20**

**Ref: Regulation 34 of SEBI (Listing Obligations & Disclosures Requirements) Regulations 2015**

Pursuant to Regulation 30 and 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith Annual Report for the Financial Year 2019-20 along with the notice of the 37<sup>th</sup> Annual General Meeting (AGM) of the Company scheduled on Tuesday, September 15, 2020 at 11:00 a.m. through Video Conferencing (VC) / Other Audio Visual Means (OAVM). The said documents are uploaded on the website of the Company at [www.kolsite.com](http://www.kolsite.com).

Kindly note that the Notice of 37<sup>th</sup> AGM and Annual Report for FY 2019-20 are being sent only by email to the registered email addresses of the shareholders of the Company.

Pursuant to Regulation 42 of the said SEBI Regulations, the Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 09, 2020 to Tuesday, September 15, 2020 (both days inclusive) for taking record of the Members of the Company for the purpose of Annual General Meeting, as detailed below:

Symbol	Type of security	Book Closure	Record Date	Purpose
BSE: <b>524109</b> NSE: <b>KABRAEXTRU</b>	Equity Share of Face Value of ₹ 5/- each fully paid up	September 09, 2020 to September 15, 2020 (both days inclusive)	NA	Annual General Meeting on Tuesday, September 15, 2020

This is for your information and records.

Thanking you,  
Yours truly,  
For **Kabra Extrusientechnik Ltd.**

Arya K. Chachad  
**Company Secretary**

**Encl.:** As above

**Kabra Extrusientechnik Ltd.**

Fortune Terraces, B wing, 10th Floor, Link Road, Opp. Citi Mall,  
Andheri (West), Mumbai - 400 053. Maharashtra, India.  
**Phone :** +91-22-26734822/23/24/25 • **Fax :** +91-22-2673 5041 • **Email :** sales@kolsitegroup.com  
**Works 1 :**  
Kabra Industrial Estate, Kachigam, Daman - 396210. India  
**Works 2 :**  
Survey No. 259/1 to 5, 260/1 to 6, 265/3, Costal Highway, Dunetha, Daman – 396210. India.  
**Tel. :** +91-260-2241 401-3 / 2242 616 • **Fax :** +91-260-2241 965 • **Email :** ket@kolsitegroup.com  
**CIN - L28900MH1982PLC028535**



**37<sup>TH</sup> ANNUAL REPORT**  
**2019-20**



**Dedicated to Technology**  
**Devoted to Service**



**BATTRIX**  
FUTURE ENERGY

## Kabra's new venture into 'Advanced Lithium-ion Battery Packs'

Kabra ExtrusionTechnik Ltd. (the Company), India's largest manufacturer of Plastic extrusion machines, ventures to provide advanced lithium-ion Battery Packs with Battery Management Systems (BMS) to power the growth of India's transition to green energy storage systems (ESS) and Electric vehicles (EV's) transportation.

The Company, over the past four decades, has been pioneer in absorbing and bringing latest European technologies for Plastic Extrusion to India, including technology from partners, viz. Battenfeld-Cincinnati (Germany-Austria-China), Penta Srl (Italy), Unicor GmbH (Germany) and Mecanor Oy (Finland). The Company will leverage its ability to adapt new technologies in the lithium-ion battery pack with BMS, to suit Indian needs and make it available to the market.

The Company, under the brand name "BATTRIX", is positioned to provide higher range and longer battery life to the electrical vehicles segment and safe and reliable ESS, with its customized wide range of battery packs and BMS.

With technology tie-up with European partner, the Company has encouraging support from prestigious Tier 1 automobile manufacturers for vehicle integration with the advanced lithium-ion battery packs as well as packs for battery charging station infrastructure under development.

The state-of-the-art Battrix's manufacturing facility supported with in-house R&D center, will be equipped with world's latest and most advanced manufacturing and testing equipments. The initial capacity of our manufacturing facility would be 0.5 gigawatt hour per year, which will be increased as the market grows. Our company infrastructure will handle both, cylindrical and prismatic cells, to manufacture modules and packs with in-house built & designed advanced BMS integration.

The Company is committed to provide efficient green energy solutions to India and help achieve zero-emission goal and reduce our Country's dependence on fossil fuel.

**Battrix brings power solutions for varied needs with**

**comprehensive portfolio of lithium-ion battery packs powered by Gen 4 technologies and customized for Indian needs.**



## Puja Ceremony for the opening of our new factory in Pune.



## BOARD OF DIRECTORS

Shri Shreevallabh G. Kabra	Chairman & Managing Director
Shri Satyanarayan G. Kabra	Vice-Chairman
Shri Anand S. Kabra	Managing Director
Smt. Ekta A. Kabra	Director - Strategy
Shri Mahaveer Prasad Taparia	Independent Director
Shri Nihalchand C. Chauhan	Independent Director
Shri Yagnesh B. Desai	Independent Director
Shri Bajrang Lal Bagra	Independent Director
Shri Boman Moradian	Independent Director

### CHIEF EXECUTIVE OFFICER

Shri S. Shenoy (up to July 8, 2020)  
Shri Akash Khandelwal (w.e.f. July 09, 2020 )

### CHIEF FINANCIAL OFFICER

Shri Daulat Jain

### COMPANY SECRETARY

Smt. Arya Chachad

### AUDITORS

M/s. A. G. Ogale & Co.  
Chartered Accountants, Pune

### BANKERS

State Bank of India  
Kotak Mahindra Bank Ltd.  
Yes Bank Ltd.  
HSBC Limited

### REGISTERED OFFICE

Fortune Terraces, 10<sup>th</sup> Floor, New Link Road,  
Andheri (West), Mumbai - 400053  
Tel.: 022-26734822-24  
Fax.: 022-26735041  
website : www.kolsite.com  
Email : ket\_sd@kolsitegroup.com  
CIN: L28900MH1982PLC028535

### WORKS

- Kabra Industrial Estate, Kachigam,  
Daman – 396210
- 259/260/265 (III), Coastal Highway, Dunetha,  
Daman – 396210
- Chakan Industrial Area Phase – 2,  
Plot No. C-22/8, MIDC, Village - Bhamboli,  
Taluka - Khed, Pune – 410501, Maharashtra

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### 37<sup>TH</sup> ANNUAL GENERAL MEETING

[through Video Conference (VC) / Other Audio Visual Means (OAVM)]

Date : September 15, 2020 (Tuesday)

Time : 11.00 a.m.

## NOTICE

**NOTICE** is hereby given that the **THIRTY-SEVENTH ANNUAL GENERAL MEETING** of the Members of **KABRA EXTRUSIONTECHNIK LIMITED** will be held on Tuesday, the 15<sup>th</sup> day of September, 2020 at 11.00 a.m. through Video Conference (VC) / Other Audio Visual Means (OAVM) facility to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt:
  - a. the Audited Financial Statements of the Company for the Financial Year ended March 31, 2020, together with the Reports of the Board of Directors and the Auditors thereon; and
  - b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2020, together with the Report of the Auditors thereon.
2. To confirm the payment of interim dividend @ 30% (i.e. ₹ 1.50 per share) as final dividend for the Financial Year ended March 31, 2020.
3. To appoint a Director in place of Mr. Shreevallabh G. Kabra (DIN: 00015415), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, seeks re-appointment.

### SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) remuneration of ₹ 1,08,000/- (Rupees One Lakh Eight Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses to be paid to M/s. Urvashi Kamal Mehta & Co., Cost Accountants, Firm Registration No.: 001817, appointed by the Board of Directors of the Company to conduct the audit of the Cost Records of the Company for the Financial Year ending March 31, 2021 be and is hereby ratified and confirmed.”
5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Bajrang Lal Bagra (DIN:00090596), an Independent Non-Executive Director of the Company, who is eligible for re-appointment and who has submitted a declaration that he meets the criteria for independence as provided statutorily, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold such office for a period of 5 (five) consecutive years upon completion of current tenure and shall not be liable to retire by rotation during his tenure.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters or things as may be necessary, expedient or desirable to give effect to this resolution.”

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with Schedule V thereto, Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, (including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force), and the Articles of Association of the Company, the recommendation of Board of Directors and Nomination and Remuneration Committee of the Company and further to the Special Resolution No.5 passed by the Members at the 36<sup>th</sup> Annual General Meeting (AGM) of the Company held on July 31, 2019, the consent of the Members of the Company be and is hereby accorded to the Company to waive recovery of Rs.46.12 Lakhs from Mr. S. V. Kabra (DIN: 00015415), Chairman & Managing Director of the Company, paid towards remuneration in excess of limit prescribed under the said Act, on account of inadequate profits in respect of FY 2019-20 and remuneration paid to him as approved by members at said AGM be confirmed and ratified as remuneration payable under Schedule V - Part II - Section II and also to the consequential retention thereof by him.

**RESOLVED FURTHER THAT** the Board of Directors of the Company or a Committee thereof be and are hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution.”

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with Schedule V thereto, Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, (including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force), and the Articles of Association of the Company, the recommendation of Board of Directors and Nomination and Remuneration Committee of the Company and further to the Resolution No. 4 passed by the Members at the 35<sup>th</sup> Annual General Meeting (AGM) of the Company held on August 10, 2018, the consent of the Members of the Company be and is hereby accorded to the Company to waive recovery of Rs.46.83 Lakhs from Mr. A. S. Kabra (DIN: 00016010), Managing Director of the Company, paid towards remuneration in excess of limit prescribed under the said Act, on account of inadequate profits in respect of FY 2019-20 and remuneration paid to him as approved by members at 35<sup>th</sup> AGM be confirmed and ratified as remuneration payable under Schedule V - Part II - Section II and also to the consequential retention thereof by him.

**RESOLVED FURTHER THAT** the Board of Directors of the Company or a Committee thereof be and are hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution.”

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with Schedule V thereto, Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, (including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force), and the Articles of Association of the Company, the recommendation of Board of Directors and Nomination and Remuneration Committee of the Company and further to the Resolution No.8 passed by the Members at the 34<sup>th</sup> Annual General Meeting (AGM) of the Company held on July 18, 2017, the consent of the Members of the Company be and is hereby accorded to the Company to waive recovery of Rs.37.46 Lakhs from Mrs. E. A. Kabra (DIN: 07088898), Director – Strategy of the Company, paid towards remuneration in excess of limit prescribed under the said Act, on account of inadequate profits in respect of FY 2019-20 and remuneration paid to her as approved by members at 34<sup>th</sup> AGM be confirmed and ratified as remuneration payable under Schedule V - Part II - Section II and also to the consequential retention thereof by her.

**RESOLVED FURTHER THAT** the Board of Directors of the Company or a Committee thereof be and are hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution.”

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with Schedule V thereto, Companies (Appointment and Remuneration of Managerial

Personnel) Rules 2014, (including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force), and the Articles of Association of the Company, the recommendation of Board of Directors and Nomination and Remuneration Committee of the Company and further to the Special Resolution no.5 passed by the Members at the 36<sup>th</sup> Annual General Meeting (AGM) of the Company held on July 31, 2019, the consent of the Members of the Company be and is hereby accorded by way of renewal of approval for remuneration payable to Mr. S. V. Kabra (DIN: 00015415), Chairman & Managing Director on same terms as duly approved by the Members at the said AGM and set out in the Explanatory Statement forming part of this Resolution, subject to maximum permissible limit specified under Part II Section II of Schedule V to the said Act in the event of any inadequacy or absence of profits in respect of FY 2020-21.

**RESOLVED FURTHER THAT** the Board of Directors of the Company or a Committee thereof be and are hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution.”

10. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with Schedule V thereto, Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, (including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force), and the Articles of Association of the Company, the recommendation of Board of Directors and Nomination and Remuneration Committee of the Company and further to the Resolution No. 4 passed by the Members at the 35<sup>th</sup> Annual General Meeting (AGM) of the Company held on August 10, 2018, the consent of the Members of the Company be and is hereby accorded to the Company by way of renewal of approval for remuneration payable to Mr. A. S. Kabra (DIN: 00016010), Managing Director on same terms as duly approved by the Members at the 35<sup>th</sup> AGM and set out in the Explanatory Statement forming part of this Resolution subject to maximum permissible limit specified under Part II Section II of Schedule V to the said Act in the event of any inadequacy or absence of profits in respect of FY 2020-21.

**RESOLVED FURTHER THAT** the Board of Directors of the Company or a Committee thereof be and are hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution.”

11. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with Schedule V thereto, Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, (including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force), and the Articles of Association of the Company, the recommendation of Board of Directors and Nomination and Remuneration Committee of the Company and further to the Resolution No.8 passed by the Members at the 34<sup>th</sup> Annual General Meeting (AGM) of the Company held on July 18, 2017, the consent of the Members of the Company be and is hereby accorded to the Company by way of renewal of approval for remuneration payable to Mrs. E. A. Kabra (DIN: 07088898), Director - Strategy on same terms as duly approved by the Members at the 34<sup>th</sup> AGM and set out in the Explanatory Statement forming part of this Resolution subject to maximum permissible limit specified under Part II Section II of Schedule V to the said Act in the event of any inadequacy or absence of profits in respect of FY 2020-21.

**RESOLVED FURTHER THAT** the Board of Directors of the Company or a Committee thereof be and are hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution.”

Place : Mumbai

Date : July 09, 2020

By order of the Board  
For **Kabra Extrusiontechnik Ltd.**

**Arya Chachad**  
Company Secretary

**Registered Office:**

Fortune Terraces, “B” Wing, 10th Floor, New Link Road, Opp. Citi Mall, Andheri (West), Mumbai - 400 053.

Tel.: 022-26734822-24 • Fax.: 022-26735041 • website: www.kolsite.com • Email: ket\_sd@kolsitegroup.com

CIN: L28900MH1982PLC028535

**NOTES:**

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is to be a prerequisite and pursuant to the Circular No. 14/2020 dated May 05, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs (MCA) followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India (SEBI), physical attendance of the Members to the annual general meeting (AGM) venue is not required and AGM be held through video conferencing (VC) or other audio visual means (OAVM). Accordingly, this AGM has been convened through VC/OAVM in compliance with the said applicable provisions.
2. The facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013. The deemed venue for the 37<sup>th</sup> AGM shall be the Registered Office of the Company. Since the AGM will be held through VC / OAVM facility, the Route Map is not annexed in this Report.
5. The Members will be allowed to pose questions during the course of the Meeting. The queries can also be given in advance at [ket\\_sd@kolsitegroup.com](mailto:ket_sd@kolsitegroup.com)
6. In line with the said MCA Circulars and SEBI Circular, the Notice of the AGM and Annual Report for FY2019-20 has been uploaded on the website of the Company at [www.kolsite.com](http://www.kolsite.com) can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and also on the website of National Securities Depository Limited ('NSDL') at <https://www.evoting.nsdl.com/>
7. The Explanatory Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013, in respect of Item Nos. 4 to 11 of the accompanying Notice is annexed hereto.
8. Brief profile and relevant details of the Directors proposed to be appointed / re-appointed has been furnished in this Annual Report.
9. Corporate Members are requested to send to the Company, at its Registered Office, a duly certified copy of the Board Resolution authorising their representative to attend and vote at the Annual General Meeting.
10. In case of Joint Holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, September 09, 2020 to Tuesday, September 15, 2020, (both days inclusive). Except in case of transmission or transposition of securities, requests for effecting transfer of shares shall not be processed unless held in dematerialized form with effect from April 01, 2019.
12. On account of threat posed by COVID-19 and in terms of the MCA and SEBI Circulars, the Company would send the Annual Report, Notice of e-AGM and e-Voting instructions only in electronic form to the registered email addresses of the shareholders. Therefore, those shareholders who have not yet registered their email address are requested to get their



email addresses registered with their DP or RTA for electronic and Physical folios respectively. Members may note that this Annual Report will also be available on the Company's website viz. [www.kolsite.com](http://www.kolsite.com)

13. Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.  
The Members / Claimants whose shares and unclaimed dividend amount have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 (available on [www.iepf.gov.in](http://www.iepf.gov.in)) along with applicable requisite fee. The Member/Claimant can file only one consolidated claim in a financial year as per the IEPF Rules. The Company has uploaded the information in respect of the unclaimed dividends on its website at [www.kolsite.com](http://www.kolsite.com). It is in Members' interest to claim any un-encashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to Members' account on time.
14. Members who hold shares in physical mode in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Registrar & Share Transfer Agent (R & T Agent), for consolidation into a single folio. All documents reported to in the Notice.
15. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [ket\\_sd@kolsitegroup.com](mailto:ket_sd@kolsitegroup.com). The Board of Directors of the Company at its meeting held on July 09, 2020 considered that special business at Item Nos. 4 to 11 being considered unavoidable, be transacted at the 37<sup>th</sup> AGM of the Company.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's R & T Agent.
17. Members desirous of updating their bank account details, Power of Attorney, correspondence address, Email Address, Contact Numbers, etc. are requested to follow the below procedure:  
**For shares held in Dematerialised Form:** intimate such changes to their respective Depository Participant (DP). The changes intimated to the DP will then be automatically reflected in the Company's records, which will help the Company and its R & T Agent to provide efficient and better services.  
**For shares held in Physical Form:** intimate such changes to the Company's R & T Agent.
18. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participants and holdings should be verified.

Members are requested to follow the below instructions for shareholders to vote electronically: Log-in to e-Voting website

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

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2: Cast your vote electronically on NSDL e-Voting system.**

19. Members desirous of making a nomination in respect of their shareholding in the Company, as provided under Section 72 of the Companies Act, 2013, are requested to fill up Form SH-13 and send to the Company's R & T Agent. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.
20. Members desirous of obtaining any information with regard to accounts are requested to write to the Company Secretary at the Registered Office of the Company / ket\_sd@kolsitegroup.com, at least 15 days in advance, so as to compile the same.

**21. VOTING THROUGH ELECTRONIC MEANS**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the MCA dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

The e-voting period commences on Saturday, September 12, 2020, at 09:00 a.m. IST and ends on Monday, September 14, 2020 at 5:00 p.m. IST. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) Tuesday, September 08, 2020 may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

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

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2: Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

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

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

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

5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit Client ID for NSDL account, last 8 digits of Client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - (ii) If your email ID is not registered, please follow steps mentioned below:
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details / Password" (If you are holding shares in your demet account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demet account number / folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [bhandariandassociates@gmail.com](mailto:bhandariandassociates@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details / Password" or "physical User Reset Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.  
In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send request to Ms. Pallavi Mhatre at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email toket\_sd@kolsitegroup.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to ket\_sd@kolsitegroup.com.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM:-**

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

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance at least 48 hours prior to the meeting mentioning their name demat account number/folio number, email id, mobile number at ket\_sd@kolsitegroup.com. The same will be replied by the company suitably.

**ANNEXURE TO NOTICE:**

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") in respect of Item Nos. 4 to 11 which sets out all material facts relating to the Special Business mentioned in the accompanying Notice

**Item No. 4**

In terms of the provisions of Section 148 of the Companies Act, 2013 and Rules made thereunder, the Company is required to maintain Cost Audit records and have the same audited by a Cost Auditor. Based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on July 09, 2020, appointed M/s. Urvashi Kamal Mehta & Co., Cost Accountants (Firm Registration No.: 001817), as Cost Auditor for conducting the Cost Audit for the financial year ending March 31, 2021, on a remuneration of ₹ 1,08,000/- (Rupees One Lakh Eight Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses at actuals as against ₹ 1,20,000/- during the previous year in view of cost control measures by the Company to combat

the adverse impact of Covid-19. The remuneration payable to the Cost Auditor needs to be ratified by the Members, as provided under Rule 14 of Companies (Audit and Auditors) Rules, 2014 as amended. The Directors recommend that the remuneration payable to the Cost Auditor in terms of an ordinary resolution set out at Item No. 4 of the accompanying Notice, be ratified by the Members. None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the accompanying Notice.

#### **Item No. 5**

Mr. B. L. Bagra was appointed as Independent Non-Executive Director of the Company by the members at the 32<sup>nd</sup> AGM of the Company held on August 27, 2015 for a period of five consecutive years commencing from the said date. The Board, upon recommendation of the Nomination and Remuneration Committee, based on the skills, rich experience, knowledge, continued valuable guidance of above said Director to the management and based on the outcome of performance evaluation, considers that, given his background and experience and contributions made by them during his tenure, his continued association would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. The brief profile and nature of expertise of the proposed appointee in specific functional areas is provided in this report.

The Board is of the opinion that Mr. Bagra fulfils the conditions for appointment as Independent Director of the Company as specified in the Companies Act, 2013 read with relevant Rules and the SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015 (Listing Regulations) and is independent of the Management. He is not disqualified or debarred to hold such office.

The Company has received from him consent to act as Director, intimation to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013, confirmation of his eligibility for such appointment and a declaration to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Listing Regulations, 2015. The Company has also received a notice in writing pursuant to Section 160 of the Act, from the member of the Company proposing the candidature of Mr. Bagra, to hold the office of Independent Director.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company, and shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company and hence Special Resolution as set out in the Notice seeks approval of shareholders for re-appointment of Mr. Bagra as Independent Director, not liable to retire by rotation, for second term upto 5 (five) consecutive years upon completion of his current tenure. Copy of draft letter for his appointment as Independent Director setting out the terms and conditions would be available for inspection by the members at the Registered Office of the Company during the normal business hours on all the working days.

In view of above, the Board recommends the Special Resolution set out at Item No. 5 of the Notice for approval by the members.

Except Mr. B. L. Bagra, none of the Directors and Key Managerial Personnel of the Company, including their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item Nos. 5 of the Notice. The relatives of the said appointee may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

#### **Item No. 6 to 11**

The Members of the Company had, by means of Resolutions passed at Annual General meetings, had appointed/re-appointed the following Executive Directors for a term of 5 years each, as detailed below:

The Terms of their appointment and remuneration approved by the Members at the said AGM inter alia comprised as under:

Particulars	Mr. S. V. Kabra	Mr. A. S. Kabra	Mrs. E. A. Kabra
Position of Director (Promoter / member of Promoter group)	Chairman & Managing Director	Managing Director	Director - Strategy
AGM Date	36 <sup>th</sup> AGM – July 31, 2019	35 <sup>th</sup> AGM – August 10, 2019	34 <sup>th</sup> AGM – July 18, 2017
Type of Resolution	Special	Ordinary	Ordinary
Tenure	April 01, 2019 to March 31, 2024	August 01, 2018 to July 31, 2023	August 01, 2017 to July 31, 2022
Salary (with an annual increment to be decided by the Board at such percentage not exceeding 20% of the basic salary)	₹ 3,90,000/- per month	₹ 4,00,000/- per month	₹ 2,50,000/- per month
Perquisites, allowances and benefits	<ul style="list-style-type: none"> <li>· Accommodation (Furnished or otherwise) or House Rent Allowance in lieu thereof subject to a ceiling of 50% of basic salary</li> <li>· Provision of car and telephone at residence for use of Company's business will not be considered as perquisites. Personal long distance telephone calls and use of car for private purpose shall be billed by the Company to the appointee</li> </ul>		
Medical Reimbursement	For self, spouse and family subject to a ceiling of one (1) month basic salary in a year or three (3) months' salary in a block of three (3) years		
Leave Travel Reimbursement	For self, spouse and family once in a year incurred in accordance with the rules of the Company		
Club Fees	Subject to a maximum of two clubs.  This will not include admission and life membership fees		
Personal Accident Insurance & Mediciam Policy	For self, spouse and family as per the rules of the Company. <i>Explanation: 'Family' means spouse, dependent children and dependent parents</i>		
Provident Fund Superannuation Fund or Annuity Fund	As per the Rules / Schemes of the Company, and will not be included in the computation of the ceiling on perquisites to the extent these, either singly or put together are not taxable under the Income-Tax Act, 1961.		
Gratuity and Encashment of leave	As per rules of the Company.  <i>The period of service of said appointee shall be considered as service with the Company without any break in service &amp; on a continuous basis</i>		
The terms & conditions set out for appointment & payment of remuneration herein above may be altered & varied by the Board as it may, from time to time, deem fit. The term "Board" as mentioned above shall include any Committee of Directors authorised by the Board.			

In terms of the provisions of Section 197 of the Companies Act, 2013 read with Part II - Section I of Schedule V thereto, a Company can pay managerial remuneration not exceeding 5% of the net profits computed under Section 198 of the Act to any one managing director; or whole-time director and not exceeding 10% of the net profits computed under Section 198 of the Act to all such directors taken together. Further, it provides that in case a Company has no profits or its profits are inadequate in any Financial Year, it may pay remuneration to the managerial personnel in terms of Table A of Section II of Part II of Schedule V.

The Company was having consistent and adequate profits for every financial year upto the Financial Year 2018-19. However, the sales revenue and profitability of FY 2019-20 were affected adversely on account of outbreak of Covid-19 pandemic across the globe and consequent nationwide lockdown in India during the crucial period of year end. As a result of this unprecedented situation, the managerial remuneration paid to the Executive Directors during FY 2019-20 as approved by the members previously has exceeded the limits specified under the said provisions of the Act, i.e. 10% of the net profits computed under Section 198 of the Act, as detailed herein below:

(Amount in ₹)

Particulars	Mr. S. V. Kabra	Mr. A. S. Kabra	Mrs. E. A. Kabra	Total
Managerial Remuneration paid in FY 2019 - 20 *	70,91,153	72,00,000	57,60,000	200,51,153
Limit u/s. 197 of the Act (proportionate)	24,79,108	25,17,162	20,13,730	70,10,000
Excess amount	46,12,045	46,82,838	37,46,270	130,41,153

\* contribution to Provident fund and Superannuation Fund does not form part of managerial remuneration

Pursuant to the provisions of Section 197(10) of the Act, the members of the Company can waive the recovery of excess remuneration by passing a special resolution. The MCA circular dated September 12, 2018 has issued the directions for such compliance. In compliance of the revised SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has already obtained the members' approval by way of Special Resolution in 36<sup>th</sup> AGM held on July 31, 2019 in respect of payment of managerial remuneration in excess of limit set out therein.

In view of their contributions to the Company, it is considered apt and justifiable to waive off the recovery of excess amount paid towards remuneration from the said Directors. The remuneration paid to them therefore also be confirmed and ratified as payable under Section II Part II of Schedule V and they be permitted to retain such amount.

The Company's effective capital is to the tune of Rs. 247.81 Crore, to which the maximum permissible limit applicable is Rs. 120 Lakhs per annum per person.. The managerial remuneration approved by Members is well within the the said limit.

In terms of the above, the Special resolutions seeking your approval are set out at Item no. 6 to 8 of the Notice, to waive the recovery of excess amount paid towards the managerial remuneration. Except as aforesaid, the earlier Resolutions passed by the Members at AGM with respect to their respective tenure of appointments and terms of remuneration, shall continue to remain in full force and effect. The resolutions set out at Item No. 9 to 11 also seek your approval by way of special resolutions to enable the Company to continue the payment of remuneration at existing level as approved by the members subject to Part II - Section II of Schedule V as the prolonged lockdown is expected to have adverse impact on the performance and profitability of the Company in respect of current FY 2020-21 as well and there could be a situation of inadequacy of profits and likelihood of managerial remuneration in excess of the said statutory limits.

The Company, as on date, is not in default in payment of dues to any bank or public financial institution or to non-convertible debenture holders or to any other secured creditor, and accordingly their prior approval is not required, for approval of the proposed resolutions. This disclosure be treated as a written memorandum under Section 190 of the Act and is available for inspection at the Registered Office of the Company, by the members without any fees on all business days, except Public holidays upto date of closure of evoting.

The Nomination and Remuneration Committee and Board of Directors of the Company at its Meeting held on July 09, 2020 have, inter alia, have considered this proposal and recommended to seek approval of members by way of the Special Resolutions as set out at Item No. 6 to 11 of the Notice and accordingly, the Board of Directors therefore commends the same.

Save and except the above Directors and Mr. S. N. Kabra, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the said proposed resolutions.

**The statement containing additional information as required in terms of Schedule V to the Companies Act, 2013**

**I. General information:**

- (1) Nature of industry: Plastic extrusion machinery and energy storage solutions
- (2) Date or expected date of commencement of commercial production: N.A. since the Company has already commenced its business activities in 1982
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable
- (4) Financial performance based on given indicators

(₹ in Lakh)

Particulars	FY 2019 - 20 (Standalone)	FY 2019 - 20 (Consolidated)
Income from Operations and other Income	22,313.35	22,313.35
Profit/(Loss) before Tax	628.98	628.98
Profit/(Loss) after Tax	747.09	741.40
Earnings Per Share (EPS) (Rs.)	2.34	2.32

- (5) Foreign investments or collaborations, if any:

There is no direct foreign investment in the Company, except to the extent shares acquired and held by Foreign Portfolio Investors (FPI) through secondary market. The Company has foreign technical collaboration for manufacturing Plastic extrusion machinery and energy storage solution product.

**II. Information about the appointee:**

Particulars	Mr. S. V. Kabra	Mr. A. S. Kabra	Mrs. E. A. Kabra
Background details	Mr. Shreevallabh G. Kabra, aged 84 years, B. A. (Hons) has more than 5 decades of industry experience and is founder of Kolsite Group of Companies. He was one amongst the first generation entrepreneurs, who has vision to set up this Company for manufacturing Plastic Extrusion Machinery. His vision for quality and customer centricity has enabled the Company to achieve its present glory of manufacturing quality machinery by design that enabled the Company to be compliant with major global quality systems. His pursuit of excellence has ensured that "Kolsite" is a brand to reckon with, in the industry. This was further validated by recognition accorded by the Ministry of Science and Technology, Department of Scientific and Industry Research, New Delhi to in-house R&D Unit of the Company at Dunetha and Kachigam, Daman. This is testimony of his untiring effort to the commitment of quality.	Mr. Anand S. Kabra, aged 47 years, is a Mechanical Engineer and a Silver Medalist of Mumbai University's 1996 batch. He has received a Master's degree in Business Administration from S. P. Jain's Institute of Management and Research, one of the India's premier Institute for Management and also successfully completed the Owners President Program (OPM) from Harvard Business School.	Mrs. Ekta A. Kabra, aged 45 years, holds a degree as B.A. – Economics, Delhi University and MBA – Family Business from S. P. Jain Institute of Management and Research. She has over 13 years of experience in the management of the operations of Maharashtra Plastic & Industries, a group concern and was actively involved in materials planning & procurement.



Particulars (Cont.)	Mr. S. V. Kabra	Mr. A. S. Kabra	Mrs. E. A. Kabra
Past remuneration FY 2018-19 FY 2017-18 FY 2016-17	Rs. 78.63 Lakhs Rs. 72.90 Lakhs Rs. 58.32 Lakhs	Rs. 74.36 Lakhs Rs. 57.21 Lakhs Rs. 46.37 Lakhs	Rs. 58.68 Lakhs Rs. 34.90 Lakhs NA
	Past remuneration paid is in compliance with the Companies Act, 2013.		
Recognition or awards	Under the dynamic leadership of Mr. S V Kabra, Mr. A S Kabra and Mrs. E A Kabra, the Company has been winning awards year on year. The notable awards won recently is the prestigious 'The Economic Times Best Plastics and Polymers Brand 2019 Award for 2 <sup>nd</sup> consecutive year for providing a fantastic combination of economics, excellence, engineering and environment friendly solutions.		
Job profile and his/her suitability	Mr. S. V. Kabra is the promoter of the Company, and as Chairman and Managing Director has been looking after the overall affairs and operations of the Company, guiding the supervision and control of the Board of Directors. He is involved in policy planning, vision and strategy and long term development activities of the Company. Under his leadership, the Company has grown manifold since its formation.	Mr. A. S. Kabra is associated with the Company since 2003 and has been instrumental in taking the Company from strength to strength its present position. The Company has made enormous progress under the stewardship of Mr. Kabra. His vision is to take the Kolsite Brand from being amongst the most respected Indian brands to be amongst the best in the global markets. He has been actively involved in the Company's new venture of Energy Storage Systems.	Mrs. E. A. Kabra has been actively involved in the Battrix project and day to day affairs of the Company. With a vision and keen understanding of the dynamic industry trends, she has helped the Company set high performance standards. As the Company diversified into the space of Energy Storage Systems, she has been instrumental in overseeing the project and providing insightful guidance.
Remuneration proposed	There is no change in the terms of appointment and remuneration of the abovementioned Directors as was approved by the Members at the respective AGMs and as detailed in the Explanatory Statement at Item No. 6 to 11 of this Notice		
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration paid / payable to Mr. S. V. Kabra, Mr. A. S. Kabra and Mrs. E. A. Kabra is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company and its group and diverse nature of its businesses. Moreover, they devote substantial time in overseeing the operations of the Company as well as Group Companies. They have successfully proved their expertise in very effective manner and drove the Company towards the growth over the period of time. The Nomination and Remuneration Committee of Directors of the Company perused remuneration of managerial persons prevalent in the industry and other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of aforesaid Managerial Personnel and other relevant factors while determining their remuneration at the time of their re-appointments. The Board of Directors considers that the remuneration paid / payable to them are justified commensurate with other organisations of the similar type, size and nature in the retail industry.		
Pecuniary relationship directly or indirectly with the company, if any	Besides the remuneration proposed, Mr. S. V. Kabra, Mr. A. S. Kabra and Mrs. E. A. Kabra does not have any pecuniary relationship with the Company. They belong to the Promoter Group.		
Relationship with the managerial personnel	Mr. S. N. Kabra – Brother Mr. A. S. Kabra – Son	Mr. S. V. Kabra – Father Mrs. E. A. Kabra - Spouse	Mr. A. S. Kabra - Spouse
Shareholding as on 31.03.2020	3235344	6363717	2907162

**III. Other information:****(1) Reasons of loss or inadequate profits:**

As we turned the corner and moved into 2020, the entire world was facing one of the most unprecedented and unbelievable situations. The COVID-19 pandemic has resulted in a slowdown in the overall economy. The prolonged country-wide lockdown and global economic downturn has impacted the delivery of machinery, which were ready for despatch towards during March 2020. The Company's manufacturing operations were temporarily suspended for over a month and were started subsequently with very limited & restricted capacity in May 2020, while the offices continued to remain shut. With the disruption of business operations, demand & supply chains and cash to inventory cycle, the economy faced a protracted period of slowdown. The end of this lockdown period is uncertain at this point in time and will depend upon further directives issued by the Government authorities. It is therefore possible that there could be situation of inadequacy of profit in respect of FY 2020-21 also.

**(2) Steps taken or proposed to be taken for improvement:**

The Company has embarked on a series of strategic and operational measures that is expected to result in the improvement in the present position. The inherent strengths of the Company, especially its reputation as a premium producer, powerful brand and deep Pan-India distribution network are also expected to enable the Company to position itself during adversities. The Company has also planned to address the issue of productivity and increase profits and has put in place measures to curb the fixed & variable cost to the extent possible and improve the bottom-line in the years to come. In addition to the green energy solutions for electric vehicle segment, the Company is also venturing into other applications of battery packs.

**(3) Expected increase in productivity and profits in measurable terms:**

The Company has taken various initiatives to maintain its leadership, improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance. The Company expects growth momentum to pick up for its Battery business in the near future. Further, various policy decisions taken would act as growth channel for the Company which would contribute in increased revenues and higher margins.

**IV. Disclosures:**

1. Remuneration package of the managerial person: Fully described in the respective resolutions and explanatory statement as stated above.
2. Disclosures in the Board of Directors' report under the heading 'Corporate Governance' included in Annual Report 2019-20: The requisite details of remuneration etc. of Directors are included in the Corporate Governance Report, forming part of the Annual Report of FY 2019-20 of the Company.

