SUPERSHAKTI METALIKS LIMITED

Registered Office : 'PREMLATA', 39, Shakespeare Sarani, 3rd. Floor, Kolkata-700 017, West Bengal, Telefax : +91 33-2289 2734/35/36

Date: 06th September, 2022

To,
Department of Corporate Affairs
BSE Limited
P.J. Towers, Dalal Street,
Fort, Mumbai 400-001

Ref No: SML/LODR/Reg. 34(1)/001/2022-23
Scrip Code: 541701
Subject: Submission of Annual Report for the Financial Year 2021-22

Dear Sir/Madam,

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 please find the enclosed herewith the Annual Report of the Company for the Financial Year 2021-22 which is being dispatched/sent to the members of the Company by permitted mode(s).

The Annual Report is also uploaded on the Company's website.

Kindly take the same on your records.

Thanking you,

For **SUPERSHAKTI METALIKS LIMITED**

N. Agarwal

SUPERSHAKTI METALIKS LTD. KOLKATA

NAVIN AGARWAL
(Company Secretary & Compliance Officer)

Works : Kanjilal Avenue, Opp. DPL Zone "B" Substation, Durgapur-713210, West Bengal, Phone : +91 343 2552598 / 3284
CIN - L28910WB2012PLC189128, E-mail : supershaktimetaliks@gmail.com, www.supershaktimetaliks.com

TOUGH TIMES DON'T LAST BUT TOUGH PEOPLE DO.

SUPERSHAKTI METALIKS LIMITED II ANNUAL REPORT 2021-22

WHAT IS inside

HIGHER ORBITS THROUGH STRATEGIC REVIEW SECTION

HIGHER ORBITS THROUGH BOARD AND MANAGEMENT REPORTS SECTION

HIGHER ORBITS THROUGH FINANCIAL SECTION

Please find our online version at

http://www.supershaktimetaliks.com

Investor information

BSE Code:	541701
ISIN:	INE00SY01011
AGM Date and time:	Thursday, 29th September, 2022 at 11.30 a.m.
AGM Venue:	Premlata, 3rd Floor, 39 Shakespeare Sarani, Kolkata-700017

Forward-looking statement

In this annual report, we are presenting some forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. Wherever possible, we have tried to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

corporate INFORMATION

BOARD OF DIRECTOR

Mr. Dilipp Agarwal
Chairman & Non-Executive Director
Member CSR Committee

Mr. Deepak Agarwal
Non-Executive Director
Member, Audit Committee,
Member, Nomination & Remuneration Committee
Chairman, Stakeholders Relationship Committee

Mr. Sudipto Bhattacharyya
Whole-Time Director
Member, Stakeholders Relationship Committee
Chairman, CSR Committee

Mr. Vijay Kumar Bhandari
Independent Director
Chairman, Audit Committee
Chairman, Nomination & Remuneration Committee

Mrs. Bhawna Khanna
Independent Woman Director
Member, Audit Committee
Member, Stakeholders Relationship Committee

Mr. Tuhinanshu Shekhar Chakrabarty
Independent Director
Member, Audit Committee
Member, Nomination & Remuneration Committee
Member, CSR Committee

COMPANY SECRETARY

Mr. Navin Agarwal

CHIEF FINANCIAL OFFICER

Mr. Shyam S. Somani

AUDITORS

Statutory Auditor
Singhi & Co. Chartered Accountant

Internal Auditor
Baker Tilly DHC Private Limited

Cost Auditor
S Chhaparia & Associates

Secretarial Auditor
Vivek Mishra & Co.

BANKERS

Indian Overseas Bank
Union Bank of India
Bank of Baroda

REGISTERED OFFICE

39, Shakespeare Sarani, 3rd Floor
Kolkata, West Bengal -700017
Tel No. : +91 33 2289 2734/35/36
Fax No.: +91 33 2289 2734/35/36
Email: info@ssml.in
Website: www.supershaktimetaliks.com

WORKS

Kanjilal Avenue, Opp. DPL
Zone "B" Substation
Durgapur - 713210

In the midst of rising inflation and various geo-political tensions, we aggressively pursued growth by taking a leaf out of the banned words at our organisation like

WORDS LIKE

im possible

WORDS LIKE

un realistic

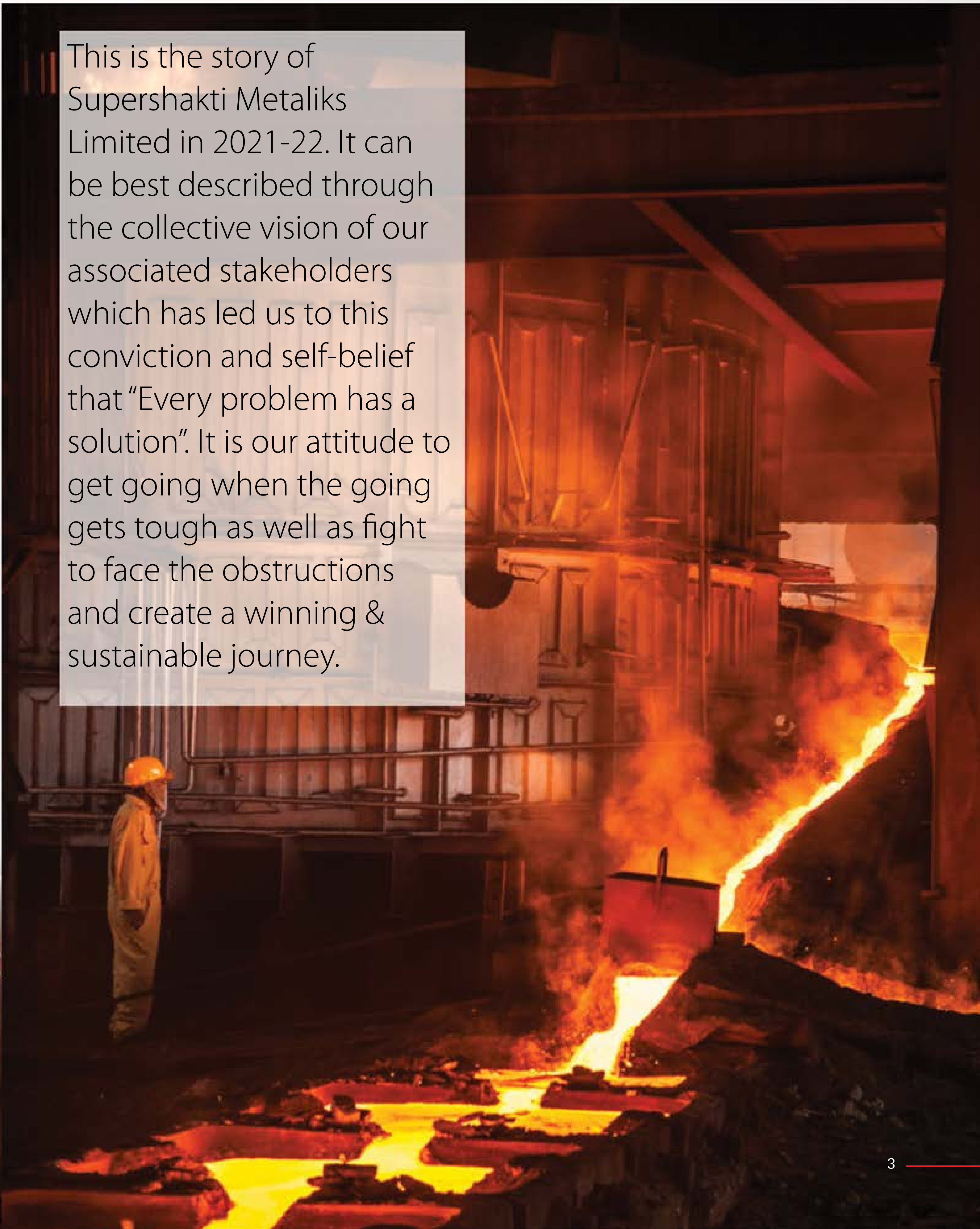
WORDS LIKE

hope less

We decided to look within and build businesses. We developed product quality. We increased focus on product branding. We reached out to more customers. We trained and re-trained our people. We focused on the Environment, Health and Safety (EHS) norms that has a bearing on our operations. We focused on sustainability through our heart.

In doing so, we saw opportunities everywhere!

This is the story of Supershakti Metaliks Limited in 2021-22. It can be best described through the collective vision of our associated stakeholders which has led us to this conviction and self-belief that "Every problem has a solution". It is our attitude to get going when the going gets tough as well as fight to face the obstructions and create a winning & sustainable journey.



SO WHEN IT COMES TO
SUPERSHAKTI METALIKS LIMITED,

THERE IS A difference between the apparent AND THE real.

THUS IN 2021-22, WE

Grew our revenues by
68%

Grew our EBIDTA by
36%

Return on Equity (ROE) stood at
10.48%

WHAT is apparent is that Supershakti is a pure play iron & steel Company.

THE REALITY is that we are a holistic provider of various iron & steel products often customised as per varied customer needs and are core to our country's infrastructure growth.

WHAT is apparent is that we fight for market share.

THE REALITY is that we create markets.

WHAT is apparent is that infrastructural development in slowing due to rising inflation.

THE REALITY is that Government of India has laid thrust on country's infrastructure development and the combination of our product offering, timely capacity creation and efficient cost management practices has accelerated our growth.

WHAT is apparent that the biggest threat to our business is raw material security.

THE REALITY is that we have secured adequate raw material access to ensure sustainable growth by inking long-term agreements with various vendors.

WHAT is apparent that we drop prices to remain competitive.

THE REALITY is that we command a premium over competitors.

WHAT is apparent is that the iron & steel and allied sectors are tentative.

THE REALITY is that our business is sitting at an inflection point.

SO 'THIS IS JUST THE ANOTHER BEGINNING' -

MOST frequently USED line at Supershakti!!

These sectorial opportunities have always propelled us to remain tough and overcome challenges.

EXPECTED 35% growth in capital spending to appx 100 billion US$ in 2022-23 of which Ministry of Road Transport and Highways is expected be around $2.66 billion and Ministry of Railways to be around $1.86 billion.

GROWING governmental thrust on the real estate sector and the infrastructure sectors.

INCREASING urbanisation and governmental focus on creating smart cities – driving real estate sector growth.

INTERESTING context - 25,000 km national highways; manufacturing of 400 new generation Vande Bharat trains (both under the Gati Shakti plan), implementation of the Ken Betwa Link Project to beneficiate 910,000 hectares of farm land, providing drinking water to 6.2 million people and generating 130MW power, completion of 8 million houses (under the Awas Yojna plan) as well as infrastructure and social development based on needs of the north-east of the country under the DevINE plan are scheduled for completion during 2023-24.