Place : Mumbai

Date : July 09, 2020

By order of the Board  
For **Kabra Extrusiontechnik Ltd.**

**Arya Chachad**  
Company Secretary

## DIRECTORS' REPORT

To,  
The Members of  
**Kabra Extrusiontechnik Limited,**  
Mumbai

Your Directors are pleased to present the Thirty-Seventh Annual Report together with the Audited Financial Statements for the financial year ended March 31, 2020.

### 1. Financial / Operational Performance:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	FY 2019 - 20	FY 2018 - 19	FY 2019 - 20	FY 2018 - 19
Revenue from operations	22,018.99	24,514.19	22,018.99	24,514.19
Other Income	294.36	1,993.59	294.36	1,993.59
<b>Total income (A)</b>	<b>22,313.35</b>	<b>26,507.78</b>	<b>22,313.35</b>	<b>26,507.78</b>
<b>Expenses:</b>				
Cost of material consumed	16,531.80	15,750.47	16,531.80	15,750.47
Changes in inventories of finished goods, stock-in-trade & work- in-progress	(3,050.19)	(797.02)	(3,050.19)	(797.02)
Employee benefits expense	3,203.27	3,471.82	3,203.27	3,471.82
Finance Cost	145.65	249.75	145.65	249.75
Depreciation and amortisation expense	771.79	723.24	771.79	723.24
Other Expenses	4,082.05	4,023.54	4,082.05	4,023.54
<b>Total expenses (B)</b>	<b>21,684.38</b>	<b>23,421.80</b>	<b>21,684.38</b>	<b>23,421.80</b>
<b>Profit / (Loss) before share in Profit (Loss) of Joint Ventures / subsidiaries, exceptional items &amp; tax (A - B)</b>	<b>628.98</b>	<b>3,085.98</b>	<b>628.98</b>	<b>3,085.98</b>
Share of net profit / (loss) of Associates and Joint Ventures accounted for using the equity method	-	-	(5.69)	(9.93)
<b>Tax expenses:</b>				
Current Tax / Income Tax on Earlier Year	14.46	473.83	14.46	473.83
MAT Credit entitlement	(74.11)	(70.67)	(74.11)	(70.67)
Deferred Tax	(58.46)	235.60	(58.46)	235.60
<b>Profit/(Loss) for the period</b>	<b>747.09</b>	<b>2,447.21</b>	<b>741.40</b>	<b>2,437.28</b>

The outbreak of novel Coronavirus pandemic (nCovid19) has impacted the performance of the Company towards the end of FY 2019-20. The operations of the Company were disrupted and the manufacturing operations at all Plants were suspended temporarily at the end of March 2020. The same were resumed gradually May 2020 onwards with limited manpower as per the guidelines issued by the Government of India / State Government(s) after securing permissions from the local Government Authorities. In order to contain the spread of virus and to ensure safety of workforce, the Company has taken various measures like work-from-home, safe distancing and timely sanitization at workplace. The Company would implement a phased and safe return-to-work plan upon relaxation of lockdown and will continue its efforts towards achieving normalized level of operations, depending upon prevailing situation and the Government directives.

### 2. Dividend and Transfer to Reserves:

Your Directors at their meeting held on March 11, 2020 had declared an interim dividend of ₹1.50 per share of ₹ 5/- each for the financial year 2019-20. The Directors have recommended interim dividend paid as a final dividend for the financial year ended March 31, 2020. The Board of Directors have decided to retain the entire amount of profits for FY 2019-20 in the profit and loss account.

### 3. Directors:

During the financial year 2019-20, Mr. Shreevallabh G. Kabra was re-appointed as Chairman & Managing Director of the Company for a period of 5 years with effect from April 01, 2019. Mr. M. P. Taparia, Mr. Y. B. Desai and Mr. N. C. Chauhan were re-appointed as Independent Directors for a second term of two (2) years with effect from September 09, 2019 by passing a special resolution.

Pursuant to the provisions of the Companies Act, 2013 and erstwhile Listing Agreement, Mr. B. L. Bagra was appointed by the Members of the Company as Independent Non-Executive Director in the 32<sup>nd</sup> Annual General Meeting held on August 27, 2015 to hold office for a term of five consecutive years from said date. He is eligible for appointment as Independent Director for a second term of five consecutive years upon completion of his current tenure. Based on the performance evaluation and recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on July 09, 2020 approved his re-appointment as Independent Director since it shall be beneficial to the Company, subject to the approval of the Members through Special Resolution at the ensuing Annual General Meeting.

Mr. Shreevallabh G. Kabra is liable to retire by rotation pursuant to Section 152 of the Companies Act, 2013 ('the Act') and Articles of Association of the Company at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. A resolution seeking Members' approval for his re-appointment forms part of the Notice.

A brief profile and other information of the above Directors, as required under Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') and Secretarial Standard-2 forms part of the Annual Report. The Board recommends their re-appointment for Members' approval.

### 4. Independent Directors and Key Managerial Personnel:

The Company has received declarations / confirmations from all the Independent Directors of the Company as required under Section 149(6) of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 25(8) of the Listing Regulations. There has been no change in the circumstances, which has affected their status as Independent Directors. They are independent of the Management and are not related to any of the Directors or Key Managerial Personnel of the Company. The Board is of the opinion that the Independent Directors of the Company possess requisite skills, qualifications, experience, knowledge and fulfil the conditions of independence as specified in the said Act, Rules and Regulations. The Non-Executive Directors of the Company had no pecuniary relationship other than payment of sitting fee for attending meetings of Board of Directors and its Committees.

The Familiarization Program for Independent Directors and details thereof are put up on the website of the Company at the <https://www.kolsite.com/Upload/FinancialResult/KET-FAMILIARISATION-IND-DIR%20-%202020.pdf>

During the year under review, there was no change in the Key Managerial Personnel of the Company. Mr. S. Shenoy has been relieved from the responsibilities of Chief Executive Officer (CEO) at the end of business hours on July 08, 2020. The Board places on record its appreciation for the contributions made by Mr. Shenoy since June 2013 in the interest of the Company, more particularly in bringing the technology for raw material handling systems and bellling machines from Penta Srl and Mecanor Oy, respectively. Mr. Akash Khandelwal has been appointed as CEO in his place w.e.f. July 09, 2020 by the Board of Directors at its meeting held on the said date, and recognized him as Key Managerial Personnel of the Company pursuant to sections 2(51) and 203 of the Companies Act, 2013.

#### Board Performance evaluation:

A separate meeting of Independent Directors was held on February 03, 2020 in compliance of Regulation 25 of the Listing Regulations and Schedule IV to the Act, without the presence of Executive Directors. Performance of Non-Independent Directors, performance of the Board as a whole and of Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors and on the basis of evaluation criteria. Pursuant to the applicable provisions of the

Act and the Listing Regulations, a formal annual performance evaluation, by the Board of its own performance & that of its Committees and individual Directors, including the Executive Chairman and the Independent Directors, was conducted based on the evaluation criteria and framework adopted by the Board and the Directors express their satisfaction with the evaluation process.

#### **5. Directors' Responsibility Statement and Internal Financial Control:**

Pursuant to Section 134(3) and 134(5) of the Companies Act, 2013, the Directors, to the best of knowledge, confirm that:

- i. in the preparation of annual accounts for the year ended March 31, 2020, the applicable Accounting Standards have been followed and no material departures had been made from the same;
- ii. they have selected such accounting policies and applied them consistently, and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of a state of affairs of the Company as at March 31, 2020, and of the profit of the Company for the said Financial Year;
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a 'going concern basis';
- v. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

The Board is of opinion that the Company's Internal Financial Controls are commensurate with the nature of its business and the size and complexity of its operations and were effective during the Financial Year 2019-20. These are routinely tested by Statutory as well as Internal Auditors and cover all the key business areas. The Audit Committee reviews the adequacy and effectiveness of internal control systems and monitors the implementation of audit recommendations, including those relating to strengthening the same. The Audit Committee and Statutory Auditors are apprised of the internal audit findings and corrective actions taken. The Statutory Auditors of the Company have reported on adequacy of internal control in their Report. The Board of Directors confirm compliance with the Secretarial Standards issued by the Institute of Company Secretaries of India.

#### **6. Subsidiary / Associate Companies and Consolidated Financial Statements:**

Kabra Mecanor Belling Technik Pvt. Ltd. is a subsidiary of the Company, engaged in the business of manufacturing belling machines and has reported sales revenue of ₹ 32.59 Lakhs. It has suffered loss of ₹ 8.12 Lakhs during the financial year ended March 31, 2020 as compared to ₹ 14.19 Lakhs in the previous year.

Penta Auto Feeding India Ltd. is an associate company within the meaning of Section 2(6) of the Companies Act, 2013, engaged in the business of manufacturing auto feeding systems and has reported sales revenue of ₹ 420.94 Lakhs as compared to ₹ 581.78 Lakhs in the previous year and other income of ₹ 5.43 Lakhs. It has reported a loss of ₹ 66.05 Lakhs for the current year as compared to profit of ₹ 4.15 Lakhs in the previous year.

A statement containing the salient features of the financial statements of associate company and subsidiary in the prescribed format is annexed as Annexure-1 to this Report.

The Consolidated Financial Statements of the Company and its subsidiary and associate company, prepared in compliance with the Companies Act, 2013 and applicable Accounting Standards forms a part of this Annual Report. Separate audited financial statements of both the above companies are available onto website of the Company at : <http://www.kolsite.com> and hence are not annexed with this Annual Report. The same will be made available on email to any shareholder of the Company, on request.

The Company has adopted a policy for determining material subsidiaries in terms of Regulation 16(1) (c) of the Listing Regulations, which is uploaded at <https://www.kolsite.com/Upload/FinancialResult/KET-POLICY-MATERIAL-SUBSIDIARY%20-%202019.pdf> 2019. The Company does not have any material subsidiary company.

**7. Particulars of Loans, Guarantees or Investments:**

The Company has not given any loans or guarantees or provided any security during the year. The details of Investments made during the year have been provided in this Annual Report.

**8. Public Deposits:**

Your Company has not accepted any deposits from public and as such, no amount on account of principal or interest was outstanding as on the date of the Balance Sheet.

**9. Related Party Transactions:**

All Related Party Transactions that were entered into during the Financial Year under review were on an arm's length basis, in the ordinary course of business. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying nature, value, terms and conditions of the transactions. The details of the transactions with Related Parties are provided in the accompanying Financial Statements. The Company has adopted a Policy on materiality of Related Party Transactions and dealing with the same, as approved by the Board of Directors. It is uploaded on the Company's website at : <https://www.kolsite.com/Upload/FinancialResult/KET-RPT-POLICY%20-%202019.pdf> The Company has not entered into any material related party transaction during the year under review.

**10. Risk Management:**

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on continuing basis.

**11. Significant and material orders:**

No Significant Material Orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

**12. Corporate Governance:**

A separate section on Corporate Governance is included in this report together with Compliance Certificate received from M/s. A. G. Ogale & Co., Chartered Accountants, Statutory Auditors of the Company, wherein they have observed that the

Stakeholders Relationship Committee of the Board of Directors of the Company has been reconstituted with three directors as members w.e.f. May 28, 2019 instead of April 01, 2019 as provided under Regulation 20 (A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**13. Meetings of the Board:**

During the year under review, 5 (five) meetings of the Board were held, as detailed in the Corporate Governance Report.

**14. Committee Composition:**

The composition of various Committees of the Board of Directors is provided in Corporate Governance Report. During the year, all recommendations made by the committees were approved by the Board.

**15. Management Discussion and Analysis:**

The Management Discussion and Analysis Report forms an integral part of this Report.

**16. Measures for prevention of sexual harassment at work place:**

The Company has in place a Policy on prevention of Sexual Harassment in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. Internal Committee (IC) has been set up to redress complaints received regarding sexual harassment. During the year, no complaint was received by the Company.

**17. Statutory Auditors and their Report:**

M/s. A. G. Ogale & Co, a firm of Chartered Accountants were appointed as the Statutory Auditors of the Company for one term of 5 (five) consecutive years to hold office from the conclusion of the 36<sup>th</sup> Annual General Meeting until the conclusion of the 41<sup>st</sup> Annual General Meeting. The Company has received their eligibility certificate subject to Section 139 and 141 of the Act and Rules made thereunder. Section 139(1) related to ratification has been done away with vide notification dated May 07, 2018 issued by the Ministry of Corporate Affairs.

There is no other audit qualification, reservation or adverse remark in their Report for the year under review, except that the managerial remuneration paid had exceeded the limit set out under Section 197 of the Companies Act, 2013. The Board of Directors wish to state that the Company is seeking approval of the members by way of Special Resolutions as provided under Section 197(10) of the Act, at the ensuing AGM for waiver of recovery of such excess amount paid. During the year, the Statutory Auditors have not reported any instances of fraud committed against the Company by its officers or employees under Section 143(12) of the Act, the details of which would need to be mentioned under Section 134(3)(ca) of the Companies Act, 2013.

**18. Cost Auditors:**

M/s. Urvashi Kamal Mehta & Co., Cost Auditors, have conducted audit of Cost Accounting Records in respect of the Financial Year 2019-20 and report thereon shall be finalized and filed as statutorily provided.

As per Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, the Board of Directors of the Company has appointed M/s. Urvashi Kamal Mehta & Co., a firm of Cost Accountants as the Cost Auditor for the Financial Year 2020-21 upon recommendation of the Audit Committee on proposed remuneration of ₹ 1,08,000/- (Rupees

One Lakh Eight Thousand Only) plus applicable taxes, and out of pocket expenses, if any, as against ₹ 1,20,000/- in previous FY2019-20 in view of Covid-19. The said remuneration is subject to the ratification by the Members at the ensuing Annual General Meeting. The Members are requested to consider the ratification of the remuneration payable for FY 2020-21.

**19. Secretarial Auditors and their Report:**

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s. Bhandari & Associates, a firm of Company Secretaries in practice to undertake the audit of secretarial and related records for the Financial Year 2019-20. Their Report together with Secretarial Compliance Report pursuant to SEBI Listing Regulations are annexed as Annexure-2 to this Report. With regard to observations/remarks contained in the said Reports, your Directors wish to state that: (i) the Board of Directors at its first Meeting held in FY 2019-20, i.e. on May 28, 2019 inducted one more Director as member on the Stakeholders Relationship Committee as prescribed under SEBI Listing Regulations to have strength of three members; (ii) the Company has belatedly complied with the requirement of reporting a contra-trade occurred inadvertently in respect of inter-se transfer of shares executed within the promoter group. As clarified by the promoters, suo-moto application has been made to SEBI as prescribed, for disgorgement of profits and settlement in the matter; and (iii) the Company is seeking approval of the members by way of Special Resolutions as provided under Section 197(10) of the Act, at the ensuing AGM for waiver of recovery of excess amount paid towards managerial remuneration.

**20. Corporate Social Responsibility (CSR):**

The Board has constituted a Corporate Social Responsibility Committee, headed by Mr. S. V. Kabra as Chairman, as detailed in the Corporate Governance Report forming part of the Annual Report. The CSR Policy adopted in compliance with the provisions of Section 135 of the Companies Act, 2013 is uploaded on the Company's website at: <http://www.kolsite.com/Upload/FinancialResult/KET-CSR-POLICY.pdf>. Information on the CSR contribution has been provided in Annexure-3.

**21. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed as Annexure-4.

**22. Policy on Director's appointment and remuneration:**

Extract of Company's Policy on Director's appointment and remuneration and other matters provided in Section 178 (3) of the Companies Act, 2013 and Regulation 19 of SEBI Listing Regulations has been disclosed in Annexure-5 to this Report and the Policy is available on the Company's website at [www.kolsite.com](http://www.kolsite.com). It is affirmed that the remuneration paid to the directors is as per the terms set out in the Nomination & Remuneration Policy of the Company.

**23. Vigil Mechanism & Whistle Blower Policy:**

The Company has framed a policy on Vigil Mechanism-Whistle Blower, enabling all the employees and other stakeholders of the Company to report any matter/activity on account of which the interest of the Company may be adversely affected, as a Protected Disclosure. This Policy has been placed on the company's website at:

<http://www.kolsite.com/Upload/FinancialResult/KET-VIGIL-POLICY%20-%202019.pdf>.

No complaint has been received during the year under review.



**24. Particulars of employees and remuneration:**

The information required under Section 197(12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as Annexure-6.

**25. Extract of Annual Return:**

An extract of Annual Return in Form No. MGT-9 is annexed as Annexure-7.

**26. Acknowledgement:**

Your Directors would like to express their appreciation for the support received from the Shareholders, Bankers, Government Authorities, Stock Exchanges, Customers, Suppliers and Business Associates at all levels during the year under review.

Place : Mumbai  
Date : July 09, 2020

For and on behalf of the Board  
**S. V. Kabra**  
Chairman & Managing Director  
(DIN: 00015415)

## FORM AOC-1

[Pursuant to first proviso to Section 129(3) read with Rule 5 of the Companies Accounts) Rules, 2014]

## Statement containing salient features of the financial statement of subsidiary / associate company

## Part A: Subsidiary:

1. Name of the subsidiary: Kabra Mecanor Belling Technik Pvt. Ltd.
2. Reporting period for the subsidiary concerned, if different from the holding company's reporting period: NA
3. Share Capital : ₹ 100.00 Lakh
4. Reserves & Surplus : (₹ 22.64 Lakh)
5. Total Assets : ₹ 101.15 Lakh
6. Total Liabilities : ₹ 101.15 Lakh
7. Investments : ₹ 86.96 Lakh
8. Turnover : ₹ 32.59 Lakh
9. Profit before taxation : (₹ 8.12 Lakh)
10. Provision for taxation : Nil
11. Profit after taxation : (₹ 8.12 Lakh)
12. Proposed Dividend : Nil
13. Percentage of Shareholding : 69.98%

## Part B: Associate:

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

Name of Associate and date on which associated	Latest Audited Balance Sheet Date	Shares of Associates			Description of how there is significant influence	Reason why the associate is not consolidated	Net worth Attributable to shareholding as per latest audited Balance Sheet (₹ in Lakhs)	Profit / Loss for the year	
		Nos.	Amount of investment in Associates (₹ in Lakhs)	Extent of Holding %				Considered in consolidation (₹ in Lakhs)	Not considered in consolidation (₹ in Lakhs)
Penta Auto Feeding India Ltd., Associate Company w.e.f. 22.09.2015	31.03.2020	4,99,400	49.94	49.94	By virtue of more than 20% share-holding	N. A.	(49.67)	(33.03)	(33.02) (50% stake in Paid-up Capital of Associate Company is held by JV Partner, Penta SRL, Italy)

As per our report of even date attached

For A.G. Ogale &amp; Company

Chartered Accountants

Firm Registration Number:114115W

CA. Pramod K. Gugale

Partner

Membership No. 113775

Pune, July 09, 2020

For and on behalf of the Board of Directos of

Kabra ExtrusionTechnik Limited

S.V. Kabra

Chairman &amp; MD

Daulat Jain

Chief Financial Officer

A.S. Kabra

Managing Director

Arya Chachad

Company Secretary

Mumbai, July 09, 2020

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2020**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

**Kabra Extrusiontechnik Limited**

**CIN: L28900MH1982PLC028535**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kabra Extrusiontechnik Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2020** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2020** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment. The Company does not have Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018<sup>#</sup>;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014<sup>#</sup>;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008<sup>#</sup>;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client<sup>#</sup>;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009<sup>#</sup>; and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018<sup>#</sup>;

<sup>#</sup>The Regulations or Guidelines, as the case may be were not applicable for the period under review.

We have also examined compliance with the applicable clauses of:

- i. Secretarial Standards issued by the Institute of Company Secretaries of India;
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, to the extent applicable except the following:

- a) The Stakeholders Relationship Committee of the Company comprising of two Directors as members was re-constituted by the Board of Directors of the Company at their first Board Meeting held on May 28, 2019 to increase its strength to three Directors as members, as required under provisions of regulation 20(2A) of the Listing Regulations.

- b) The Company had reported a contra trade on March 16, 2020, executed by a Promoter & Executive Director of the Company on September 18, 2019 which is restricted under the Code of Conduct of the Company, in accordance with the provisions of regulation 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 read with SEBI circular no. SEBI/HO/ISD/CIR/P/2019/82 dated July 19, 2019.
- c) The total managerial remuneration paid by the Company to its Managing Director (s) and Whole -time Director for the period under review exceed the limits as prescribed under section 196 and 197 of the Act.

**We further report that -**

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

Adequate notices were given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent adequately in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the period under review, decisions were carried through unanimously and no dissenting views were observed, while reviewing the minutes.

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

**We further report that** during the audit period, there were no events/actions, having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

**For Bhandari & Associates**  
Company Secretaries  
**Manisha Maheshwari**  
Partner

FCS No: 30224; C. P. No.: 11031  
ICSI UDIN: A030224B000430712

Mumbai | July 09, 2020

*This report is to be read with our letter of even date which is annexed as Annexure 'A' and forms an integral part of this report.*

**Annexure 'A'**

To,  
The Members,

**Kabra Extrusiontechnik Limited**  
**CIN: L28900MH1982PLC028535**

Our Secretarial Audit Report for the Financial Year ended on March 31, 2020 of even date is to be read along with this letter.

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

**For Bhandari & Associates**

Company Secretaries

**Manisha Maheshwari**  
Partner

FCS No: 30224; C. P. No.: 11031  
ICSI UDIN: A030224B000430712  
Mumbai, July 09, 2020

**Secretarial compliance report of Kabra Extrusiontechnik Limited for the year ended March 31, 2020**

[Regulation 24(A) of SEBI (Listing Obligations Disclosure Requirements) Regulations 2015]

We Bhandari & Associates have examined:

- a) all the documents and records made available to us and explanation provided by Kabra Extrusiontechnik Limited (“the Listed Entity”),
- b) the filings/submissions made by the Listed Entity to the Stock Exchanges,
- c) website of the Listed Entity,
- d) any other document/filing, as may be relevant, which has been relied upon to make this certification, for the year ended March 31, 2020 (“Review Period”) in respect of compliance with the provisions of:
  - a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
  - b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018#;
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018#;
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014#;
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008#;
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013#;
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

and circulars/guidelines issued thereunder including the provisions of SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019, in terms of Para 6(A) and 6(B) of the said circular and has suitably modified the terms of appointment of its statutory auditors.

#The Regulations or Guidelines, as the case may be were not applicable for the period under review.

and based on the above examination, we hereby report that, during the Review period-

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No	Compliance Requirement (Regulations/circulars /guidelines including specific clause)	Deviations	Observations/Remarks of the Practicing Company Secretary
1.	Regulation 20(2A) of the SEBI Listing Regulations: At least three directors, with at least one being an independent director, shall be members of the Stakeholders Relationship Committee ('the SRC').	During the period from April 01, 2019 to May 27, 2019, the SRC comprised of two directors instead of three Directors.	The SRC of the Company comprising of two Directors as members was re-constituted by the Board of Directors of the Company at their first Board Meeting held on May 28, 2019 to increase its strength to three Directors as members, as required under provisions of regulation 20(2A) of the Listing Regulations.

2.	Regulation 9(1) and 9(2) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 read with Code of Conduct of the Company to monitor and report trading by Designated Persons and SEBI circular no. SEBI/HO/ISD/CIR/P/2019/82 dated July 19, 2019: In terms of regulation 9(1) and regulation 9(2) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the Regulations), the Board of Directors of every listed company and the Board of Directors or head(s) of the organization of every intermediary and fiduciary are required to formulate a Code of Conduct for designated persons and their immediate relatives and monitor its compliance and promptly inform SEBI about any violations of the code of conduct in accordance with clause 13 of Schedule B (in case of a listed company) or clause 11 of Schedule C (in case of intermediary or fiduciary) of the Regulations as applicable.	A Promoter & Executive Director executed a contra trade, which is restricted under the Code of Conduct of the Listed Entity and there was a delay in reporting of the same to the SEBI by the Listed Entity.	The Company had reported a contra trade on March 16, 2020, executed by a Promoter & Executive Director of the Company on September 18, 2019 which is restricted under the Code of Conduct of the Company, in accordance with the provisions of regulation 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 read with SEBI circular no. SEBI/HO/ISD/CIR/P/2019/82 dated July 19, 2019.
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- (b) The Listed Entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder so far as it appears from our examination of those records.
- (c) The following are the details of actions taken against the Listed Entity/its promoters/ directors/material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
There were no such instances				

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
Not Applicable				

**For Bhandari & Associates  
Company Secretaries**

**Manisha Maheshwari**  
Partner  
FCS No: 30224; C. P. No.: 11031  
Mumbai| July 09, 2020  
ICSI UDIN: A030224B000430767

## REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR FY 2019-20

### 1. Brief outline of CSR Policy:

- In compliance of Section 135 of the Companies Act, 2013 (Act), Schedule VII to Act, Companies (Corporate Social Responsibility Policy) Rules, 2014, and as recommended by the CSR Committee, the Company has adopted policy on undertaking the corporate social responsibility activities.
- The Board of the Company shall ensure that the Company spends, in every Financial Year, at least two percent of the average net profits of the Company made during the three immediately preceding Financial Years and disclose contents of such policy in its report and also place it on the Company's website.
- Reasons for not spending the requisite amount, if any, shall be specified in the Board's Report.
- CSR Corpus would include:
  - a. 2% of the average net profits;
  - b. Any income arising therefrom;
  - c. Surplus arising out of CSR activities.
- Expenditure on CSR activities as mentioned herein below shall not be counted as CSR spending –
  - a. CSR activities which are exclusively for the benefit of employees of the Company or their family members;
  - b. CSR activities undertaken outside India;
  - c. Contribution of any amount directly or indirectly to any political party.

CSR Policy is available at : <http://www.kolsite.com/Upload/FinancialResult/KET-CSR-POLICY.pdf>

### 2. The Composition of the CSR Committee:

1. Mr. S. V. Kabra – Chairman
2. Mr. S. N. Kabra – Member
3. Mr. B. L. Bagra – Member

### 3. Average Net Profit of the company for the last 3 Financial Years: ₹ 2,462.64 Lakhs

### 4. Prescribed CSR Expenditure (two percent of the amount as shown in Item No. 3 above): ₹ 49.25 Lakhs

### 5. Details of CSR Spent during the year:

- a. Total amount to be spent: ₹ 49.25 Lakhs
- b. Amount unspent, if any: ₹ 38.50 Lakhs
- c. Manner in which the amount spent during the Financial Year is detailed below:

(Amount in ₹)

CSR project or activity identified	Sector in which the Project is covered	Projects or Programmes (1) Local Area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects / programs (2) Overhead	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
Schedule VII 1(i) & (ii)	Promoting health care, education, etc.	Rajyoga Education and Research Foundation	10,00,000	10,00,000	10,00,000	Implementing Agency
Schedule VII 1(iii)	Promoting women empowerment	Damini women's Foundation	75,000	75,000	75,000	Implementing Agency
			<b>10,75,000</b>	<b>10,75,000</b>	<b>10,75,000</b>	

**6. Reason for not spending:**

The Company could spend only specific amount during the Financial Year under review, as the process of identifying the activities / projects is ongoing, so as to be in line with CSR objectives of the Company.

**7. Responsibility Statement:**

The implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

For and on behalf of the Board

**S. V. Kabra**

Chairman & Managing Director and Chairman of CSR Committee

(DIN: 00015415)

Place : Mumbai

Date : July 09, 2020

Annexure- 4

**Disclosure of particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required under Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014**

**A. Conservation of Energy:**

Sustainable Development and continuous improvement of Key Performance Indicators is of prime importance for the company. During the year under review, following Energy Conservation measures were taken by the Company:

- Continuous efforts are being made by the production team for conservation of energy and Process Optimisation to improve operational efficiency.
- Heating time for trials, testing etc., is strictly monitored and certain savings are generated, but total impact of this cannot be ascertained.
- Additional Investments and proposals, if any, being implemented for reduction of consumption of energy: None.
- Impact of measures at (a) & (b) above, for reduction of energy consumption and consequent impact on the cost of



production of goods: With the implementation of measures indicated in (a) above, it is expected that there would be a corresponding favourable impact on the energy cost per unit of production.

## B. Technology Absorption:

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

The Company has created a distinct identity for itself with its extensive research & development ('R&D') capabilities, delivering innovative products, positively impacting the plastic extrusion industry. Our R&D team stays well-informed about newer product development, tools and technologies to gain competitive market advantage. During FY 2019-20, the following new plants / products / equipment have been developed by the R&D Team of the Company:

TwinEX114 - 34 RPVC Pipe Plant 1200 Kg/hr	Validated for Twin Strand Line - SWR Pipe with Gravimetric system
Double Wall HDPE Corrugator Pipe Extrusion Line UC315	Validated for 200ID Double Wall corrugated Pipe with Cuff formation
Automatic Inline Belling Machine MSA 20 - 110 / 1	Validated for Plain & Elastomeric Socket In - line operation
Automatic Inline Belling Machine MSA 110 - 400/1	Validated for Elastomeric Socket In - line operation
Efficient Air Cooling System (EAC) - 250	Validated Internal Pipe Cooling System (IPC) - HDPE Pipe Plant
Efficient Air Cooling System (EAC) - 450	
COD / Tele Duct Sheathing Line	Validated for COD / Teleduct / Microduct sheathing Line - Combo Plant
3LPE Pipe Coating Plant 24" - 140"	Validated for : Pipe Range : 24" to 140" <ul style="list-style-type: none"> <li>• PE Extruder Output :1800 - 2000 Kg/hr</li> <li>• Adhesive Extruder Output : 200 Kg/hr</li> </ul>
Kabra Compact Processor KCP 1000	Validated for Filler, White, and Black Master Batch application

### 2. Benefits derived as a result of the above R & D:

New range of Pipe and Film plants and other new products, like drip lines have widened the range of products. The customers are benefitted with better choice, aimed at lower cost of ownership, with increased productivity and reliability and lower power consumption.

### 3. Future plan of action:

Continuous efforts are being made to develop wide range of extrusion lines and allied products. Effective implementation of key strategies will enable us to achieve long-term sustainable growth. Our focus is on investing more in science and technology and increasing reach in the most promising markets. With a wider, more innovative product portfolio, we shall be better equipped to withstand the challenges ahead of us in the short to medium term.

### 4. Expenditure on R & D:

The Company maintains DSIR recognized Research & Development Laboratory at Kachigam & Dunetha, Daman. The Company's in-house R&D has experienced trained technical team and advanced designing software. During the year, the Company has incurred R&D Expenditure amounting to ₹ 1215.45 Lakhs (Previous Year ₹ 1005.99 Lakhs) reflecting an increase of 21%, as revenue expenditure on R&D initiatives.

**5. Technology imported during the last 5 years:**

Technology Imported	Imported From	Year of Import	Status
Technology and License Agreement for disclosure of technology (including know - how)	M/s. Unicor GmbH, Germany	March, 2017	Technology being imported and absorbed

**C. Foreign Exchange Earnings and Outgo:**

	FY 2019 - 20	FY 2018 - 19
Foreign Exchange Earned	7,184.43	6,457.66
Foreign Exchange Used	3,205.19	2,440.86

For and on behalf of the Board

Place : Mumbai  
Date : July 09, 2020

**S. V. Kabra**  
Chairman & Managing Director  
(DIN: 00015415)

**Annexure-5****Extract of Policy for Appointment and remuneration of Directors**

- The Company has constituted Nomination & Remuneration Committee in compliance of provisions of the Companies Act, 2013 ('the Act') and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'). The Committee identifies persons who are qualified to become director and who may be appointed in Senior Management in accordance with criteria laid down.
- A person possessing appropriate skills, experience and knowledge in one or more fields of finance, law, management or sales, marketing, technical operations related to the Company's business and who is not related to the management of the Company and who meets criteria of Independence as prescribed under Section 149(6) of the Act and Regulation 16 of the Listing Regulations is considered for appointment as an Independent Director.
- Further such person is required to furnish his Director Identification Number and a declaration that he is not disqualified to become a director under section 164 of the Act and there is no change in the circumstances affecting his status as an Independent Director and has accorded his consent to hold office as director.
- A person who possesses appropriate skills and competency related to business operations of the Company and who is not disqualified under Section 196(3) of the Act is proposed for appointment / re-appointment to hold office of Managing Director / Whole-time Director.
- In addition to the duties as prescribed under the Act, the directors on the Board of the Company are also expected to demonstrate high standards of ethical behavior, strong interpersonal and communication skills and soundness of judgement. Independent Directors are also expected to abide by the "Code for Independent Directors" as outlined in Schedule IV to the Act.

### **Remuneration of Directors:**

1. In accordance with Section 149 (9) of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Independent Directors are paid sitting fee of ₹ 20,000/- for each meeting of Board and Audit Committee attended by them and ₹10,000/- for each of the other Committee meetings attended by them and such payment is within the ceiling prescribed.  
They are not entitled to any Stock Option. They are reimbursed with the expenses for participation in the meeting of the Board and its Committees.
2. Managing Directors / Whole-time Directors are paid remuneration within the ceiling prescribed under Section 197 of the Act and / or Schedule V to the Act. Remuneration is based on qualification, experience, past performance and as recommended by the Nomination & Remuneration Committee basis the performance of the Company for each Financial Year vis-à-vis performance of each managerial person based on evaluation, industry benchmark and subject to approval by the Members of the Company.

### **Guiding Principles for determining Remuneration Package:**

The Nomination and Remuneration Committee, while designing a remuneration package shall ensure that:

- i. The level and composition of remuneration is reasonable and adequate to attract, retain and motivate the person to ensure the quality required to perform the functional responsibility successfully;
- ii. A balance between fixed and incentive pay, reflecting short and long term performance objectives appropriate to the working of the Company and its goals;
- iii. A significant part of such package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders;
- iv. Pay and employment conditions with peers / elsewhere in the competitive market are considered to ensure that pay structure of the Company is appropriately aligned and tax efficient in the hands of employer and employees;
- v. Remuneration is designed to motivate delivery of key business strategies of the Company, create a strong performance oriented environment and reward achievement of targets.

### **Board Diversity:**

The Board consists of optimum combination of the executive & non-executive directors, woman director, Independent & non-executive directors. The Members of the Board possess diversity of thoughts, skills, experience, knowledge so as to ensure that there is appropriate balance of skills, experience, knowledge in the Board to enable it to discharge its functions and duties effectively.

Place : Mumbai  
Date : July 09, 2020

For and on behalf of the Board  
**S. V. Kabra**  
Chairman & Managing Director  
(DIN: 00015415)

## Annexure-6

**Particulars of Employees as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

- (i) The ratio of the remuneration of each executive director to the median remuneration of employees of the Company who were on payroll of the Company for the Financial Year 2019-20:

Name of Director	Ratio to median remuneration of employees
Mr. Shreevallabh G. Kabra	1 : 17.20
Mr. Anand S. Kabra	1 : 18.28
Mrs. Ekta A. Kabra	1 : 13.91

Non-Executive Directors are paid sitting fees only and there was no revision during the year under review.

- (ii) The percentage increase in remuneration of each Executive Director and Key Managerial Personnel in the Financial Year 2019-20:

Executive Directors & Key Managerial Personnel	% increase in remuneration
Mr. S. Shenoy - Chief Executive Officer	6.63
Mr. Daulat Jain - Chief Financial Officer	3.00
Ms. Arya K. Chachad - Company Secretary	9.55

\* In the Financial Year 2019-20, there was no revision in remuneration of the Executive Directors, viz. Mr. Shreevallabh G. Kabra - Chairman & Mg. Director, Mr. Anand S. Kabra - Managing Director and Mrs. Ekta A. Kabra - Director-Strategy

- (iii) The percentage increase in the median remuneration of employees in the Financial Year: 1.12 %
- (iv) The number of permanent employees on the roll of the Company as on March 31, 2020: 459
- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and exceptional circumstances, if any, for increase in the managerial remuneration: The average annual increase in salary of employees was about 6% based on their individual performance vis-à-vis Company's performance, while increase in remuneration of KMPs was about 6.39% which is determined on performance evaluation, industry benchmark vis-à-vis Company's performance.