(Source-https://www.fastmarkets.com/insights/indias-2022-23-budget-up-4-6-steel-industry-to-benefit-from-infrastructure-spending)

THERE ARE many ways to describe Supershakti Metaliks Limited

A leading iron & steel products manufacturer with a difference.

A Company through its distinctive business model and focused on manufacturing valued added products.

Marketed to demanding customers at competitive pricing.

Driven by the prospect of sustainable growth.

Generating superior margins over the industry average.

And aggregating these various components into a singular vision: Building value over the long-term.

PARENTAGE

Part of Kolkata based Sai Group and Promoted by first generation entrepreneurs headed by Mr. Dilipp Agarwal and Mr. Deepak Agarwal and ably supported by a team of professionals from varied sectors.

PRESENCE

Manufacturing unit situated at mineral rich belt of Durgapur, Burdwan (West Bengal). Corporate Office situated at Kolkata (West Bengal). Key raw material suppliers are situated within 200 km radius of the manufacturing premises.

PRODUCTS

The Company operates a Steel Melting Shop to manufacture MS Billets and a Rolling Mill to produce Wire Rod, HB Wire and Binding Wire.

LISTING

Listed at the SME Platform of The Bombay Stock Exchange.

CERTIFICATIONS

The Company's compliance with strict quality management norms and environment norms is validated through ISO 9001 and ISO 14001 certifications thereby ensuring superior product quality reaching the customers.

Vision

The vision of our organization is to become the fastest growing and the most comprehensive steel Company in the nation. Moreover, constantly developing the skills of our employees and fostering team work for the development of our country. We believe that together, we can achieve a new phase of globalization therefore we keep ourselves involved in the welfare of the community through women and child education, providing employment to the needy and a cleaner environment.

Chairman's communique

Dear Shareholders,

While the world started recovering from the pandemic, and economic activity revived in many sectors, new geo-political events threatened to interrupt the return to normalcy. The disruption in supply chains, volatility in prices of input materials and increasing costs of utilities have presented new challenges to all businesses.

TOUGH TIMES DIDN'T LAST AND SO DID OUR RESOLVE

I am proud of the entire Supershakti team for their unstinting efforts, which have helped us to navigate these challenges, as we continue with our endeavour to build a renowned iron & steel products manufacturer in Eastern India. The last two years have taught us to be resilient, find innovative solutions, and reinvent ourselves to emerge stronger. The efforts are already evident through the new milestones achieved across business divisions. We continued to focus and outperform due to:

1. **Customer Centricity –** Earning customer respect in every touch point is very important and it is the social equity every Company has to achieve first. We believe that it is as equal as the shareholder's equity and we work diligently to achieve this. During the second and third wave of the pandemic, we went out to reach out to all the customers, maintained a steady supply of goods with all precautionary measures and lessons learnt during the first wave.
2. **Employee-first attitude –** Focus on employee-centricity has been a forefront agenda at Supershakti which led us to sail safely not only during the previous economic crisis but also during the current waves of COVID-19. They helped us manage operations with agility. I must mention how incredibly my proud team has been performing with their untiring dedication and commitment. Their strong resolve has ensured an uninterrupted customer service while coping with challenges at personal front too.
3. **Robustness of systems and processes –** Foundational to scale the operations at optimum cost and maintaining quality standards is achieved only through robust manufacturing practices. We always strive to rise above the industry standards.

4. **Efficient governance framework –** The Compliance and Legal team continue their good work, ensuring the Company's adherence to best-in-class regulatory framework, corporate governance and stakeholder management. The Risk Management team always focuses on a comprehensive and integrated risk management framework that includes risk-based pricing, structured reporting and control measures.
5. **Building business with compassion –** Our Company strongly believes in building business with compassion and practices a win-win mind-set on all transactions.

PERFORMANCE REVIEW

For the current year under review, we generated Revenue of ₹63,363.32 Lakhs. These strong results were derived through our concerted efforts to grow our market share. The External Credit Rating of our Company was assigned 'BBB' Outlook: Stable for Long Term Bank Facilities and 'A3+' for Short Term Bank Facilities as assigned by CARE Ratings Limited. We also continued to reward our shareholders by announcing 10% Dividend during the current fiscal.

STEEL SCENARIO

We are excited by the opportunities that lies ahead for us. The steel industry's production and consumption grew by 18.1% and 11.4%, respectively, on a year-on-year (y-o-y) basis in FY22. India's steel consumption was at 105.8 million tonnes in FY22, up from 94.9 million tonnes in FY21, an increase of 11.4% y-o-y on account of increased consumption by the government on developing infrastructure as well as the resumption of economic activities and construction work on low-base effect (Source: https://www.careratings.com/uploads/newsfiles/21062022121959_CareEdge_Steel_Update_-_June_2022.pdf).

The Indian steel sector outlook, on the back of strong domestic demand from the government and private sectors, is likely to remain firm amid concern of global demand uncertainties in the current fiscal. Demand and prices will remain strong as China will no longer be adding 50-60 million tonnes to its capacity annually and that country may not export significantly higher quantities to disrupt steel prices globally. Domestically infrastructure spending by the government will support steady consumption. The government has allocated ₹ 111 trillion for the National Infrastructure Pipeline (NIP) to be spent over the next five years which is expected to boost demand but for the private sector capital expenditure, housing and consumer durables end-user segment, the demand growth is expected to remain muted due to elevated prices. India Ratings and Research (Ind-Ra) has maintained a "neutral outlook" on the steel sector for FY23 in view of high raw material inflation that would result in elevated prices and moderation of volume and margin.

BRAND "SUPERSHAKTI"

The rapidly growing diversity and choices in the market have increased the role of brand leadership which has significant positive correlation with product and service quality. We are deeply committed to strengthen the "Supershakti" brand further and towards this we have ensured strict quality compliance for each of the products besides developing strong work ethics. We are also taking advertising and on-ground marketing initiatives to enhance the brand's recognition and popularity among the target customers. This approach has helped us enormously to achieve our set goals.

SUSTAINABILITY

We care about the environment and believe in an ecological balance to protect our natural resources. We have taken initiatives in areas of emission management, energy efficiency to minimise its environmental impact. Several energy conservation measures have been taken through periodic energy audits and proactive maintenance of equipment.

PROSPECTS

India is expected to report steady growth over the foreseeable future. This growth will be manifested in a robust demand on the back of government spending and rising disposable incomes. Given this context, I am pleased to state that "Supershakti" is the right Company in the right verticals at the right time. My optimism stems from the fact that we have created a strong foundation and a rich repository of sectorial experience.

We will continue to focus on enhancing efficiency, optimising costs and increasing liquidity and preparing for the big leap. We are optimistic that this will translate into superior margins, returns on capital employed and market capitalization, enhancing value in the hands of all those who own shares in our Company.

With regards

DILIPP AGARWAL

Chairman

sustainability AT OUR core

Alongside our business, Supershakti believes in doing the right thing for the people and the communities in and around the areas of operations.

Socially responsible corporate

We strategically drive our CSR initiatives in the areas of training and education infrastructure development. These focus areas align with our purpose of making life better by providing value to the communities in which we operate. During the year we spent ₹ 39 Lakhs towards various social sustainability measures through Supershakti Foundation.

Director's Report

To,

The Members,

Your Directors are pleased to present the 10th Annual Report on the business and operations of the Company together with the Audited Financial Statements for the Financial Year ended 31st March, 2022.

FINANCIAL HIGHLIGHT

The table below depicts the financial performance of your Company for the year ended 31st March, 2022.

(₹ in Lakhs)

Particulars	**2021-22**	**2020-21**
Net Revenue from Operations (A)	63,363.32	37,683.37
Other Income (B)	159.58	295.62
Total Revenue (A) + (B)	**63,522.90**	**37,979.00**
Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)	3,202.27	2,348.09
Finance Costs	374.26	227.34
Depreciation and Amortization Expense	497.42	499.56
Profit before Exceptional Item & Tax	**2,330.59**	**1,621.19**
Profit before Tax (PBT)	**2,330.59**	**1,621.19**
Tax expense	558.60	372.57
Profit after Tax (PAT)	**1,771.99**	**1,248.61**

Director's Report *(Contd.)*

VOLUNTARY ADOPTION OF INDIAN ACCOUNTING STANDARDS (IND-AS)

Your Company is listed with SME segment of Bombay Stock Exchange and though IND-AS is not mandatory for preparation of Financial Statements, yet your Company has decided to adopt IND-AS voluntarily towards preparation of Financials with effect from 01st April, 2021 with the transition date of 01st April, 2020 and the Financial Statements for the year ended 31st March, 2022 has been prepared in accordance with IND-AS. The Financial Statements for the year ended 31st March, 2021 have been restated to comply with IND-AS to make them comparable including restatement of the opening balance sheet as at 01st April, 2020.

STATE OF COMPANY'S FINANCIAL AFFAIRS

First quarter of the Financial Year was subdued due to outbreak of Omicron Virus and subsequent selective lockdowns resulting in supply chain disruptions. However, subsequently the commodity cycle had up scaled and resulted in better recovery and realization of your Company products. Based on same, your Company has fared well during the Financial Year 2021-22, clocking total revenue ₹ 63,522.90 Lakhs as compared to ₹ 37,979.00 Lakhs in the previous year due to higher finished products realization. The net profit before tax was higher than previous year due to increase in realization value of finished products coupled with increase in volume.

MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY, HAVING OCCURRED SINCE THE END OF THE YEAR TILL THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company have occurred during the Financial Year and the date of this report.

Impact of COVID-19:

First Quarter of Financial Year 2021-22 experienced Second Wave with some restrictions, however, there was no major changes in the economic activity as the nation was well prepared to face the Pandemic with vaccines the targeted nature of containment measures and rapid progress on vaccinating the population mitigated the credit-negative impact and steel sector performed well with increased demand for infrastructure as is evident from the financials.

FUTURE OUTLOOK

During the period January to December 2021, India was the 2nd largest producer of Crude Steel in the World, capacity for domestic crude steel expanded from 137.975 Million Tonne Per Annum (MTPA) in 2017 to 154.269 MTPA (provisional) in 2021.

The Steel Sector is performing well and momentum is likely to continue in next few quarters, your Company has made strategic investment in the Greenfield project Giridhan Metal Private Limited which has started production of steel and very soon will start full scale production which will bring good returns for the investment made and the Company would like to raise its stake at an appropriate and opportune time and is hopeful of generating good cash flows from the project in near future.

Director's Report *(Contd.)*

NATURE OF BUSINESS

Your Company is into the manufacturing of diversified products of secondary Steel through Induction Furnace route and currently operating a Steel Melting Section to produce semi-finished product (i.e. Billet) and Rolling Mill Section to produce Wire Rods, HB Wires and Binding Wires etc. in our plant. It has successfully established its brand in wide range of Steel manufacturing, steel processing and other allied activities. The products of the Company are commanding premium value due to its quality. There has been no change in the nature of business of the Company during the Financial Year.

DIVIDEND

The Board of Directors has recommended a Dividend of ₹ 1 per Equity Share having face value of ₹ 10 each @ 10% subject to the approval of the Members at the ensuing Annual General Meeting ("AGM"), payable to those Shareholders whose names appear in the Register of Members as on the Book Closure/Record Date. In the previous year, the Company had paid ₹ 0.50 per Equity Share having face value of ₹ 10 each @ 5%.

Pursuant to the requirements of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"), the Dividend Distribution Policy is not applicable to our Company.

EXTERNAL CREDIT RATING

External Credit Rating of the Company is 'BBB' Outlook: Stable for Long Term Bank Facilities and 'A3+' for Short Term Bank Facilities as assigned by CARE Ratings Limited.

DEMATERIALISATION OF EQUITY SHARES

All the Equity Shares of the Company are in Dematerialized Form with either of the depositories viz. NSDL and CDSL. The ISIN No. allotted is INE00SY01011.

TRANSFER TO RESERVES

The Company has not transferred any amount to the General Reserve for the Financial Year ended 31st March, 2022.

FINANCE

Cash and cash equivalents as at 31st March, 2022 were ₹ 317.33 Lakhs. The Company continues to focus on judicious management of its Working Capital, Receivables and Inventories. Other Working Capital parameters were kept under strict check through continuous monitoring.

SHARE CAPITAL

During the year under review, there was no change in Capital Structure of the Company. The Authorized Share Capital of the Company is ₹ 15,00,00,000. The Paid-Up Equity Share Capital of the Company is ₹ 11,52,52,780. The Shares of the Company are listed on the SME platform of BSE Limited.

During the year under review, your Company has neither issued any shares with differential voting rights nor has granted any stock options or sweat equity. The Company has paid Listing Fees for the Financial Year 2022-23, to the Stock Exchange, where its Equity Shares are listed.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Board of Directors:

During the Year, the Board of Directors of the Company has Mr. Vijay Kumar Bhandari, Mr. Tuhinanshu Shekhar Chakrabarty and Mrs. Bhawna Khanna as the Non-Executive Independent Directors. The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 (the Act) that they meet with the criteria of their Independence laid down in Section 149(6) of the Act. In terms of Section 152 of the Companies Act, 2013 Mr. Deepak Agarwal (DIN: 00343812) Director of the Company is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offered himself for re-appointment.

The Board confirms that none of the Directors of the Company is disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and necessary declaration has been obtained from all the Directors in this regard.

Below Table mentions the List of Director's and Key Managerial Personnel as on the date of this report:-

Sl. No.	Name of the Director	Designation
1.	Mr. Dilipp Agarwal	Chairman & Non-Executive Director
2.	Mr. Sudipto Bhattacharyya	Whole-Time Director
3.	Mr. Deepak Agarwal	Non - Executive Director
4.	Mr. Vijay Kumar Bhandari	Independent Director
5.	Mr. Tuhinanshu Shekhar Chakrabarty	Independent Director
6.	Mrs. Bhawna Khanna	Independent Director
7.	Mr. Shyam S. Somani	Chief Financial Officer
8.	Mr. Navin Agarwal	Company Secretary

Meetings of the Board:

During the Financial Year 2021-22, total of Four Meetings of the Board of Directors were held on; 29-06-2021; 27-08-2021; 11-11-2021 and 26-02-2022. The maximum time gap between any two consecutive Meetings did not exceed 120 days.

Director's Report *(Contd.)*

The names of Members of the Board, their attendance at the Board Meetings are as under:

Sl. No.	Name of the Director	Number of Meetings attended
1.	Mr. Dilipp Agarwal (Chairman & Non-Executive Director)	2/4
2.	Mr. Sudipto Bhattacharyya (Whole-Time Director)	4/4
3.	Mr. Deepak Agarwal (Non-Executive Director)	4/4
4.	Mr. Vijay Kumar Bhandari (Independent Director)	3/4
5.	Mr. Tuhinanshu Shekhar Chakrabarty (Independent Director)	4/4
6.	Mrs. Bhawna Khanna (Independent Director)	4/4

COMMITTEES OF THE BOARD

There are Four Board Committees as on 31st March, 2022 viz. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholder Relationship Committee.

Audit Committee:

The Board has constituted the Audit Committee. The Board of Directors has accepted all the recommendations given by Audit Committee during the Financial Year 2021-22. During the year, Four Audit Committee Meeting took place on 29-06-2021; 28-09-2021; 11-11-2021 and 24-02-2022. The composition and attendance of the Members at the Committee Meetings held during the year under review was as below:

Sl. No.	Name of Members	Number of Meetings attended
1.	Mr. Vijay Kumar Bhandari (Chairman)	3/4
2.	Mr. Deepak Agarwal (Member)	4/4
3.	Mr. Tuhinanshu Shekhar Chakrabarty (Member)	4/4
4.	Mrs. Bhawna Khanna (Member)	4/4

Nomination and Remuneration Committee:

The Board has constituted the Nomination and Remuneration Committee. The Nomination and Remuneration Committee had One Meeting during the year on 29-06-2021. The composition and attendance of the Members at the Committee Meeting held during the year under review was as below:

Sl. No.	Name of Members	Number of Meetings attended
1.	Mr. Vijay Kumar Bhandari (Chairman)	1/1
2.	Mr. Deepak Agarwal (Member)	1/1
3.	Mr. Tuhinanshu Shekhar Chakrabarty (Member)	1/1

Corporate Social Responsibility Committee:

The Board has constituted the Corporate Social Responsibility Committee. The Corporate Social Responsibility Committee had One Meeting during the year on 29-06-2021. The composition and attendance of the Members at the Committee Meeting held during the year under review was as below:

Sl. No.	Name of Members	Number of Meetings attended
1.	Mr. Sudipto Bhattacharyya (Chairman)	1/1
2.	Mr. Dilipp Agarwal (Member)	1/1
3.	Mr. Tuhinanshu Shekhar Chakrabarty (Member)	1/1

Stakeholder Relationship Committee:

The Board has constituted Stakeholder Relationship Committee as required under Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Stakeholder Relationship Committee had One Meeting during the year on 24-02-2022. The composition and attendance of the Members at the Committee Meeting held during the year under review was as below:

Sl. No.	Name of Members	Number of Meetings attended
1.	Mr. Deepak Agarwal (Chairman)	1/1
2.	Mrs. Bhawna Khanna (Member)	1/1
3.	Mr. Sudipto Bhattacharyya (Member)	1/1

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

In accordance with Section 178 of the Companies Act, 2013 and other regulations as applicable. The Board of the Directors has framed the policy which lays down a framework in relation to Remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. The Nomination and Remuneration Policy is available on the Company's website www.supershaktimetaliks.com.

Director's Report *(Contd.)*

BOARD EVALUATION

Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates that the Board has carried out an Annual Evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Act. The performance of the Board was evaluated by the Board and after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of Board processes, information flow, frequency of meetings and functioning etc. The performance of the Committees was evaluated by the Board and after seeking inputs from the Committee Members. The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee Meetings. The Chairman was also evaluated on the key aspects of his role. In a separate Meeting of Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has adopted policy on prevention of sexual harassment of women at workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The details of the Policy are posted on the website of the Company www.supershaktimetaliks.com. The Company has set up Internal Complaints Committee (ICC) to redress the complaints in accordance with the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and ICC has not received any complaints during year ended 31st March, 2022.

HUMAN RESOURCES

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013. Employees can raise concerns regarding any discrimination, harassment, victimization, any other unfair practice being adopted against them or any instances of fraud by or against your Company.

It also provides for adequate safeguards against the victimization of Employees who avail of the mechanism and allows direct access to the Chairman of the Audit Committee in exceptional cases.

The details of the Policy are posted on the website of the Company www.supershaktimetaliks.com.

RISK MANAGEMENT POLICY

The Company has developed and implementing a risk management policy which includes the identification therein of elements of risk, which in the opinion of the Board may threaten the existence of the Company.

The details of the Policy are posted on the website of the Company www.supershaktimetaliks.com.

POLICY ON PRESERVATION OF THE DOCUMENTS

The Company has formulated a Policy pursuant to Regulation 9 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 on Preservation of the Documents to ensure safekeeping of the records and safeguard the Documents from getting manhandled, while at the same time avoiding superfluous inventory of Documents.

The details of the Policy are posted on the website of the Company www.supershaktimetaliks.com.

POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS

The Policy is framed in accordance with the requirements of the Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details of the Policy are posted on the website of the Company www.supershaktimetaliks.com.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, all the Related Party Transactions were in the Ordinary Course of the business and at Arm's Length Basis and hence provisions of Section 188 of the Companies Act, 2013 is not applicable. Those transactions were placed before the Audit Committee of Directors for prior approval in the form of Omnibus Approval. Related Party Transactions under India Accounting Standard–24 (IND-AS-24) are disclosed in the notes to the Financial Statement in Note No. 51. Material Related Party Transactions are disclosed in **Annexure-1** in **Form AOC-2** pursuant to clause (h) of Sub-Section (3) of Section 134

Director's Report *(Contd.)*

read with Rule 8(2) of Companies (Accounts) rules, 2014 for which necessary Members approval are in place.

The details of the Policy are posted on the website of the Company www.supershaktimetaliks.com

CORPORATE SOCIAL RESPONSIBILITY

As part of the Corporate Social Responsibility initiative the Company has spent an amount of ₹ 39 Lakhs (Rupees Thirty Nine Lakhs Only) towards the various CSR activities during the Financial Year 2021-22. Details of **CSR Activity Report** are provided in **Annexure-2**.

The details of the Policy are posted on the website of the Company www.supershaktimetaliks.com.