(vi) Statement of the top ten employees (other than Executive Directors) in terms of remuneration drawn during FY 2019-20:

Sr. No	Name	Designation	Remuneration (Amount in ₹)	Qualification	Date of commencement of employment	Age (yrs.)	Total experience (Years)	Particulars of Previous Employment		
								Organisation	Designation	Period for which last post held (Yrs.)
1	Mr. Subhas-chandra Shenoy	CEO	10,855,921	BE-Mech. & PGDM	19/07/2013	48	26	Western Auto Group	CEO	5
2	Mr. Daulat Jain	CFO	34,64,778	CA	17/07/2017	43	20	Prism Cement Ltd.	DGM Corporate MIS & Branch Commercial	8
3	Mr. Kishor S Singi	Sr. VP-Materials	31,41,926	BE,PDGMM &DIEM	03/02/2014	57	33	Sankalp Engg &Service Pvt.	Chief Operation Officer	1
4	Mr. I.V.S Chakravarthy	VP- R&D Design	30,44,525	B. Tech	29/04/2003	51	28	Plastiblends India Ltd	Manager	8
5	Mr. Pramod Vitthalrao Kokate	CIO-Battrixx	29,78,161	B. Tech	11/12/2003	51	31	Manu graph Industries Ltd	Superintendent	14
6	Mr. Rajesh R Sonar	AVP-Marketing	29,17,078	BE & MBA	17/04/2017	46	24	Rollepaal Engg. Pvt Ltd.	General Manager	1
7	Mr. U. Mahaboob Ali Khan	VP-Marketing	28,12,468	DME	01/03/1987	56	35	Heavy Vehicles Factory	Training Engineer	1
8	Mr. Nilesh B Shah	AVP-Marketing	27,83,388	BE	15/12/2008	58	36	Packs YS Global (INDIA) Pvt. Ltd	General Manager	2
9	Mr. Pravin R Sudke	VP-R&D Design	26,60,174	BE(Mech)	01/08/1995	48	27	Clique Marketing & Holding Pvt Ltd	Sales Engineer	1
10	Mr. Hari Jagatrai Makhija	AVP-Assembly	23,84,889	DEE	16/11/2005	58	39	The Supreme Ind. Ltd	Manager	2

**Notes:**

1. In respect of all the employees, the nature of employment is Permanent, i.e. non-contractual, terminable by notice on either side and liable to transfer to any division/subsidiary of the Company.
2. Total experience shown above includes service with previous employers.
3. None of the employee mentioned above is relative of any Director or manager of the Company.
4. None of the employee mentioned above is holding any equity shares of the Company.
5. None of the employee, except Mr. S. Shenoy as disclosed above, was in receipt of remuneration amounting to more than ₹ 102 Lakh per annum or ₹ 8.50 Lakh per month.

(vii) It is affirmed that remuneration paid is as per the remuneration policy of the Company.

For and on behalf of the Board

**S. V. Kabra**

Chairman & Managing Director

(DIN: 00015415)

Place : Mumbai

Date : July 09, 2020

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

**as on the Financial Year ended on March 31, 2020**

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

**I. REGISTRATION AND OTHER DETAILS**

i) CIN	L28900MH1982PLC028535
ii) Registration Date	21/10/1982
iii) Name of the Company	Kabra Extrusiontechnik Limited
iv) Category / Sub-Category of the Company	Public Limited
v) Address of the Registered Office and contact details	Fortune Terraces, 10 <sup>th</sup> Floor, 'B' Wing, New Link Road, Andheri (W), Mumbai - 400053 Tel.: 022-26734822-24 Fax: 022-26735041 Email : ket_sd@kolsitegroup.com
vi) Whether listed company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent	Sharex Dynamic (India) Pvt. Ltd., C 101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai – 400 083, Tel.: +91 22 2851 5606 / 44 Website : www.sharexindia.com E-mail : support@sharexindia.com

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

All the business activities contributing 10% or more of the total turnover of the Company:

Sr. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Plastic Extrusion Machinery	354.9	99.97

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

Sr. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary Associate	% of shares held	Applicable Section
1.	Penta Auto Feeding India Ltd., Fortune Terraces, 10 <sup>th</sup> Floor, New Link Road, Andheri (West), Mumbai - 400053	U29253MH2015PLC268587	Associate	49.94%	2(6)
2.	Kabra Mecanor Belling Technik Pvt. Ltd., Fortune Terraces, 10 <sup>th</sup> Floor, New Link Road, Andheri (West), Mumbai - 400053	U29309MH2017PTC301646	Subsidiary	69.98%	2(87)

#### IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### (I) Category-wise Shareholding

Sr. No.	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A)</b>	<b>Promoter and Promoter Group</b>									
<b>1.</b>	<b>Indian</b>									
(a)	Individuals/Hindu Undivided Family	11194184	-	11194184	35.09	13744417	-	13744417	43.08	7.99
(b)	Central Government / State	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	7091260	-	7091260	22.23	4656260	-	4656260	14.60	-7.63
(d)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(e)	Any Other	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A)(1)</b>	<b>18285444</b>	<b>-</b>	<b>18285444</b>	<b>57.32</b>	<b>18400677</b>	<b>-</b>	<b>18400677</b>	<b>57.68</b>	<b>0.36</b>
<b>2.</b>	<b>Foreign</b>									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(e)	Any Other	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)</b>	<b>18285444</b>	<b>-</b>	<b>18285444</b>	<b>57.32</b>	<b>18400677</b>	<b>-</b>	<b>18400677</b>	<b>57.68</b>	<b>0.36</b>
<b>(B)</b>	<b>Public shareholding</b>									
<b>1.</b>	<b>Institutions</b>									
(a)	Mutual Funds / UTI	4400	-	4400	0.01	4400	-	4400	0.01	-
(b)	Financial Institutions / Banks	4065	-	4065	0.01	941	-	941	0.00	-0.01
(c)	Central Government / State	55891	-	55891	0.18	66224	-	66224	0.21	0.03
(d)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-	-
(f)	Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(i)	Any Other : Foreign Portfolio Inv.	149600	-	149600	0.47	308737	-	308737	0.97	0.50
	<b>Sub-Total (B)(1)</b>	<b>213956</b>	<b>-</b>	<b>213956</b>	<b>0.67</b>	<b>380302</b>	<b>-</b>	<b>380302</b>	<b>1.19</b>	<b>0.52</b>
<b>2.</b>	<b>Non-institutions</b>									
(a)	Bodies Corporate	1248105	1600	1249705	3.92	1154598	1600	1156198	3.63	-0.29
(b)	Individuals -									
	i. Individual Shareholders holding Nominal Share Capital upto ₹ Lakh	6981293	386604	7367897	23.09	6730192	325804	7055996	22.12	-0.98
	ii. Individual Shareholders holding Nominal Share Capital in excess of ₹ 1 Lakh	3509735	39200	3548935	11.12	4029094	79200	4108294	12.88	1.75
(c)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(d)	Any Other	-	-	-	-	-	-	-	-	-
(d1)	Non-Domestic Companies	-	-	-	-	-	-	-	-	-
(d2)	Non Resident Indians (Non Repat)	83995	1600	85595	0.27	57820	1600	59420	0.19	-0.08
(d3)	Non Resident Indians (Repat)	285731	80000	365731	1.15	217930	40000	257930	0.81	-0.34
(d4)	Clearing Members	295815	0	295815	0.93	17194	0	17194	0.05	-0.87
(d5)	Trusts	4500	0	4500	0.01	4000	0	4000	0.01	0.00
(d6)	HUF	483942	800	484742	1.52	461509	800	462309	1.45	-0.07
	<b>Sub-Total (B)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Public Shareholding(B)=(B1)+(B2)</b>	<b>13107072</b>	<b>509804</b>	<b>13616876</b>	<b>42.68</b>	<b>13052639</b>	<b>449004</b>	<b>13501643</b>	<b>42.32</b>	<b>-0.36</b>
	<b>TOTAL (A)+(B)</b>	<b>31392516</b>	<b>509804</b>	<b>31902320</b>	<b>100.00</b>	<b>31453316</b>	<b>449004</b>	<b>31902320</b>	<b>100.00</b>	<b>-</b>
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>									
C1	Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
C2	Public	-	-	-	-	-	-	-	-	-
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>31392516</b>	<b>509804</b>	<b>31902320</b>	<b>100.00</b>	<b>31453316</b>	<b>449004</b>	<b>31902320</b>	<b>100.00</b>	<b>0.00</b>

## (ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1.	Kolsite Corporation LLP *	6263888	19.63	-	3828888	12.00	-	-7.63
2.	Anand Shreevallabh Kabra	6342584	19.88	-	6363717	19.94	-	0.06
3.	Shreevallabh Gopilal Kabra	3235344	10.14	-	3235344	10.14	-	0.00
4.	Ekta Anand Kabra	378062	1.19	-	2907162	9.11	-	7.92
5.	Veenadevi Shreevallabh Kabra	1230194	3.86	-	1230194	3.86	-	0.00
6.	Plastiblends India Ltd.	827372	2.59	-	827372	2.59	-	0.00
7.	Satyanarayan Gopilal Kabra	2000	0.01	-	2000	0.01	-	0.00
8.	Saritadevi Satyanarayan Kabra	2000	0.01	-	2000	0.01	-	0.00
9.	Varun Satyanarayan Kabra	2000	0.01	-	2000	0.01	-	0.00
10.	Khushi Anand Kabra	1000	0.00	-	1000	0.00	-	0.00
11.	Shaurya Anand Kabra (Minor)	1000	0.00	-	1000	0.00	-	0.00
		<b>18285444</b>	<b>57.32</b>	<b>-</b>	<b>18400677</b>	<b>57.67</b>	<b>-</b>	<b>0.35</b>

\*shares transferred to Ekta A. Kabra by way of inter-se transfer within the promoter group at prevailing market price on the floor of Stock Exchange in two tranches in September 2019.

## (iii) Change in Promoters' Shareholding

Sr. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	At the beginning of the year	18084855	56.69	18285444	57.32
2.	Date wise increase / decrease:				
	Purchase	200559	0.63	16 5233	0.52
	Sale	0	0.00	( 50000)	(0.15)
3.	At the end of the year	<b>18285444</b>	<b>57.32</b>	<b>18400677</b>	<b>57.67</b>

**Note:** The shares of the Company are traded on various dates. The date wise increase / decrease in shareholding is not indicated.



(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of Total shares of the company	No. of Shares	% of Total shares of the company
1.	Sweta Sidharth Agrawal	596476	1.87	596476	1.87
2.	Kashish Jain	438537	1.37	433327	1.36
3.	Seema Heinz Mathias	374628	1.17	374628	1.17
4.	Shivani Tejas Trivedi	278342	0.87	316536	0.99
5.	Gymkhana Partners L.P.	129600	0.41	308737	0.97
6.	Integrated Investment Management Services LLP	241402	0.76	292000	0.91
7.	Vandana R. Gandhi	277850	0.87	277850	0.87
8.	Rajkishore Mundra	225400	0.71	225400	0.71
9.	Arun Nahar	0	0.00	210000	0.66
10.	Anjul	140515	0.44	133008	0.42
11.	Jainam Share Consultants Pvt. Ltd.	214768	0.67	25660	0.08
12.	Antique Stock Broking Ltd.	210000	0.66	0	0.00

**Note:** The shares of the Company are traded on a daily basis and hence the date wise increase / decrease in shareholding is not indicated. Shareholding is consolidated based on Permanent Account Number (PAN) of the shareholder.

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name of the Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	Shri S. V. Kabra	3235344	10.14	3235344	10.14
2.	Shri S. N. Kabra	2000	0.01	2000	0.01
3.	Shri Anand S. Kabra	6342584	19.88	6363717	19.94
4.	Smt. Ekta A. Kabra	378062	1.19	2907162	9.11
5.	Shri M. P. Taparia	-	-	-	-
6.	Shri Y. B. Desai	-	-	-	-
7.	Shri N. C. Chauhan	-	-	-	-
8.	Shri B. L. Bagra	-	-	-	-
9.	Shri Boman Moradian	-	-	-	-

**Note:** Key Managerial Personnel – CEO, CFO and CS are not holding any Equity Shares of the Company.

## V. INDEBTEDNESS

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

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i) Principal Amount	942.82	-	-	942.82
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>942.82</b>	<b>-</b>	<b>-</b>	<b>942.82</b>
Change in Indebtedness during the Financial Year				
· Addition	1729.61	-	-	1729.61
· Reduction	-	-	-	-
<b>Net Change</b>	<b>1729.61</b>	<b>-</b>	<b>-</b>	<b>1729.61</b>
Indebtedness at the end of the Financial Year				
i) Principal Amount	2672.43	-	-	2672.43
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>2672.43</b>	<b>-</b>	<b>-</b>	<b>2672.43</b>

## VI. REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration as per the provisions of Income Tax Act	Name of MD / WTD / ED			Total Amount
		S. V. Kabra	A. S. Kabra	E. A. Kabra	
1.	Gross Salary				
	(a) Salary as per Sec. 17(1) of Income Tax Act	70.20	70.11	57.60	197.91
	(b) Value of perquisites u/s 17(2) of Income Tax Act	-	-	-	-
	(c) Profits in lieu of salary u/s 17(3) of Income Tax Act	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission as % of Profit	-	-	-	-
	<b>Total (A)</b>	<b>70.20</b>	<b>70.11</b>	<b>57.60</b>	<b>197.91</b>
	Ceiling as per the Act @10% of profits calculated u/s. 198 of the Companies Act, 2013				<b>70.10</b>

**B. Remuneration to other directors (Non-Executive Directors)**

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Sitting Fees	Commission	Others	Total
1.	Shri Y. B. Desai	2.00	-	-	2.00
2.	Shri N. C. Chauhan	2.00	-	-	2.00
3.	Shri M. P. Taparia	0.70	-	-	0.70
4.	Shri B. L. Bagra	1.70	-	-	1.70
5.	Shri B. Moradian	1.90	-	-	1.90
	<b>Total (B)</b>	<b>8.30</b>	<b>-</b>	<b>-</b>	<b>8.30</b>
	<b>Total (A + B)</b>				<b>206.21</b>
	Ceiling as per the Act @ 11% of profits calculated u/s.198 of the Companies Act, 2013				<b>77.12</b>

**C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD**

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial			Total
		CEO	CS	CFO	
1.	Gross salary				
	(a) Salary as per section 17(1) of Income Tax Act	108.56	8.26	34.65	151.47
	(b) Value of perquisites u/s 17(2) of Income Tax Act	-	-	-	-
	(c) Profits in lieu of salary u/s 17(3) of the said Act	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission as % of profit	-	-	-	-
	<b>Total</b>	<b>108.56</b>	<b>8.26</b>	<b>34.65</b>	<b>151.47</b>

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

There were no penalties, punishment or compounding of offences during the financial year ended March 31, 2020.

 Place : Mumbai  
 Date : July 09, 2020

 For and on behalf of the Board  
**S. V. Kabra**  
 Chairman & Managing Director  
 (DIN: 00015415)

## MANAGEMENT DISCUSSION AND ANALYSIS

### 1. INDUSTRY STRUCTURE AND DEVELOPMENTS:

Kabra Extrusiontechnik Ltd. (KET) is the flagship company of Kolsite group and one of the largest players in the plastic extrusion machinery known for its innovative offerings. KET specializes in delivering high performance extrusion solutions for manufacturing pipes and films. It has two manufacturing locations in Daman. The Biodegradable plastics are gaining popularity and is one of the most evolving businesses in recent times. A rising trend in the plastic industry for cost savings and process simplification is being met by automation and industry 4.0. Process upgradation with Technology Upgradation along with R&D activities is important for development of an industry and to be ahead of the competitors as it results to Quality Improvement, improvement in efficiency as well as cost saving.

During the year under review, the Company has set up a new of the art manufacturing facility MIDC at Chakan, Pune for Module and battery packs and has applied for various incentives announced by the State and Central Government.

### 2. BUSINESS OVERVIEW AND OUTLOOK:

The year has been a challenging one due to the ongoing economic slowdown. The Company continued its focus on marketing activities and strengthening its agent network by participating in various trade fairs and exhibitions. It has made significant inroads in new markets. During the Financial Year 2019-20, the Company has participated in several national and international exhibitions, to show-case its product portfolio and technology to strengthen its geographical base as well as clientele.

The actions taken by various governments to contain the Covid-19 pandemic, such as closing of borders and lockdown restrictions, resulted in significant disruption to people and businesses. Consequently, market demand and supply chains have been affected, significantly increasing the risk of a global economic recession. The pandemic has impacted, and may further impact, all of our stakeholders – employees, clients, investors and communities we operate in. Currency fluctuations and declining interest rates may affect the results of our operations. The IMF estimates the world economy to decline by 3% in CY 2020 followed by a recovery and growth of 5.8% in CY 2021.

The business will continue expanding its global footprint with high focus on market penetration, enhance customer delight, and sustain investments in technology to support growth and further strengthen engagement programmes across platforms. The Company is in the process of identifying new avenues of growth and effective utilization of its existing resources. The Company continues to focus on innovations and is also exploring in new opportunities in e-commerce for its spares business.

### 3. KET's COMPETITIVE POSITIONING:

KET's competitive positioning lies in its understanding of the indigenous markets with strong client relationship, coupled with continuous efforts towards enhancing its technological expertise. Being a market leader in the extrusion market over five decades of promoter experience in the industry, it has a strong brand loyalty and customer base.

The Technological collaborations forged by Company over a period of time have helped it to capture the market in India and expand its geographical base to more than 91 countries globally. Your Company continues to derive sustainable benefit from the strong foundation and long tradition of R&D. Our R&D function actively searches for ways to translate the trends in consumer preference into new technologies for incorporation into future products.

Battrix is positioned to provide higher range and longer battery life to the electrical vehicles segment and safe and reliable energy storage system with its customized wide range of advanced battery modules, packs and BMS. Battrix technology is committed to offer light weight, high efficiency, long life, maintenance free, high power density with low charging time, low energy cost, smaller carbon footprint and wide temperature range of lithium-ion battery packs with BMS compared to conventional lead acid batteries.

**4. SEGMENT-WISE PERFORMANCE:**

Your Company is operating in two segments i.e. Plastic Extrusion Machinery and Allied Equipment and Energy Storage Systems (ESS).

**5. RISKS AND CONCERNS:**

Our business operations may fluctuate due to a variety of factors such as Technology obsolescence, market conditions, growing competition, including imports and unorganized sector that may have adverse effect on Company's business and its margin in future. A risk identification and mitigation framework has been adopted by the Company. Major risks have been identified by the businesses and functions and the company will adopt various measures at different points in time to counter these risks successfully on a continuing basis. The Company is geared up to provide a technological solution to face the upcoming challenges to process reusable, recyclable or compostable Plastic as well as Lead-Free stabilizers by upgrading the existing set up of its customers.

The Company has diversified its business into a segment of Energy Storage Systems (ESS), to reduce the dependency on single segment business. The Company will leverage its ability to adapt new technologies to manufacture advance Lithium-ion Battery Packs equipped with Battery Management Systems (BMS) under the brand name "BATTRIXX" to power the growth of India's transition to green energy storage and electric transportation.

**6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company's internal audit system is geared towards ensuring adequate internal controls commensurate with the size complexity and needs of the business, with the objective of efficient conduct of operations through adherence to the Company's policies, identifying areas of improvement, evaluating the reliability of financial statements, ensuring compliance with applicable laws and regulations and safeguarding of assets from unauthorized use. The Company has appointed a firm of Chartered Accountants as Internal Auditors in compliance of Section 138 of the Companies Act, 2013 to conduct internal audit of functions and activities of the Company. They report on quarterly basis to the Company on their findings. Their Report is reviewed by the Audit Committee Members and Statutory Auditors.

**7. FINANCIAL & OPERATIONAL PERFORMANCE:**

(₹ in Lakhs)

Sr. No.	Particulars	FY 2019 - 20	FY 2018 - 19
1.	Income from Operations	22,018.99	24,514.19
2.	Other Income	294.36	1,993.59 *
3.	Net Profit after Finance Cost, Depreciation, Tax and Deferred Tax	747.09	2,447.21

\* mainly includes profit on sale of investments held in BWPTI Holdings Inc., USA (erstwhile Gloucester Engineering Co. Inc. & interest on outstanding insurance claim)

No financial defaults of whatsoever nature were reported during the year under review.

**8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT:**

Industrial relations during the year were cordial and peaceful without any disruption of manufacturing activities. Programmes aiming at leadership development and upgradation with advancing technology on all fronts were conducted during the year. Manpower as on March 31, 2020 including Workers, Staff and Executives was 459.

**9. SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS:**

(i.e. change of 25% or more as compared to the immediately previous financial year):

Sr. No.	Particulars	% Change Increase/(Decrease)	Reason(s)
1.	Debtors Turnover	94%	Due to lower receivables
2.	Inventory Turnover	(24%)	Due to lower sales
3.	Interest Coverage Ratio	(59%)	Due to lower EBIT during C.Y.
4.	Current Ratio	(14%)	Due to reduction in working capital
5.	Debt Equity Ratio	200%	Due to Term Loan availed during C.Y.
6.	Operating Profit Margin (%)	(60%)	Due to lower sales during C.Y.
7.	Net Profit Margin (%)	(64%)	P.Y. net profit margin was higher due to higher non operating income and higher sales

**10. CHANGE IN RETURN ON NET WORTH** as compared to the immediately previous financial year along with a detailed explanation thereof: Decrease by 5.64%.

**11. CAUTIONARY STATEMENT:**

Actual performance may differ from projections made, as the Company's operations are subject to various economic conditions, government regulations and other incidental factors.

For and on behalf of the Board

S. V. Kabra  
Chairman & Managing Director  
(DIN: 00015415)

Place : Mumbai  
Date : July 09, 2020

## CORPORATE GOVERNANCE REPORT

A compliance report on Corporate Governance is included in this Annual Report in compliance of Regulation 34(3) read with Schedule V - Part C appended to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereto (hereinafter termed as "said Regulations").

### 1. Company's Philosophy on Code of Governance:

The basic philosophy of Corporate Governance of the Company is to achieve business excellence and dedicate itself to increasing long-term shareholders value, keeping in view the need and interest of all its stakeholders, viz. customers, shareholders, employees, regulatory bodies, vendors, bankers, etc.

### 2. Board of Directors:

#### Composition and size of the Board:

The present strength of the Board is nine (9) Directors. The Board comprises of three (3) Executive Directors, including a Woman Director holding Executive position and six (6) Non-Executive Directors, out of which five (5) are Independent Directors. The strength of the Independent Directors is more than 50% of the Board. All of them are acknowledged as leading industrialist and professionals in their respective fields. The Board is headed by Shri S. V. Kabra, Executive Chairman. Independent Directors contributed to the deliberation and decision making process in the meetings.

#### Board Meeting and Attendance:

Five (5) Board Meetings were held during the Financial Year 2019-20 on May 28, 2019, July 31, 2019, November 09, 2019, February 03, 2020 and March 11, 2020. The information as required under the said Regulations was made available to the Board.

Sr. No	Name of the Director	Position / Status	Attendance at		As on March 31, 2020		
			Board Meeting during FY2019 - 20	Last AGM held on 31.07.2019	Number of External Directorships held #	Number of Memberships/ Chairmanships in Board Committees across all the Companies*	
						Member	Chairman
1.	Shri S. V. Kabra \$	Executive	5	Yes	6	2	-
2.	Shri S. N. Kabra \$	Non - Executive Non Independent	4	Yes	2	1	-
3.	Shri A. S. Kabra €	Executive	5	Yes	5	1	-
4.	Smt. Ekta A. Kabra ^	Executive	4	Yes	1	-	-
5.	Shri M. P. Taparia	Non - Executive Independent	3	No	5	1	1
6.	Shri Y.B. Desai	Non - Executive Independent	5	Yes	1	-	1
7.	Shri N.C. Chauhan	Non - Executive Independent	5	Yes	-	1	-
8.	Shri B. L. Bagra	Non - Executive Independent	4	No	3	2	2
9.	Shri B. Moradian	Non - Executive Independent	5	Yes	3	4	-

# Includes directorships held in all the Companies, i.e. Private Limited Companies and Foreign Companies.

\* A Committee Member or Chairman of the Audit & Stakeholders Relationship Committee in all public limited companies, whether listed or not.

\$ Shri S. V. Kabra and Shri S. N. Kabra are the Promoters and are relatives

€ Shri A. S. Kabra is a relative of Shri S. V. Kabra and Smt. Ekta A. Kabra

^ Smt. Ekta A. Kabra is a relative of Shri Anand S. Kabra

None of the Directors on the Board is Member on more than ten (10) committees or Chairman of more than five (5) committees across all the Companies in which they are Directors and the necessary disclosures in this regard have been made by them.

It is confirmed that in the opinion of the Board, the independent directors of the Company fulfill the conditions specified in the said Regulations and are independent of the management.

### **Skills / Expertise / Competencies of the Board of Directors**

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

- i) Knowledge on Company's businesses (plastic industry prospects), policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates
- ii) Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company
- iii) Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making,
- iv) Financial and Management skills,
- v) Technical / Professional skills and specialized knowledge in relation to Company's business.

### **3. Audit Committee:**

#### **Terms of Reference in brief:**

The terms of reference of this Committee are wide enough covering the matters specified for Audit Committee, pursuant to Section 177 of the Companies Act, 2013 and said Regulations, inter-alia, including the following:

- Overseeing of the Company's financial reporting process and disclosure of financial information and financial / risk management policies;
- Review of Quarterly Financial Results and Annual Financial Statements, ensuring compliance with regulatory guidelines and Auditor's Report thereon;
- Review of the adequacy of Internal Control Systems, discussion on significant Internal Audit findings, including internal control and weakness, if any, and Risk Management.
- Recommend appointment, removal of Statutory Auditors, Cost Auditors, Internal Auditors & their remuneration.
- Review Management Discussion & Analysis of financial condition and the Company's Financial Results.
- Review areas of operation of Internal Audit team & their performance.
- Review and approval of material Related Party Transactions and subsequent modification(s) thereto.
- Review and approve appointment of CFO or any other person heading the Finance function.
- Review and monitor the auditor's independence & performance and effectiveness of audit process.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever necessary.



- Review utilization of loans & advances from/investment by the holding company in the subsidiary company(ies);
- Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 and verify that the systems for internal control are adequate and are operating effectively.

#### Audit Committee Composition:

In compliance with Section 177 of Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and the said Regulations, Audit Committee has been constituted comprising of four (4) Directors, who are eminent professionals having expert knowledge in the field of Finance, Accounts, Corporate Law and Business Management:

Name of Members	Status	Qualification	Position in Committee	Meetings Attended
Shri Y. B. Desai	Non - Executive Independent	B.A.(Hons), CAIIB	Chairman	4
Shri N. C. Chauhan	Non - Executive Independent	B.Com (Hons) LLB, CAIIB	Member	4
Shri B. L. Bagra	Non - Executive Independent	M.Com, F.C.A	Member	3
Shri B. Moradian	Non - Executive Independent	PG in Management and BE (Mech)	Member	4

#### Meetings:

- The Audit Committee meetings were held four (4) times during the Financial Year 2019-20 on May 28, 2019, July 31, 2019, November 09, 2019 and February 03, 2020.
- Quorum of the Committee is two (2) Independent Directors as Members.
- The Chief Financial Officer and the Statutory Auditors are permanent invitees at the meeting.
- The Company Secretary acts as a Secretary to the Committee.
- Minutes of each Audit Committee Meeting are placed before the Board Meeting.

#### 4. Nomination and Remuneration Committee:

In compliance with Section 178 of Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and the said Regulations, a Nomination and Remuneration Committee has been constituted comprising of following three non-executive directors:

Name of Members	Status	Qualification	Position in Committee	Meetings Attended
Shri M. P. Taparia	Non - Executive Independent	B.A.	Chairman	1
Shri N. C. Chauhan	Non - Executive Independent	B.Com (Hons) L.L.B. CAIIB	Member	1
Shri Y. B. Desai	Non - Executive Independent	B.A.(Hons), CAIIB	Member	1

**Meetings:**

- During the Financial Year 2019-20, one (1) meeting of the Nomination and Remuneration Committee was held on May 28, 2019.
- Quorum of the Committee is two (2) Directors as Members.
- The Company Secretary acts as a Secretary to the Committee.
- Minutes of each Nomination and Remuneration Committee Meeting are placed before the Board Meeting.

**Terms of Reference in brief:**

- Identifying persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
- recommend to the Board, remuneration payable to senior management;
- Conduct the evaluation of every director's performance;
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- Recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of independent directors and the Board;
- Devising a policy on Board diversity; and
- Any other matter as the Board may decide from time to time.

**Board Evaluation:**

The evaluation criteria for assessing the performance of Directors comprises of the following key areas: Attendance at Board and its Committee Meetings, Quality of contribution to Board deliberations, Strategic perspectives or inputs regarding future growth of the Company and its performance, providing perspectives and feedback beyond information provided by the Management, Commitment to the stakeholders' interests. The said criteria has been further elaborated as per SEBI guidance note in this behalf, to bring clarity on the process, streamline it, analyze the results and take corrective actions. A structured questionnaire has been prepared taking into consideration various aspects of the Board's functioning for feedback and response of each Director.

**Remuneration Policy and details of remuneration to all the Directors:**

Non-Executive Directors were paid sitting fee of ₹ 20,000/- for each Board and Audit Committee meeting attended and ₹10,000/- for each meeting of Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee attended. Total Sitting Fees paid to Non-Executive Directors during the Financial Year 2019-20 was ₹ 8,30,000/-. Non-Executive Directors were not paid any remuneration except sitting fees.

There were no pecuniary relationships or transactions of Non- Executive Directors vis â-vis the Company. The criteria for making payments to the Non-Executive Directors is posted onto website of the Company at <https://www.kolsite.com/Upload/FinancialResult/Criteria%20for%20payment%20to%20NED.pdf>

Overall remuneration paid during Financial Year 2019-20 to the Executive Directors:

(₹ in Lakhs)

Name of Director	Salary	Other Perquisites*	Total
Shri S. V. Kabra	46.80	29.73	76.53
Shri A. S. Kabra	48.00	33.36	81.36
Smt. E. A. Kabra	36.00	25.92	61.92
	<b>130.80</b>	<b>89.01</b>	<b>219.81</b>

\* includes HRA and contribution to Provident Fund, Superannuation Fund, medical reimbursement, etc.

Note: Above remuneration is excluding contribution to Group Gratuity Scheme. The Company has not granted Stock Option Scheme to any of its Directors. The Company does not have any Pension Scheme.

**5. Stakeholders Relationship Committee:**

Stakeholders Relationship Committee, specifically looks into redressing of Shareholders' and Investors' complaints regarding transfer of shares, non-receipt of Dividend warrants and Annual Reports, etc. The Committee has been formed in conformity with Section 177 of the Companies Act, 2013 and the said Regulations comprising of the following Directors:

Name of Members	Status	Position in Committee	Meetings Attended
Shri B. L. Bagra	Non - Executive Independent	Chairman	1
Shri S. V. Kabra	Executive	Member	1
Shri Anand S. Kabra*	Executive	Member	1

\* inducted as a Member of the Committee at the Board Meeting held on May 28, 2019

Name and Designation of Compliance Officer: Ms. Arya K. Chachad, Company Secretary

**Terms of Reference in brief:**

- i. enquiring into and redressing complaints of Shareholders and Investors and resolving the grievances of security holders of the Company;
- ii. review of measures taken for effective exercise of voting rights by shareholders; review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- iii. review of the measures taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

**Nature & Status of Shareholders' Correspondence:**

All the requests / correspondence received during the Financial Year ended March 31, 2020, as detailed below, were duly addressed by the Company / Registrar & Transfer Agent, Sharex Dynamic (India) Pvt. Ltd. No queries are pending for resolution, except where they are constrained by dispute or legal impediments or due to incomplete or non-submission of documents by the Shareholders.

During the year 2019-20, fifty two (52) investors' correspondence pertaining to non-receipt of corporate entitlements/share certificates, request for physical Annual Report, change of address, etc. were received and redressed to the satisfaction of the shareholders. All attempts are made to redress the grievances of the shareholders to their satisfaction. All valid transfers have been processed and no complaint was pending in respect thereof as of March 31, 2020.

**6. Corporate Social Responsibility Committee (CSR Committee):**

CSR Committee has been formed in conformity with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 comprising of the following Directors:

Name of Members	Status	Position in Committee	Meetings Attended
Shri S. V. Kabra	Executive	Chairman	1
Shri S. N. Kabra	Non - Executive	Member	1
Shri B. L. Bagra	Non - Executive Independent	Member	1

**The Committee's terms of reference include:**

- i. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013;
- ii. Recommend the amount of expenditure to be incurred on the activities referred above;
- iii. Monitor the CSR Policy of the Company from time to time;
- iv. Prepare a transparent monitoring mechanism for ensuring implementation of the projects/ programs / activities to be undertaken by the Company; and
- v. Such other activities as the Board of Directors may determine from time to time.

A meeting of the CSR Committee was held on February 03, 2020 to consider and approve CSR spent.

**7. General Body Meetings:**

**Particulars of the venue and time where last three (3) AGM were held:**

Financial Year Ended	AGM Date	Venue	Time
31 -03 -2019	31 -07 -2019	Hotel Karl Residency, 36, Lallubhai Park Road, Andheri (West), Mumbai - 400 058	3:30 P.M.
31 -03 -2018	10 -08 -2018	Hotel Karl Residency, 36, Lallubhai Park Road, Andheri (West), Mumbai - 400 058	3:00 P.M.
31 -03 -2017	18 -07 -2017	Hotel Park View, 37, Lallubhai Park Road, Andheri (West), Mumbai - 400 058	2:00 P.M.

Special Resolutions passed during the last 3 Annual General Meetings are presented herein below:

31 - 07 - 2019	<ol style="list-style-type: none"> <li>(i) To appoint Shri Shreevallabh G. Kabra as a Chairman &amp; Managing Director for a period of 5 (five) years with effect from April 01, 2019 to March 31, 2024</li> <li>(ii) Re - appointment of Shri Mahaveer P. Taparia as an Independent Director for a second term of 2 years from September 09, 2019 to September 08, 2021</li> <li>(iii) Re - appointment of Shri Yagneshkumar B. Desai as an Independent Director for a second term of 2 years from September 09, 2019 to September 08, 2021</li> <li>(iv) Re - appointment of Shri Nihalchand C. Chauhan as an Independent Director for a second term of 2 years from September 09, 2019 to September 08, 2021</li> <li>(v) Payment of remuneration to the Executive Directors in promoter group exceeding 5% of the net profits of the Company under section 198 of the Companies Act, 2013, till the expiry of their respective tenure</li> <li>(vi) Change in the place of keeping of Registers of Members and related records</li> </ol>
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10 -08 -2018	<ul style="list-style-type: none"> <li>(i) To charge the Members for service of documents by a particular mode of dispatch</li> <li>(ii) To authorize the Board of Directors invest, give loan, guarantee or provide security to the Related Parties</li> <li>(iii) To add new clause to the Main Object Clause of the Memorandum of Association of the Company</li> <li>(iv) To continue Directorship of Shri Nihalchand C. Chauhan as a Non Executive Director post attaining age of 75 years</li> <li>(v) To continue Directorship of Shri Mahaveer P. Taparia as a Non Executive Director post attaining age of 75 years</li> <li>(vi) To continue Directorship of Shri Yagnesh B. Desai as a Non - Executive Director post attaining age of 75 years</li> <li>(vii) To continue Directorship of Shri Satyanarayan G. Kabra as a Non - Executive Director post attaining age of 75 years</li> </ul>
18-07-2017	To alter / amend Clause 10 under the head "The Object incidental or Object" by re - wording / replacement for clarity and to make it more

**Postal Ballot:**

No resolution was passed through postal ballot under the provisions of the Companies Act and Rules made thereunder.