AUDITORS AND AUDITORS REPORT

Statutory Auditor:

The Shareholders of the Company at their 9th Annual General Meeting (AGM), held on 29th September, 2021 have appointed **Singhi & Co.** Chartered Accountants, Kolkata (FRN: ICAI – **302049E**) as the Statutory Auditor of the Company, for a period of five years i.e. from the conclusion of 09th AGM till the conclusion of 14th AGM. The Companies Amendment Act, 2017 has done away with the ratification of Auditor's appointment and the auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

The Notes on Financial Statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Internal Auditor:

The Board, at its Meeting held on 27th August, 2021, has appointed **Baker Tilly DHC Pvt. Ltd.** for conducting Internal Audit of the Company for Financial Year 2021-22. The Company's Internal Audit system has been continuously monitored and updated to ensure that assets are safeguarded, established regulations are complied with and pending issues are addressed promptly.

Internal Audit Controls and their Adequacy:

TThe Company's Internal Audit is being carried on by Independent Auditors, they monitor and evaluates the efficacy and adequacy of Internal Control System in the Company, its compliance with operating system, accounting procedures and policies of the Company. The main thrust of Internal Audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the Industry. Based on the Internal Audit Reports, process owner takes corrective actions in their respective areas and thereby strengthens the controls. The Report is presented before the Audit Committee for review at regular intervals. Your Company has an effective Internal Control and Risk-Mitigation System, which are constantly assessed and strengthened. New/revised standard operating procedures are being adopted for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors. The Company's Internal Control System is commensurate with its size, scale and complexities of its operations and is capable for the timely preparation of reliable financial information. The Internal Audit department monitors and evaluate the efficiency and adequacy of the Internal Control System in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 requires every Listed Company to annex to its Board's report, a Secretarial Audit Report, given in the prescribed form, by a Company Secretary in practice. The Board had appointed **Mr. Vivek Mishra (FCS)** a Practicing Company Secretary bearing Membership No. 8540 & C.P No. 17218, as the Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial Year 2021-22 and their Report is annexed to this report **Annexure-3**. There are no qualifications, observations, adverse remark or disclaimer in the said Report.

Cost Auditor:

Pursuant to Section 148 of the Companies Act, 2013 read together with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Company is required to carry out audit of the cost accounting records of the Company for every Financial Year. The Cost Audit report of your Company for the Financial Year ended 31st March, 2021 was filled on 09th September, 2021. The Auditors' Report does not contain any qualification, reservation or adverse remark. Cost records as required to be maintained by the Company pursuant to an order of the Central Government are maintained.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, approved the appointment of **S Chhaparia & Associates**, Cost Accountants, (Firm Registration No. 101591) Kolkata, for the year ending 31st March, 2023 the remuneration proposed to be paid to them for the Financial Year 2022-23 requires ratification of the Shareholders of the Company. In view of this, the Board recommends the ratification for payment of remuneration to the Cost Auditor at the ensuing Annual

Director's Report *(Contd.)*

General Meeting.

None of the Auditors of the Company have reported any fraud during the year under review.

PARTICULARS OF EMPLOYEES

Your Directors place on record their deep appreciation for the contribution made by the Employees of the Company at all levels. The information on Employees particulars as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended), is forming part of this Board's Report as **Annexure-4**. There are no Employees drawing remuneration in excess of the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CORPORATE GOVERNANCE

As per Regulation 27 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Corporate Governance is not applicable to the Company listed on the SME platform (BSE). Hence the Company is not required to disclose information as covered under Para (C), (D) and (E) of Schedule V of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. As per Para (F) of Schedule V of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company do not have and is not required to have the Demat Suspense Account neither Unclaimed Suspense Account.

PUBLIC DEPOSITS

During the Financial Year 2021-22, the Company has not accepted any deposit within the meaning of Sections 73 and 76 of the Companies Act 2013, read together with the Companies (Acceptance of Deposits) Rules, 2014.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

A. Energy Conservation

(a) Use of LED Lights indoor and outdoor, LED lights reduces the Energy Consumption at Outdoor and Indoor Lightning.

(b) Use of Direct Hot Rolling from CCM, by use of Direct Hot Rolling we have saved furnace oil for reheating Billets.

(c) Use of CBM (Coal based Methane Gas) in reheating furnace in place of oil furnace, natural gas reduces the energy cost of fuel.

B. Technology Absorption

Our Company is in the Manufacturing of MS Billet, HB Wire, TMT Bar and MS Wire Rod. It had not taken any Research and Development during the year under review. As such no expenditure had been incurred on Research and Development.

C. Foreign Exchange Earnings and Outgo

(₹ in Lakhs)

DETAILS	FY 2021-22	FY 2020-21
Foreign Exchange earned in terms of actual inflows	0.00	426.86
Foreign Exchange outgo in terms of actual outflows	2232.34	812.84

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is fully compliant with the applicable Secretarial Standards (SS) viz. SS-1 & SS-2 on Meetings of the Board of Directors and General Meetings respectively.

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

There were no significant and material Orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has an investment of ₹ 4,930.06 Lakhs in Giridhan Metal Private Limited an upcoming Iron and Steel Greenfield project. During the Financial Year, your Company has provided inter-corporate unsecured loans to group Company and has earned interest as per prevailing market rate. There was no loan outstanding as on 31st March, 2022. The Company is proposing to issue Corporate Guarantee for Giridhan Metal Private Limited subject to lenders approval.

EMPLOYEES RELATIONS

The relationship with the staff and workers continued to be cordial during the entire year. The Directors wish to place on record their appreciation of the valuable work done and co-operation extended by them at all levels. Further, the Company is taking necessary steps to recruit the required personnel from time to time.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Your Company did not have any funds lying Unpaid or Unclaimed for a period of seven years Therefore, there are

Director's Report *(Contd.)*

no funds which are required to be transferred to Investor Education and Protection Fund (IEPF).

CONSOLIDATION OF ASSOCIATES /JOINT VENTURES

As on the reporting day your Company do not have any associate or Joint Venture hence consolidation of accounts is not required.

INSIDER TRADING REGULATIONS

Based on the requirements under Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 read with Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, the code of conduct for prevention of Insider Trading and the Code for Fair Disclosure ("Code"), as approved by the Board from time to time, are in force by the Company. The objective of this Code is to protect the interest of Shareholders at large, to prevent misuse of any Price Sensitive Information and to prevent any Insider Trading activity by dealing in Shares of the Company by its Directors, Designated Employees and other Employees. The Company also adopts the concept of Trading Window Closure, to prevent its Directors, Officers, Designated Employees and other Employees from trading in the Securities of Supershakti Metaliks Limited at the time when there is Unpublished Price Sensitive Information.

The details of the Policy are posted on the website of the Company www.supershaktimetaliks.com.

MANAGEMENT DISCUSSION ANALYSIS

A detailed Report on the **Management Discussion & Analysis** is provided as a separate **Annexure-5** in the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013 Board of Directors of the Company,

(a) In preparation of the Annual Accounts for the Financial Year ended 31st March, 2022 the applicable Accounting Standards have been followed along with proper explanation to material departures;

(b) The Directors have selected Accounting Policies, in consultation with the Statutory Auditors and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at end of the Financial Year and of the profit or loss of the Company, for that period;

(c) The Directors have taken proper and sufficient care to the best of their knowledge and ability 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 and;

(d) The Directors have prepared the Annual Accounts of the Company on a going concern basis;

(e) The Directors, had laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and

(f) There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

POLICIES

The Companies Act, 2013 along with the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and mandate to formulations of certain policies for all listed Companies. Accordingly, the Company has formulated the Policies for the same as the Company believed to retain and encourage high level of ethical standard in business transactions. All our Policies are available on our website www.supershaktimetaliks.com.

ACKNOWLEDGEMENT

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic. We thank our customers, vendors, dealers, investors, business associates and bankers for their continued support during the year. We place on record our appreciation of the contribution made by employees at all levels. Our resilience to meet challenges was made possible by their hard work, solidarity, co-operation and support.

We thank the Government of India, the State Government and other regulatory authorities and government agencies for their support and look forward to their continued support in the future.

For and on behalf of
Supershakti Metaliks Limited

Place: Kolkata	**Deepak Agarwal**	**Sudipto Bhattacharyya**
Date: 27-05-2022	*Director*	*Whole-Time Director*
	DIN: 00343812	DIN: 06584524

Annexure to the Director's Report

Annexure 1

Form No. AOC-2

(Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014). Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain Arm's Length Transactions under third proviso thereto.

I. There are no contracts/arrangements entered into by the Company with Related Parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 which are not at Arm's Length basis.

II. Material contracts/arrangements entered into by the Company with Related Parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 which are at Arm's Length basis are as follows :

Nature of Transaction	Name of Related Party	Nature of Relationship	Duration of Contract	₹ in Lakhs
Purchase	Super Smelters Limited	Group Company	Regular	36,095.80
	Giridhan Metal Private Limited			7,845.77
Sales	Super Smelters Limited	Do	Do	2,599.91

For and on behalf of
Supershakti Metaliks Limited

	Deepak Agarwal	**Sudipto Bhattacharyya**
Place: Kolkata	*Director*	*Whole-Time Director*
Date: 27-05-2022	DIN: 00343812	DIN: 06584524

Annexure to the Director's Report *(Contd.)*

Annexure 2

CSR Annual Report

1. Brief outline on CSR Policy of the Company: At Supershakti Metaliks Limited, CSR is no mere acronym, is an integral part of the culture imbibed by one and all involved in the working of the Company. Our vision is to actively contribute to the social and economic development of the communities in which we operate. In doing, so to build a better, sustainable way of life for the weaker sections of society and raise the country's human development index.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation in Committee	Number of Meeting of CSR Committee held during the year	Number of Meeting of CSR Committee attended during the year
1	Mr. Sudipto Bhattacharyya	Chairman	29-06-2021 (One Meeting)	1
2	Mr. Dilipp Agarwal	Member		1
3	Mr. Tuhinanshu Shekhar Chakrabarty	Member		1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company. : **www.supershaktimetaliks.com**.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub- rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable : **Not Applicable.**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year, if any: **Not Applicable**.

Sl. No.	Financial Year	Amount available for Set-Off from preceding Financial Year	Amount required to be Set-Off for the Financial Year

6. Average Net Profit of the Company as per section 135(5) ₹ 19,44,53,455

7. (a) Two percent of average net profit of the Company as per section 135(5) ₹ 38,89,069

   (b) Surplus arising out of the CSR projects or programs or activities of the previous Financial Years -

   (c) Amount required to be set off for the Financial Year, if any -

   (d) Total CSR obligation for the Financial Year (7a+7b-7c). ₹ 38,89,069

8. (a) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹	N.A.		N.A.		