**8. Disclosures:**

- The Company does enter into transactions with entities in which some of the Directors of the Company are deemed to be concerned / interested. However, these transactions are in the ordinary course of the Company's business and on an arm's length basis. Directors have regularly made full disclosures to the Board of Directors regarding the nature of their interest in such concerns. Full particulars of the contracts entered into with the concerns in which Directors are directly or indirectly concerned or interested are recorded in the Register of Contracts maintained under Section 189 of the Companies Act, 2013 and the same was placed at every Meeting of Directors, for the noting and approval by the Board. Policy on dealing with Related Party Transactions is available at [www.kolsite.com](http://www.kolsite.com)
- Disclosure of the Related Party Transactions have been made in the Annual Report as a Note to the Financial Statements. During the year under review, there were no materially significant related party transactions that may have potential conflict with the interests of the Company at large.
- **Disclosure of commodity price risks and commodity hedging activities:**  
Foreign Currency Transactions were carried out on actual basis and against forward contract booked to hedge against the exchange fluctuation risks. The Company does not hedge in commodity prices.
- **Details of non-compliance by the Company, Penalties/Strictures imposed on the Company by Stock Exchange(s) or Securities Exchange Board of India (SEBI) or any other statutory authority or any matters related to Capital Markets:**  
There are no penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities relating to the above.  
There were no instances of non-compliance of any matter related to the capital market during the last three (3) years.
- **Details of Committee recommendations not accepted by the Board:** None
- **Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity of which statutory auditor is a part:** Rs. 4.83 Lakhs.
- **Complaints in relation to the Sexual Harassment:** None

**9. Means of Communication:**

- Quarterly results are not sent to each shareholder, as the same are published in leading English & Marathi newspapers.
- Quarterly, Half Yearly and Annual Financial Results of the Company immediately after approval of the Board are sent to the Stock Exchange together with a copy of Limited Review Report and Half- yearly Statement of Assets & Liabilities, Audit Report on Annual Accounts, as applicable. These Results are published in the prominent newspapers viz. The Business Standard (English) & Sakal (Marathi) respectively, as prescribed.
- All the data related to Quarterly, Annual Financial Results, Shareholding Pattern, etc. are uploaded on the Company's website: www.kolsite.com as required in terms of the said Regulations.
- Management Discussion and Analysis Report forms part of the Annual Report.

**10. General Shareholder Information:**

General Meeting	
Day, Date & Time	: Tuesday, September 15, 2020 at 11.00 a.m.
Venue	: Registered Office of Company through VC/AOVM
Financial Year	: April 01, 2020 to March 31, 2021
Dividend Payment Date	: NA
Date of Book Closure	: September 09,2020 to September 15,2020 (both days inclusive)
Reporting of Unaudited/Audited Financial Results	: In respect of Financial Year 2020-21 from April 01, 2020 to March 31, 2021
First Quarter Results	: Before August 14, 2020
Second Quarter Results with Half Year Results	: Before November 14, 2020
Third Quarter Results	: Before February 14, 2021
Audited Results for FY 2020-21	: On or before May 30, 2021
Annual General Meeting for FY 2020-21	: Tentatively by August / September, 2021

**Listing on Stock Exchanges:**

Name	Address	Stock Code
BSE Ltd.	Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai - 400 001	524109
National Stock Exchange of India Ltd. (NSE)	Exchange Plaza, Plot No. C/1, G - Block, Bandra - Kurla Complex, Bandra (East) Mumbai - 400 051	KABRAEXTRU

The Annual Listing Fees for the Financial Year 2020-21 has been paid to BSE and yet to be paid to NSE.

**Stock Market Data:**

Monthly High/Low price of the Equity Shares of the Company during the Financial Year 2019-20 with the volume traded:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April, 2019	88.35	75.65	22287	90.00	75.35	116887
May, 2019	87.00	68.75	37884	87.75	69.00	221796
June, 2019	84.00	75.50	25518	85.90	75.00	146393
July, 2019	85.00	57.90	52152	88.00	57.25	231327
August, 2019	65.00	56.00	27313	67.30	56.00	335624
September, 2019	72.40	62.00	61856	72.60	61.25	2783778
October, 2019	74.05	61.00	41931	73.00	60.95	181920
November, 2019	74.90	62.10	20187	75.90	60.45	172562
December, 2019	64.70	52.05	53036	64.95	51.40	579779
January, 2020	81.40	62.00	43992	81.20	62.00	437702
February, 2020	78.70	62.00	31225	78.85	61.55	198991
March, 2020	66.20	36.00	42742	66.90	35.05	357876

Performance of share price of the Company in comparison to BSE Sensex for the Financial Year is presented on inside back cover page.

<b>Dematerialisation of Shares &amp; Liquidity</b>	31453316 (98.59%) of the equity shares have been dematerialized till March 31, 2020 out of 31902320 Equity Shares.
<b>Registrar &amp; Transfer Agent</b>	M/s. Sharex Dynamic (India) Pvt. Ltd., a SEBI Registered Transfer Agent attends to all the work related to Share Registry in terms of both Physical and Electronic mode.
<b>Address and Contact Details of the Transfer Agent</b>	C 101, 247 Park, L.B.S Marg, Vikhroli West, Mumbai – 400 083, Maharashtra, India Tel: +91 22 2851 5606 / 44; Website: www.sharexindia.com E-mail : support@sharexindia.com
<b>Share Transfer System</b>	Trading in Company's Shares on the Stock Exchange takes place only in electronic form, since SEBI has barred physical transfer of shares of listed companies. However physical shares lodged for transmission and other related requests are processed by the said Transfer Agent and the same are approved by the Company.

**Reconciliation of Share Capital Audit Report as on March 31, 2020:**

Reconciliation was carried out every quarter and the report thereon were placed before the Board of Directors and submitted to the Stock Exchanges in relation to Shareholding in Physical and Electronic mode:

Mode of Holding	Number of Shares	% of Shares
Physical	449004	1.41
Electronic	31453316	98.59
	<b>31902320</b>	<b>100.00</b>

**Distribution of Shareholding as on March 31, 2020:**

No. of Equity Shares	Number of Shareholders	% of Shareholders	Number of Shares	% of Shares
Upto 1000	11263	86.83	3091324	9.69
1001 - 5000	1451	11.18	3118801	9.78
5001 - 10000	141	1.09	1020436	3.20
10001 - 100000	102	0.79	2978812	9.34
Above 100001	17	0.13	21692947	67.99
	<b>12974</b>	<b>100.00</b>	<b>31902320</b>	<b>100.00</b>

**Category of Shareholders as on March 31, 2020:**

Sr. No.	Category	Number of Shares	% of Shareholding	Number of Shareholders	% of Shareholders
1.	Promoters	18400677	57.68	11	0.08
2.	Public Financial Institutions, Banks & Mutual Funds	5200	0.02	4	0.03
3.	Foreign Portfolio Inv.	308737	0.97	1	0.01
4.	Private Corporate Bodies	1050925	3.29	130	1.01
5.	General Public	11164290	35.00	11945	92.07
6.	NRIs	317350	0.99	389	2.99
7.	Clearing Members	122467	0.38	29	0.22
8.	Trusts and Charitable Inst	4000	0.01	1	0.01
9.	HUFs	462309	1.45	462	3.56
10.	IEPF MCA Account	66224	0.21	1	0.01
11.	Others	141	0.00	1	0.01
		<b>31902320</b>	<b>100.00</b>	<b>12974</b>	<b>100.00</b>

None of the Non-Executive Director is holding any Equity Shares of the Company as on March 31, 2020, except Shri S. N. Kabra who holds 2,000 equity shares (0.01%).

Details of use of Public Funds obtained in last three years	No funds have been raised from public in last three years
Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, its date of conversion and likely impact on Equity	There are no outstanding instruments and hence there will be no dilution of the equity.
Commodity price risk or foreign exchange risk and hedging activities	Forward contracts are booked, as required, to hedge against foreign exchange exposure.
Plant Locations	<ul style="list-style-type: none"> <li>· Kabra Industrial Estate, Kachigam, Daman - 396210</li> <li>· 259/260/265 (III), Coastal Highway, Dunetha, Daman - 396210</li> <li>· Chakan Industrial Area Phase - 2, Plot No. C -22/8, MIDC, Village - Bhamboli, Taluka Khed, Pune - 410501, Maharashtra</li> </ul>



Details of Dividends paid & their respective due dates for transfer of unclaimed dividend to Investors Education & Protection Fund (IEPF) are as under:

Date of Declaration of Dividend at AGM	Dividend for the Financial Year	Rate of Dividend	Month & Year of proposed
August 27, 2013	2012 – 2013	20%	September, 2020
September 09, 2014	2013 – 2014	30%	October, 2021
August 27, 2015	2014 – 2015	40%	September, 2022
March 09, 2016 (Interim)	2015 – 2016	45%	April, 2023
July 18, 2017	2016 – 2017	40%	August, 2024
August 10, 2018	2017 – 2018	40%	September, 2025
March 11, 2020 (Interim)	2019 – 2020	30%	April, 2027

**Transfer of shares to the IEPF Authority:**

In terms of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the unpaid/ unclaimed dividends pertaining to all the Financial Years up to and including FY 2011-12 have been transferred to IEPF. The said provisions further requires that all the shares in respect of which the dividends has not been paid or claimed for seven consecutive years or more, shall also be transferred to the demat account of IEPF Authority. Accordingly, during the year under review, the Company has transferred 10,333 equity shares to the credit of the IEPF Authority and has uploaded the relevant details on the Company's website at [www.kolsite.com](http://www.kolsite.com)

**Unclaimed Suspense Account:**

Members are requested to note that in terms of said Regulations, the Company had transferred 108900 Equity Shares into one folio in the name of “Unclaimed Suspense Account” and the same are held in dematerialized mode.

Disclosure with respect to Demat Suspense Account/Unclaimed Suspense Account as required under Schedule 5(F) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of changes during FY 2019-20 is presented hereunder:

Particulars		Number of Shareholders	Number of Equity Shares
a)	Aggregate number of shareholders and the outstanding Unclaimed Suspense Account as on April 01, 2019	145	103700
b)	Number of shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year	4	4000
c)	Number of shareholders to whom the shares were Unclaimed Suspense Account during the year	-	-
d)	Aggregate number of shareholders and the outstanding Unclaimed Suspense Account as on March 31, 2020	141	99700
e)	It is hereby confirmed that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.		

**Credit Rating:**

- The Credit Rating of the Company obtained from CRISIL is as under:
- Long-Term Rating: CRISIL A/Stable (Downgraded from CRISIL A1+/Negative)
- Short-Term Rating: CRISIL A1 (Reaffirmed)

The Company's Long term Credit Rating was downgraded in June 2019, due to the Company's proposed venture into the new business segment in green energy systems.

**Vigil Mechanism and Whistle-Blower Policy:**

Pursuant to Section 177 (9) and (10) of the Companies Act, 2013 and said Regulations, the Company has a Whistle-Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics Policy. It is affirmed that no employee of the Company was denied access to the Audit Committee. The said Policy has been hosted on the website of the Company at [www.kolsite.com](http://www.kolsite.com).

**SEBI Complaints Redress System (SCORES):**

Securities and Exchange Board of India (SEBI) administers a centralized web based complaints redress system (SCORES). It enables investors to lodge and follow-up complaints and track the status of redressal online on the website of SEBI at [www.scores.gov.in](http://www.scores.gov.in). The Company has registered itself on SCORES and endeavours to resolve all investor complaints received through SCORES or otherwise within 15 days of the receipt of the complaint. During the year, the company has received one complaint through SCORES, which was resolved within the stipulated time period.

**Address for Correspondence:**

Members holding shares in physical form are requested to lodge their application for share transposition, transmission and request for changes in their addresses, bank account and mandate etc. to M/s. Sharex Dynamic (India) Pvt. Ltd., at C 101, 247 Park, L.B.S Marg, Vikhroli West, Mumbai - 400 083 and for the queries on Annual Report and Dividend, Members are requested to write to the Company at Fortune Terraces, 10<sup>th</sup> Floor, 'B' Wing, New Link Road, Andheri (West), Mumbai – 400053.

Designated email id for investors : [ket\\_sd@kolsitegroup.com](mailto:ket_sd@kolsitegroup.com)

**Details of Directorship held in listed Entity:**

Sr. No.	Name of the Director	Name of the Listed Entities	Category of Directorship	Skills / expertise / competence
1.	Mr. Shreevallabh G. Kabra	Plastiblends India Ltd.	Non-Executive, Chairman Non-Independent Director	Knowledge on Company's businesses, plastic industry prospects, policies and culture (incl. Mission, Vision & Values) major risks / threats and potential opportunities, Business Strategy, Sales & Marketing
2.	Mr. Satyanarayan G. Kabra	Plastiblends India Ltd.	Vice Chairman Non-Independent Director	
3.	Mr. Anand S. Kabra	-	-	
4.	Mrs. Ekta A. Kabra	-	-	
5.	Mr. Mahaveer Prasad Taparia	The Supreme Industries Ltd. Supreme Petrochem Ltd. West Coast Papers Mills Ltd.	Managing Director Chairman Non-Executive, Independent Director	Financial and Management skills, Forex Management
6.	Mr. Nihalchand C. Chauhan	-	-	
7.	Mr. Yagnesh B. Desai	-	-	Corporate Governance, Decision Making, behavioral skills- attributes & competencies to use their knowledge and skills
8.	Mr. Bajrang Lal Bagra	Plastiblends India Ltd.	Non-Executive, Independent Director	
9.	Mr. Boman Moradian	Garware Polyester Ltd.	Non-Executive, Independent Director	Technical / Professional skills and specialized knowledge in relation to Company's business

### CEO & CFO CERTIFICATION

under Regulation 17 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Kabra Extrusiontechnik Ltd. ("the Company") to the best of our knowledge and belief certify that:

- A. We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2020 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the said year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee
- (1) significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For **Kabra Extrusiontechnik Ltd.**

S. Shenoy                                      Daulat Jain  
**Chief Executive Officer                      Chief Financial Officer**

June 30, 2020

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### COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations, except reconstitution of Stakeholders Relationship Committee with three members w.e.f. May 28, 2019 instead of April 01, 2019, as prescribed and has also fulfilled the following discretionary requirements:

- (i) The Internal Auditor reports to the Audit Committee.
- (ii) The financial statements of the Company are with unmodified audit opinion.

For and on behalf of the Board

Place : Mumbai  
Date : July 09, 2020

**S. V. Kabra**  
Chairman & Managing Director  
(DIN: 00015415)

**DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT**

The Company has framed a Code of Conduct for the Members of the Board of Directors and the Senior Management personnel of the Company pursuant to said Regulations to further strengthen corporate governance practice in the Company. They have affirmed compliance with the said Code, as applicable to them for the Financial Year ended March 31, 2020.

For Kabra Extrusionstechnik Ltd.

Place : Mumbai  
Date : June 30, 2020

**S. Shenoy**  
Chief Executive Officer

**Independent Auditors' Certificate on Compliance of conditions of Corporate Governance**

To,  
The Members of **Kabra Extrusionstechnik Limited**,

We have examined the compliance of conditions of corporate governance by Kabra Extrusionstechnik Limited ('the Company') for the year ended March 31, 2020 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

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

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

Based on our examination of the relevant records and according to the information and explanations provided to us, we certify that the Company has complied with the conditions of regulations of Corporate Governance as stipulated in the above mentioned Listing Regulations during financial year ended March 31, 2020, except that the Stakeholders Relationship Committee of the Company comprising of two Directors as members was re-constituted by the Board of Directors of the Company at their first Board Meeting held on wef. May 28, 2019 increase the strength to three Directors as members, instead w.e.f. April 01, 2019 as required under provisions of Regulation 20(2A) of the Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company w.e.f. the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

The certificate is issued solely for the purpose of complying with the aforesaid SEBI Listing Regulations.

Place : Pune  
Date : July 13, 2020

**For A. G. Ogale & Co.**  
Chartered Accountants  
Firm Registration No: 114115W

**Pramod Gugale**  
Partner  
Membership No:113775  
UDIN: 20113775AAAADY1072

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members of  
Kabra Extrusiontechnik Limited  
1001, Fortune Terraces, 10<sup>th</sup> Floor,  
Opp. Citi Mall, New Link Road,  
Andheri West, Mumbai – 400053,  
Maharashtra

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kabra Extrusiontechnik Limited having CIN: L28900MH1982PLC028535 and having registered office at 1001, Fortune Terraces, 10<sup>th</sup> Floor, Opp. Citi Mall, New Link Road, Andheri West, Mumbai– 400053, Maharashtra (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment
1.	Mr. Shreevallabh Gopilal Kabra	00015415	October 21, 1982
2.	Mr. Satyanarayan Gopilal Kabra	00015930	October 21, 1982
3.	Mr. Mahavirprasad Surajmal Taparia	00112461	March 31, 1989
4.	Mr. Yagneshkumar Bhagwatiprasad Desai	00021202	October 19, 2002
5.	Mr. Anand Shreevallabh Kabra	00016010	June 19, 2003
6.	Mr. Nihalchand Chunilal Chauhan	00021782	January 21, 2006
7.	Mr. Bajrang Lal Bagra	00090596	November 07, 2014
8.	Mr. Boman Khushroo Moradian	00242123	May 16, 2017
9.	Mrs. Ekta Anand Kabra	07088898	May 16, 2017

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Bhandari & Associates**  
Company Secretaries  
**Manisha Maheshwari**  
Partner

Place : Mumbai  
Date : July 09, 2020

FCS No: 30224; C. P. No.: 11031  
ICSI UDIN: A030224B000430690

Annexure to the Notice: Details of Directors seeking appointment / re-appointment at the Annual General Meeting

	<b>Mr. Shreevallabh G. Kabra</b>	<b>Mr. B. L. Bagra</b>
Name		
DIN	00015415	00090596
Date of Birth	13.02.1937	21.11.1954
Position held	Chairman & Managing Director	Independent Director
Educational Qualification	B. A. (Hons)	M. Com & C.A.
Expertise in specific functional areas / Experience	<ul style="list-style-type: none"> <li>• Strategic Business Management of plastic industry</li> <li>• Promoter of Kolsite Group of Industries.</li> <li>• Management and control of industry and business.</li> </ul>	Vast Experience in top managerial position in varied industries in Finance and Strategic Management.
Directorships of other Companies as on March 31, 2020	<ul style="list-style-type: none"> <li>• Plastiblends India Ltd.</li> <li>• Kabra Gloucester Engineering Ltd.</li> <li>• Smartech Global Solutions Ltd.</li> <li>• Penta Auto Feeding India Ltd.</li> <li>• Kolsite Packaging Systems Pvt. Ltd.</li> <li>• Kabra Mecanor Belling Technik Pvt. Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>• Plastiblends India Ltd.</li> <li>• SFS Global Limited</li> </ul>
Memberships / Chairmanships of Committees in other Companies as on March 31, 2020	<p><b>Plastiblends India Ltd</b></p> <ul style="list-style-type: none"> <li>• Stakeholders Relationship Committee: Member</li> <li>• Corporate Social Responsibility Committee: Chairman</li> </ul>	<p><b>Plastiblends India Ltd.</b></p> <ul style="list-style-type: none"> <li>• Stakeholders Relationship Committee: Member</li> <li>• Audit Committee : Member</li> </ul>
No. of Board meetings attended during FY 2019-20	5	4
Shareholding in the Company as on March 31, 2020	32,35,344 Equity shares (10.14%)	Nil
Relationship between Directors inter-se	<ul style="list-style-type: none"> <li>• Mr. S. N. Kabra (Brother)</li> <li>• Mr. Anand S. Kabra (Son)</li> </ul>	Not related to any of the Directors of the company

## INDEPENDENT AUDITOR'S REPORT

To,  
The Members,  
Kabra Extrusiontechnik Limited

### Report on the Audit of Standalone Financial Statements

#### Opinion

We have audited the accompanying Ind AS financial statements of Kabra Extrusiontechnik Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, 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 Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis of opinion

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

#### Key Audit Matter

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming an opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matter
Adoption of Ind AS 116 Leases	
As described in Notes to the financial statements, the Company has adopted Ind-AS 116 Leases in the current year. The application and transition to this accounting standard is complex and is an area of focus in our audit since the Company has a various number of leases with different contractual terms. Ind AS 116 introduces a new lease accounting model, wherein lessees are required to recognize a right-of-use (ROU) asset and a lease liability arising from a lease on the balance sheet. The lease liabilities are initially measured by discounting future lease payments during the lease term as per the contract/ arrangement. Adoption of the standard involves significant judgments and estimates including, determination of the discount rates and the lease term. Additionally, the standard mandates detailed Disclosures in respect of transition.	<p>Our audit procedures on adoption of Ind AS 116 include:</p> <ul style="list-style-type: none"> <li>• Assessed and tested new processes and controls in respect of lease accounting standard (Ind AS 116).</li> <li>• Assessed the Company's evaluation on the identification of lease based on the contractual agreements and our knowledge of the business;</li> <li>• Upon transition as at 1 April 2019; <ul style="list-style-type: none"> <li>➢ Evaluated the method of transition and related adjustments;</li> <li>➢ Tested completeness of the lease data by reconciling the Company operating lease commitment to data used in computing ROU asset and the lease liabilities.</li> </ul> </li> <li>• Assessed and tested the presentation and disclosures relating to Ind AS 116 including, disclosures relating to transition.</li> </ul>

#### Other information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management and board of directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibility**

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

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

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



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

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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, Statement of Profit and Loss including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards referred to under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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 with reference to financial statements of the company and the operating effectiveness of such controls, refer to our separate report in Annexure 2.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements. Refer Note 37(2) to the Ind AS 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
  - (h) 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 explanation given to us, the managerial remuneration paid / accrued by the Company for the year ended March 31, 2020 is in excess by INR 130.41 lakhs vis-à-vis the limits specified in section 197 of Companies Act, 2013 ('the Act'). The Company has represented to us that it is in the process of complying with the prescribed statutory requirements to regularize such excess payments, including seeking approval of shareholders, as necessary.

#### **Annexure 1 to the Independent Auditor's Report**

Referred to in paragraph 1 of our "Report on Other Legal and Regulatory Requirements" of the Independent Auditor's Report to the members of the Company on the Ind AS financial statements for the year ended 31 March 2020, we report the following:

(i) In respect of the Company's fixed assets:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
- b) As explained to us, all the fixed assets have been physically verified by the management in a phased manner, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the company.

In respect of immovable properties of land that have been taken on lease and disclosed as property, plant and equipment in the financial statements, the lease agreements are in the name of the Company where the company is the lessee in the agreement.

ii) In our opinion and according to information and explanation given to us, and on the basis of our examination of records of the Company, the inventory has been physically verified at reasonable intervals by the management. The discrepancies noticed on verification between the physical stocks and book records were not material. In our opinion, the frequency of such verification is reasonable and adequate in relation to the size of the Company and the nature of its business.

(iii) In our opinion and according to the information and explanations given to us, 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 Act. Accordingly, paragraph 3(iii) of the Order is not applicable.

(iv) In our opinion and according to the information and explanations given to us Provisions of section 185 and 186 of the Companies Act, 2013, in respect of loans, investments, guarantees and securities are complied with by the Company.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits in accordance with section 73 to 76 of the Act and the rules made there under. Accordingly, paragraph 3(v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under Sub-Section (1) of Section 148 of the Act. We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same with a view to determine whether they are accurate or complete.

(vii) in respect of statutory dues:

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Services Tax, Duty of Customs and Other Statutory Dues with the appropriate authorities. According to the information and explanations given to us, there are no arrears of statutory dues which have remained outstanding as at 31<sup>st</sup> March 2020 for a period of more than six months from the date they became payable.

(b) According to information and explanations given to us, the following dues have not been deposited by the Company on account of disputes:

Name of the Statute	Nature of dues	Amount under dispute (Rs in Lakhs)	Amount paid under protest (Rs in Lakhs)	Financial year to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Penalty on income Tax	125.84	27.00	FY 2012-13	Commissioner of Income Tax (Appeals)
Finance Act, 1994	Service Tax, including interest and penalty thereon	12.11	-	Various years from 2006-07 to 2015 - 16	Commissioner of Central Excise (Appeals)
CGST Act, 2017	Penalty	9.23	-	FY 2018-19	Commissioner (UTGST), Daman

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to bank. The Company does not have any loans or borrowings from government and has not issued any debentures.

(ix) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, Company has not raised any money by way of any public offer during the year. Term loans were applied for the purpose for which loans were obtained.

(x) According to the information and explanations given to us, no fraud on or by the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and to the best of our information and according to explanation given to us, the managerial remuneration paid / accrued by the Company for the year ended March 31, 2020 is in excess by INR 130.41 lakhs vis-à-vis the limits specified in section 197 of Companies Act, 2013 ('the Act'). The Company has represented to us that it is in the process of complying with the prescribed statutory requirements to regularize such excess payments, including seeking approval of shareholders, as necessary.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company as per the Act. Accordingly, paragraph 3(xii) of the Order is not applicable

(xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with section 177 and 188 of the Act and the details of such transactions are disclosed as per the requirements of applicable Accounting Standards.

(xiv) According to the information and explanations given to us and based on our examination of the records, the Company has not made private placement of shares or any preferential allotment or partially convertible debentures during the year.

(xv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not entered into any non cash transaction with directors or persons connected with them during the year.

(xv) According to the information and explanations given to us, the provisions of section 45 – IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

**For A.G. Ogale & CO**  
Chartered accountants

Place: Pune  
Date: 9<sup>th</sup> July, 2020

**CA. Pramod K. Gugale**  
Partner  
Membership No. 113775  
Firm Registration No 114115W  
UDIN : 20113775AAAAD09759

**Annexure 2 to the Independent Auditor's Report**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Kabra Extrusionstechnik Limited 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 Kabra Extrusionstechnik Limited ("the Company") as of March 31, 2020 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 Board of Directors of the Company 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 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 internal financial controls system over financial reporting of the Company.

**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.

**Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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.

**For A.G. Ogale & CO**  
Chartered accountants

Place: Pune  
Date: 9<sup>th</sup> July, 2020

**CA. Pramod K. Gugale**  
Partner  
Membership No. 113775  
Firm Registration No 114115W  
UDIN : 20113775AAAAD09759

## Balance Sheet as at 31 March 2020

(Amount in ₹ lakhs)

Particulars	Note	31 March 2020	31 March 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2A	12,895.27	11,588.24
Capital work-in-progress	2A	722.96	96.36
Intangible assets	2B	512.03	425.74
Financial assets			
Investments	3	2,219.72	3,802.22
Loans	4	96.90	83.95
Deferred tax assets (net)	5	36.66	166.97
Other non-current assets	6	1,000.03	537.42
		<b>17,483.57</b>	<b>16,700.90</b>
<b>Current assets</b>			
Inventories	7	12,520.86	10,616.19
Financial assets			
Investments	8	2,068.16	1,367.07
Trade receivables	9	1,628.30	3,542.61
Cash and cash equivalents	10	82.19	216.47
Other balances with banks	10	551.36	55.45
Loans	11	53.75	46.84
Other financial assets	12	669.15	1,046.46
Current tax assets (net)		353.46	-
Other current assets	13	1,591.60	726.70
		<b>19,518.82</b>	<b>17,617.79</b>
<b>TOTAL ASSETS</b>		<b>37,002.39</b>	<b>34,318.69</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	14	1,595.12	1,595.12
Other equity	15	21,686.00	23,077.56
		<b>23,281.12</b>	<b>24,672.68</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Provisions	16	195.25	266.75
Borrowings	17	1,500.00	-
		<b>1,695.25</b>	<b>266.75</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	17	1,172.43	942.82
Trade payables	18	4,487.13	3,820.44
Other financial liabilities	19	1,412.32	1,065.18
Other current liabilities	20	4,708.38	2,945.73
Provisions	21	245.77	299.61
Current income tax liabilities (net)		-	305.48
		<b>12,026.03</b>	<b>9,379.27</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>37,002.39</b>	<b>34,318.69</b>

Significant accounting policies  
Notes referred to above form an integral part of the

1  
2-41

standalone financial statements  
As per our report of even date attached

For and on behalf of the Board of Directors of  
**Kabra ExtrusionTechnik Limited**

**For A.G. Ogale & Company**

Chartered Accountants  
Firm Registration Number:114115W

**CA. Pramod K. Gugale**

Partner  
Membership No. 113775  
Place: Pune  
Date: 09 July 2020

**S.V. Kabra**  
Chairman & MD

**Daulat Jain**  
Chief Financial Officer

**A.S. Kabra**  
Managing Director

**Arya Chachad**  
Company Secretary  
Mumbai July 09, 2020

**Statement of Profit and Loss for the year ended on 31 March 2020**

(Amount in ₹ lakhs)

Particular	Note	31 March 2020	31 March 2019
Revenue from operations	22	22,018.99	24,514.19
Other income	23	294.36	1,993.59
<b>Total income</b>		<b>22,313.35</b>	<b>26,507.78</b>
<b>Expenses</b>			
Cost of materials consumed	24	16,531.80	15,750.47
Changes in inventories of finished goods and work-in-progress	25	(3,050.19)	(797.02)
Employee benefits expense	26	3,203.27	3,471.82
Finance costs	27	145.65	249.75
Depreciation and amortization expense	2	771.79	723.24
Other expenses	28	4,082.05	4,023.54
<b>Total expenses</b>		<b>21,684.38</b>	<b>23,421.80</b>
<b>Profit before tax</b>		<b>628.98</b>	<b>3,085.98</b>
<b>Tax expense</b>			
Current tax		-	440.00
Income Tax On Earlier Year		14.46	33.83
MAT credit entitlement		(74.11)	(70.67)
Deferred tax (benefit)/charge		(58.46)	235.60
<b>Total tax expense</b>		<b>(118.12)</b>	<b>638.77</b>
<b>Profit for the year</b>		<b>747.09</b>	<b>2,447.21</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Fair value changes on Equity instruments designated as FVTOCI		(1,582.50)	(297.04)
Remeasurements of defined benefit plans		20.75	(1.44)
Income tax on items that will not be reclassified to profit or loss		-	(83.87)
<b>Total other comprehensive income</b>		<b>(1,561.75)</b>	<b>(382.35)</b>
<b>Total comprehensive income for the year</b>		<b>(814.66)</b>	<b>2,064.86</b>
<b>Earnings per equity share for continuing operations</b> <b>(face value per share ₹ 5 each)</b>			
Basic	36	2.34	7.67
Diluted	36	2.34	7.67
Significant accounting policies	1		
Notes referred to above form an integral part of the standalone financial statements	2-41		

standalone financial statements  
As per our report of even date attached

**For A.G. Ogale & Company**

Chartered Accountants  
Firm Registration Number:114115W

**CA. Pramod K. Gugale**

Partner  
Membership No. 113775  
Place: Pune  
Date: 09 July 2020

For and on behalf of the Board of Directos of

**Kabra ExtrusionTechnik Limited**

**S.V. Kabra**  
Chairman & MD

**Daulat Jain**  
Chief Financial Officer

**A.S. Kabra**  
Managing Director

**Arya Chachad**  
Company Secretary

Place: Mumbai  
Date: 09 July 2020

## Statement of changes in equity for the year ended on 31 March 2020

(Amount in ₹ lakhs)

### A Equity share capital

Balance as at 1 April 2019	1,595.12
Changes in equity share capital during 2019-20	-
<b>Balance as at 31st March 2020</b>	<b>1,595.12</b>

### B Other equity

	Reserves & Surplus			Equity instruments	Total
	Securities premium reserve	General reserve	Retained earnings	designated as FVTOCI	
<b>Balance as on 01 April 2018</b>	<b>594.14</b>	<b>5,476.10</b>	<b>12,862.65</b>	<b>2,849.02</b>	<b>21,781.90</b>
Profit for the year			2,447.21		2,447.21
Other comprehensive income (net of tax)			(0.94)	(381.42)	(382.35)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>2,446.28</b>	<b>(381.42)</b>	<b>2,064.86</b>
<b>Transactions with owners recognised directly in equity</b>					
Dividend ( ₹ 2 per share)			(638.05)		(638.05)
Dividend distribution tax			(131.15)		(131.15)
<b>Balance as on 31 March 2019</b>	<b>594.14</b>	<b>5,476.10</b>	<b>14,539.73</b>	<b>2,467.60</b>	<b>23,077.56</b>
Profit for the year			747.09		747.09
Other comprehensive income (net of tax)			13.50	(1,575.25)	(1,561.75)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>760.59</b>	<b>(1,575.25)</b>	<b>(814.66)</b>
<b>Transactions with owners recognised directly in equity</b>					
Dividend ( ₹ 1.5 per share)			(478.53)		(478.53)
Dividend distribution tax			(98.37)		(98.37)
<b>Balance as on 31 March 2020</b>	<b>594.14</b>	<b>5,476.10</b>	<b>14,723.42</b>	<b>892.35</b>	<b>21,686.00</b>

standalone financial statements  
As per our report of even date attached

#### For A.G. Ogale & Company

Chartered Accountants

Firm Registration Number:114115W

#### CA. Pramod K. Gugale

Partner

Membership No. 113775

Place: Pune

Date: 09 July 2020

For and on behalf of the Board of Directos of

#### Kabra ExtrusionTechnik Limited

#### S.V. Kabra

Chairman & MD

#### Daulat Jain

Chief Financial Officer

#### A.S. Kabra

Managing Director

#### Arya Chachad

Company Secretary

Place: Mumbai

Date: 09 July 2020

## Cash Flow Statement for the year ended 31st March 2020

(Amount in ₹ lakhs)

Particular	31 March 2020	31 March 2019
<b>A. Cash flow from operating activities</b>		
<b>Net Profit / (Loss) before extraordinary items and tax</b>	628.98	3,085.98
<b>Adjustments for:</b>		
Depreciation and amortisation (including exceptional item)	771.79	723.24
Provision for impairment of fixed assets and intangibles		
Profit on sale of property, plant and equipments	(11.80)	(2.95)
Profit on sale of investment	(78.63)	(4.74)
Dividend income from current investments	(187.37)	(129.36)
Fair value changes of current investments	20.56	(20.10)
Interest income from financial assets at amortised cost	(16.56)	(566.78)
Change in Finance Cost	216.39	284.10
Fair value changes in non-current investments	-	(1,269.66)
Remeasurements of defined benefit plans	20.75	(1.44)
Provision for doubtful trade and other receivables, loans and advances	-	4.22
<b>Operating profit / (loss) before working capital changes</b>	<b>1,364.12</b>	<b>2,102.51</b>
<b>Changes in working capital:</b>		
(Increase) / Decrease in inventories	(1,904.67)	(385.42)
(Increase) / Decrease in trade receivables	1,914.31	869.92
(Increase) / Decrease in other bank balances	(495.91)	(2.06)
(Increase) / Decrease in current loans	(6.91)	4.49
(Increase) / Decrease in other current financial asset	377.30	(957.67)
(Increase) / Decrease in other current assets	(864.89)	665.74
(Increase) / Decrease in non-current loans	(12.95)	(2.67)
(Increase) / Decrease in other non-current assets	-	(19.85)
Increase / (Decrease) in trade payables	666.69	(1,781.48)
Increase / (Decrease) in current other financial liabilities	347.14	200.92
Increase / (Decrease) in other current liabilities	1,762.66	239.03
Increase / (Decrease) in short-term provision	(53.84)	(34.06)
Increase / (Decrease) in long-term provision	(71.50)	(38.63)
Cash generated from operations	3,021.54	860.77
Net income tax (paid) / refunds	(250.32)	(283.45)
MAT Credit utilised	74.11	20.94
<b>Net cash flow from / (used in) operating activities</b>	<b>2,845.33</b>	<b>598.26</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on property plant and equipment	(2,707.19)	(1,597.97)
Expenditure on intangibles (including capital advance)	(644.74)	(531.33)
Proceeds from sale of property plant and equipment	11.80	2.95
Investment in joint ventures	-	(65.00)
Deffered Tax Expenses	-	-
Sale of investment Non Current Investment	-	1,575.16
Net sale / (purchase) of current investments	(779.72)	(13.89)



## Cash Flow Statement for the year ended 31st March 2020

(Amount in ₹ lakhs)

Particular	31 March 2020	31 March 2019
Interest received	16.56	566.78
Dividend received	187.37	129.36
<b>Net cash flow from / (used in) investing activities</b>	<b>(3,915.92)</b>	<b>66.05</b>
<b>C. Cash flow from financing activities</b>		
Change in Finance Cost	(216.39)	(284.10)
Interim dividend	(478.53)	(638.05)
Tax on interim dividend	(98.37)	(131.15)
Borrowings / (Repayment) (Net)	1,729.60	535.64
<b>Net cash flow from / (used in) financing activities</b>	<b>936.31</b>	<b>(517.66)</b>
<b>Net increase / (decrease) in Cash and cash equivalents</b>	<b>(134.29)</b>	<b>146.65</b>
Cash and cash equivalents at the beginning of the year	216.47	69.82
<b>Cash and cash equivalents at the end of the year</b>	<b>82.19</b>	<b>216.47</b>

As per our report of even date attached

**For A.G. Ogale & Company**

**Chartered Accountants**

**Firm Registration Number:114115W**

**CA. Pramod K. Gugale**

**Partner**

Membership No. 113775

Place: Pune

Date: 09 July 2020

For and on behalf of the Board of Directors of

**Kabra ExtrusionTechnik Limited**

**S.V. Kabra**

Chairman & MD

**Daulat Jain**

Chief Financial Officer

**A.S. Kabra**

Managing Director

**Arya Chachad**

Company Secretary

Place: Mumbai

Date: 09 July 2020

**Notes to the financial statements for the year ended 31<sup>st</sup> March 2020****The Corporate overview**

Kabra Extrusiontechnik Limited ('the Company' or 'KET') is the flagship company of Kolsite group and one of the largest players in the plastic extrusion machinery known for its innovative offerings. KET specializes in providing plastic extrusion machinery for manufacturing pipes and films. It has two manufacturing locations in Daman.