Annexure to the Director's Report *(Contd.)*

(b) Details of CSR amount spent against Ongoing Projects for the Financial Year:

1	2	3	4	5		6	7	8	9	10	11
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project Duration	Amount allocated for the project (in ₹)	Amount spent in the current Financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
				State	District						
1	Training Hall	Item No. (i, ii. iii, x)	Yes	West Bengal	Paschim Bardhaman	Completed	₹ 50,00,000	₹ 29,00,000	–	No	Supershakti Foundation CSR Registration No.- CSR00008657
2	Infrastructure Development (School Building at Durgapur RP Vivekananda Vidyapeeth)	Item No. (i, iii, iv, x)	Yes	West Bengal	Paschim Bardhaman	1 Year (2021-22)	₹ 10,00,000	₹ 10,00,000	–	No	Supershakti Foundation CSR Registration No.- CSR00008657
	TOTAL							**₹ 39,00,000**			

(c) Details of CSR amount spent against **other than ongoing projects** for the Financial Year:

1	2	3	4	5		6	7	8
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
				State	District			
	TOTAL							

(d) Amount spent in Administrative Overheads: **Not Applicable**

(e) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : **₹ 39,00,000**

(g) Excess amount for set off, if any: **Not applicable**

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per section 135(5)	₹ 38,89,069
(ii)	Total amount spent for the Financial Year	₹ 39,00,000
(iii)	Excess amount spent for the Financial Year [(i)-(ii)]	₹ (10,931)
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

Annexure to the Director's Report *(Contd.)*

9. (a) Details of Unspent CSR amount for the preceding three Financial Years: **NOT APPLICABLE**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding Financial Years (In ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1							
	TOTAL						

(b) Details of CSR amount spent in the Financial Year for **ongoing projects** of the preceding Financial Year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
	TOTAL							

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

(a) Date of creation or acquisition of the capital asset(s) N.A.

(b) Amount of CSR spent for creation or acquisition of capital asset N.A.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. N.A.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) N.A.

11. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per section 135(5) : **Not Applicable**

For and on behalf of
Supershakti Metaliks Limited

Place: Kolkata
Date: 27-05-2022

Deepak Agarwal
Director
DIN: 00343812

Sudipto Bhattacharyya
Whole-Time Director
DIN: 06584524

Annexure to the Director's Report *(Contd.)*

Form No. MR - 3 **Annexure 3**

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022

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

To,
The Members,
SUPERSHAKTI METALIKS LIMITED
39, Shakespeare Sarani, 3rd Floor
Kolkata- 700017

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices, under the Companies Act, 2013, by SUPERSHAKTI METALIKS 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 authorized 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 31st March 2022, has 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 31st March 2022 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');

   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, 2009;

   d] The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

   e] The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   f] The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   g] The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the Company during the Audit Period) and**

   h] The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the Audit Period)**

vi Specific laws as applicable as mentioned here under :

   1. The Air (Prevention & Control of Pollution) Act, 1981 read with Air (Prevention & Control of Pollution) Rules, 1982;

   2. The Water (Prevention & Control of Pollution) Act, 1974 read with Water (Prevention & Control of Pollution) Rules, 1975;

   3. Environment (Protection) Act, 1986 read with the Environment (Protection) Rules, 1986;

   4. Factories Act, 1948 & the Central Rules or Concerned State Rules, made thereunder and allied State Laws

   5. The Employees' State Insurance Act, 1948 & its Central Rules/ State Rules.

   6. The Minimum Wages Act, 1948 & its Central Rules/ State Rules/Notification of Minimum Wages applicable to various class of industries/ Trade.

   7. The Payment of Wages Act, 1936 & its Central Rules/ State Rules if any.

   8. The Payment of Bonus Act, 1965 & its Central Rules/ State Rules if any.

Annexure to the Director's Report *(Contd.)*

9. The Payment of Gratuity Act & its Central Rules/ State Rules if any.

10. The Maternity Benefit Act, 1961 & its Rules.

We have also examined compliance with following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India;

ii. The Listing Agreements entered into by the Company with Stock Exchange BSE-SME

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

We further report that

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. There was no change in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

   Following were changes in the position of the Key Managerial Personnel/Directors during the year :

   a) Re-appointment of Mr. Dilipp Agarwal (DIN: 00343856) as a Director of the Company who retires by rotation.

   b) Regularization of Mr. Sudipto Bhattacharyya (DIN: 06584524) as Whole-Time Director.

   Following were changes in the Appointment & Re-appointment of Auditors during the year :

   a) Re-appointment of M/s. Singhi & Co., Chartered Accountants, Kolkata (FRN: ICAI – 302049E).

   b) Appointment of M/s. Vivek Mishra & Co, A Firm of Company Secretaries, Kolkata, appointed as the Scrutinizer for scrutiny of the votes cast at the AGM.

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

3. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

4. We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

5. We further report that during the audit period the Company has :

   i) Approval for giving loan or guarantee or providing security in connection with loan upto an aggregate amount not exceeding ₹ 1500 Crore.

   ii) Declared the Dividend of ₹ 0.50 per Equity shares for the year ended 31st March, 2021 at the Annual General Meeting.

   iii) Approval of related party transactions

For **Vivek Mishra & Co**
Company Secretaries

Vivek Mishra
Partner
FCS 8540 CP No. 17218
UDIN – F008540D000397302
Peer review: 1720/2022

Place : Kolkata
Date : 27-05-2022

Annexure to the Director's Report *(Contd.)*

'Annexure-A'

To,
The Members,
SUPERSHAKTI METALIKS LIMITED
39, Shakespeare Sarani, 3rd Floor
Kolkata- 700017

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on my audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for my opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We further report that, based on the information provided by the Company, its officers, authorised representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads/Company Secretary/ Director taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like labour laws & Environment laws.
8. We further report that the Compliance by the Company of applicable Financial laws like Direct & Indirect tax laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

For **Vivek Mishra & Co**
Company Secretaries

Vivek Mishra
Partner
FCS 8540 CP No. 17218
UDIN – F008540D000397302

Place : Kolkata
Date : 27-05-2022

Peer review: 1720/2022

Annexure to the Director's Report *(Contd.)*

Annexure-4

The information relating to remuneration of Directors and details of the ratio of the remuneration of each Director to the Median Employees Remuneration and other details as required pursuant to Section 197(12) of the Act read along with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as under:

Disclosure Pursuant to Section 197(12) of the Companies Act, 2013 and the Rules made thereunder:

I. The ratio of the remuneration of Whole-Time Executive Director to the Median Remuneration of the Employees of the Company for the Financial Year: 4.41

II. The percentage increase in Remuneration of each Director, Chief Financial Officer (CFO), Company Secretary: N.A.

III. The percentage increase in the Median Remuneration of Employees in the Financial Year; is 9 % (The figure is calculated by comparing Median Remuneration of Financial Year 2020-21 with Median Remuneration of 2021-22). Ratio to the Median Remuneration is calculated on Employees employed for full year during the FY excluding workers.

IV. The number of permanent Employees on the rolls of Company;

The total number of Employees including Whole-Time Director as on 31st March, 2022 is 91.

V. Average percentile increase already made in the salaries of Employees other than the Managerial Personnel in the last Financial Year is in line with management policy.

VI. The Company has a remuneration policy as per provisions of Companies Act during the Financial Year 2021-22 and the remuneration is in accordance with such policy.

List of Top Ten Employees in the Payroll of the Company

Employee name	Age	Qualification	Designation	DOJ	Remuneration (₹)*	% Increase*	Experience	Last Employment*	Relation with MGT	Shareholding
Shyam S. Somani	39	B.Com (H) FCA	CFO	01.04.2018	31,19,932	N.A	16	Super Smelters Limited	N.A	Nil
Navin Agarwal	48	B.Com (H) ACA, ACS	CS & Compliance Officer	01.04.2018	14,95,000	N.A	22	Super Smelters Limited	N.A	Nil
Lalmani Singh	43	B.Com (H) M.B.A Finance	AGM Finance	01.07.2018	13,96,692	8.06	15	Jayaswal Neco Industries Ltd	N.A	Nil
Sudipto Bhattacharyya	49	B.Com PGDM(PM&IR)	Director	08.08.2016	13,15,000	22.94	24	Super Smelters Limited	N.A	Nil
Dheeraj Kumar Pant	55	Factory Manager	MSC	08.08.2016	10,92,306	N.A	35	Super Smelters Limited	N.A	Nil
Joginder Pal Some	58	HS	Block Mill Incharge/ RMS	08.08.2016	8,43,979	N.A	43	Super Smelters Limited	N.A	Nil
Ashni Kumar	54	Madhyamik, ITI	Sr Foreman	08.08.2016	8,06,815	14.07	33	Super Smelters Limited	N.A	Nil
Chandan Pal	40	B.E Mechanical	Sr Manager	08.08.2016	8,03,592	13.30	27	Super Smelters Limited	N.A	Nil
Rakesh Kumar Verma	39	M.B.A Finance	Dy. Manager	08.02.2021	6,91,730	N.A	16	Electrosteel Steel Limited	N.A	Nil
Ramesh Kumar Keshari	55	B.A.	Asst. Manager	01.04.2008	6,82,733	N.A	17	Super Smelters Limited	N.A	Nil

* Actual received after deduction & Increase More than 5% Considered

Annexure to the Director's Report *(Contd.)*

Annexure-5

Management Discussion and Analysis

Steel Industry Scenario

Opportunities

The sponge iron sector is linked to the nation's steel sector in such a way that a rise in demand for steel would increase the demand for sponge iron. The various sectors that are expected to contribute to the growing demand are infrastructure, roads, railways, bridges, airports, industrial plants, buildings, automobiles, etc. we are dealing with B2B products and our product commands premium in the market secondly your Company has acquired stake in upcoming Greenfield project and commercial production of investee Company has already started, your Company will start reaping the benefits. In the long run your Company may also try increasing share of secondary steel due to larger availability of scrap, shifting from unorganized market to organized market and exploring export opportunities.

Threats

Availability of raw materials is a major factor apart from the labour issue. The auction of iron ore mine are being conducted by State Governments and it may take time for smooth availability of raw materials. Government policy on duty may also impact demand and supply.

Segment-Wise Performance

Our Companies main products are Billets, Wire Rods and HB Wire. Billets are mainly used as intermediary products and our products basically caters to the B2B segment and has good market for its products.

Outlook

With opening up of Mining Sector availability of raw materials for Steel manufacturing will improve similarly with infrastructure thrust of the present government along with political stability the outlook of the Industry as a whole seems to be positive and your Company is well placed to tap this opportunity going forward. Your Company has already made a strategic investment in a Greenfield Project which will be increased over time.

Risk and concerns

The Key risks are global steel demand scenario, domestic steel demand, economic slowdown, increase in financial charges, non-availability (or undue increase in cost) of raw materials, such as iron ore, coal and labour etc., coupled with market fluctuations. The Company does not apprehend any inherent risk in the long run, with the exception of certain primary concerns that have afflicted the progress of our industry in general, like:

- Shortage of Labour
- Rising manpower and material costs
- Import and Export Duty

Mitigation of Risk /Risk Management

The Board identifies and categorizes risks in the areas of operations, finance, marketing, regulatory compliances and corporate matter. The Company annually reviews the 'List of Risk Area' to identify potential business threats and takes suitable corrective actions. Confirmations of compliance with appropriate statutory requirements are obtained from the respective units/divisions. The Internal Auditor expresses his opinion on the level of risks during the audit of a particular area and reports to the Audit Committee.

The Company is also taking necessary short term and long term steps like exploring Open Access Market for sale of power, expanding customer base, forward integration and energy management etc. The Company has already taken effective steps for raw material security in the long term.

Internal Control Systems and their Adequacy

The Company has appointed Baker Tilly DHC Private Limited to carry out Internal Audit. The Audit is based on focused and risk based Internal Audit plan, which is reviewed each year after consulting the Audit Committee. In line with international practice, the conduct of internal audit is oriented towards the review of Internal Controls and risks in its operations of its business. The Internal Audit function endeavors to make meaningful contributions to the organization's overall Governance, Risk Management and Internal Controls.

The Audit Committee reviews reports submitted by Internal Auditors' suggestions to improve any process are considered by the management and the Audit Committee follows up on corrective actions taken by the management. Singhi & Co, the Statutory Auditors of the Company Audited the Financial Statements included in this Annual Report and issued a report on the Internal Controls over financial reporting (as defined in Section 143 of the Companies Act, 2013).

The Audit Committee also meets the Company's Statutory Auditors to ascertain, inter alia, their views on the adequacy of Internal Control Systems and keeps the Board of Directors informed of its major observations periodically. Based on its evaluation [as provided under Section 177 of the Companies Act, 2013 and Clause 18 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015], the Audit Committee has concluded that as of 31st March, 2022 the Internal Financial Controls were adequate and operating effectively.

Financial and Operational Performance

The Total Revenue of the Company increased from ₹ 37,979.00 Lakhs to ₹ 63,522.90 Lakhs as compared to last year and the Company has earned a Net Profit after Tax of ₹ 1,771.99 Lakhs as compared to the previous year amount of ₹ 1,248.61 Lakhs. The Company is looking forward to

Annexure to the Director's Report *(Contd.)*

increase its profits in the coming Financial Years with the support of all the Stakeholders of the Company.

Significant Changes in Financial Ratios

Some of the Financial Indicators are:

Indicator's	Ratio
Trade Receivable Turnover Ratio	36.51
Current Ratio	1.83
Debt Equity Ratio	0.117
Net Profit Ratio	2.80
Return on Equity Ratio	10.48

Material Developments in Human Resources/Industrial Relations Front and Number of People Employed

The manpower strength of the Company as on 31st March, 2022 was 421. The Company maintained harmonious industrial relations during the Financial Year 2021-22.

Cautionary Statement

Certain statements made in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations whether expressed or implied. Several factors could make significant difference to the Company's Operations. These include climatic and economic conditions affecting demand and supply, Government regulations, taxation, and natural calamities over which the Company does not have any direct control.

Independent Auditor's Report

To the Members of
Supershakti Metaliks Limited

Report on the Audit of the Ind AS Financial Statements

OPINION

1. We have audited the accompanying Ind AS financial statements of Supershakti Metaliks Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Ind AS financial statement").

2. 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, as amended ("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 Standard) Rules 2015, as amended (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and total comprehensive income (comprising profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

BASIS FOR OPINION

3. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 (ICAI) together with the ethical requirements that are relevant to our audit of the Ind AS 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 on the Ind AS financial statements.

KEY AUDIT MATTERS

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Sl. No	Key Audit Matter	Auditor's Response
1.	Valuation of Inventory Refer to note 12 to the Ind AS financial statements. As described in the accounting policies in note 3.5 to the financial statements, inventories are carried at lower of cost or net realisable value. As a result, the management applies judgment in determining the appropriate provisions for obsolete stock based upon a detailed analysis of old inventory, net realisable value below cost based upon future plans for sale of inventory. The total amount of Inventory as on the reporting date stood at Rs. 6,756.87 Lakhs. We determined this to be a matter of significance to our audit due to quantum of the amount, estimation involved.	We have obtained assurance over the appropriateness of the management's assumptions applied in calculating the value of the inventories and related provisions by: i. completed a walkthrough of the inventory valuation process and assessed the design and implementation of the key controls addressing the risk ii. Verifying the effectiveness of key inventory controls operating over inventories; iii. Verifying for a sample of individual products that costs have been correctly recorded. iv. Comparing the net realizable value to the cost price of inventories to check for completeness of the associated provision, if any. v. Reviewing the historical accuracy of inventory provisioning and the level of inventory write-offs during the year, if any.

Independent Auditor's Report *(Contd.)*

Sl. No	Key Audit Matter	Auditor's Response
		vi. Re-computing provisions recorded to verify that they are in line with the Company policy. vii. Also we have reviewed the inventory valuation calculations and compared the cost with the subsequent realization value to confirm whether item is required to be shown at cost or net realizable value. Necessary adjustment has been made wherever it was required to comply with the requirement of Ind AS – 2 "Valuation of Inventories". Based on the above procedures performed, we concluded that measurement and valuation of the inventory at year end is appropriate.

OTHER MATTER

5. The Company had prepared separate sets of statutory financial statements for the year ended 31 March 2021 and 31 March 2020 in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) on which we issued auditor's reports to the shareholders of the Company dated June 29,2021 and July 28, 2020 respectively. These financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have also been audited by us. Our opinion is not modified in respect of this matter.

INFORMATION OTHER THAN THE IND AS FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including annexure to Board's Report, Business Responsibility Report, and Shareholders' Information, but does not include the Ind AS financial statements and our auditor's report thereon.

   Our opinion on the Ind AS 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 Ind AS 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 RESPONSIBILTIY FOR THE IND AS FINANCIAL STATEMENTS

7. 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 financial statements, the respective Management and Board of Directors of the Company's 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE IND AS FINANCIAL STATEMENTS

8. Our objectives are to obtain reasonable assurance about whether the Ind AS 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.

Independent Auditor's Report *(Contd.)*

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 Ind AS financial statements.

9. 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 Ind AS 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 Ind AS financial statement 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 and Board of Directors.

   - 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 Ind AS 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 Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

10. Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS 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 Ind AS financial statements.

11. 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.

12. 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.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS 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 interests of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

14. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

15. 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, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

Independent Auditor's Report *(Contd.)*

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" ;

(g) According to the information and explanations given by the management, the managerial remuneration has been paid/provided in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note 38 to the financial statements;

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The management has represented to us that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;

(b) The management has represented to us that, to the best of it's knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

(c) Based on our audit procedures that are considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under paragraph 15(h) (iv)(a) and (b) above, contain any material misstatement

v. a. The dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

b. As stated in note 17(e) to the financial statements, the Board of Directors of the Company have proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

(Shrenik Mehta)
Partner
Membership No.063769
UDIN: 22063769AJTWIG9857

Place: Kolkata
Dated: 27th May, 2022

Annexure 1 to the Independent Auditor's Report *(Contd.)*

(Referred to in paragraph 14 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of the Company of even date)

With reference to the Annexure referred to in the Independent Auditors' Report to the Members of the Company on the Ind AS financial statements for the year ended 31st March 2022, we report that:

i. In respect of its Property, Plant & Equipment:

a. i) The Company has maintained proper records showing full particulars including quantitative details and situation of the Property, Plant & Equipment.

ii) The Company has maintained proper records showing full particulars of intangible assets.

b. 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 regular programme of physical verification of all Property, Plant & Equipment, over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its Property, Plant and Equipment. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c. According to information and explanations given by the management, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the financial statements are held in the name of the Company.

d. 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 revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets or both during the year.

e. Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its Ind AS financial statements does not arise.

ii. In the respect of matters specified in clause (ii) of paragraphs 3 the Order:

a. The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

b. During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are not in agreement with the books of account, however such differences between the amounts disclosed to the banks and those as per the books of accounts as given in the table below have been reconciled. (Also refer Note 49 to the financial statements.

Name of Bank	Quarter ended	Aggregate working capital limit sanctioned (Rs. in Lakhs)	Nature of current Assets / Liabilities	Amount as per books of account (Rs in Lakhs)	Amount as reported in the quarterly return/ statement (Rs in Lakhs)	Amount of difference (Rs in Lakhs)	Reason for Material difference
Indian Overseas Bank / Bank of Baroda /Union Bank of India	June 30, 2021	8,700	Trade Receivables	2,401.15	1,962.34	(438.81)	Note. 1
			Advance for Inventories	266.78	272.47	5.69	Note. 2
			Inventories	6,707.46	7,208.07	500.62	Note. 3
			Trade Payable for supplies	1,557.33	1,493.19	(64.14)	Note. 4
			Advance from Customers	101.48	125.20	23.73	Note. 5
	September 30, 2021	8,700	Trade Receivables	2,696.95	2,219.84	(477.11)	Note. 1
			Advance for Inventories	1,070.57	1,070.57	-	Note. 2
			Inventories	4,407.29	4,457.69	50.39	Note. 3
			Trade Payable for supplies	898.04	430.91	(467.13)	Note. 4
			Advance from Customers	665.09	665.09	-	Note. 5

Annexure 1 to the Independent Auditor's Report

Name of Bank	Quarter ended	Aggregate working capital limit sanctioned (Rs. in Lakhs)	Nature of current Assets / Liabilities	Amount as per books of account (Rs in Lakhs)	Amount as reported in the quarterly return/ statement (Rs in Lakhs)	Amount of difference (Rs in Lakhs)	Reason for Material difference
	December 31, 2021	11,200	Trade Receivables	2,170.24	1,728.07	(442.17)	Note. 1
			Advance for Inventories	235.31	235.31	-	Note. 2
			Inventories	4,552.80	5,835.29	1,282.49	Note. 3
			Trade Payable for supplies	1,160.93	2,193.40	1,032.47	Note. 4
			Advance from Customers	309.67	431.71	122.04	Note. 5
	March 31, 2022	11.200	Trade Receivables	2013.13	1,798.98	(214.15)	Note. 1
			Advance for Inventories	298.63	610.61	311.98	Note. 2
			Inventories	6756.87	6,987.15	230.28	Note. 3
			Trade Payable for supplies	2741.53	1,115.99	(1625.54)	Note. 4
			Advance from Customers	632.49	587.50	(44.99)	Note. 5

Figures mention in quarterly return/ statement represents the details taken from books of accounts dt 25th March, 2022

Note 1: Impact of sales reversal/ adjustments arising out of provision for debit and credit notes/ expected credit loss provision/ debtors beyond 120 days not considered in returns/ statements submitted to the banks.