The Company has ventured into new business segment of producing green energy systems and solutions with advanced lithium-ion battery packs to power the growth of India's transition to green energy storage and electric transportation. It has set up a new state of the art manufacturing facility at Chakan, Pune and begun with commercial production in month of March'20.

**Basis of preparation**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read together with the Companies (Indian Accounting Standards) Rules, 2015 and related amendments as notified from time to time (hereinafter referred as 'Ind AS').

The financial statements were authorized for issue by the Board of Directors on 9<sup>th</sup> July 2020.

**a) Basis of measurement**

The financial statements have been prepared on a historical cost basis, except for the following items, which are measured on an alternative basis on each reporting date.

- Certain financial assets and liabilities (including derivative instruments) are measured at fair value.
- Defined benefit plans – plan assets are measured at fair value.

**b) Current versus non-current classification**

The company presents assets and liabilities in the balance sheet based on current and non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current. A liability is classified as current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

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

**c) Rounding of amounts**

All amounts disclosed in the Financial Statements including notes have been rounded off to the nearest lakhs in Indian Rupee (INR 00,000) as per the requirements of Schedule III of the Companies Act, 2013; unless otherwise indicated.

**1) Significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**a) Property, plant and equipment**

· **Recognition and measurement**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost comprises of purchase price, non refundable taxes and any directly attributable costs of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Borrowing costs attributable to construction or acquisition of a qualifying asset for the period up to the date, the asset is ready for its intended use are included in the cost of the asset to which they relate.

Pre-operative expenditure including trial run expenses comprising of revenue expenses incurred as reduced by the revenue generated during the period up to the date, the asset is ready for its intended use are treated as part of costs of that asset.

Capital work-in-progress comprises of the cost of property, plant and equipment that are not yet completely ready for their intended use as at the balance sheet date.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date are disclosed under "Other non-current assets".

· **Subsequent costs**

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss as incurred.

· **Derecognition**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net and disclosed within other income or expenses in the statement of profit and loss.

· **Depreciation methods, estimated useful lives and residual value**

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognized in the statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment as prescribed in Schedule II of the Companies Act 2013 except leasehold land which is amortized equally over the lease period.

Freehold land is not depreciated.

**b) Intangible assets**

· **Recognition and measurement**

Intangible assets are recognised when the asset is identifiable, is within the control of the company, it is probable that the future economic benefits that are attributable to the asset will flow to the company and cost of the asset can be reliably measured.

Intangible assets acquired by the company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

· **Derecognition**

An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of intangible asset are determined by comparing the proceeds from disposal with the carrying amount of intangible asset and are recognised net and disclosed within other income or expenses in the statement of profit and loss.

· **Amortisation**

Amortisation is calculated over the cost of the asset, or other amount substituted for cost. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

**c) Leases**

Effective April 1, 2019, the Company has adopted Ind AS 116 'Leases', under which the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset an amount equal to lease liability adjusted for any related prepaid and accrued lease payments previously recognised. The effect of transition on Ind AS 116 was insignificant.

**Company as a lessee**

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

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- i) the contract involves the use of an identified asset;
- ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and
- iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

**Company as lessor**

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate the lessor for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their respective nature.

**d) Impairment of non-financial assets**

The company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered.

Impairment losses are recognised in the statement of profit and loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

**Reversal of impairment loss**

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is

Reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**d) Inventories**

Raw Material, Components and Work in progress are valued on weighted average basis and is net of CENVAT, VAT and GST. Finished goods are valued at the lower of cost and net realizable value.

Cost includes cost of conversion and other costs incurred in bringing the inventories at their present location and condition. Cost of conversion for the purpose of valuation of WIP and finished goods includes fixed and variable production overheads incurred in converting the material into their present condition and location.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**e) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**g) Revenue recognition**

Revenue from sale of goods and services is recognised when all significant risks and rewards of ownership of the goods are passed on to the buyer, recovery of the consideration is probable, the associated costs can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably. It excludes Goods and Service tax (GST), value added tax or sales tax wherever applicable. Sales are stated net of discounts, rebates and returns.

**h) Other income**

· **Interest income**

Interest income from debt instruments is recognised using effective interest rate method (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

· **Dividend**

Dividends are recognised in the statement of profit and loss only when the right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount can be measured reliably.

· **Export Incentive**

Export incentives are recognised when the right to receive credit as per the terms of incentives is established in respect of the exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

**i) Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset, are expensed in the period in which they are incurred.

**j) Foreign currency transactions and balances**

Transactions in foreign currency are recorded at exchange rates prevailing at the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies which are outstanding, as at the reporting period are translated at the closing exchange rates and the resultant exchange differences are recognised in the statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

#### k) **Employee Benefits**

##### **Short-term employee benefits**

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, expected cost of bonus and short-term compensated absences, ex-gratia, performance pay etc. are recognised in the period in which the employee renders the related service.

##### **Post-employment benefits Defined contribution plans**

The company's approved superannuation scheme and central provident fund scheme are a defined contribution plan. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due.

##### **Defined benefit plans**

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a fund set up by Life Insurance Corporation of India. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

In case of funded plans, the fair value of the plan's assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Net interest is calculated by applying the discount rate to the net defined benefit liability or the fair value of the plan asset. The cost is included in employee benefit expense in the statement of profit and loss.

##### **Other long-term employee benefits**

The liabilities for earned leave which are not expected to be settled within twelve months after the end of the reporting period in which the employee render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employee up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

#### i) **Income tax**

Income tax expense comprises of current tax and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to the items recognised directly in OCI.

##### **Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable profits computed for the current accounting period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

### **Deferred tax**

Deferred tax is provided using the balance sheet method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### **MAT**

Minimum Alternate Tax credit is recognized as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is viewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

#### **m) Government Grant:**

Grants from the Government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

#### **n) Provisions and contingencies**

A provision is recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost in the statement of profit and loss.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised in financial statements, unless they are virtually certain. However, contingent assets are disclosed where inflow of economic benefits are probable.

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

**o) Fair value measurement**

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

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

**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.

**Initial recognition and measurement**

Financial instruments are initially recognised when the entity becomes party to the contract.

Financial instruments are measured initially at fair value adjusted for transaction costs that are directly attributable to the origination of the financial instrument where financial instruments not classified at fair value through profit or loss. Transaction costs of financial instruments which are classified as fair value through profit or loss are expensed in the statement of profit and loss.

**Subsequent measurement of financial assets**

For the purposes of subsequent measurement, the financial assets are classified in the following categories based on the company's business model for managing the financial assets and the contractual terms of cash flows:

- those to be measured subsequently at fair value; either through OCI or through profit or loss
- those measured at amortised cost

For assets measured at fair value, changes in fair value will either be recorded in the statement of profit and loss or OCI. For investments in debt instruments, this will depend on the business model in which investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for equity investment at fair value through OCI.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

**Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are satisfied:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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



### **Debt instruments at fair value through other comprehensive income (FVTOCI)**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent SPPI, are measured at FVTOCI. The movements in the carrying amount are recognised through OCI, except for the recognition of impairment gains and losses, interest revenue and foreign exchange gain or losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss and recognised in other gains/ losses. Interest income from these financial assets is included in other income using EIR method.

### **Debt instruments at fair value through profit or loss (FVTPL)**

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on debt instrument that is subsequently measured at FVTPL and is not a part of hedging relationship is recognised in the statement of profit and loss within other gains/ losses in the period in which it arises. Interest income from these financial assets is included in other income.

### **Equity investments**

All equity investments in the scope of Ind AS 109 Financial Instruments are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to recognise subsequent changes in the fair value in OCI. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of equity instrument.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

### **Subsequent measurement of financial liabilities**

For the purposes of subsequent measurement, the financial liabilities are classified in the following categories:

- those to be measured subsequently at fair value through profit or loss (FVTPL)
- those measured at amortised cost

Following financial liabilities will be classified under FVTPL:

- Financial liabilities held for trading
- Derivative financial liabilities
- Liability designated to be measured under FVTPL

All other financial liabilities are classified at amortised cost.

For financial liabilities measured at fair value, changes in fair value will recorded in the statement of profit and loss except for the fair value changes on account of own credit risk are recognised in Other Comprehensive Income (OCI).

Interest expense on financial liabilities classified under amortised cost category are measured using effective interest rate (EIR) method and are recognised in statement of profit or loss.

### **Derecognition of financial instruments**

The company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

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

**Impairment of financial assets**

The company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial assets mentioned below:

- Financial assets that are debt instrument and are measured at amortised cost
- Financial assets that are debt instruments and are measured as at FVOCI
- Trade receivables under Ind AS 18

The impairment methodology applied depends on whether there has been a significant increase in credit risk. Details how the company determines whether there has been a significant increase in credit risk is explained in the respective notes.

For impairment of trade receivables, the company chooses to apply practical expedient of providing expected credit loss based on provision matrix and does not require the Company to track changes in credit risk. Percentage of ECL under provision matrix is determined based on historical data as well as futuristic information.

**Derivative financial instruments****Initial measurement and subsequent measurement**

The company uses derivative financial instruments, such as forward currency contracts to hedge foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

**q) Dividend Distribution**

The company recognises a liability to make cash distributions to equity holders when the distribution is authorised and approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

**r) Earnings per share (EPS)**

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted EPS adjust the figures used in the determination of basic EPS to consider

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

**s) Operating Segment**

Ind AS 108 Operating Segments requires Management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources. The standard also requires Management to make judgments with respect to aggregation of certain operating segments into one or more reportable segment.

The Company has determined that the Chief Operating Decision Maker (CODM) is the Board of Directors (BoD). Operating segments used to present segment information are identified based on the internal reports used and reviewed by the BoD to assess performance and allocate resources.

**1.1) Significant accounting judgments, estimates and assumptions**

The preparation of the financial statements in conformity with Ind AS, requires the management to make judgments, estimates and assumptions that affect the amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities, disclosure of the contingent liabilities and notes to accounts at the end of each reporting period. Actuals may differ from these estimates.

## **Judgements**

In the process of applying the Company's accounting policies, management have made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

### **Useful life, method and residual value of property, plant and equipments**

Plant and machineries and factory buildings contribute significant portion of the Company's Property, plant and equipment. The Company estimates the useful life and residual value of assets. However the actual useful life and residual value may be shorter / less or longer / more depending on technical innovations and competitive actions. Further, Company is depreciating its plant and machineries and factory buildings by using straight line method based on the management estimate that repairs / wear and tear to plant and machineries and factory buildings are consistent over useful life of assets.

### **Contingent liability**

The Company has received orders and notices from tax authorities in respect of direct taxes and indirect taxes. Management regularly analyses current information about these matters and discloses the information of related contingent liability. In making the decision regarding the need for creating loss provision, management considers the degree of probability of an unfavourable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the Company or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

### **Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its estimates and assumptions on parameters available when the financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market conditions or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

### **Defined benefit obligation**

The cost of the defined benefit plans and other post-employment benefits and the present value of the obligations are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future post-retirement medical benefit increase. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligations and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on the expected future inflation rates for the country.

Further details about defined benefit obligations are provided in the respective note prepared elsewhere in the financial statement.

### **Deferred Tax**

Deferred tax assets are recognised for all deductible temporary differences including the carry forward of unused tax credits. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits can be utilized.

Estimation and underlying assumptions are reviewed on ongoing basis. Revisions to estimates are recognised prospectively.

## **1.2) Recent accounting pronouncements**

### **Impact of implementation of new Accounting Standard**

Effective April 1, 2019 the Company adopted Ind AS – 116 'Leases'. The effect on adoption of the Standard was not material.

### **Accounting Standard issued but yet not effective**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

**2A Property, plant and equipment**  
**Changes in the carrying amount of property, plant and equipment**

(Amount in ₹ lakhs)

	Land (Freehold)	Building	Land (Leasehold)	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computer	Total	Capital work in progress
Gross carrying amount as at 1 April 2019	2,805.94	4,473.81	1,321.64	6,726.59	890.27	267.01	197.98	644.77	17,328.01	96.36
Additions	-	-	-	1,862.14	23.88	9.00	30.05	59.16	1,984.23	722.96
Disposal/retirements/derecognition	-	-	-	14.12	-	21.35	-	-	35.47	96.36
Gross carrying amount as at 31st March 2020	2,805.94	4,473.81	1,321.64	8,574.61	914.15	254.66	228.03	703.93	19,276.77	722.96
Accumulated depreciation as at 1 April 2019	-	857.38	1.72	3,407.57	621.12	98.22	155.04	598.50	5,739.77	-
Depreciation	-	113.24	13.91	420.60	63.08	24.97	19.98	20.18	675.95	-
Disposal/retirements/derecognition	-	-	-	13.41	-	20.80	-	-	34.21	-
Accumulated depreciation as at 31st March 2020	-	970.62	15.63	3,814.75	684.19	102.39	175.01	618.67	6,381.50	-
Carrying amount as at 1 April 2019	2,805.94	3,616.43	1,319.92	3,319.03	269.15	168.78	42.95	46.27	11,588.24	96.36
Carrying amount as at 31st March 2020	2,805.94	3,503.19	1,306.01	4,759.86	229.96	152.27	53.02	85.26	12,895.27	722.96

Note:

(i) Refer note 17 for details of property, plant and equipment pledged as security for borrowings.

**2B Intangible assets**  
**Changes in the carrying amount of other intangible assets**

	Technical Know-How	Software	Total
Gross carrying amount as at 1 April 2019	2,176.45	128.49	2,304.94
Additions	158.00	24.12	182.13
Disposal/retirements/derecognition	-	-	-
Gross carrying amount as at 31st March 2020	2,334.45	152.62	2,487.07
Accumulated depreciation as at 1 April 2019	1,810.65	68.55	1,879.20
Depreciation	51.47	44.37	95.84
Disposal/retirements/derecognition	-	-	-
Accumulated depreciation as at 31st March 2020	1,862.12	112.92	1,975.04
Carrying amount as at 1 April 2019	365.80	59.95	425.74
Carrying amount as at 31st March 2020	472.33	39.70	512.03

**Notes forming part of the standalone financial statements (continued)  
for the year ended on 31 March 2020**

(Amount in ₹ lakhs)

Particular	31 March 2020	31 March 2019
<b>3 Non current investments</b>		
<b>Investments (Unquoted)</b>		
<b>Investments in equity instruments of group companies (at cost)</b>		
Kabra Mecanor Belling Technik Pvt. Ltd. A joint venture incorporated in India 699800 (2019: 699800 ) Equity shares of ₹ 10 /- each fully paid-up.	69.98	69.98
Penta Auto Feeding India Ltd. A joint venture incorporated in India 499400 (2019: 499400) Equity shares of ₹ 10 /- each fully paid-up.	49.94	49.94
	<b>119.92</b>	<b>119.92</b>
<b>Investments in instruments of other entities measured at fair value through Other Comprehensive Income (OCI)</b>		
Plastiblends India Ltd. 1846562 (2019: 1846562 ) Equity shares of ₹ 5 /- each fully paid-up.	2,073.69	3,656.19
Mohid Park Co-op Hsg. Soc.Ltd ( 5 shares of ₹ 50 each)*	0.00	0.00
Royal Twin Co-op Hsg. Soc.Ltd ( 5 shares of ₹ 50 each)*	0.00	0.00
Plastic Machinery Mfg. Association of India (3 Shares of ₹ 100 each)*	0.00	0.00
	<b>2,073.70</b>	<b>3,656.20</b>
<b>Investment in debt instruments at amortised cost</b>		
Indian Railway Finance Corp. Tax Free Bond 2610 (2019: 2610) tax free bonds of Rs 1000/- each	26.10	26.10
	<b>26.10</b>	<b>26.10</b>
	<b>2,219.72</b>	<b>3,802.22</b>
*The Company has not performed a fair valuation of its investment in these unquoted ordinary shares, which are classified as FVTOCI, as the Company believes that impact of change on account of fair value is insignificant.		
<b>Notes</b>		
Aggregate amount of quoted investments and market value	2,073.69	3,656.19
Aggregate amount of unquoted investments	146.03	146.03
<b>4 Loans</b>		
<i>(Unsecured, considered good unless otherwise stated)</i>		
<b>Loans and advances</b>		
Security deposits	71.90	58.95
Other loans and advances	25.00	25.00
	<b>96.90</b>	<b>83.95</b>

**Note:**

(i) Security deposits and loans are measured at amortised cost

(ii) No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member except security deposit given to Kolsite Corporation LLP amounting to ₹ 20.35 lakhs (2019 : ₹ 20.35 lakhs)

(Amount in ₹ lakhs)

Particular	31 March 2020	31 March 2019
<b>5 Deferred tax assets / (liabilities)</b>		
Provision for doubtful debts and advances	18.84	22.61
Provision for leave encashment	67.29	115.44
Provision for gratuity / gratuity assets	19.30	0.50
Provision for bonus	25.31	31.15
Excess of depreciation / amortisation on fixed assets under income-tax law over depreciation/amortisation provided in accounts	(766.78)	(863.25)
Fair valuation of non-current investments	(10.36)	1.71
Fair valuation of current investments	10.36	(2.67)
MAT credit entitlement	672.70	861.47
<b>Net deferred tax liabilities / (asset)</b>	<b>36.66</b>	<b>166.97</b>
Refer note no. 38 on Income taxes for further disclosures.		
<b>6 Other non-current assets</b>		
Capital advances	904.55	441.94
Security deposits with revenue authorities	6.53	6.53
Margin money	88.95	88.95
	<b>1,000.03</b>	<b>537.42</b>
<b>Note:</b>		
(i) No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.		
<b>7 Inventories</b>		
Raw materials	4,938.15	6,083.66
Work-in-progress	7,582.71	4,532.53
	<b>12,520.86</b>	<b>10,616.19</b>
<b>8 Current investments</b>		
<b>Investments in mutual funds measured at fair value through Profit and Loss (quoted)</b>		
ICICI Prudential Equity Arbitrage Fund - Dividend Nil (2019 :3103127) units	-	449.69
Kotak Equity Arbitrage Fund-Dividend Nil (2019 :2313434) units	-	254.65
Motilal Oswal Most Focused Multicap 35 Fund - Regu. 190380 (2019 :190380) units	37.10	49.45
L & T India Value fund - growth (D) 50448 (2019 :50448) units	13.25	19.15
Mirae Asset India Opportunity fund - growth (D) 40501 (2019 :40501) units	16.79	21.88
ICICI Prudential Liquid Fund-Daily Dividend Nil (2019 :110994) units	-	111.20

(Amount in ₹ lakhs)

Particular	31 March 2020	31 March 2019
Axis Liquid Fund-Daily Dividend(CFDDR) Nil (2019 :11115) units	-	111.30
UTI Liquid Cash Plan-Daily Dividend Plan Reinvest Nil (2019 :10908) units	-	111.20
Kotak Liquid Regular Plan Nil (2019 :29) units	-	0.36
Kotak Money Markets - (Daily Dividend) Nil (2019 :84) units	-	0.83
ICICI Prudential Liquid Fund Growth (Erst ICICI P) 164563 (2019 :Nil) units	483.46	-
HDFC Overnight Fund Regular Plan Growth 11846 (2019 :Nil) units	350.03	
SBI Overnight Fund Regular Growth 10856 (2019 :Nil) units	350.05	
Kotak Liquid Fund Direct Plan Growth 9970 (2019 :Nil) units	400.28	
HDFC Liquid Fund Direct Plan Growth 10246 (2019 :Nil) units	400.28	
Kotak Standard Multicap Fund-Direct Plan-Growth 58362 (2019 :58362) units	16.92	22.01
<b>Investments measured at fair value through Profit and Loss (unquoted)</b>		
Aventus Absolute Return Fund (AIF)	0.00	215.35
	<b>2,068.16</b>	<b>1,367.07</b>
<b>Note:</b>		
Aggregate amount of quoted investments	2,068.16	1,151.72
Aggregate amount of unquoted investments	0.00	215.35
<b>9 Trade receivables</b>		
Trade receivables (Unsecured) :		
- Considered good	1,628.30	3,542.61
- Receivables which have significant increase in credit risk	64.71	64.71
	<b>1,693.00</b>	<b>3,607.32</b>
Less: Allowance for bad and doubtful trade receivables	64.71	64.71
	<b>1,628.30</b>	<b>3,542.61</b>

**Note:**

- (i) Trade receivable are measured at amortised cost  
(ii) Trade receivables from related parties are disclosed in note 34.

(Amount in ₹ lakhs)

Particular	31 March 2020	31 March 2019
<b>10 Cash and bank balances</b>		
Cash and cash equivalents		
Cash on hand	7.91	4.52
Balances with banks		
In current accounts	74.28	211.95
	<b>82.19</b>	<b>216.47</b>
Other Balances with Banks		
Unclaimed dividend accounts	28.09	31.18
Term Deposit with Kotak Bank	499.00	-
Margin money	24.27	24.27
	<b>551.36</b>	<b>55.45</b>
	<b>633.55</b>	<b>271.92</b>
<b>11 Loans</b>		
<i>(Unsecured, considered good unless otherwise stated)</i>		
- Loan to employees	45.47	41.52
- Loan to vendor	8.28	5.32
	<b>53.75</b>	<b>46.84</b>
<b>Note:</b>		
(i) Loans are measured at amortised cost		
(ii) No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.		
<b>12 Other current financial assets</b>		
Other than derivative assets		
Export incentive receivable	16.55	42.45
Insurance Claim Receivable 19-20	602.18	-
Export GST Receivable	5.87	251.57
Interest receivables	18.88	10.71
Other receivables	25.68	741.73
	<b>669.15</b>	<b>1,046.46</b>

**Note:**

(i) Assets other than derivative assets are measured at amortised cost

(ii) Derivative assets are subsequently measured at fair value through profit or loss.

(iii) No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.



(Amount in ₹ lakhs)

Particular	31 March 2020	31 March 2019
<b>13 Other current assets</b>		
Advance to vendors	547.14	356.80
Balances with Government Authorities	788.27	189.95
License in hand	79.06	21.94
Advance for expenses	26.04	22.12
Prepaid expense	78.79	52.93
Others	0.74	17.03
Gratuity (Refer note 32(2))	71.55	65.94
	<b>1,591.60</b>	<b>726.70</b>

Note:

(I) No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

#### 14 Share capital

##### Authorised:

40,00,00,00 (Previous year 4,00,00,000) equity shares of ₹ 5 each fully paid up

	2,000	2,000
	<b>2,000</b>	<b>2,000</b>

##### Issued, subscribed and fully paid up:

3,19,02,320 (Previous year 3,19,02,320) equity shares of ₹ 5 each fully paid up

	1,595	1,595
	<b>1,595</b>	<b>1,595</b>

**14.1** In the event of liquidation of the Company, the holders of equity shares will be entitled to receive a share in the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### 14.2 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number of shares	(₹) in lakhs	Number of shares	(₹) in lakhs
Equity shares				
At the beginning of the year	3,19,02,320	1,595	3,19,02,320	1,595
Outstanding at the end of the year	3,19,02,320	1,595	3,19,02,320	1,595

**14.3** The Company has only one class of shares referred to as equity shares having a par value of ₹ 5. Each shareholder of equity shares is entitled to one vote per share.

**14.4** Number of equity shares held by each shareholder holding more than 5% shares in the Company are as follows:

Name of the shareholders	Number of shares as at 31 March 2020	% of shares held	Number of shares as at 31 March 2019	% of shares held
Anand Kabra	63,63,717	19.95	63,42,584	19.88
Kolsite Corporation LLP	38,28,888	12.00	62,63,888	19.63
Shreevallabh G Kabra	32,35,344	10.14	32,35,344	10.14
Ekta Anand Kabra	29,07,152	9.11	3,78,062	1.19

(Amount in ₹ lakhs)

Particular	31 March 2020	31 March 2019
<b>15 Other equity</b>		
Capital Reserves	-	-
Securities Premium Reserve	594.14	594.14
<b>General Reserve</b>		
Opening balance	5,476.10	5,476.10
Add : Transferred from Profit and Loss Account	-	-
Closing Balance	<b>5,476.10</b>	<b>5,476.10</b>
<b>Retained Earnings</b>		
<b>Opening balance</b>	<b>14,539.73</b>	<b>12,862.65</b>
Profit for the year	747.09	2,447.21
Other comprehensive income (net of tax)	13.50	(0.94)
Transferred to General reserve	-	-
Dividend ₹ 1.5 per share (₹ 2019 : 2 per share)	(478.53)	(638.05)
Tax on Interim Dividend	(98.37)	(131.15)
<b>Balance carried forward</b>	<b>14,723.42</b>	<b>14,539.73</b>
<b>Equity Instruments Designated as FVTOCI</b>		
<b>Opening balance</b>	<b>2,467.60</b>	<b>2,849.02</b>
Other comprehensive income (net of tax)	(1,575.25)	(381.42)
<b>Balance carried forward</b>	<b>892.35</b>	<b>2,467.60</b>
	<b>21,686.00</b>	<b>23,077.56</b>
<b>Total</b>		
<b>16 Provisions</b>		
Provision for employee benefits		
- Compensated Absences	195.25	266.75
	<b>195.25</b>	<b>266.75</b>
<b>17 Borrowings</b>		
<b>Long term liability</b>		
- Term Loan (Refer note (i) below)	1,500.00	-
<b>Loans repayable on demand</b>		
- From banks (Secured)		
Working capital loans from banks (Refer note (ii) below)	1,172.43	942.82
	<b>2,672.43</b>	<b>942.82</b>

(i) To be secured by first Charge by way of mortgage on immovable fixed Assets (Industrial Land & Building) at Pune, Maharashtra and First Charge by way of Hypothecation of movable fixed assets at Pune, Maharashtra. There was no default continuing or otherwise as at the Balance Sheet Date, in repayment of any of the above borrowings. The above borrowing is having effective rate of interest @ MCLR + 0.35%.

(ii) Information regarding Short Term Borrowings:

Loans, cash credits and overdrafts from bank bearing fixed interest rate from 8.00% to 10% are secured by hypothecation of existing current assets of the Company viz. Stock of raw materials, stock in process, semi-finished goods, stores and spares not relating to plant and machinery (consumable stores and spares), bills receivable and book debts including receivable from hire purchase/leasing and all other moveable current assets except cash and bank balances, loans and advances of the Company both present and future.

Particular	31 March 2020	31 March 2019
<b>18 Trade payables</b>		
Trade payables	4,487.13	3,820.44
	<b>4,487.13</b>	<b>3,820.44</b>
<b>Notes:</b>		
(i) Trade payable are measured at amortised cost.		
(ii) Refer note no 34 for Trade payable to related parties.		
<b>19 Other current financial liabilities</b>		
Derivative liabilities		
Foreign currency forward contract	56.88	0.59
Other than derivative liability :		
Unclaimed dividend	28.09	31.18
Employee bonds	3.60	3.42
Expense payable	1,323.76	1,029.99
	<b>1,412.32</b>	<b>1,065.18</b>
<b>Note:</b>		
(i) Derivative liabilities are subsequently measured at fair value through profit or loss.		
(ii) Other financial liabilities are measured at amortised cost.		
<b>20 Other current liabilities</b>		
Advances from customers	4,682.23	2,887.07
Statutory remittances	26.15	58.65
	<b>4,708.38</b>	<b>2,945.73</b>
<b>21 Provisions</b>		
Provision for employee benefits		
- Compensated Absences	35.82	63.60
Other provisions		
- Provision for warranty	209.95	236.01
	<b>245.77</b>	<b>299.61</b>
	<b>For the Year Ended 31 March 2020</b>	<b>For the Year Ended 31 March 2019</b>
<b>22 Revenue from operations</b>		
Sale of products	21,107.09	23,646.83
Sale Of Services	177.61	216.91
Scrap Sale	54.93	50.71
Other Operating Revenues	519.01	580.26
Foreign Exchange Gain	160.35	19.48
	<b>22,018.99</b>	<b>24,514.19</b>
<b>Note :</b>		
(I) Other operating revenue includes export incentive amounting to ₹ 109.75 lakhs (Previous year : ₹ 109.65 Lakhs)		
<b>23 Other income</b>		
Income from Current Investment		
Dividend income from current investments	187.37	129.36
Profit on sale of investment	78.63	4.74
Fair value changes of current investments	-	20.10
	<b>266.00</b>	<b>154.20</b>
Interest income from financial assets at amortised cost	16.56	566.78
Fair value changes of non current investments	-	1,269.66
Profit on sale of Property, Plant & Equipments	11.80	2.95
	<b>294.36</b>	<b>1,993.59</b>

(Amount in ₹ lakhs)

	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
<b>24 Cost of materials consumed</b>		
Inventory of materials at the beginning of the year	6,083.66	6,495.27
Add : Purchases	15,386.29	15,338.87
Inventory of materials at the end of the year	(4,938.15)	(6,083.66)
	<b>16,531.80</b>	<b>15,750.47</b>
<b>25 Changes in inventories of work-in-progress</b>		
Inventories at the beginning of the year	4,532.53	3,735.50
Inventories at the end of the year	7,582.71	4,532.53
	<b>(3,050.19)</b>	<b>(797.02)</b>
<b>26 Employee benefits expense</b>		
Salaries, wages and incentives	2,612.08	2,861.09
Directors Remuneration	219.81	222.37
Contribution to provident fund (Refer note 32(1))	190.65	200.23
Gratuity (Refer note 32(2))	66.28	61.17
Staff welfare expenses	114.44	126.97
	<b>3,203.27</b>	<b>3,471.82</b>
<b>27 Finance costs</b>		
Interest expense	79.42	166.05
Bill discounting charges	36.25	39.13
Other borrowing cost	29.98	44.57
	<b>145.65</b>	<b>249.75</b>
<b>28 Other expenses</b>		
Rent rates and taxes	93.45	76.46
Insurance	34.27	34.95
Commission on sales	666.19	668.98
Power and fuel	170.39	151.61
Directors sitting fees	8.30	8.51
Repairs and maintenance		
- building	74.55	46.33
- plant & equipment	39.83	29.59
Travel and overseas expenses (net)	439.82	518.54
Packing Charge	199.11	182.13
Frieght Expenses	60.45	58.27
Research and development expenses	1,215.45	1,005.99
Sales Pramotion	169.56	302.52
Legal and Professional charges	79.32	178.23
Contributions towards CSR (Refer note 39)	10.00	61.50
Miscellaneous expenses	821.35	695.70
Provision for doubtful debts (net)	-	4.22
	<b>4,082.05</b>	<b>4,023.54</b>

## 29 Financial Instruments

### 29.1 Financial Instruments by category

The carrying value of financial instruments by categories as on 31 March 2020 are as follows: (Amount in ₹ lakhs)

Particulars	Amortised cost	FVTPL	FVTOCI	Total carrying value
<b>Assets</b>				
Investments in equity instruments (non-current)	119.92	-	2,073.70	2,193.62
Investments in debt instruments (non-current)	26.10	-	-	26.10
Investments in Mutual funds and others (Current)	-	2,068.16	-	2,068.16
Trade receivables	1,628.30	-	-	1,628.30
Cash and cash equivalents	82.19	-	-	82.19
Other balances with banks	551.36	-	-	551.36
Loans	150.66	-	-	150.66
Other financial assets	669.15	-	-	669.15
<b>Total Assets</b>	<b>3,227.67</b>	<b>2,068.16</b>	<b>2,073.70</b>	<b>7,369.53</b>
<b>Liabilities</b>				
Borrowings	2,672.43	-	-	2,672.43
Trade payables	4,487.13	-	-	4,487.13
Other financial liabilities	1,355.44	56.88	-	1,412.32
<b>Total Liabilities</b>	<b>8,515.00</b>	<b>56.88</b>	<b>-</b>	<b>8,571.88</b>

The carrying value of financial instruments by categories as on 31 March 2019 are as follows:

Particulars	Amortised cost	FVTPL	FVTOCI	Total carrying value
<b>Assets</b>				
Investments in equity instruments (non-current)	119.92	-	3,656.20	3,776.12
Investments in debt instruments (non-current)	26.10	-	-	26.10
Investments in Mutual funds and others (Current)	-	1,367.07	-	1,367.07
Trade receivables	3,542.61	-	-	3,542.61
Cash and cash equivalents	216.47	-	-	216.47
Other balances with banks	55.45	-	-	55.45
Loans	130.79	-	-	130.79
Other financial assets	1,046.46	-	-	1,046.46
<b>Total Assets</b>	<b>5,137.80</b>	<b>1,367.07</b>	<b>3,656.20</b>	<b>10,161.07</b>
<b>Liabilities</b>				
Borrowings	942.82	-	-	942.82
Trade payables	3,820.44	-	-	3,820.44
Other financial liabilities	1,064.60	0.59	-	1,065.18
<b>Total Liabilities</b>	<b>5,827.85</b>	<b>0.59</b>	<b>-</b>	<b>5,828.44</b>

### 29.2 Fair value hierarchy

Financial assets and liabilities include cash and cash equivalents, other balances with banks, trade receivables, loans, other financial assets, trade payables and other financial liabilities whose fair values approximate their carrying amounts largely due to the short term nature of such assets and liabilities.