Note 2: Impact is immaterial, which is on account of miscellaneous adjustment not considered in returns/ statements submitted to the banks

Note 3: Adjustments pertaining to cut offs, goods in transit, overhead allocation on work-in-progress and finished goods, etc. are done only on finalization of books of accounts/financial statements. Same has not been considered in returns/statements submitted to the banks.

Note 4: Impact of provision for operational expenses not considered in returns/statements submitted to the banks.

Note 5: Impact is immaterial, which is on account of miscellaneous adjustment not considered in returns/ statements submitted to the banks.

iii. In the respect of matters specified in clause (iii) of paragraphs 3 the Order:

a) The Company has not made any investment during the year. The Company has not granted secured/unsecured loans/advances in the nature of loans to any Company/Firm/Limited Liability Partnership/other party during the year other than unsecured loans to one company. The Company did not stood guarantee, or provided security to any Company/Firm/Limited Liability Partnership/ other party during the year. The aggregate amount granted during the year and balance outstanding at the balance sheet date with respect to such loans granted to the aforesaid company are as per the table given below.

Particulars	Related Party (Rs. in Lakhs)
Aggregate amount of Loan granted during the year	2,700
Balance outstanding as at Balance Sheet date in respect of above	NIL

b) In respect of the aforesaid loans to company being related party. the terms and conditions under which such loans were granted/ investments were made/security provided are not prejudicial to the Company's interest.

c) In our opinion and according to the information and explanation given to us, in respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation

d) In respect of the aforesaid loans to company, there is no amount which is overdue for more than ninety days.

e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the over dues of existing loans given to the same parties.

f) The Company has not granted loan or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the investments made and loans, guarantees and security given by the Company.

Annexure 1 to the Independent Auditor's Report *(Contd.)*

v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the central government under sub section (1) of section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods & Services Tax, Duty of Customs, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed dues as above were outstanding as at 31st March, 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, the dues of Excise Duty, Services Tax, Value Added Tax, Sales Tax, Provident Fund, Employees' State Insurance, Income Tax, Goods & Services Tax, Duty of Customs and Cess as at 31st March, 2022 which have not been deposited on account of dispute and forum where the disputes are pending are as under:

Name of Statute	Nature of Dues	Amount (in Rs in lakhs)	Period to which it relates	Forum where dispute is pending
The Central Excise Act, 1944	Cenvat Credit/Service Tax Credit Disallowances	1460.19	2005-2006 to 2014-2015	The Central Excise & Service Tax Appellate Tribunal
The Central Excise Act, 1944	Cenvat Credit/Service Tax Credit Disallowances	213.39	2005-06 to 2012-13	Commissioner Appeals
The Central Goods & Service Tax , 2017	Input Tax Credit Disallowances/ Service Tax Credit Disallowances/Short payment of taxes	770.90	2019-20	Assistant Commissioner
The Central Goods & Service Tax , 2017	Service Tax	130.50	2016-17	Commissioner
The Central Excise Act, 1944	Cenvat Credit/Service Tax Credit Disallowances	872.78	2014-15 to 2017-18	Assistant Commissioner
Income Tax Act 1961	Income Tax	1.25	2017-2018	Deputy Commissioner of Income Tax

viii. According to the information and explanations given to us, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix. a. According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b. According to the information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

c. According to the information and explanations given to us, the Company has applied the term loans for the purpose for which loans were obtained.

d. According to the information and explanations given to us, we report that no funds raised on short term basis have been used for long-term purposes by the Company.

e. The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

f. The Company does not have any subsidiaries, associates or joint ventures. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Companies.

x. a. The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(x)(a) of the Order is not applicable to the company.

Annexure 1 to the Independent Auditor's Report

b. According to the information and explanations given to us, The Company has not made any preferential allotment or private placement of shares or convertible debenture (fully or partly or optionally) during the year and hence reporting under clause (x)(b) of the Order is not applicable to Company.

xi. a. According to the information and explanations given to us and based on our examination of the books and records of the Company, no case of frauds by the Company or on the Company has been noticed or reported during the year.

b. No report under sub-section (12) of Section 143 of the Companies Act 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and upto the date of this report.

c. According to the information and explanations given to us, no whistle blower complaints were received by the Company during the year.

xii. In our opinion and according to the information and explanation provided to us, the company is not a Nidhi Company, therefore, the reporting under Clause 3 (xii)(a), 3(xii)(b) & 3(xii)(c) of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given by the management, all transactions during the year with the related parties were approved by the Audit Committee and are in compliance with section 177 and 188 of the Act, where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.

xiv. a. In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

b. We have considered, the internal audit reports of the Company issued till date, for the period under audit.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. a. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) and 3(xvi)(b) of the Order is not applicable.

b. The Company has not conducted any Non-Banking Financial or Housing Finance activities.

c. The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

d. According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

xvii. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not incurred any cash losses during the current financial year 2021-22 or immediately preceding financial year 2020-21.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) is not applicable.

xix. On the basis of the financial ratios disclosed in Note 51 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

xxi. The Company does not have any subsidiary, associate or joint venture and there is no requirement to prepare consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Company.

For **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

(Shrenik Mehta)
Partner
Membership No.063769
UDIN: 22063769AJTWIG9857

Place: Kolkata
Dated: 27th May, 2022

Annexure 2 to the Independent Auditor's Report *(Contd.)*

(Referred to in paragraph 15(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date in respect to statutory audit of Supershakti Metaliks Limited for the year ended March 31, 2022)

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

1. We have audited the internal financial controls with reference to Ind AS financial statements of Supershakti Metaliks Limited ("the Company") as of 31st March 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

2. The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to Ind AS financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

AUDITORS' RESPONSIBILITY

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS financial statements included obtaining an understanding of internal financial controls with reference to Ind AS financial statements assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

6. A company's internal financial control with reference to Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Ind AS financial statements 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 Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

OPINION

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at 31st March 2022, based on the internal control with reference to Ind AS financial statements 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 **Singhi & Co.**
Chartered Accountants
Firm's Registration No. 302049E

(Shrenik Mehta)
Partner
Membership No.063769
UDIN: 22063769AJTWIG9857

Place: Kolkata
Dated: 27th May, 2022

Balance Sheet as at 31st March, 2022

(₹ in Lakhs)

				Note No.	As At 31st March, 2022	As At 31st March, 2021	1st April, 2020
I.	ASSETS						
	(A)	Non-Current Assets					
		(a)	Property, Plant and Equipment	5	2,973.68	3,380.41	3,748.19
		(b)	Capital Work in Progress	7	986.61	216.18	233.45
		(c)	Right of Use-Assets	6	246.01	263.93	137.56
		(d)	Financial Assets				
			(i) Investments	8	9,689.51	9,453.09	6,244.00
			(ii) Other Financial Assets	9	103.90	452.82	23.56
		(e)	Non -Current Tax Assets (Net)	10	148.42	144.07	500.42
		(f)	Other Non- Current Assets	11	724.88	85.42	114.09
			Total Non-Current Assets	**(A)**	**14,873.01**	**13,995.92**	**11,001.27**
	(B)	Current Assets					
		(a)	Inventories	12	6,756.87	4,729.45	3,211.79
		(b)	Financial Assets				
			(i) Investments	13	199.99	-	0.05
			(ii) Trade Receivables	14	1,981.71	1,489.54	2,122.16
			(iii) Cash and Cash Equivalents	15	317.33	80.60	23.51
			(iv) Bank Balances (other than above)	16	440.00	354.43	191.65
			(v) Other Financial Assets	9	18.51	16.40	19.69
		(c)	Other Current Assets	11	471.64	508.41	2,167.28
			Total Current Assets	**(B)**	**10,186.05**	**7,178.83**	**7,736.13**
			Total Assets	**(A+B)**	**25,059.06**	**21,174.75**	**18,737.40**
II.	EQUITY AND LIABILITIES						
	(A)	Equity					
		(a)	Equity Share Capital	17	1,152.53	1,152.53	1,152.53
		(b)	Other Equity	18	16,728.95	14,781.74	12,581.86
			Total Equity	**(C)**	**17,881.48**	**15,934.27**	**13,734.39**
	(B)	Liabilities					
		(1)	Non-Current Liabilities				
			(a) Financial Liabilities				
			(i) Borrowings	19	212.54	291.63	363.63
			(ii) Lease Liabilities	20	12.18	26.23	-
			(b) Provisions	21	200.02	169.90	140.05
			(c) Deferred Tax Liabilities (Net)	22	1,175.29	1,160.05	949.55
			Total non-current liabilities	**(D)**	**1,600.03**	**1,647.81**	**1,453.23**
		(2)	Current Liabilities				
			(a) Financial Liabilities				
			(i) Borrowings	19	1,874.95	1,667.11	1,076.15
			(ii) Lease Liabilities	20	14.23	12.38	-
			(iii) Trade Payables	23			
			(a) Total outstanding dues of micro enterprises and small enterprises		35.69	10.31	5.41
			(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,705.84	1,564.37	2,079.40
			(iv) Other Financial Liabilities	24	252.55	171.52	160.81
			(b) Provisions	21	21.90	20.17	17.65
			(c) Current Tax Liabilities (Net)	25	18.71	27.29	37.54
			(d) Other Current Liabilities	26	653.68	119.52	172.82
			Total current liabilities	**(E)**	**5,577.55**	**3,592.67**	**3,549.78**
			Total Liabilities	**(F=D+E)**	**7,177.58**	**5,240.48**	**5,003.01**
			Total Equity and Liabilities	**(C+F)**	**25,059.06**	**21,174.75**	**18,737.40**

Significant Accounting Policies and Key accounting estimates & Judgements 1 - 4

The accompanying notes are integral part of the Financial Statements 5 - 57

As per our report of even date annexed herewith

For SINGHI & CO.
Chartered Accountants
Firm Registration No : 302049E

SHRENIK MEHTA
(Partner)
Membership No. 063769

Place: Kolkata

Date: 27th May, 2022

For and on behalf of the Board

SUDIPTO BHATTACHARYYA
(Whole Time Director)
DIN 06584524

DEEPAK AGARWAL
(Director)
DIN 00343812

NAVIN AGARWAL
(Company Secretary)