The following table presents fair value hierarchy of assets and liabilities measured at fair value as on 31 March 2020 :

Particulars	As at 31 March 2020	Fair value measurement as at		
		Level 1	Level 2	Level 3
Investment in equity instruments of Plastiblends India Ltd	2,073.69	2,073.69		
Investments in Mutual funds and others (Current)	2,068.16	2,068.16	0.00	
Derivative financial liability	56.88		56.88	

The following table presents fair value hierarchy of assets and liabilities measured at fair value as on 31 March 2019 :

Particulars	As at 31 March 2019	Fair value measurement as at		
		Level 1	Level 2	Level 3
Investment in equity instruments of Plastiblends India Ltd	3,656.19	3,656.19		
Investments in Mutual funds and others (Current)	1,367.07	1,151.72	215.35	
Derivative financial liability	0.59		0.59	

**Valuation technique :**

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

**Level 2 :** Directly or indirectly observable market inputs, other than level 1 inputs; and

**Level 3 :** Inputs which are not based on observable market data.

**Fair value of financial assets and financial liabilities measured at amortised cost :**

The management believes that the fair values of non-current financial assets (e.g. loans and others), current financial assets (e.g., cash and cash equivalents, trade receivables, loans and others excluding other derivative assets) and current financial

liabilities (e.g. trade payables and other payables excluding derivative liabilities) approximate their carrying amounts.

The Company has not performed fair valuation of its investment in unquoted equity shares as mentioned in note no. 3 which are classified as FVTOCI, as the Company believes that impact of change on account of fair value is insignificant.

### 29.3 Financial risk management

The Company's activities exposes it to market risks, credit risks and liquidity risks. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments such as forward foreign exchange contract are entered to hedge the foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as a trading or speculative purposes.

The Company has exposure to the following risks arising from financial instruments :

#### a. Credit risk

Credit risk is the risk of financial losses to the Company if a customer or counterparty to financial instruments fails to discharge its contractual obligations. It arises primarily from the Company's receivables from customers. To manage this, the Company periodically assesses the key accounts receivable balances. As per Ind-AS 109 : Financial Instruments, the Company uses expected credit loss model to assess the impairment loss or gain. The carrying amount of trade and other receivables and other financial assets represents the maximum credit exposure.

#### i. Trade receivables

The management has established accounts receivable policy under which customer accounts are regularly monitored. The Company has a dedicated sales team which is responsible for collecting dues from the customer within stipulated period. The management reviews status of critical accounts on a regular basis.

#### Trade receivables that were not impaired

Particulars	Carrying amount	
	31 March 2020	31 March 2019
Less Than 180 days	1,356.36	3,377.08
More than 180 days	336.64	230.24

#### ii. Financial instruments and Cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Company monitors rating, credit spreads and financial strength of its counter parties. Based on ongoing assessment Company adjust it's exposure to various counterparties.

**b. Liquidity risk**

The liquidity position at each reporting date is given below:

Liquidity risk is the risk that the Company will encounter difficulty meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has a view of maintaining liquidity and to take minimum possible risk while making investments. In order to maintain liquidity, the Company invests its excess funds in short term liquid assets like liquid mutual. The Company monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

Particulars	31 March 2020	31 March 2019
Cash and cash equivalents	82.19	216.47
Other balances with banks	551.36	55.45
Investments in Mutual funds and others	2,068.16	1,367.07
<b>Total</b>	<b>2,701.71</b>	<b>1,638.99</b>

The following are the remaining contractual maturities of financial liabilities as on 31 March 2020.

Particulars	Repayable on demand	Less than 1 year	More than 1 year	Total
Borrowings	1,172.43	-	1500	2,672.43
Trade payables	-	4,487.13	-	4,487.13
Other financial liabilities	-	1,412.32	-	1,412.32

The following are the remaining contractual maturities of financial liabilities as on 31 March 2019.

Particulars	Repayable on demand	Less than 1 year	More than 1 year	Total
Borrowings	942.82	-	-	942.82
Trade payables	-	3,820.44	-	3,820.44
Other financial liabilities	-	1,065.18	-	1,065.18

**c. Market risk**

Market risk is a risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Market risk comprises three types of risk interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include borrowings, trade and other payables, foreign exchange forward contracts, security deposit, trade and other receivables, deposits with banks.

**i. Foreign currency risk**

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. Company transacts business in its functional currency (INR) and in other foreign currencies. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, where revenue or expense is denominated in a foreign currency. The Company manages its foreign currency risk by hedging foreign currency payables using foreign currency forward contracts or foreign currency options, principal only swaps etc. The Company negotiates the terms of those foreign currency forward contracts to match the terms of the hedged exposure.

### Exposure to Currency Risk

The foreign currency risk from monetary assets and liabilities as at 31 March 2020 is as follows: (Amount in ₹ lakhs)

Particulars	US Dollars	Equivalent INR	EURO	Equivalent INR	Total INR
Trade receivables	9.36	688.49	0.48	37.20	725.69
Trade payables	3.88	280.72	2.61	197.30	478.02
<b>Net assets/(liabilities)</b>	<b>5.49</b>	<b>407.78</b>	<b>(2.13)</b>	<b>(160.10)</b>	<b>247.68</b>

The foreign currency risk from monetary assets and liabilities as at 31 March 2019 is as follows: (In ₹ lakhs)

Particulars	US Dollars	Equivalent INR	EURO	Equivalent INR	Total INR
Trade receivables	5.00	315.89	-	-	315.89
Trade payables	0.01	0.90	1.61	125.72	126.62
<b>Net assets/(liabilities)</b>	<b>4.99</b>	<b>314.99</b>	<b>(1.61)</b>	<b>(125.72)</b>	<b>189.28</b>

Details of foreign currency exposures that are hedged by derivative instruments or otherwise:

Particulars	Currency	Amount in foreign currency	Equivalent INR
As at 31 March 2020	USD	18.00	1319.57
As at 31 March 2019	USD	6.00	423.57

Foreign currency sensitivity on unhedged exposure

Financial Year	Foreign currency	Change in foreign currency rates	Effect on profit before tax	Effect on pre-tax equity
For 31 March 2020	USD	+5%	-45.59	-45.59
		-5%	45.59	45.59
	EUR	+5%	-8.01	-8.01
		-5%	8.01	8.01
For 31 March 2019	USD	+5%	-5.43	-5.43
		-5%	5.43	5.43
	EUR	+5%	-6.29	-6.29
		-5%	6.29	6.29

### ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. At the reporting date the interest rate profile of the Company's interest bearing financial instruments are follows:

Particulars	31 March 2020	31 March 2019
<b>Fixed rate instruments</b>		
Borrowings	2,672.43	942.82

Interest rate sensitivity on variable rate instruments

Particulars	31 March 2020	31 March 2019
Impact on profit before tax or equity		
Increase by 50 basis points	-13.36	-4.71
Decrease by 50 basis points	13.36	4.71



### 30. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

### 31. Disclosure as per the requirement of section 22 of the Micro, Small and Medium Enterprise Development Act, 2006:

The Company has invited information from its vendors for their status under "The Small, Medium and Micro Enterprises Development Act 2006". However in absence of any information as at 31st March, 2020, no disclosures have been made in this regard.

### 32. Details of employee benefits as required by Ind-AS 19 - "Employee benefits are as under":

#### 1 Defined contribution plan - Provident fund

The group has recognized following amounts in the profit & loss account for the year:

(In ₹ lakhs)

Particulars	FY 2019 - 20	FY 2018 - 19
Contribution to employee provident fund	180.41	186.91
Contribution to superannuation fund	6.09	9.08
<b>Total</b>	<b>186.50</b>	<b>195.99</b>

#### 2 Defined benefit plan

- i) The defined benefit plan comprises gratuity, which is funded.
- ii) Actuarial gains and losses in respect of defined benefit plans are recognized in the Other Comprehensive Income (OCI).

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Gratuity is a benefit to an employee in India based on 15 days last drawn salary for each completed year of service with a vesting period of five years.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk and interest rate risk.

**Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows :**

Particulars	FY 2019 - 20	FY 2018 - 19
Present value of defined benefit obligation at the beginning of the year	939.17	898.58
Current service cost	71.40	68.35
Interest cost	72.88	70.81
Past service cost	-	-
Actuarial loss / (Gain) recognised in other comprehensive income		
a) changes in demographic assumptions	(3.65)	-
b) changes in financial assumptions	57.39	7.10
c) experience adjustments	(84.41)	(5.81)
Benefits paid	(108.85)	(99.86)
Present value of defined benefit obligation at the end of the year	943.92	939.17

(Amount in ₹ lakhs)

<b>Change in the Fair Value of Plan Assets</b>	<b>FY 2019 - 20</b>	<b>FY 2018 - 19</b>
Fair Value of plan assets at the beginning of the period	1,005.11	890.75
Interest Income	78.00	70.19
Contribution by the employer	51.14	144.18
Benefit paid from the fund	(108.85)	(99.86)
Return on plan assets, excluding interest income	(9.93)	(0.15)
Fair Value of plan assets at the end of the period	1,015.47	1,005.11

<b>Analysis of defined benefit obligation</b>	<b>FY 2019 - 20</b>	<b>FY 2018 - 19</b>
Present value of obligation as at the end of the year	(943.92)	(939.17)
Fair Value of Plan Assets at the end of the Period	1,015.47	1,005.11
Net (asset) / liability recognized in the Balance Sheet	(71.55)	(65.94)

<b>Components of employer expenses/remeasurement recognized in the statement of Profit and Loss</b>	<b>FY 2019 - 20</b>	<b>FY 2018 - 19</b>
Current service cost	71.40	68.35
Net Interest Cost	(5.12)	0.62
Past Service Cost	-	-
Expenses recognized in the Statement of Profit and Loss	66.28	68.97

<b>Components of employer expenses/remeasurement recognized in the Other Comprehensive Income (OCI)</b>	<b>FY 2019 - 20</b>	<b>FY 2018 - 19</b>
Actuarial loss / (gain)	(30.68)	1.29
Return on plan assets, Excluding interest income	9.93	0.15
Net (income)/expense recognized in the OCI	(20.75)	1.44

<b>Actuarial Assumptions:</b>	<b>FY 2019 - 20</b>	<b>FY 2018 - 19</b>
Discount rate	6.83%	7.76%
Salary Escalation	7.00%	7.00%

<b>Attrition Rate</b>	<b>FY 2019 - 20</b>	<b>FY 2018 - 19</b>
- 4 years and below	9.00%	3.00%
- 5 years and above	2.00%	2.00%

- The discount rate is based on prevailing yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligation.
- Salary Escalation Rate: The estimates of future salary increases takes into account the inflation, seniority, promotion and other relevant factors.
- Assumptions regarding future mortality rates are the rates as given under Indian Assured Lives Mortality (2006-08) Ultimate.

#### **Sensitivity Analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(Amount in ₹ lakhs)

Projected benefit obligation on current assumptions	FY 2019 - 20		FY 2018 - 19	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (1 % movement)	70.18	61.43	63.79	55.92
Future salary growth (1 % movement)	64.80	58.06	59.50	53.62
Attrition rate (1 % movement)	0.02	0.02	3.94	4.41

**Maturity profile of defined benefit plan**

Projected benefits payable in future years from the date of reporting	FY 2019 - 20	FY 2018 - 19
1st Following year	106.51	159.77
2nd Following year	89.39	74.57
3rd Following year	95.99	108.11
4th Following year	75.01	77.15
5th Following year	84.46	75.00
Sum of years 6 to 10	387.54	376.30
Sum of years 11 and above	879.59	941.29

**Weighted average assumptions used to determine net periodic benefit cost**

Particulars	FY 2019 - 20	FY 2018 - 19
Number of active members	478	484
Per month salary cost for active members (₹ million)	166.93	165.93
Weighted average duration of the projected benefit obligation (years)	8.00	8.00
Average expected future service (years)	13.00	13.00
Projected benefit obligation (PBO)	939.17	898.58
Prescribed contribution for next year (12 Months)	5.46	76.18

## 33 Segment information

The following is on analysis of the reverse and result from continuing operators of reportable (Amount in ₹ lakhs)

Sr No	Particulars	Standalone	
		Year ended	
		March 31, 2020	March 31, 2019
(i)	<b>Segment Revenue</b>		
	Extrusion Machinery Division	22,312.10	26,507.78
	Battery Division	1.25	-
	<b>Total Segment Revenue</b>	22,313.35	26,507.78
(ii)	<b>Segment Results</b>		
	Extrusion Machinery Division	1,067.94	3,335.73
	Battery Division	-293.31	-
	<b>Total Segment Results</b>	774.63	3,335.73
	Unallocated Corporate income net of unallocated expenses	-	-
	Profit / (loss) before interest and taxation	774.63	3,335.73
	Finance Cost	145.65	249.75
	Profit (+)/loss (-) before exceptional items and share of loss	628.98	3,085.98
	Share in profit/(loss) of joint ventures / associates	-	-
	Profit(+)/LossH before exceptional items and tax	628.98	3,085.98
	Exceptional items	-	-
	Profit(+)/ Loss(-) before tax	628.98	3,085.98
	Tax Expenses		
	Current Tax	-	440.00
	MAT Credit Entitlement	-74.11	-70.67
	(Excess)/Short provision for taxation in respect of earlier year	14.46	33.83
	Deferred Tax	-58.46	235.60
Net Profit/ (loss) after tax	747.10	2,447.21	
Other Comprehensive Income	-1,561.76	-382.35	
Net Comprehensive Income	-814.66	2,064.86	
(iii)	<b>Segment Assets</b>		
	Extrusion Machinery Division	25,112.91	32,556.83
	Battery Division	5,758.13	1,761.86
	Total Segment Assets	30,871.04	34,318.69
	Unallocated Corporate Assets	6,131.35	-
	<b>Total Assets</b>	37,002.39	34,318.69
(iv)	<b>Segment Liabilities</b>		
	Extrusion Machinery Division	10,861.41	34,318.69
	Battery Division	2,418.85	-
	Total Segment Liabilities	13,280.26	34,318.69
	Unallocated Corporate Liabilities	23,722.13	-
	<b>Total Liabilities</b>	37,002.39	34,318.69
(v)	<b>Capital Employed</b>		
	Extrusion Machinery Division	14,251.51	-1,761.86
	Battery Division	3,339.27	1,761.86
	Unallocated	-17,590.78	-

**Notes :**

- 1 Company's Pune Plant Facility (Battery Division) has become operational & become reportable segment in current financial year.
- 2 Previous year figures have been regrouped wherever necessary.

### 34 Related party disclosures

#### A. Relationship between the parent and its subsidiaries:

Relationship	Name of related party
Associate or Joint Venture Companies or promoter Companies/Enterprises.	Joint Ventures : Penta Auto Feeding India Ltd., Kabra Mecanor Belling Technik Pvt Ltd. Promoter Companies/Enterprise : Plastiblends India Ltd, Kolsite Corporation LLP.
Enterprise over which key management personnel exercise significant influence.	Maharashtra Plastic & Industries, Smartech Global Solution Ltd, Kabra Gloucester Engg Ltd., Taiyou Green Solutions Pvt Ltd.

#### B. List of Key Management Personnel :

Key Management Personnel (KMP) - Executive Directors : Shri S.V.Kabra, Shri S.N.Kabra\*, Shri Anand S.Kabra & Smt Ekta A.Kabra (\* Non Executive Vice Chairman since 01 July 2018)

#### C. Transactions with related parties

No.	Aggregate of transaction	FY 2019-20		FY 2018-19	
		Amount of transactions during the year (₹ lakhs)	Total (₹ lakhs)	Amount of transactions during the year (₹ lakhs)	Total (₹ lakhs)
1	Sales & Other Income Associates /JV/Promoter enterprises Other Enterprises	179.62 18.02	197.63	268.69 34.34	303.03
2	Purchase & Other Services Associates /JV/Promoter enterprises Other Enterprises	556.66 7.93	564.59	197.81 11.86	209.67
3	Compensation to key management personnel (Refer note "E" below)	219.81	219.81	222.37	222.37
4	Reimbursement Of Income Associates /JV/Promoter enterprises Other Enterprises	100.88 0.02	100.90	69.69 0.39	70.08
5	Reimbursement Of Expenses Associates /JV/Promoter enterprises Other Enterprises	0.33 -	0.33	1.62 -	1.62
6	Investment in subsidiary	65.00	65.00	65.00	65.00

**D. Balance Outstanding at end of financial year :**

(Amount in ₹ lakhs)

No.	Aggregate of transaction	Balance as on 31 March 2020	Balance as on 31 March 2019
1	Debit Balance Outstanding		
	Debtors		
	Associates /JV/Promoter enterprises	123.55	86.40
	Other Enterprises	4.09	15.24
	<b>Total</b>	<b>127.63</b>	<b>101.65</b>
2	Investments		
	Associates /JV/Promoter enterprises	0.02	0.04
	Other Enterprises	-	-
	<b>Total</b>	<b>0.02</b>	<b>0.04</b>
3	Credit Balance Outstanding		
	Creditors		
	Associates /JV/Promoter enterprises	3.52	34.37
	Other Enterprises	0.12	2.00
	KMP	16.65	16.65
	<b>Total</b>	<b>20.29</b>	<b>53.02</b>

**E. Compensation to key management personnel :**

Particulars	FY 2019-20	FY 2018-19
Short term employee benefits	219.81	222.37
Post-employment benefits	-	-
Other long-term benefits	-	-
Sitting Fees	-	-
<b>Total Compensation to key management personnel</b>	<b>219.81</b>	<b>222.37</b>

**Note:**

As the post-employment benefits is provided on an actuarial basis for the Company as a whole, the amount pertaining to key management personnel is not ascertainable and therefore not included above.

**35 Lease transactions**

The Ministry of Corporate Affairs (MCA) through Companies (Indian Accounting Standards) Amendment Rule, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning from 1 April 2019 and applied the standard to its leases. Further majority of the Company's agreement are expiring within twelve months making it a short term obligation which is exception under the standard. Further the impact of the remaining agreements are not significant.

**36 Basic and diluted earnings per share**

(Amount in ₹ lakhs)

Particulars		FY 2019-20	FY 2018-19
Nominal value per equity share	₹	5.00	5.00
Profit for the year	₹ (lakhs)	747.09	2,447.21
Weighted average number of equity shares	No. of shares	3,19,02,320	3,19,02,320
Earnings per share - Basic	₹	2.34	7.67
Earnings per share - Diluted	₹	2.34	7.67

**37 Details of provisions and movements in each class of provisions as required by the Indian Accounting Standard (Ind AS) 37 - Provisions, Contingent liabilities and Contingent assets**
**1. Warranty**

According to Accounting Standard (Ind AS)-37 "Provisions, Contingent liabilities and Contingent assets", an incremental provision of NIL (previous year of NIL ) towards warranty claims has been made during the financial year as estimated by the management.

The warranty provision is expected to be utilized over a period of one year.

**2. Contingent liabilities not provided for :**

Sr. No.	Particulars	FY 2019-20	FY 2018-19
1	Bank Guarantee and Counter guarantees (Letter of Credit) given by the Company for the guarantees issued by Company's bankers	294.97	138.00
2	Disputed Income tax demand *	125.85	180.14
3	Service tax matter under dispute	21.34	22.77

**\* Notes :**

1) These matters are pending before various appellate authorities and the Management, including its tax advisors, expect that its position will likely be upheld on ultimate resolution and will not have a material adverse effect on the Company's financial position and results of operations.

**38 Income taxes**

The income tax expense consists of following:

Particulars	FY 2019-20	FY 2018-19
<b>Tax expense</b>		
Current tax	-	440.00
Income Tax On Earlier Year	14.46	33.83
MAT credit entitlement	(74.11)	(70.67)
Deferred tax (benefit) / charge	(58.46)	235.60
<b>Total tax expense</b>	<b>(118.12)</b>	<b>638.77</b>
<b>Other comprehensive income</b>		
Remeasurements gains and losses on post employment benefits	-	(83.87)
MAT on sale of shares designated as FVTOCI	-	-
<b>Income tax expense reported in the statement of other comprehensive income</b>	<b>-</b>	<b>(83.87)</b>

The deferred tax relates to origination/reversal of temporary differences.

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows:

(Amount in ₹ lakhs)

Particulars	FY 2019-20	FY 2018-19
Profit before tax	628.98	3,085.98
Indian statutory income tax rate	29.12%	34.94%
Expected tax expense	183.16	1,078.24
<b>Tax Effect of adjustments to reconcile expected income tax expense to reported income tax expense</b>		
<b>income tax expense</b>		
Expenses not deductible in determining taxable profits	250.73	280.83
Allowances / Deductible	(535.97)	(992.69)
Tax related to Income from capital gain	22.90	0.92
Income Tax On Earlier Year	14.46	33.83
Deferred Tax expenses accounted as no effect of Timing differences on MAT liability	(58.46)	235.60
Others (net) - adjusted	5.07	2.03
<b>Total tax expense</b>	<b>(118.12)</b>	<b>638.77</b>

#### Deferred Tax

##### Item wise movement in deferred tax expense recognised in profit or loss / OCI

Particulars	FY 2019-20	FY 2018-19
Provision for doubtful debts and advances	(3.77)	(1.47)
Provision for leave encashment	(48.15)	13.88
Provision for gratuity / gratuity assets	18.80	2.23
Provision for bonus	(5.84)	(3.71)
Excess of depreciation/amortisation on fixed assets under income-tax law over depreciation/amortisation provided in accounts	96.47	100.04
Fair valuation of non-current investments	(12.07)	205.41
Fair valuation of current investments	13.03	3.11
<b>Total expenses</b>	<b>58.46</b>	<b>319.48</b>
Recognised in Profit or Loss	58.46	235.60
Recognised in Other Comprehensive Income	-	83.87
	<b>58.46</b>	<b>319.48</b>

The gross movement in the deferred tax for the year ended 31 March 2020 and 31 March 2019 is as follows:

Particulars	FY 2019-20	FY 2018-19
Net deferred income tax asset at the beginning	166.97	436.71
MAT Credit entitlement for the year	74.11	70.67
Credits / (charge) relating to temporary differences	58.46	(235.60)
Temporary differences on other comprehensive income	-	(83.87)
MAT Credit utilised	(262.89)	(20.93)
Net deferred income tax asset at the end	<b>36.66</b>	<b>166.97</b>



**39 Expenditure in respect of Corporate Social Responsibility :**

(a) Gross amount required to be spent by the company during the year ₹ 49.25 Lakhs.

(b) Amount spent during the year on:

(Amount in ₹ lakhs)

Sr. No.	Particulars	In Cash	Yet to be paid in Cash	Total
(i)	Construction/acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above	10.00	-	10.00

**40 Auditor's Remuneration (Net of taxes)**

Particulars	FY 2019-20	FY 2018-19
Audit Fees	2.83	2.50
Tax Audit Fees	1.33	1.00
Other Services	0.67	0.75
<b>Total</b>	<b>4.83</b>	<b>4.25</b>

**41** Previous year's figures have been regrouped wherever considered necessary to make them comparable with those of the current year.

As per our report of even date attached  
**For A.G. Ogale & Company**  
**Chartered Accountants**  
**Firm Registration Number:114115W**

**CA. Pramod K. Gugale**  
**Partner**  
 Membership No. 113775

Place: Pune  
 Date: 09 July 2020

For and on behalf of the Board of Directos of  
**Kabra ExtrusionTechnik Limited**

**S.V. Kabra**  
 Chairman & MD

**Daulat Jain**  
 Chief Financial Officer

**A.S. Kabra**  
 Managing Director

**Arya Chachad**  
 Company Secretary

Place: Mumbai  
 Date: 09 July 2020

## INDEPENDENT AUDITOR'S REPORT

To The Members of

**Kabra Extrusiontechnik Limited**

**Report on the Audit of the Consolidated Financial Statements**

### Opinion

We have audited the accompanying consolidated financial statements of Kabra Extrusiontechnik Limited ("hereinafter referred to as the Company") and its jointly controlled entities (the Company and its jointly controlled entities together referred to as "the Group"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors, referred to in the Other Matters paragraph, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the 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 consolidated state of affairs of the Company as at March 31, 2020, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
Adoption of Ind AS 116 Leases	
As described in Notes to the financial statements, the Company has adopted Ind-AS 116 Leases in the current year. The application and transition to this accounting standard is complex and is an area of focus in our audit since the Company has a various number of leases with different contractual terms. Ind AS 116 introduces a new lease accounting model, wherein lessees are required to recognize a right-of-use (ROU) asset and a lease liability arising from a lease on the balance sheet. The lease liabilities are initially measured by discounting future lease payments during the lease term as per the contract/ arrangement. Adoption of the standard involves significant judgments and estimates including, determination of the discount rates and the lease term. Additionally, the standard mandates detailed Disclosures in respect of transition.	<p>Our audit procedures on adoption of IndAS 116 include:</p> <ul style="list-style-type: none"> <li>• Assessed and tested new processes and controls in respect of lease accounting standard (IndAS 116).</li> <li>• Assessed the Company's evaluation on the identification of lease based on the contractual agreements and our knowledge of the business;</li> <li>• Upon transition as at 1 April 2019; <ul style="list-style-type: none"> <li>➢ Evaluated the method of transition and related adjustments;</li> <li>➢ Tested completeness of the lease data by reconciling the Company operating lease commitment to data used in computing ROU asset and the lease liabilities.</li> </ul> </li> <li>• Assessed and tested the presentation and disclosures relating to Ind AS 116 including, disclosures relating to transition.</li> </ul>

### **Other information**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

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

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated 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.

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

#### Other Matters

We did not audit the financial statements of jointly controlled entities included in the Statement, whose financial statements reflect total assets of Rs. 256.45 lakhs for the year ended March 31, 2020, total revenue from operations of Rs. 453.53 lakhs for the year ended March 31, 2020, and total Loss (including other comprehensive income) of Rs.74.18 lakhs for the year ended March 31, 2020, as considered in the statement. These financial statements and other financial information have been audited by the other auditors whose reports have been furnished to us. Our opinion on the year to date financial results, to the extent they have been derived from such financial statement is based solely on the report of such other auditors.

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

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Consolidated Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors of the Company as on March 31, 2020 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its jointly controlled entities, none of the directors of these entities is disqualified as on March 31, 2020 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 and the operating effectiveness of such controls, refer to our Report in "Annexure 1", which is based on the auditors' reports of the Company and its jointly controlled entities. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
  - 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 explanation given to us, the managerial remuneration paid / accrued by the Company for the year ended March 31, 2020 is in excess by INR 130.41 lakhs vis-à-vis the limits specified in section 197 of Companies Act, 2013 ('the Act'). The Company has represented to us that it is in the process of complying with the prescribed statutory requirements to regularize such excess payments, including seeking approval of shareholders, as necessary.

- d) 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 consolidated financial statements disclose the impact of pending litigations on financial position of the Group in its financial statements.
  - ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its jointly controlled entities. .

**For A.G. Ogale & CO**  
Chartered accountants

Place: Pune  
Date: 9<sup>th</sup> July, 2020

**CA. Pramod K. Gugale**  
Partner UDIN: 20113775AAAADO9759  
Membership No. 113775  
Firm Registration No 114115W  
UDIN : 20113775AAAADP5334

## **ANNEXURE “1” TO THE INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Kabra Extrusiontechnik Limited** 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”)**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Kabra Extrusiontechnik Limited (hereinafter referred to as “the Company”) and its jointly controlled entities (the Company and its jointly controlled entities together referred to as “the Group”), as of that date.

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

The respective Board of Directors of the Company and its jointly controlled entities are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 internal financial controls over financial reporting of the Company and its jointly controlled entities, 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 internal financial controls system over financial reporting of the Company.

#### **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.

#### **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 and its jointly controlled entities have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the respective Companies 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.

#### **Other Matters**

Our aforesaid report under section 143(3)(l) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the financial statements of its jointly controlled entities which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies.

**For A.G. Ogale & CO**  
Chartered accountants

Place: Mumbai

Date: 9<sup>th</sup> July, 2020

**CA. Pramod K. Gugale**

Partner  
Membership No. 113775  
Firm Registration No 114115W  
UDIN : 20113775AAAADP5334

## Consolidated Balance Sheet as at 31 March 2020

(Amount in ₹ lakhs)

Particulars	Note	31 March 2020	31 March 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2A	12,895.27	11,588.24
Capital work-in-progress	2A	722.96	96.36
Intangible assets	2B	512.03	425.74
<b>Financial assets</b>			
Investments	3	2,153.84	3,742.03
Loans	4	96.90	83.95
Deferred tax assets (net)	5	36.66	166.97
Other non-current assets	6	1,000.03	537.42
		<b>17,417.69</b>	<b>16,640.71</b>
<b>Current assets</b>			
Inventories	7	12,520.86	10,616.19
<b>Financial assets</b>			
Investments	8	2,068.16	1,367.07
Trade receivables	9	1,628.30	3,542.61
Cash and cash equivalents	10	82.19	216.47
Other balances with banks	10	551.36	55.45
Loans	11	53.75	46.84
Other financial assets	12	669.15	1,046.46
Current tax assets (net)		353.46	-
Other current assets	13	1,591.60	726.70
		<b>19,518.82</b>	<b>17,617.79</b>
<b>TOTAL ASSETS</b>		<b>36,936.51</b>	<b>34,258.50</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	14	1,595.12	1,595.12
Other equity	15	21,620.12	23,017.37
		<b>23,215.24</b>	<b>24,612.49</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Provisions	16	195.25	266.75
Borrowings	17	1,500.00	-
		<b>1,695.25</b>	<b>266.75</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	17	1,172.43	942.82
Trade payables	18	4,487.13	3,820.44
Other financial liabilities	19	1,412.32	1,065.18
Other current liabilities	20	4,708.38	2,945.73
Provisions	21	245.77	299.61
Current income tax liabilities (net)		-	305.48
		<b>12,026.03</b>	<b>9,379.27</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>36,936.51</b>	<b>34,258.50</b>

Significant accounting policies  
Notes referred to above form an integral part of the

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standalone financial statements  
As per our report of even date attached

For and on behalf of the Board of Directors of  
**Kabra ExtrusionTechnik Limited**

**For A.G. Ogale & Company**

Chartered Accountants  
Firm Registration Number: 114115W

**S.V. Kabra**  
Chairman & MD

**A.S. Kabra**  
Managing Director

**CA. Pramod K. Gugale**

Partner  
Membership No. 113775

**Daulat Jain**  
Chief Financial Officer

**Arya Chachad**  
Company Secretary

Place: Pune  
Date: 09 July 2020

Place: Mumbai  
Date: 09 July 2020

**Statement of Profit and Loss for the year ended on 31 March 2020**

(Amount in ₹ lakhs)

Particular	Note	31 March 2020	31 March 2019
Revenue from operations	22	22,018.99	24,514.19
Other income	23	294.36	1,993.59
<b>Total income</b>		<b>22,313.35</b>	<b>26,507.78</b>
<b>Expenses</b>			
Cost of materials consumed	24	16,531.80	15,750.47
Changes in inventories of finished goods and work-in-progress	25	(3,050.19)	(797.02)
Employee benefits expense	26	3,203.27	3,471.82
Finance costs	27	145.65	249.75
Depreciation and amortization expense	2	771.79	723.24
Other expenses	28	4,082.05	4,023.54
<b>Total expenses</b>		<b>21,684.38</b>	<b>23,421.80</b>
<b>Profit before exceptional items and tax</b>		<b>628.98</b>	<b>3,085.98</b>
Share in profit/(loss) of joint ventures / associates		(5.69)	(9.93)
<b>Profit before tax</b>		<b>623.29</b>	<b>3,076.05</b>
<b>Tax expense</b>			
Current tax		-	440.00
Income Tax On Earlier Year		14.46	33.83
MAT credit entitlement		(74.11)	(70.67)
Deferred tax (benefit)/charge		(58.46)	235.60
<b>Total tax expense</b>		<b>(118.12)</b>	<b>638.77</b>
<b>Profit for the year</b>		<b>741.41</b>	<b>2,437.28</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Fair value changes on Equity instruments designated as FVTOCI		(1,582.50)	(297.04)
Remeasurements of defined benefit plans		20.75	(1.44)
Income tax on items that will not be reclassified to profit or loss		-	(83.87)
<b>Total other comprehensive income</b>		<b>(1,561.75)</b>	<b>(382.35)</b>
<b>Total comprehensive income for the year</b>		<b>(820.35)</b>	<b>2,054.93</b>
<b>Earnings per equity share for continuing operations</b> <b>(face value per share ₹ 5 each)</b>			
Basic	36	2.32	7.64
Diluted	36	2.32	7.64
Significant accounting policies	1		
Notes referred to above form an integral part of the standalone financial statements	2-42		

As per our report of even date attached

**For A.G. Ogale & Company****Chartered Accountants****Firm Registration Number:114115W****CA. Pramod K. Gugale****Partner**

Membership No. 113775

Place: Pune

Date: 09 July 2020

For and on behalf of the Board of Directos of

**Kabra ExtrusionTechnik Limited****S.V. Kabra**

Chairman &amp; MD

**A.S. Kabra**

Managing Director

**Daulat Jain**

Chief Financial Officer

**Arya Chachad**

Company Secretary

Place: Mumbai

Date: 09 July 2020



## Statement of changes in equity for the year ended on 31 March 2020

(Amount in ₹ lakhs)

### A Equity share capital

Balance as at 1 April 2019	1,595.12
Changes in equity share capital during 2019-20	-
<b>Balance as at 31st March 2020</b>	<b>1,595.12</b>

### B Other equity

	Reserves & Surplus			Other Revenue		Total
	Securities premium reserve	General reserve	Retained earnings	Equity instruments designated as FVTOCI	Retained earning in Jointly controlled entities	
<b>Balance as on 01 April 2018</b>	<b>594.14</b>	<b>5,476.10</b>	<b>12,862.65</b>	<b>2,849.02</b>	<b>(50.26)</b>	<b>21,731.64</b>
Profit for the year			2,447.21		(9.93)	2,437.28
Other comprehensive income (net of tax)			(0.94)	(381.42)		(382.35)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>2,446.28</b>	<b>(381.42)</b>	<b>(9.93)</b>	<b>2,054.93</b>
<b>Transactions with owners recognised directly in equity</b>						
Dividend (₹ 2 per share)			(638.05)			(638.05)
Dividend distribution tax			(131.15)			(131.15)
<b>Balance as on 31 March 2019</b>	<b>594.14</b>	<b>5,476.10</b>	<b>14,539.73</b>	<b>2,467.60</b>	<b>(60.19)</b>	<b>23,017.37</b>
Profit for the year			747.09		(5.69)	741.40
Other comprehensive income (net of tax)			13.50	(1,575.25)		(1,561.75)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>760.59</b>	<b>(1,575.25)</b>	<b>(5.69)</b>	<b>(820.35)</b>
<b>Transactions with owners recognised directly in equity</b>						
Dividend (₹ 1.5 per share)			(478.53)			(478.53)
Dividend distribution tax			(98.37)			(98.37)
<b>Balance as on 31 March 2020</b>	<b>594.14</b>	<b>5,476.10</b>	<b>14,723.42</b>	<b>892.35</b>	<b>(65.88)</b>	<b>21,620.12</b>

As per our report of even date attached

**For A.G. Ogale & Company**  
Chartered Accountants  
Firm Registration Number:114115W

**CA. Pramod K. Gugale**  
Partner  
Membership No. 113775

Place: Pune  
Date: 09 July 2020

For and on behalf of the Board of Directors of  
**Kabra ExtrusionTechnik Limited**

**S.V. Kabra**  
Chairman & MD

**Daulat Jain**  
Chief Financial Officer

**A.S. Kabra**  
Managing Director

**Arya Chachad**  
Company Secretary

Place: Mumbai  
Date: 09 July 2020

## Cash Flow Statement for the year ended 31st March 2020

(Amount in ₹ lakhs)

Particular	31 March 2020	31 March 2019
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before extraordinary items and tax	628.98	3,085.98
<u>Adjustments for:</u>		
Depreciation and amortisation (including exceptional item)	771.79	723.24
Provision for impairment of fixed assets and intangibles		
Profit on sale of property, plant and equipments	(11.80)	(2.95)
Profit on sale of investment	(78.63)	(4.74)
Dividend income from current investments	(187.37)	(129.36)
Fair value changes of current investments	20.56	(20.10)
Interest income from financial assets at amortised cost	(16.56)	(566.78)
Change in Finance Cost	216.39	284.10
Fair value changes in non-current investments	-	(1,269.66)
Remeasurements of defined benefit plans	20.75	(1.44)
Provision for doubtful trade and other receivables, loans and advances	-	4.22
<b>Operating profit / (loss) before working capital changes</b>	<b>1,364.12</b>	<b>2,102.00</b>
<b>Changes in working capital:</b>		
(Increase) / Decrease in inventories	(1,904.67)	(385.42)
(Increase) / Decrease in trade receivables	1,914.31	869.92
(Increase) / Decrease in other bank balances	(495.91)	(2.06)
(Increase) / Decrease in current loans	(6.91)	4.49
(Increase) / Decrease in other current financial asset	377.30	(957.67)
(Increase) / Decrease in other current assets	(864.89)	665.74
(Increase) / Decrease in non-current loans	(12.95)	(2.67)
(Increase) / Decrease in other non-current assets	-	(19.85)
Increase / (Decrease) in trade payables	666.69	(1,781.48)
Increase / (Decrease) in current other financial liabilities	347.14	200.92
Increase / (Decrease) in other current liabilities	1,762.66	239.03
Increase / (Decrease) in short-term provision	(53.84)	(34.06)
Increase / (Decrease) in long-term provision	(71.50)	(38.63)
Cash generated from operations	3,021.54	860.26
Net income tax (paid) / refunds	(250.32)	(283.45)
MAT Credit utilised	74.11	20.94
<b>Net cash flow from / (used in) operating activities</b>	<b>2,845.33</b>	<b>597.75</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on property plant and equipment	(2,707.19)	(1,597.97)
Expenditure on intangibles (including capital advance)	(644.74)	(531.33)
Proceeds from sale of property plant and equipment	11.80	2.95
Investment in joint ventures	-	(65.00)
Deferred Tax Expenses	-	-
Sale of investment Non Current Investment	-	1,575.16
Net sale / (purchase) of current investments	(779.72)	(13.89)

## Cash Flow Statement for the year ended 31st March 2020

(Amount in ₹ lakhs)

Particular	31 March 2020	31 March 2019
Interest received	16.56	566.78
Dividend received	187.37	129.36
<b>Net cash flow from / (used in) investing activities</b>	<b>(3,915.92)</b>	<b>66.05</b>
<b>C. Cash flow from financing activities</b>		
Change in Finance Cost	(216.39)	(284.10)
Interim dividend	(478.53)	(638.05)
Tax on interim dividend	(98.37)	(131.15)
Borrowings / (Repayment) (Net)	1,729.60	535.64
<b>Net cash flow from / (used in) financing activities</b>	<b>936.31</b>	<b>(517.15)</b>
<b>Net increase / (decrease) in Cash and cash equivalents</b>	<b>(134.29)</b>	<b>146.65</b>
Cash and cash equivalents at the beginning of the year	216.47	69.82
<b>Cash and cash equivalents at the end of the year</b>	<b>82.19</b>	<b>216.47</b>

As per our report of even date attached

**For A.G. Ogale & Company**

**Chartered Accountants**

**Firm Registration Number:114115W**

**CA. Pramod K. Gugale**

**Partner**

Membership No. 113775

Place: Pune

Date: 09 July 2020

For and on behalf of the Board of Directors of

**Kabra ExtrusionTechnik Limited**

**S.V. Kabra**

Chairman & MD

**Daulat Jain**

Chief Financial Officer

**A.S. Kabra**

Managing Director

**Arya Chachad**

Company Secretary

Place: Mumbai

Date: 09 July 2020

## Notes to the financial statements for the year ended 31<sup>st</sup> March 2020

### The Corporate overview

Kabra Extrusiontechnik Limited ('the Company' or 'KET') is the flagship company of Kolsite group and one of the largest players in the plastic extrusion machinery known for its innovative offerings. KET specializes in providing plastic extrusion machinery for manufacturing pipes and films. It has two manufacturing locations in Daman.

The Company has ventured into new business segment of producing green energy systems and solutions with advanced lithium-ion battery packs to power the growth of India's transition to green energy storage and electric transportation. It has set up a new state of the art manufacturing facility at Chakan, Pune and begun with commercial production in month of March'20.

### Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 [the Companies (Indian Accounting Standards) Rules, 2015, as amended] and other relevant provisions of the Act.

The financial statements were authorized for issue by the Board of Directors on 9th July 2020..

#### a) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following items, which are measured on an alternative basis on each reporting date.

- Certain financial assets and liabilities (including derivative instruments) are measured at fair value.
- Defined benefit plans – plan assets are measured at fair value.

#### b) Current versus non-current classification

The company presents assets and liabilities in the balance sheet based on current and non-current classification. An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current. A liability is classified as current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

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

#### c) Rounding of amounts

All amounts disclosed in the Financial Statements including notes have been rounded off to the nearest lakhs in Indian Rupee (INR 00,000) as per the requirements of Schedule III of the Companies Act, 2013; unless otherwise indicated.

#### d) Principles of Consolidation

The consolidated financial statements relate to Kabra Extrusiontechnik Limited ('the Company') and its jointly controlled entities. The consolidated financial statements have been prepared on the following basis:

Investment in Associates and Jointly controlled entities has been accounted under the equity method as per Ind AS 28 - Investments in Associates and Joint ventures.

#### Equity method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and jointly controlled entities are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its jointly controlled entities are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

## 1) Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

### a) Property, plant and equipment

#### • Recognition and measurement

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost comprises of purchase price, non-refundable taxes and any directly attributable costs of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Borrowing costs attributable to construction or acquisition of a qualifying asset for the period up to the date, the asset is ready for its intended use are included in the cost of the asset to which they relate.

Pre-operative expenditure including trial run expenses comprising of revenue expenses incurred as reduced by the revenue generated during the period up to the date, the asset is ready for its intended use are treated as part of costs of that asset.

Capital work-in-progress comprises of the cost of property, plant and equipment that are not yet completely ready for their intended use as at the balance sheet date.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date are disclosed under "Other non-current assets".

#### • Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss as incurred.

#### • Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net and disclosed within other income or expenses in the statement of profit and loss.

#### • Depreciation methods, estimated useful lives and residual value

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognized in the statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment as prescribed in Schedule II of the Companies Act 2013 except leasehold land which is amortized equally over the lease period.

Freehold land is not depreciated.

### b) Intangible assets

#### • Recognition and measurement

Intangible assets are recognised when the asset is identifiable, is within the control of the company, it is probable that the future economic benefits that are attributable to the asset will flow to the company and cost of the asset can be reliably measured. Intangible assets acquired by the company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

- **Derecognition**

An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of intangible asset are determined by comparing the proceeds from disposal with the carrying amount of intangible asset and are recognised net and disclosed within other income or expenses in the statement of profit and loss.

- **Amortisation**

Amortisation is calculated over the cost of the asset, or other amount substituted for cost. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

### c) Leases

Effective April 1, 2019, the Company has adopted Ind AS 116 'Leases', under which the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset an amount equal to lease liability adjusted for any related prepaid and accrued lease payments previously recognised. The effect of transition on Ind AS 116 was insignificant.

#### Company as a lessee

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

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- i) the contract involves the use of an identified asset;
- ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and
- iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

#### Company as lessor

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate the lessor for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their respective nature.

**d) Impairment of non-financial assets**

The company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered.

Impairment losses are recognised in the statement of profit and loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

Reversal of impairment loss

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is

Reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**e) Inventories**

Raw Material, Components and Work in progress are valued on weighted average basis and is net of CENVAT, VAT and GST. Finished goods are valued at the lower of cost and net realizable value.

Cost includes cost of conversion and other costs incurred in bringing the inventories at their present location and condition. Cost of conversion for the purpose of valuation of WIP and finished goods includes fixed and variable production overheads incurred in converting the material into their present condition and location.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**f) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**g) Revenue recognition**

Revenue from sale of goods and services is recognised when all significant risks and rewards of ownership of the goods are passed on to the buyer, recovery of the consideration is probable, the associated costs can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably. It excludes Goods and Service tax (GST), value added tax or sales tax wherever applicable. Sales are stated net of discounts, rebates and returns.

**h) Other income**

· **Interest income**

Interest income from debt instruments is recognised using effective interest rate method (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

· **Dividend**

Dividends are recognised in the statement of profit and loss only when the right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount can be measured reliably.

· **Export Incentive**

Export incentives are recognised when the right to receive credit as per the terms of incentives is established in respect of the exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

**i) Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset, are expensed in the period in which they are incurred.

**j) Foreign currency transactions and balances**

Transactions in foreign currency are recorded at exchange rates prevailing at the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies which are outstanding, as at the reporting period are translated at the closing exchange rates and the resultant exchange differences are recognised in the statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

**k) Employee Benefits**

**Short-term employee benefits**

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, expected cost of bonus and short-term compensated absences, ex-gratia, performance pay etc. are recognised in the period in which the employee renders the related service.

**Post-employment benefits Defined**

**contribution plans**

The company's approved superannuation scheme and central provident fund scheme are a defined contribution plan. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due.

**Defined benefit plans**

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a fund set up by Life Insurance Corporation of India. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

In case of funded plans, the fair value of the plan's assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Net interest is calculated by applying the discount rate to the net defined benefit liability or the fair value of the plan asset. The cost is included in employee benefit expense in the statement of profit and loss.

**Other long-term employee benefits**

The liabilities for earned leave which are not expected to be settled within twelve months after the end of the reporting period in which the employee render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employee up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.



**l) Income tax**

Income tax expense comprises of current tax and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to the items recognised directly in OCI.

**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable profits computed for the current accounting period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

**Deferred tax**

Deferred tax is provided using the balance sheet method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**MAT**

Minimum Alternate Tax credit is recognized as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is viewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

**m) Government Grant:**

Grants from the Government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

**m) Provisions and contingencies**

A provision is recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost in the statement of profit and loss.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to

settle the obligation. A contingent liability also arises where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised in financial statements, unless they are virtually certain. However, contingent assets are disclosed where inflow of economic benefits are probable.

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

**o) Fair value measurement**

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

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

**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.

**Initial recognition and measurement**

Financial instruments are initially recognised when the entity becomes party to the contract.

Financial instruments are measured initially at fair value adjusted for transaction costs that are directly attributable to the origination of the financial instrument where financial instruments not classified at fair value through profit or loss. Transaction costs of financial instruments which are classified as fair value through profit or loss are expensed in the statement of profit and loss.

**Subsequent measurement of financial assets**

For the purposes of subsequent measurement, the financial assets are classified in the following categories based on the company's business model for managing the financial assets and the contractual terms of cash flows:

- those to be measured subsequently at fair value; either through OCI or through profit or loss
- those measured at amortised cost

For assets measured at fair value, changes in fair value will either be recorded in the statement of profit and loss or OCI. For investments in debt instruments, this will depend on the business model in which investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for equity investment at fair value through OCI.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

**Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are satisfied:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

- The contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

#### **Debt instruments at fair value through other comprehensive income (FVTOCI)**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent SPPI, are measured at FVTOCI. The movements in the carrying amount are recognised through OCI, except for the recognition of impairment gains and losses, interest revenue and foreign exchange gain or losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss and recognised in other gains/ losses. Interest income from these financial assets is included in other income using EIR method.

#### **Debt instruments at fair value through profit or loss (FVTPL)**

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on debt instrument that is subsequently measured at FVTPL and is not a part of hedging relationship is recognised in the statement of profit and loss within other gains/ losses in the period in which it arises. Interest income from these financial assets is included in other income.

#### **Equity investments**

All equity investments in the scope of Ind AS 109 Financial Instruments are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to recognise subsequent changes in the fair value in OCI. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of equity instrument.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

#### **Subsequent measurement of financial liabilities**

For the purposes of subsequent measurement, the financial liabilities are classified in the following categories:

- those to be measured subsequently at fair value through profit or loss (FVTPL)
- those measured at amortised cost

Following financial liabilities will be classified under FVTPL:

- Financial liabilities held for trading
- Derivative financial liabilities
- Liability designated to be measured

under FVTPL All other financial liabilities are classified at amortised cost.

For financial liabilities measured at fair value, changes in fair value will recorded in the statement of profit and loss except for the fair value changes on account of own credit risk are recognised in Other Comprehensive Income (OCI).

Interest expense on financial liabilities classified under amortised cost category are measured using effective interest rate (EIR) method and are recognised in statement of profit or loss.

#### **Derecognition of financial instruments**

The company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms

of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### **Impairment of financial assets**

The company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial assets mentioned below:

- Financial assets that are debt instrument and are measured at amortised cost
- Financial assets that are debt instruments and are measured as at FVOCI
- Trade receivables under Ind AS 18

The impairment methodology applied depends on whether there has been a significant increase in credit risk. Details how the company determines whether there has been a significant increase in credit risk is explained in the respective notes.

For impairment of trade receivables, the company chooses to apply practical expedient of providing expected credit loss based on provision matrix and does not require the Company to track changes in credit risk. Percentage of ECL under provision matrix is determined based on historical data as well as futuristic information.

#### **Derivative financial instruments**

##### **Initial measurement and subsequent measurement**

The company uses derivative financial instruments, such as forward currency contracts to hedge foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

#### **q) Dividend Distribution**

The company recognises a liability to make cash distributions to equity holders when the distribution is authorised and approved by the shareholders. Any interim dividend paid is recognised on approval by Board of Directors. Dividend payable and corresponding tax on dividend distribution is recognised directly in equity.

#### **r) Earnings per share (EPS)**

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted EPS adjust the figures used in the determination of basic EPS to consider

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

#### **s) Operating segment**

Ind AS 108 Operating Segments requires Management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources. The standard also requires Management to make judgments with respect to aggregation of certain operating segments into one or more reportable segment.

The Company has determined that the Chief Operating Decision Maker (CODM) is the Board of Directors (BoD). Operating segments used to present segment information are identified based on the internal reports used and reviewed by the BoD to assess performance and allocate resources.

##### **1.1) Significant accounting judgments, estimates and assumptions**

The preparation of the financial statements in conformity with Ind AS, requires the management to make judgments, estimates and assumptions that affect the amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities, disclosure of the contingent liabilities and notes to accounts at the end of each reporting period. Actuals may differ from these estimates.

## **Judgements**

In the process of applying the Company's accounting policies, management have made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

### **Useful life, method and residual value of property, plant and equipments**

Plant and machineries and factory buildings contribute significant portion of the Company's Property, plant and equipment. The Company estimates the useful life and residual value of assets. However the actual useful life and residual value may be shorter / less or longer / more depending on technical innovations and competitive actions. Further, Company is depreciating its plant and machineries and factory buildings by using straight line method based on the management estimate that repairs / wear and tear to plant and machineries and factory buildings are consistent over useful life of assets.

### **Contingent liability**

The Company has received orders and notices from tax authorities in respect of direct taxes and indirect taxes. Management regularly analyses current information about these matters and discloses the information of related contingent liability. In making the decision regarding the need for creating loss provision, management considers the degree of probability of an unfavourable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the Company or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

### **Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its estimates and assumptions on parameters available when the financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market conditions or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

### **Defined benefit obligation**

The cost of the defined benefit plans and other post-employment benefits and the present value of the obligations are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future post-retirement medical benefit increase. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligations and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on the expected future inflation rates for the country.

Further details about defined benefit obligations are provided in the respective note prepared elsewhere in the financial statement.

### **Deferred Tax**

Deferred tax assets are recognised for all deductible temporary differences including the carry forward of unused tax credits. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits can be utilized.

Estimation and underlying assumptions are reviewed on ongoing basis. Revisions to estimates are recognised prospectively.

## **1.2) Recent accounting pronouncements**

### **Impact of implementation of new Accounting Standard**

Effective April 1, 2019 the Company adopted Ind AS – 116 'Leases'. The effect on adoption of the Standard was not material.

### **Accounting Standard issued but yet not effective**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

**2A Property, plant and equipment**  
**Changes in the carrying amount of property, plant and equipment**

(Amount in ₹ lakhs)

	Land (Freehold)	Building	Land (Leasehold)	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computer	Total	Capital work in progress
Gross carrying amount as at 1 April 2019	2,805.94	4,473.81	1,321.64	6,726.59	890.27	267.01	197.98	644.77	17,328.01	96.36
Additions	-	-	-	1,862.14	23.88	9.00	30.05	59.16	1,984.23	722.96
Disposal/retirements/derecognition	-	-	-	14.12	-	21.35	-	-	35.47	96.36
Gross carrying amount as at 31st March 2020	2,805.94	4,473.81	1,321.64	8,574.61	914.15	254.66	228.03	703.93	19,276.77	722.96
Accumulated depreciation as at 1 April 2019	-	857.38	1.72	3,407.57	621.12	98.22	155.04	598.50	5,739.77	-
Depreciation	-	113.24	13.91	420.60	63.08	24.97	19.98	20.18	675.95	-
Disposal/retirements/derecognition	-	-	-	13.41	-	20.80	-	-	34.21	-
Accumulated depreciation as at 31st March 2020	-	970.62	15.63	3,814.75	684.19	102.39	175.01	618.67	6,381.50	-
Carrying amount as at 1 April 2019	2,805.94	3,616.43	1,319.92	3,319.03	269.15	168.78	42.95	46.27	11,588.24	96.36
Carrying amount as at 31st March 2020	2,805.94	3,503.19	1,306.01	4,759.86	229.96	152.27	53.02	85.26	12,895.27	722.96

Note:

(i) Refer note 17 for details of property, plant and equipment pledged as security for borrowings.

**2B Intangible assets**  
**Changes in the carrying amount of other intangible assets**

	Technical Know-How	Software	Total
Gross carrying amount as at 1 April 2019	2,176.45	128.49	2,304.94
Additions	158.00	24.12	182.13
Disposal/retirements/derecognition	-	-	-
Gross carrying amount as at 31st March 2020	2,334.45	152.62	2,487.07
Accumulated depreciation as at 1 April 2019	1,810.65	68.55	1,879.20
Depreciation	51.47	44.37	95.84
Disposal/retirements/derecognition	-	-	-
Accumulated depreciation as at 31st March 2020	1,862.12	112.92	1,975.04
Carrying amount as at 1 April 2019	365.80	59.95	425.74
Carrying amount as at 31st March 2020	472.33	39.70	512.03

**Notes forming part of the standalone financial statements (continued)  
for the year ended on 31 March 2020**

(Amount in ₹ lakhs)

Particular	31 March 2020	31 March 2019
<b>3 Non current investments</b>		
<b>Investments (Unquoted)</b>		
<b>Investments in equity instruments of group companies (at cost)</b>		
Kabra Mecanor Belling Technik Pvt. Ltd. A joint venture incorporated in India 699800 (2019: 699800 ) Equity shares of ₹ 10 /- each fully paid-up.	54.04	59.73
Penta Auto Feeding India Ltd. A joint venture incorporated in India 499400 (2019: 499400) Equity shares of ₹ 10 /- each fully paid-up.	-	-
	<b>54.04</b>	<b>59.73</b>
<b>Investments in instruments of other entities measured at fair value through Other Comprehensive Income (OCI)</b>		
Plastiblends India Ltd. 1846562 (2019: 1846562 ) Equity shares of ₹ 5 /- each fully paid-up.	2,073.69	3,656.19
Mohid Park Co-op Hsg. Soc.Ltd ( 5 shares of ₹ 50 each)*	0.00	0.00
Royal Twin Co-op Hsg. Soc.Ltd ( 5 shares of ₹ 50 each)*	0.00	0.00
Plastic Machinery Mfg. Association of India (3 Shares of ₹ 100 each)*	0.00	0.00
	<b>2,073.70</b>	<b>3,656.20</b>
<b>Investment in debt instruments at amortised cost</b>		
Indian Railway Finance Corp. Tax Free Bond 2610 (2019: 2610) tax free bonds of Rs 1000/- each	26.10	26.10
	<b>26.10</b>	<b>26.10</b>
	<b>2,153.84</b>	<b>3,742.03</b>
*The Company has not performed a fair valuation of its investment in these unquoted ordinary shares, which are classified as FVTOCI, as the Company believes that impact of change on account of fair value is insignificant.		
<b>Notes</b>		
Aggregate amount of quoted investments and market value	2,073.69	3,656.19
Aggregate amount of unquoted investments	80.15	85.83
<b>4 Loans</b>		
<i>(Unsecured, considered good unless otherwise stated)</i>		
<b>Loans and advances</b>		
Security deposits	71.90	58.95
Other loans and advances	25.00	25.00
	<b>96.90</b>	<b>83.95</b>

**Note:**

(i) Security deposits and loans are measured at amortised cost

(ii) No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member except security deposit given to Kolsite Corporation LLP amounting to ₹ 20.35 lakhs (2019 : ₹ 20.35 lakhs)

(Amount in ₹ lakhs)

Particular	31 March 2020	31 March 2019
<b>5 Deferred tax assets / (liabilities)</b>		
Provision for doubtful debts and advances	18.84	22.61
Provision for leave encashment	67.29	115.44
Provision for gratuity / gratuity assets	19.30	0.50
Provision for bonus	25.31	31.15
Excess of depreciation / amortisation on fixed assets under income-tax law over depreciation/amortisation provided in accounts	(766.78)	(863.25)
Fair valuation of non-current investments	(10.36)	1.71
Fair valuation of current investments	10.36	(2.67)
MAT credit entitlement	672.70	861.47
<b>Net deferred tax liabilities / (asset)</b>	<b>36.66</b>	<b>166.97</b>
Refer note no. 38 on Income taxes for further disclosures.		
<b>6 Other non-current assets</b>		
Capital advances	904.55	441.94
Security deposits with revenue authorities	6.53	6.53
Margin money	88.95	88.95
	<b>1,000.03</b>	<b>537.42</b>
<b>Note:</b>		
(i) No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.		
<b>7 Inventories</b>		
Raw materials	4,938.15	6,083.66
Work-in-progress	7,582.71	4,532.53
	<b>12,520.86</b>	<b>10,616.19</b>
<b>8 Current investments</b>		
<b>Investments in mutual funds measured at fair value through Profit and Loss (quoted)</b>		
ICICI Prudential Equity Arbitrage Fund - Dividend Nil (2019 :3103127) units	-	449.69
Kotak Equity Arbitrage Fund-Dividend Nil (2019 :2313434) units	-	254.65
Motilal Oswal Most Focused Multicap 35 Fund - Regu. 190380 (2019 :190380) units	37.10	49.45
L & T India Value fund - growth (D) 50448 (2019 :50448) units	13.25	19.15
Mirae Asset India Opportunity fund - growth (D) 40501 (2019 :40501) units	16.79	21.88
ICICI Prudential Liquid Fund-Daily Dividend Nil (2019 :110994) units	-	111.20



(Amount in ₹ lakhs)

Particular	31 March 2020	31 March 2019
Axis Liquid Fund-Daily Dividend(CFDDR) Nil (2019 :11115) units	-	111.30
UTI Liquid Cash Plan-Daily Dividend Plan Reinvest Nil (2019 :10908) units	-	111.20
Kotak Liquid Regular Plan Nil (2019 :29) units	-	0.36
Kotak Money Markets - (Daily Dividend) Nil (2019 :84) units	-	0.83
ICICI Prudential Liquid Fund Growth (Erst ICICI P) 164563 (2019 :Nil) units	483.46	-
HDFC Overnight Fund Regular Plan Growth 11846 (2019 :Nil) units	350.03	
SBI Overnight Fund Regular Growth 10856 (2019 :Nil) units	350.05	
Kotak Liquid Fund Direct Plan Growth 9970 (2019 :Nil) units	400.28	
HDFC Liquid Fund Direct Plan Growth 10246 (2019 :Nil) units	400.28	
Kotak Standard Multicap Fund-Direct Plan-Growth 58362 (2019 :58362) units	16.92	22.01
<b>Investments measured at fair value through Profit and Loss (unquoted)</b>		
Aventus Absolute Return Fund (AIF)	0.00	215.35
	<b>2,068.16</b>	<b>1,367.07</b>
<b>Note:</b>		
Aggregate amount of quoted investments	2,068.16	1,151.72
Aggregate amount of unquoted investments	0.00	215.35
<b>9 Trade receivables</b>		
Trade receivables (Unsecured) :		
- Considered good	1,628.30	3,542.61
- Receivables which have significant increase in credit risk	64.71	64.71
	<b>1,693.00</b>	<b>3,607.32</b>
Less: Allowance for bad and doubtful trade receivables	64.71	64.71
	<b>1,628.30</b>	<b>3,542.61</b>

**Note:**

- (i) Trade receivable are measured at amortised cost  
(ii) Trade receivables from related parties are disclosed in note 34.

(Amount in ₹ lakhs)

Particular	31 March 2020	31 March 2019
<b>10 Cash and bank balances</b>		
Cash and cash equivalents		
Cash on hand	7.91	4.52
Balances with banks		
In current accounts	74.28	211.95
	<b>82.19</b>	<b>216.47</b>
Other Balances with Banks		
Unclaimed dividend accounts	28.09	31.18
Term Deposit with Kotak Bank	499.00	-
Margin money	24.27	24.27
	<b>551.36</b>	<b>55.45</b>
	<b>633.55</b>	<b>271.92</b>
<b>11 Loans</b>		
<i>(Unsecured, considered good unless otherwise stated)</i>		
- Loan to employees	45.47	41.52
- Loan to vendor	8.28	5.32
	<b>53.75</b>	<b>46.84</b>
<b>Note:</b>		
(i) Loans are measured at amortised cost		
(ii) No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.		
<b>12 Other current financial assets</b>		
Other than derivative assets		
Export incentive receivable	16.55	42.45
Insurance Claim Receivable 19-20	602.18	-
Export GST Receivable	5.87	251.57
Interest receivables	18.88	10.71
Other receivables	25.68	741.73
	<b>669.15</b>	<b>1,046.46</b>

**Note:**

(i) Assets other than derivative assets are measured at amortised cost

(ii) Derivative assets are subsequently measured at fair value through profit or loss.

(iii) No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

(Amount in ₹ lakhs)

Particular	31 March 2020	31 March 2019
<b>13 Other current assets</b>		
Advance to vendors	547.14	356.80
Balances with Government Authorities	788.27	189.95
License in hand	79.06	21.94
Advance for expenses	26.04	22.12
Prepaid expense	78.79	52.93
Others	0.74	17.03
Gratuity (Refer note 32(2))	71.55	65.94
	<b>1,591.60</b>	<b>726.70</b>

Note:

(I) No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

#### 14 Share capital

##### Authorised:

40,00,00,00 (Previous year 4,00,00,000) equity shares of ₹ 5 each fully paid up	2,000	2,000
	<b>2,000</b>	<b>2,000</b>

##### Issued, subscribed and fully paid up:

3,19,02,320 (Previous year 3,19,02,320) equity shares of ₹ 5 each fully paid up	1,595	1,595
	<b>1,595</b>	<b>1,595</b>

**14.1** In the event of liquidation of the Company, the holders of equity shares will be entitled to receive a share in the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### 14.2 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at 31 March 2020		As at 31 March 2019	
	Number of shares	(₹) in lakhs	Number of shares	(₹) in lakhs
Equity shares				
At the beginning of the year	3,19,02,320	1,595	3,19,02,320	1,595
Outstanding at the end of the year	3,19,02,320	1,595	3,19,02,320	1,595

**14.3** The Company has only one class of shares referred to as equity shares having a par value of ₹ 5. Each shareholder of equity shares is entitled to one vote per share.

**14.4** Number of equity shares held by each shareholder holding more than 5% shares in the Company are as follows:

Name of the shareholders	Number of shares as at 31 March 2020	% of shares held	Number of shares as at 31 March 2019	% of shares held
Anand Kabra	63,63,717	19.95	63,42,584	19.88
Kolsite Corporation LLP	38,28,888	12.00	62,63,888	19.63
Shreevallabh G Kabra	32,35,344	10.14	32,35,344	10.14
Ekta Anand Kabra	29,07,162	9.11	3,78,062	1.19

(Amount in ₹ lakhs)

Particular	31 March 2020	31 March 2019
<b>15 Other equity</b>		
Capital Reserves	-	-
Securities Premium Reserve	594.14	594.14
<b>General Reserve</b>		
Opening balance	5,476.10	5,476.10
Add : Transferred from Profit and Loss Account	-	-
Closing Balance	<b>5,476.10</b>	<b>5,476.10</b>
<b>Retained Earnings</b>		
<b>Opening balance</b>	<b>14,479.53</b>	<b>12,812.39</b>
Profit for the year	747.09	2,447.21
Other comprehensive income (net of tax)	13.50	(0.94)
Transferred to General reserve	-	-
Share in profit/(loss) of joint ventures / associates	(5.69)	(9.93)
Dividend ₹ 1.5 per share ( 2019 : ₹ 2 per share)	(478.53)	(638.05)
Tax on Interim Dividend	(98.37)	(131.15)
Balance carried forward	<b>14,657.54</b>	<b>14,479.53</b>
<b>Equity Instruments Designated as FVTOCI</b>		
<b>Opening balance</b>	<b>2,467.60</b>	<b>2,849.02</b>
Other comprehensive income (net of tax)	(1,575.25)	(381.42)
<b>Balance carried forward</b>	<b>892.35</b>	<b>2,467.60</b>
<b>Total</b>	<b>21,620.12</b>	<b>23,017.37</b>
<b>16 Provisions</b>		
Provision for employee benefits		
- Compensated Absences	195.25	266.75
	<b>195.25</b>	<b>266.75</b>
<b>17 Borrowings</b>		
<b>Long term liability</b>		
- Term Loan (Refer note (i) below)	1,500.00	-
<b>Loans repayable on demand</b>		
- From banks (Secured)		
Working capital loans from banks (Refer note (ii) below)	1,172.43	942.82
	<b>2,672.43</b>	<b>942.82</b>

(i) To be secured by first Charge by way of mortgage on immovable fixed Assets (Industrial Land & Building) at Pune, Maharashtra and First Charge by way of Hypothecation of movable fixed assets at Pune, Maharashtra. There was no default continuing or otherwise as at the Balance Sheet Date, in repayment of any of the above borrowings. The above borrowing is having effective rate of interest @ MCLR + 0.35%.

(ii) Information regarding Short Term Borrowings:

Loans, cash credits and overdrafts from bank bearing fixed interest rate from 8.00% to 10% are secured by hypothecation of existing current assets of the Company viz. Stock of raw materials, stock in process, semi-finished goods, stores and spares not relating to plant and machinery (consumable stores and spares), bills receivable and book debts including receivable from hire purchase/leasing and all other moveable current assets except cash and bank balances, loans and advances of the Company both present and future.

(Amount in ₹ lakhs)

Particular	31 March 2020	31 March 2019
<b>18 Trade payables</b>		
Trade payables	4,487.13	3,820.44
	<b>4,487.13</b>	<b>3,820.44</b>
<b>Notes:</b>		
(i) Trade payable are measured at amortised cost.		
(ii) Refer note no 34 for Trade payable to related parties.		
<b>19 Other current financial liabilities</b>		
Derivative liabilities		
Foreign currency forward contract	56.88	0.59
Other than derivative liability :		
Unclaimed dividend	28.09	31.18
Employee bonds	3.60	3.42
Expense payable	1,323.76	1,029.99
	<b>1,412.32</b>	<b>1,065.18</b>
<b>Note:</b>		
(i) Derivative liabilities are subsequently measured at fair value through profit or loss.		
(ii) Other financial liabilities are measured at amortised cost.		
<b>20 Other current liabilities</b>		
Advances from customers	4,682.23	2,887.07
Statutory remittances	26.15	58.65
	<b>4,708.38</b>	<b>2,945.73</b>
<b>21 Provisions</b>		
Provision for employee benefits		
- Compensated Absences	35.82	63.60
Other provisions		
- Provision for warranty	209.95	236.01
	<b>245.77</b>	<b>299.61</b>
	<b>For the Year Ended</b>	<b>For the Year Ended</b>
	<b>31 March 2020</b>	<b>31 March 2019</b>
<b>22 Revenue from operations</b>		
Sale of products	21,107.09	23,646.83
Sale Of Services	177.61	216.91
Scrap Sale	54.93	50.71
Other Operating Revenues	519.01	580.26
Foreign Exchange Gain	160.35	19.48
	<b>22,018.99</b>	<b>24,514.19</b>
<b>Note :</b>		
(I) Other operating revenue includes export incentive amounting to ₹ 109.75 lakhs (Previous year : ₹ 109.65 Lakhs)		

(Amount in ₹ lakhs)

	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
<b>23 Other income</b>		
Income from Current Investment		
Dividend income from current investments	187.37	129.36
Profit on sale of investment	78.63	4.74
Fair value changes of current investments	-	20.10
	<b>266.00</b>	<b>154.20</b>
Interest income from financial assets at amortised cost	16.56	566.78
Fair value changes of non current investments	-	1,269.66
Profit on sale of Property, Plant & Equipments	11.80	2.95
	<b>294.36</b>	<b>1,993.59</b>
<b>24 Cost of materials consumed</b>		
Inventory of materials at the beginning of the year	6,083.66	6,495.27
Add : Purchases	15,386.29	15,338.87
Inventory of materials at the end of the year	(4,938.15)	(6,083.66)
	<b>16,531.80</b>	<b>15,750.47</b>
<b>25 Changes in inventories of work-in-progress</b>		
Inventories at the beginning of the year	4,532.53	3,735.50
Inventories at the end of the year	7,582.71	4,532.53
	<b>(3,050.19)</b>	<b>(797.02)</b>
<b>26 Employee benefits expense</b>		
Salaries, wages and incentives	2,612.08	2,861.09
Directors Remuneration	219.81	222.37
Contribution to provident fund (Refer note 32(1))	190.65	200.23
Gratuity (Refer note 32(2))	66.28	61.17
Staff welfare expenses	114.44	126.97
	<b>3,203.27</b>	<b>3,471.82</b>
<b>27 Finance costs</b>		
Interest expense	79.42	166.05
Bill discounting charges	36.25	39.13
Other borrowing cost	29.98	44.57
	<b>145.65</b>	<b>249.75</b>
<b>28 Other expenses</b>		
Rent rates and taxes	93.45	76.46
Insurance	34.27	34.95
Commission on sales	666.19	668.98
Power and fuel	170.39	151.61
Directors sitting fees	8.30	8.51
Repairs and maintenance		

(Amount in ₹ lakhs)

	For the Year Ended 31 March 2020	For the Year Ended 31 March 2019
- building	74.55	46.33
- plant & equipment	39.83	29.59
Travel and overseas expenses (net)	439.82	518.54
Packing Charge	199.11	182.13
Frieght Expenses	60.45	58.27
Research and development expenses	1,215.45	1,005.99
Sales Pramotin	169.56	302.52
Legal and Professional charges	79.32	178.23
Contributions towards CSR (Refer note 39)	10.00	61.50
Miscellaneous expenses	821.35	695.70
Provision for doubtful debts (net)	-	4.22
	<b>4,082.05</b>	<b>4,023.54</b>

## 29 Financial Instruments

### 29.1 Financial Instruments by category

The carrying value of financial instruments by categories as on 31 March 2020 are as follows:

(Amount in ₹ lakhs)

Particulars	Amortised cost	FVTPL	FVTOCI	Total carrying value
<b>Assets</b>				
Investments in equity instruments (non-current)	54.04	-	2,073.70	2,127.74
Investments in debt instruments (non-current)	26.10	-	-	26.10
Investments in Mutual funds and others (Current)	-	2,068.16	-	2,068.16
Trade receivables	1,628.30	-	-	1,628.30
Cash and cash equivalents	82.19	-	-	82.19
Other balances with banks	551.36	-	-	551.36
Loans	150.66	-	-	150.66
Other financial assets	669.15	-	-	669.15
<b>Total Assets</b>	<b>3,1617.79</b>	<b>2,068.16</b>	<b>2,073.70</b>	<b>7,303.65</b>
<b>Liabilities</b>				
Borrowings	2,672.43	-	-	2,672.43
Trade payables	4,487.13	-	-	4,487.13
Other financial liabilities	1,355.44	56.88	-	1,412.32
<b>Total Liabilities</b>	<b>8,515.00</b>	<b>56.88</b>	<b>-</b>	<b>8,571.88</b>

The carrying value of financial instruments by categories as on 31 March 2019 are as follows:

Particulars	Amortised cost	FVTPL	FVTOCI	Total carrying value
<b>Assets</b>				
Investments in equity instruments (non-current)	59.73	-	3,656.20	3,715.93
Investments in debt instruments (non-current)	26.10	-	-	26.10
Investments in preference shares (non-current)	-	-	-	-
Investments in Mutual funds and others (Current)	-	1,367.07	-	1,367.07
Trade receivables	3,542.61	-	-	3,542.61
Cash and cash equivalents	216.47	-	-	216.47
Other balances with banks	55.45	-	-	55.45
Loans	130.79	-	-	130.79
Other financial assets	1,046.46	-	-	1,046.46
<b>Total Assets</b>	<b>5,077.61</b>	<b>1,367.07</b>	<b>3,656.20</b>	<b>10,100.88</b>
<b>Liabilities</b>				
Borrowings	942.82	-	-	942.82
Trade payables	3,820.44	-	-	3,820.44
Other financial liabilities	1,064.60	0.59	-	1,065.18
<b>Total Liabilities</b>	<b>5,827.85</b>	<b>0.59</b>	<b>-</b>	<b>5,828.44</b>

## 29.2 Fair value hierarchy

Financial assets and liabilities include cash and cash equivalents, other balances with banks, trade receivables, loans, other financial assets, trade payables and other financial liabilities whose fair values approximate their carrying amounts largely due to the short term nature of such assets and liabilities.

The following table presents fair value hierarchy of assets and liabilities measured at fair value as on 31 March 2020 :

Particulars	As at 31 March 2020	Fair value measurement as at		
		Level 1	Level 2	Level 3
Investment in equity instruments of Plastiblends India Ltd	2,073.69	2,073.69		
Investments in Mutual funds and others (Current)	2,068.16	2,068.16	0.00	
Derivative financial liability	56.88		56.88	

The following table presents fair value hierarchy of assets and liabilities measured at fair value as on 31 March 2019 :

Particulars	As at 31 March 2019	Fair value measurement as at		
		Level 1	Level 2	Level 3
Investment in equity instruments of Plastiblends India Ltd	3,656.19	3,656.19		
Investments in Mutual funds and others (Current)	1,367.07	1,151.72	215.35	
Derivative financial liability	0.59		0.59	

### Valuation technique :

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

**Level 2** : Directly or indirectly observable market inputs, other than level 1 inputs; and

**Level 3** : Inputs which are not based on observable market data.

### Fair value of financial assets and financial liabilities measured at amortised cost :

The management believes that the fair values of non-current financial assets (e.g. loans and others), current financial assets (e.g., cash and cash equivalents, trade receivables, loans and others excluding other derivative assets) and current financial

liabilities (e.g. trade payables and other payables excluding derivative liabilities) approximate their carrying amounts.

The Company has not performed fair valuation of its investment in unquoted equity shares as mentioned in note no. 3 which are classified as FVTOCI, as the Company believes that impact of change on account of fair value is insignificant.



### 29.3 Financial risk management

The Company's activities exposes it to market risks, credit risks and liquidity risks. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments such as forward foreign exchange contract are entered to hedge the foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as a trading or speculative purposes.

The Company has exposure to the following risks arising from financial instruments :

#### a. Credit risk

Credit risk is the risk of financial losses to the Company if a customer or counterparty to financial instruments fails to discharge its contractual obligations. It arises primarily from the Company's receivables from customers. To manage this, the Company periodically assesses the key accounts receivable balances. As per Ind-AS 109 : Financial Instruments, the Company uses expected credit loss model to assess the impairment loss or gain. The carrying amount of trade and other receivables and other financial assets represents the maximum credit exposure.

#### i. Trade receivables

The management has established accounts receivable policy under which customer accounts are regularly monitored. The Company has a dedicated sales team which is responsible for collecting dues from the customer within stipulated period. The management reviews status of critical accounts on a regular basis.

#### Trade receivables that were not impaired

Particulars	Carrying amount	
	31 March 2020	31 March 2019
Less Than 180 days	1,356.36	3,377.08
More than 180 days	336.64	230.24

#### ii. Financial instruments and Cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Company monitors rating, credit spreads and financial strength of its counter parties. Based on ongoing assessment Company adjust it's exposure to various counterparties.

#### b. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has a view of maintaining liquidity and to take minimum possible risk while making investments. In order to maintain liquidity, the Company invests its excess funds in short term liquid assets like liquid mutual The Company monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

The liquidity position at each reporting date is given below:

Particulars	31 March 2020	31 March 2019
Cash and cash equivalents	82.19	216.47
Other balances with banks	551.36	55.45
Investments in Mutual funds and others	2,068.16	1,367.07
<b>Total</b>	<b>2,701.71</b>	<b>1,638.99</b>

The following are the remaining contractual maturities of financial liabilities as on 31 March 2020.

Particulars	Repayable on demand	Less than 1 year	More than 1 year	Total
Borrowings	1,172.43	-	1,500.00	2,672.43
Trade payables	-	4,487.13	-	4,487.13
Other financial liabilities	-	1,412.32	-	1,412.32

The following are the remaining contractual maturities of financial liabilities as on 31 March 2019.

Particulars	Repayable on demand	Less than 1 year	More than 1 year	Total
Borrowings	942.82	-	-	942.82
Trade payables	-	3,820.44	-	3,820.44
Other financial liabilities	-	1,065.18	-	1,065.18

### c. Market risk

Market risk is a risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Market risk comprises three types of risk interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include borrowings, trade and other payables, foreign exchange forward contracts, security deposit, trade and other receivables, deposits with banks.

### I. Foreign currency risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. Company transacts business in its functional currency (INR) and in other foreign currencies. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, where revenue or expense is denominated in a foreign currency. The Company manages its foreign currency risk by hedging foreign currency payables using foreign currency forward contracts or foreign currency options, principal only swaps etc. The Company negotiates the terms of those foreign currency forward contracts to match the terms of the hedged exposure.

### Exposure to Currency Risk

The foreign currency risk from monetary assets and liabilities as at 31 March 2020 is as follows: (Amount in ₹ lakhs)

Particulars	US Dollars	Equivalent INR	EURO	Equivalent INR	Total INR
Trade receivables	9.36	688.49	0.48	37.20	725.69
Trade payables	3.88	280.72	2.61	197.30	478.02
<b>Net assets/(liabilities)</b>	<b>5.49</b>	<b>407.78</b>	<b>(2.13)</b>	<b>(160.10)</b>	<b>247.68</b>

The foreign currency risk from monetary assets and liabilities as at 31 March 2019 is as follows: (In ₹ lakhs)

Particulars	US Dollars	Equivalent INR	EURO	Equivalent INR	Total INR
Trade receivables	5.00	315.89	-	-	315.89
Trade payables	0.01	0.90	1.61	125.72	126.62
<b>Net assets/(liabilities)</b>	<b>4.99</b>	<b>314.99</b>	<b>(1.61)</b>	<b>(125.72)</b>	<b>189.28</b>

Details of foreign currency exposures that are hedged by derivative instruments or otherwise:

Particulars	Currency	Amount in foreign currency	Equivalent INR
As at 31 March 2020	USD	18.00	1319.57
As at 31 March 2019	USD	6.00	423.57

Foreign currency sensitivity on unhedged exposure

Financial Year	Foreign currency	Change in foreign currency rates	Effect on profit before tax	Effect on pre-tax equity
For 31 March 2020	USD	+5%	-45.59	-45.59
		-5%	45.59	45.59
	EUR	+5%	-8.01	-8.01
		-5%	8.01	8.01
For 31 March 2019	USD	+5%	-5.43	-5.43
		-5%	5.43	5.43
	EUR	+5%	-6.29	-6.29
		-5%	6.29	6.29

ii. Interest rate risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. At the reporting date the interest rate profile of the Company's interest bearing financial instruments are follows:

Particulars	31 March 2020	31 March 2019
<b>Fixed rate instruments</b>		
Borrowings	2,672.43	942.82

Interest rate sensitivity on variable rate instruments

Particulars	31 March 2020	31 March 2019
Impact on profit before tax or equity		
Increase by 50 basis points	-13.36	-4.71
Decrease by 50 basis points	13.36	4.71

30. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020 and 31 March 2019.

31. Disclosure as per the requirement of section 22 of the Micro, Small and Medium Enterprise Development Act, 2006:

The Company has invited information from its vendors for their status under "The Small, Medium and Micro Enterprises Development Act 2006". However in absence of any information as at 31st March, 2020, no disclosures have been made in this regard.

32. Details of employee benefits as required by Ind-AS 19 - "Employee benefits are as under":

1 Defined contribution plan - Provident fund

The group has recognized following amounts in the profit & loss account for the year: (In ₹ lakhs)

Particulars	FY 2019 - 20	FY 2019 - 20
Contribution to employee provident fund	180.41	186.91
Contribution to superannuation fund	6.09	9.08
<b>Total</b>	<b>186.50</b>	<b>195.99</b>

## 2 Defined benefit plan

- i) The defined benefit plan comprises gratuity, which is funded.
- ii) Actuarial gains and losses in respect of defined benefit plans are recognized in the Other Comprehensive Income (OCI).

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Gratuity is a benefit to an employee in India based on 15 days last drawn salary for each completed year of service with a vesting period of five years.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk and interest rate risk.

**Changes in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows :**

Particulars	FY 2019 - 20	FY 2018 - 19
Present value of defined benefit obligation at the beginning of the year	939.17	898.58
Current service cost	71.40	68.35
Interest cost	72.88	70.81
Past service cost	-	-
Actuarial loss / (Gain) recognised in other comprehensive income		
a) changes in demographic assumptions	(3.65)	-
b) changes in financial assumptions	57.39	7.10
c) experience adjustments	(84.41)	(5.81)
Benefits paid	(108.85)	(99.86)
Present value of defined benefit obligation at the end of the year	943.92	939.17

(Amount in ₹ lakhs)

Change in the Fair Value of Plan Assets	FY 2019 - 20	FY 2018 - 19
Fair Value of plan assets at the beginning of the period	1,005.11	890.75
Interest Income	78.00	70.19
Contribution by the employer	51.14	144.18
Benefit paid from the fund	(108.85)	(99.86)
Return on plan assets, excluding interest income	(9.93)	(0.15)
Fair Value of plan assets at the end of the period	1,015.47	1,005.11

Analysis of defined benefit obligation	FY 2019 - 20	FY 2018 - 19
Present value of obligation as at the end of the year	(943.92)	(939.17)
Fair Value of Plan Assets at the end of the Period	1,015.47	1,005.11
Net (asset) / liability recognized in the Balance Sheet	(71.55)	(65.94)

Components of employer expenses/remeasurement recognized in the statement of Profit and Loss	FY 2019 - 20	FY 2018 - 19
Current service cost	71.40	68.35
Net Interest Cost	(5.12)	0.62
Past Service Cost	-	-
Expenses recognized in the Statement of Profit and Loss	66.28	68.97

Components of employer expenses/remeasurement recognized in the Other Comprehensive Income (OCI)	FY 2019 - 20	FY 2018 - 19
Actuarial loss / (gain)	(30.68)	1.29
Return on plan assets, Excluding interest income	9.93	0.15
Net (income)/expense recognized in the OCI	(20.75)	1.44

<b>Actuarial Assumptions:</b>	<b>FY 2019 - 20</b>	<b>FY 2018 - 19</b>
Discount rate	6.83%	7.76%
Salary Escalation	7.00%	7.00%

<b>Attrition Rate</b>	<b>FY 2019 - 20</b>	<b>FY 2018 - 19</b>
- 4 years and below	9.00%	3.00%
- 5 years and above	2.00%	2.00%

- The discount rate is based on prevailing yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligation.
- Salary Escalation Rate: The estimates of future salary increases takes into account the inflation, seniority, promotion and other relevant factors.
- Assumptions regarding future mortality rates are the rates as given under Indian Assured Lives Mortality (2006-08) Ultimate.

#### Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(Amount in ₹ lakhs)

<b>Projected benefit obligation on current assumptions</b>	<b>FY 2019 - 20</b>		<b>FY 2018 - 19</b>	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (1 % movement)	70.18	61.43	63.79	55.92
Future salary growth (1 % movement)	64.80	58.06	59.50	53.62
Attrition rate (1 % movement)	0.02	0.02	3.94	4.41

#### Maturity profile of defined benefit plan

<b>Projected benefits payable in future years from the date of reporting</b>	<b>FY 2019 - 20</b>	<b>FY 2018 - 19</b>
1st Following year	106.51	159.77
2nd Following year	89.39	74.57
3rd Following year	95.99	108.11
4th Following year	75.01	77.15
5th Following year	84.46	75.00
Sum of years 6 to 10	387.54	376.30
Sum of years 11 and above	879.59	941.29

#### Details of employee benefits as required by Ind-AS 19 - "Employee benefits are as under" (continued)

##### Weighted average assumptions used to determine net periodic benefit cost

<b>Particulars</b>	<b>FY 2019 - 20</b>	<b>FY 2018 - 19</b>
Number of active members	478	484
Per month salary cost for active members (₹ million)	166.93	165.93
Weighted average duration of the projected benefit obligation (years)	8.00	8.00
Average expected future service (years)	13.00	13.00
Projected benefit obligation (PBO)	939.17	898.58
Prescribed contribution for next year (12 Months)	5.46	76.18

### 33 Segment information

The following is on analysis of the reverse and result from continuing operators of reportable

(Amount in ₹ lakhs)

Sr No	Particulars	Consolidation	
		Year ended	
		March 31, 2020	March 31, 2019
(i)	<b>Segment Revenue</b>		
	Extrusion Machinery Division	22,312.10	26,507.78
	Battery Division	1.25	-
	<b>Total Segment Revenue</b>	22,313.35	26,507.78
(ii)	<b>Segment Results</b>		
	Extrusion Machinery Division	1,067.94	3,335.73
	Battery Division	-293.31	-
	<b>Total Segment Results</b>	774.63	3,335.73
	Unallocated Corporate income net of unallocated expenses	-	-
	Profit / (loss) before interest and taxation	774.63	3,335.73
	Finance Cost	145.65	249.75
	Profit (+)/loss (-) before exceptional items and share of loss	628.98	3,085.98
	Share in profit/(loss) of joint ventures / associates	-5.69	-9.93
	Profit(+)/LossH before exceptional items and tax	623.30	3,076.04
	Exceptional items	-	-
	Profit(+)/ Loss( -) before tax	623.30	3,076.04
	Tax Expenses		
	Current Tax	-	440.00
	MAT Credit Entitelment	-74.11	-70.67
	(Excess)/Short provision for taxation in respect of earlier year	14.46	33.83
Deffered Tax	-58.46	235.60	
Net Profit/ (loss) after tax	741.41	2,437.28	
Other Comprehensive Income	-1,561.76	-382.35	
Net Comprehensive Income	-820.35	2,054.93	
(iii)	<b>Segment Assets</b>		
	Extrusion Machinery Division	25,112.91	32,496.64
	Battery Division	5,758.13	1,761.86
	Total Segment Assets	30,871.04	34,258.50
	Unallocated Corporate Assets	6,065.47	-
	<b>Total Assets</b>	36,936.51	34,258.50
(iv)	<b>Segment Liabilities</b>		
	Extrusion Machinery Division	10,861.41	34,258.50
	Battery Division	2,418.85	-
	Total Segment Liabilities	13,280.26	34,258.50
	Unallocated Corporate Liabilities	23,656.25	-
	<b>Total Liabilities</b>	36,936.51	34,258.50
(v)	<b>Capital Employed</b>		
	Extrusion Machinery Division	14,251.51	-1,761.86
	Battery Division	3,339.27	1,761.86
	Unallocated	-17,590.78	-

**Notes :**

- 1 Company's Pune Plant Facility (Battery Division) has become operational & become reportable segment in current financial year.
- 2 Previous year figures have been regrouped wherever necessary.

### 34 Related party disclosures

#### A. Relationship between the parent and its subsidiaries:

Relationship	Name of related party
Associate or Joint Venture Companies or promoter Companies/Enterprises.	Joint Ventures : Penta Auto Feeding India Ltd., Kabra Mecanor Belling Technik Pvt Ltd. Promoter Companies/Enterprise : Plastiblends India Ltd, Kolsite Corporation LLP.
Enterprise over which key management personnel exercise significant influence.	Maharashtra Plastic & Industries, Smartech Global Solution Ltd, Kabra Gloucester Engg Ltd., Taiyou Green Solutions Pvt Ltd.

#### B. List of Key Management Personnel :

Key Management Personnel (KMP) - Executive Directors : Shri S.V.Kabra, Shri S.N.Kabra\*, Shri Anand S.Kabra & Smt Ekta A.Kabra (\* Non Executive Vice Chairman since 01 July 2018)

#### C. Transactions with related parties

No.	Aggregate of transaction	FY 2019-20		FY 2018-19	
		Amount of transactions during the year (₹ lakhs)	Total (₹ lakhs)	Amount of transactions during the year (₹ lakhs)	Total (₹ lakhs)
1	Sales & Other Income Associates /JV/Promoter enterprises Other Enterprises	179.62 18.02	197.63	268.69 34.34	303.03
2	Purchase & Other Services Associates /JV/Promoter enterprises Other Enterprises	556.66 7.93	564.59	197.81 11.86	209.67
3	Compensation to key management personnel (Refer note "E" below)	219.81	219.81	222.37	215.48
4	Reimbursement Of Income Associates /JV/Promoter enterprises Other Enterprises	100.88 0.02	100.90	69.69 0.39	70.08
5	Reimbursement Of Expenses Associates /JV/Promoter enterprises Other Enterprises	0.33 -	0.33	1.62 -	1.62
6	Investment in subsidiary	65.00	65.00	65.00	65.00

**D. Balance Outstanding at end of financial year :**

(Amount in ₹ lakhs)

No.	Aggregate of transaction	Balance as on 31 March 2020	Balance as on 31 March 2019
1	Debit Balance Outstanding		
	Debtors		
	Associates /JV/Promoter enterprises	123.55	86.40
	Other Enterprises	4.09	15.24
	<b>Total</b>	<b>127.63</b>	<b>101.65</b>
2	Investments		
	Associates /JV/Promoter enterprises	0.02	0.04
	Other Enterprises	-	-
	<b>Total</b>	<b>0.02</b>	<b>0.04</b>
3	Credit Balance Outstanding		
	Creditors		
	Associates /JV/Promoter enterprises	3.52	34.37
	Other Enterprises	0.12	2.00
	KMP	16.65	16.65
	<b>Total</b>	<b>20.29</b>	<b>53.02</b>

**E. Compensation to key management personnel :**

Particulars	FY 2019-20	FY 2018-19
Short term employee benefits	219.81	222.37
Post-employment benefits	-	-
Other long-term benefits	-	-
Sitting Fees	-	-
<b>Total Compensation to key management personnel</b>	<b>219.81</b>	<b>222.37</b>

**Note:**

As the post-employment benefits is provided on an actuarial basis for the Company as a whole, the amount pertaining to key management personnel is not ascertainable and therefore not included above.

**35 Lease transactions**

The Ministry of Corporate Affairs (MCA) through Companies (Indian Accounting Standards) Amendment Rule, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning from 1 April 2019 and applied the standard to its leases. Further majority of the Company's agreement are expiring within twelve months making it a short term obligation which is exception under the standard. Further the impact of the remaining agreements are not significant.



**36 Basic and diluted earnings per share**

(Amount in ₹ lakhs)

Particulars		FY 2019-20	FY 2018-19
<b>Nominal value per equity share</b>	₹	5.00	5.00
Profit for the year	₹ (lakhs)	741.40	2,437.28
Weighted average number of equity shares	No. of shares	3,19,02,320	3,19,02,320
<b>Earnings per share - Basic</b>	₹	2.32	7.64
<b>Earnings per share - Diluted</b>	₹	2.32	7.64

**37 Details of provisions and movements in each class of provisions as required by the Indian Accounting Standard (Ind AS) 37 - Provisions, Contingent liabilities and Contingent assets**
**1. Warranty**

According to Accounting Standard (Ind AS)-37 "Provisions, Contingent liabilities and Contingent assets", an incremental provision of NIL (previous year of NIL ) towards warranty claims has been made during the financial year as estimated by the management.

The warranty provision is expected to be utilized over a period of one year.

**2. Contingent liabilities not provided for :**

Sr. No.	Particulars	FY 2019-20	FY 2018-19
1	Bank Guarantee and Counter guarantees (Letter of Credit) given by the Company for the guarantees issued by Company's bankers	294.97	138.00
2	Disputed Income tax demand *	125.85	180.14
3	Service tax matter under dispute	21.34	22.77

**\* Notes :**

1) These matters are pending before various appellate authorities and the Management, including its tax advisors, expect that its position will likely be upheld on ultimate resolution and will not have a material adverse effect on the Company's financial position and results of operations.

**38 Income taxes**

The income tax expense consists of following:

Particulars	FY 2019-20	FY 2018-19
<b>Tax expense</b>		
Current tax	-	440.00
Income Tax On Earlier Year	14.46	33.83
MAT credit entitlement	(74.11)	(70.67)
Deferred tax (benefit) / charge	(58.46)	235.60
<b>Total tax expense</b>	<b>(118.12)</b>	<b>638.77</b>
<b>Other comprehensive income</b>		
Remeasurements gains and losses on post employment benefits	-	(83.87)
MAT on sale of shares designated as FVTOCI	-	-
<b>Income tax expense reported in the statement of other comprehensive income</b>	<b>-</b>	<b>(83.87)</b>

The deferred tax relates to origination/reversal of temporary differences.

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows:

(Amount in ₹ lakhs)

Particulars	FY 2019-20	FY 2018-19
Profit before tax	628.98	3,085.98
Indian statutory income tax rate	29.12%	34.94%
Expected tax expense	183.16	1,078.24
<b>Tax Effect of adjustments to reconcile expected income tax expense to reported income tax expense</b>		
<b>income tax expense</b>		
Expenses not deductible in determining taxable profits	250.73	280.83
Allowances / Deductible	(535.97)	(992.69)
Tax related to Income from capital gain	22.90	0.92
Income Tax On Earlier Year	14.46	33.83
Deferred Tax expenses accounted as no effect of Timing differences on MAT liability	(58.46)	235.60
Others (net) - adjusted	5.07	2.03
<b>Total tax expense</b>	<b>(118.12)</b>	<b>638.77</b>

#### Deferred Tax

##### Item wise movement in deferred tax expense recognised in profit or loss / OCI

Particulars	FY 2019-20	FY 2018-19
Provision for doubtful debts and advances	(3.77)	(1.47)
Provision for leave encashment	(48.15)	13.88
Provision for gratuity / gratuity assets	18.80	2.23
Provision for bonus	(5.84)	(3.71)
Excess of depreciation/amortisation on fixed assets under income-tax law over depreciation/amortisation provided in accounts	96.47	100.04
Fair valuation of non-current investments	(12.07)	205.41
Fair valuation of current investments	13.03	3.11
<b>Total expenses</b>	<b>58.46</b>	<b>319.48</b>
Recognised in Profit or Loss	58.46	235.60
Recognised in Other Comprehensive Income	-	83.87
	<b>58.46</b>	<b>319.48</b>

The gross movement in the deferred tax for the year ended 31 March 2020 and 31 March 2019 is as follows:

Particulars	FY 2019-20	FY 2018-19
Net deferred income tax asset at the beginning	<b>166.97</b>	<b>436.71</b>
MAT Credit entitlement for the year	74.11	70.67
Credits / (charge) relating to temporary differences	58.46	(235.60)
Temporary differences on other comprehensive income	-	(83.87)
MAT Credit utilised	(262.89)	(20.93)
Net deferred income tax asset at the end	<b>36.66</b>	<b>166.97</b>

**39 Expenditure in respect of Corporate Social Responsibility :**

(a) Gross amount required to be spent by the company during the year ₹ 49.25 Lakhs.

(b) Amount spent during the year on:

Sr. No.	Particulars	In Cash	Yet to be paid in Cash	Total
(i)	Construction/acquisition of any asset	-	-	-
(ii)	On purposes other than (i) above	10.00	-	10.00

**40 Auditor's Remuneration (Net of taxes)**

(Amount in ₹ lakhs)

Particulars	FY 2019-20	FY 2018-19
Audit Fees	2.83	2.50
Tax Audit Fees	1.33	1.00
Other Services	0.67	0.75
<b>Total</b>	<b>4.83</b>	<b>4.25</b>

**41 Interest in other entities**

The Consolidated Financial Statements present the Consolidated Accounts of Kabra Extrusiontechnik Limited with its following Subsidiaries, Below mentioned information relates to the Propionate of Group's Share.

Name	Country of Incorporation	Date of Incorporation	Percentage of Ownership interest	
			As at March 31, 2020	As at March 31, 2019
Penta Auto Feeding India Ltd.	India	Nov 22, 2015	49.94%	49.94%
Kabra Mecanor Belling	India	Sept 11, 2017	69.98%	69.98%

**Summarised Financial Information**

	Penta Auto Feeding India Limited		Kabra Mecanor Belling Technik Pvt.Ltd	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
(A) Non Current Assets	5.65	6.29	-	-
(B) Current Assets				
i) Cash and cash equivalent	12.80	6.57	3.48	-
ii) Others	136.84	210.45	97.67	89.83
<b>Total Current Asset</b>	<b>149.65</b>	<b>217.02</b>	<b>101.15</b>	<b>89.83</b>
<b>Total Asset (A+B)</b>	<b>155.30</b>	<b>223.31</b>	<b>101.15</b>	<b>89.83</b>
(A) Non Current Liabilities				
i) Financial Liabilities	-	-	-	-
ii) Non Financial Liabilities	-	-	-	-
Total Non Current Liabilities	-	-	-	-
(B) Current Liabilities				
i) Financial Liabilities	204.82	226.34	23.26	2.94
ii) Non Financial Liabilities	49.94	30.38	0.53	1.41
<b>Total Current Liabilities</b>	<b>254.76</b>	<b>256.72</b>	<b>23.80</b>	<b>4.35</b>
<b>Total Liabilities (A+B)</b>	<b>254.76</b>	<b>256.72</b>	<b>23.80</b>	<b>4.35</b>
<b>Net Assets</b>	<b>(99.46)</b>	<b>(33.41)</b>	<b>77.36</b>	<b>85.48</b>

## Summarised Performance

	Penta Auto Feeding India Limited		Kabra Mecanor Belling Technik Pvt.Ltd	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Revenue	420.94	581.78	35.95	-
Profit and loss before tax	(66.05)	4.15	(8.13)	(14.19)
Tax Expense	-	-	-	-
Profit and loss after tax	(66.05)	4.15	(8.13)	(14.19)
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income	(66.05)	4.15	(8.13)	(14.19)
Depreciation and Amortisation	3.60	2.64	-	-
Interest Income	0.06	0.36	-	-
Interest Expense	0.77	0.45	-	-

- 42** Previous year's figures have been regrouped wherever considered necessary to make them comparable with those of the current year.

As per our report of even date attached  
**For A.G. Ogale & Company**  
**Chartered Accountants**  
**Firm Registration Number:114115W**

**CA. Pramod K. Gugale**  
**Partner**  
 Membership No. 113775

Place: Pune  
 Date: 09 July 2020

For and on behalf of the Board of Directos of  
**Kabra ExtrusionTechnik Limited**

**S.V. Kabra**  
 Chairman & MD

**Daulat Jain**  
 Chief Financial Officer

**A.S. Kabra**  
 Managing Director

**Arya Chachad**  
 Company Secretary

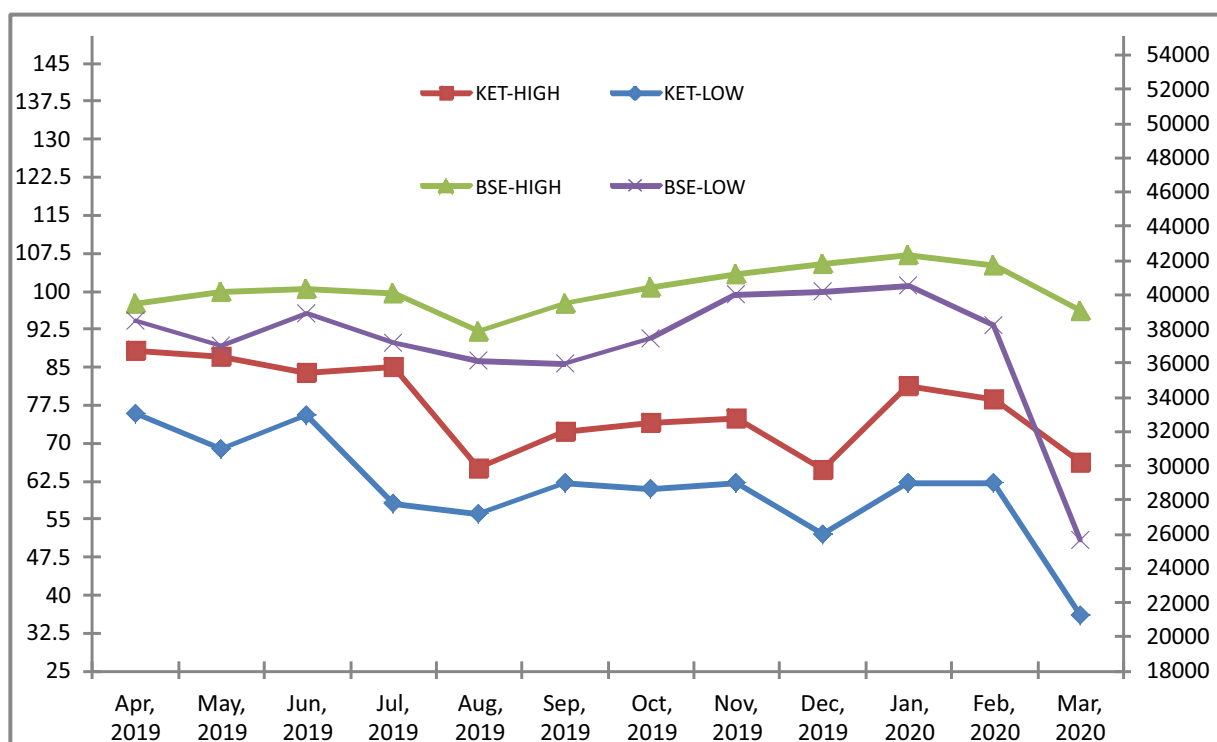
Place: Mumbai  
 Date: 09 July 2020

## RESULTS AT GLANCE

(₹ in lakhs)

OPERATING RESULTS	2019-20	2018-19	2017-18	2016-17	2015-16 #
Sales and Other Income	22,313.35	26,507.78	27,429.32	27,829.08	30,292.63
Profit before Depreciation, Interest & Tax	1,546.42	4,059.48	3,075.48	3,207.87	6,051.82
Less : Depreciation	771.79	723.24	793.40	698.95	870.54
Interest (Finance Cost)	145.65	249.75	147.82	193.15	176.59
Profit Before Tax (PBT)	628.98	3,085.98	2,134.26	2,315.77	5,004.69
Less : Provision for Taxation	14.46	473.83	499.07	453.29	1,030.00
Provision for Deferred Tax	(58.46)	235.60	7.38	227.30	(100.34)
Provision for Diminution in investment	-	-	-	-	1,850.00
MAT Credit Entitlement	(74.11)	(70.67)	(383.95)	(440.33)	-
Add : Excess provision of earlier years	-	-	-	-	22.42
Profit After Tax (PAT)	747.09	2,447.21	2,011.77	2,075.51	2,247.45
Earnings per share (EPS) (₹)	2.34	7.67	6.31	6.51	7.04
Number of Issued Shares	31902320	31902320	31902320	31902320	31902320
Face Value per share (₹)	5.00	5.00	5.00	5.00	5.00
Dividend (%)	30	-	40	40	45
Share Capital	1,595.12	1,595.12	1,595.12	1,595.12	1,595.12
Reserves	21,686.00	23,077.56	21,781.90	21,076.51	14,048.49
Total Shareholders Funds	23,281.12	24,672.68	23,377.02	22,671.62	15,643.61
Book Value Per Share (₹)	72.98	77.34	73.28	71.07	49.04
Year end closing price of Share (₹)	43.10	85.35	118.80	111.00	83.30
Foreign Exchange Rate (INR Per USD)	75.32	69.44	65.08	64.81	66.25
Number of Shareholders as on March 31	12,974	14,259	14,539	6,420	6,591

Graphical presentation of performance of share price of the Company in comparison to BSE Sensex during the Financial Year 2019-20



# Assuring Quality & Consistency

## Modelling & Characterisation

- Accurate & Comprehensive Modeling
- Battery Life Cycle Test
- Capacity Test, IR Test, DOD Consistency Test

## Battery Pack Testers

- High Precision & Flexible Power Battery Test
- DCIR, HPPC Test, Cycle Life & Capacity Test
- SOC Maintenance & Recovery Ability Test

## IP Test

- Water Immersion Test
- Dust Proof Test

## Impedance Testers

- High Precision, Low Frequency Measurement
- Extreme Reliable Measurement for Low Impedance Batteries

## Cell Sorting Machine

- Extremely Well Matched Cell Sorting before Pack Assembly
- Fully Automated, Highly Accurate, Excellent Uniformity, Reliable Test Equipments

## Mechanical Abuse Testers

- Vibration Test
- Shock Test

## World Class Infrastructure



- ✓ State of the art Manufacturing Facility to Design, Develop & Produce Lithium-ion Battery Packs at Pune
- ✓ Complete Manufacturing, Testing & Validation Equipments Driven by Best Industry Practices to provide the Topmost Quality
- ✓ Production Capacity - 500 Megawatt-hours (Mwh) & can be increased to 5 Gigawatt-hours (Gwh)
- ✓ Present Capacity - 3,00,000 Battery Packs for e2W or 1,25,000 Packs for e3W
- ✓ Highly Skilled R&D, Validation & Testing Team with Experience in EV industry

## Product Application

Battrix provides customized wide range of advanced lithium-ion battery solutions based on customer requirements.



## Power Packed Features



## REGIONAL OFFICES

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