SHYAM SUNDAR SOMANI
(Chief Financial Officer)

Statement of Profit and Loss for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars		Notes	For the year ended 31 March, 2022	For the year ended 31 March, 2021
INCOME				
Revenue from operations		27	63,363.32	37,683.37
Other income		28	159.58	295.62
Total Income	**(I)**		**63,522.90**	**37,978.99**
EXPENSES				
Cost of Materials Consumed		29	46,413.66	26,558.59
Purchases of Stock-in-Trade			2,035.12	121.43
Changes in Inventories of Finished Goods, Stock-in-Trade & Work-In Progress		30	(79.75)	(1,737.51)
Employee benefits expense		31	984.94	880.59
Finance costs		32	374.26	227.34
Depreciation and amortization expenses		33	497.42	499.56
Other expenses		34	10,966.66	9,807.81
Total Expenses	**(II)**		**61,192.31**	**36,357.81**
Profit before Tax	**(I)-(II)=(III)**		**2,330.59**	**1,621.18**
Tax Expenses		35		
Current tax			556.12	470.58
Deferred tax			26.47	(58.05)
Income Tax for earlier year			(23.99)	(39.96)
Total Tax Expenses	**(IV)**		**558.60**	**372.57**
Profit for the year	**(III)-(IV)= (V)**		**1,771.99**	**1,248.61**
Other Comprehensive Income (OCI)		37		
Items that will not be reclassified to profit or loss				
Fair Valuation of Investments in equity investment designated at OCI			236.42	1,279.03
Re-measurement gain/(loss) on defined benefit plans			(14.82)	(1.59)
Income tax relating to item above			11.23	(268.54)
Other Comprehensive Income/(Loss)	**(VI)**		**232.83**	**1,008.90**
Total Comprehensive Income/(Loss) for the year	**(V)+(VI)=VII**		**2,004.82**	**2,257.51**
Earnings per share				
Basic (₹)			15.37	10.83
Diluted (₹)			15.37	10.83

Significant Accounting Policies and Key accounting estimates & Judgements 1 - 4

The accompanying notes are integral part of the Financial Statements 5 - 57

As per our report of even date annexed herewith

For SINGHI & CO.
Chartered Accountants
Firm Registration No : 302049E

SHRENIK MEHTA
(Partner)
Membership No. 063769

Place: Kolkata
Date: 27th May, 2022

For and on behalf of the Board

SUDIPTO BHATTACHARYYA
(Whole Time Director)
DIN 06584524

DEEPAK AGARWAL
(Director)
DIN 00343812

NAVIN AGARWAL
(Company Secretary)

SHYAM SUNDAR SOMANI
(Chief Financial Officer)

Statement of Cash Flows for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	2021-22		2020-21	
	Amount	Amount	Amount	Amount
Cash Flow from Operating Activities				
Profit Before Tax		**2,330.59**		**1,621.18**
Adjustments for :				
Depreciation & Amortisation Expenses	497.42		499.56	
Interest Income	(61.11)		(39.30)	
Interest on Income Tax Refund	-		(53.94)	
(Profit)/Loss on Sale of Investment	(0.63)		(30.21)	
Excess Liabilities/ Balances Written Back	(38.11)		(136.59)	
Finance Costs	374.26		227.34	
(Profit) / Loss on Sale of Property, Plant & Equipment	-		0.17	
Provision for Doubtful Debt/ Advances	(262.60)		89.96	
Provision for Non-moving/ slow moving Items	0.70		(15.94)	
Sundry Balances and Advances Written off	25.23		-	
Bad Debts / Sundry Balances and Advances Written off	296.28		2.49	
Unwinding of Interest on Fair Valuation of Security Deposit	(0.25)		(0.06)	
Net (Gain)/Loss on Foreign Currency Transactions/ Translations	(17.29)		(13.68)	
Net (Gain)/loss arising from Financial Instruments designated as FVTPL	(10.92)		1.05	
		802.98	-	530.85
Operating Profit Before Working Capital Changes		**3,133.57**		**2,152.02**
Adjustments for :				
Increase/(Decrease) in Trade Payables	1,204.97		(374.58)	
Increase/(Decrease) in Other Liabilities	537.26		(52.05)	
Increase/(Decrease) in Other Financial Liabilities	21.94		(6.74)	
Increase/(Decrease) in provision	30.12		29.85	
Increase/(Decrease) in Other Current Assets	23.73		1,617.20	
(Increase)/ Decrease in Inventories	(2,028.12)		(1,501.72)	
(Increase)/ Decrease in Trade Receivables	(525.85)		540.17	
		(735.96)	-	252.12
Cash Generated from Operations		2,397.62	-	2,404.14
Tax Paid / Refund (Net)		(536.48)	-	(20.33)
Net Cash (used in)/ generated from Operating Activities * (A)		**1,861.14**	**-**	**2,383.81**

Statement of Cash Flows for the year ended 31st March, 2022 (Contd.)

(Amount in ₹)

Particulars	2021-22		2020-21	
	Amount	Amount	Amount	Amount
Cash Flow from Investing Activities			-	-
Purchase of Property, Plant and Equipment & Capital Work in Progress	(1,447.88)		(76.57)	-
Proceeds from Sale of Property, Plant & Equipment	-		1.35	-
Payment towards Leasehold Land	-		(90.93)	
Payment to acquire Long Term Investments	-		(1,930.06)	-
Payment to acquire Short Term Investments	(199.99)		(3,139.71)	-
Proceeds on Sale of Short Term Investments	-		3,169.92	-
Interest received	61.11		86.26	-
Investments in Fixed Deposits	265.51		(581.00)	-
Net Cash used from / (used) in Investing Activities (B)		**(1,321.26)**	-	**(2,560.73)**
Cash Flow from Financing Activities				
Dividend paid	(57.63)		(57.63)	-
Proceeds/(Repayment) from Long Term Loan Borrowings	(73.65)		(67.75)	-
Proceeds/(Repayment) from Short Term Loan Borrowings	202.39		586.71	-
Interest Paid	(371.45)		(226.48)	-
Payment of Lease Liabilities	(2.81)		(0.86)	
Net Cash generated from/ (used in) Financing Activities (C)		**(303.15)**		**234.00**
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)		**236.73**		**57.08**
Cash and Cash Equivalents at the beginning of the year		80.60		23.51
Cash and Cash Equivalents at the end of the year (Refer Note No. 15)		317.33		80.60
Cash & Cash Equivalents Consists of :	**31.03.2022**		**31.03.2021**	
Cash on Hand		16.65		23.42
Balance with Banks		300.68		57.18
Total		**317.33**	-	**80.60**

*** Amount spent towards Corporate Social Responsibility is ₹ 39 Lakhs (Previous Year ₹ 41.40 Lakhs).**

Notes : -

The above Cash Flow Statements has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (IND AS) -7 on statement of Cash Flow as notified under Companies (Accounts) Rules, 2015.

As per our report of even date annexed herewith
For SINGHI & CO.
Chartered Accountants
Firm Registration No : 302049E

SHRENIK MEHTA
(Partner)
Membership No. 063769

Place: Kolkata
Date: 27th May, 2022

For and on behalf of the Board

SUDIPTO BHATTACHARYYA
(Whole Time Director)
DIN 06584524

DEEPAK AGARWAL
(Director)
DIN 00343812

NAVIN AGARWAL
(Company Secretary)

SHYAM SUNDAR SOMANI
(Chief Financial Officer)

Statement of Changes in Equity for the year ended 31st March, 2022

a) Equity Share Capital

(₹ in Lakhs)

Balance as at 1 April, 2020	**1,152.53**
Add/(Less): Changes in equity share capital during the year	-
Balance at 31 March, 2021	**1,152.53**
Add/(Less): Changes in equity share capital during the year	
Balance at 31 March, 2022	**1,152.53**

b) Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus			Items of Other Comprehensive Income	Total
	Securities Premium	General reserve	Retained Earnings	Gain/(Loss) on Equity Instruments FVTOCI	
Balance as at 1 April, 2020	**5,197.59**	**25.41**	**4,855.41**	**2,503.45**	**12,581.86**
Profit/(Loss) for the year	-		1,248.61		1,248.61
Dividend paid			(57.63)		(57.63)
Gain/(Loss) on Equity Instruments FVTOCI				1,279.03	1,279.03
Remeasurement gain/(loss) of defined benefit obligations	-	-	(1.59)	-	(1.59)
Impact of tax	-		0.40	(268.94)	(268.54)
Balance as at 31 March, 2021	**5,197.59**	**25.41**	**6,045.21**	**3,513.54**	**14,781.74**
Profit/(Loss) for the year	-		1,771.99	-	1,771.99
Dividend paid			(57.63)	-	(57.63)
Gain/(Loss) on Equity Instruments FVTOCI				236.42	236.42
Remeasurement gain/(loss) of defined benefit obligations	-		(14.82)		(14.82)
Impact of tax	-		3.73	7.50	11.23
Balance as at 31 March, 2022	**5,197.59**	**25.41**	**7,748.48**	**3,757.47**	**16,728.95**

As per our report of even date annexed herewith
For SINGHI & CO.
Chartered Accountants
Firm Registration No : 302049E

SHRENIK MEHTA
(Partner)
Membership No. 063769
Place: Kolkata
Date: 27th May, 2022

SUDIPTO BHATTACHARYYA
(Whole Time Director)
DIN 06584524

DEEPAK AGARWAL
(Director)
DIN 00343812

NAVIN AGARWAL
(Company Secretary)

SHYAM SUNDAR SOMANI
(Chief Financial Officer)

Significant Accounting Policies and Notes to Financial Statements

1. CORPORATE AND GENERAL INFORMATION

Supershakti Metaliks Limited (the Company), was incorporated in India in the year 2012. The Company is domiciled in India, and has its registered office at 39, Shakespeare Sarani, Premlata Building, 3rd Floor, Kolkata-700 017. The Company is a Public Limited Company incorporated as per the provision of Companies Act applicable in India. The Company is engaged in business of Iron and steel manufacturing and allied activities. The Company is having its integrated steel plant at Durgapur, West Bengal. The shares of the Company are listed on Bombay Stock Exchange, SME Platform.

These financial statements have been approved by the Board of Directors of the Company in their meeting held on 27th May, 2022.

2. BASIS OF ACCOUNTING

2.1 Statement of Compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, read with Section 133 of the Companies Act,2013 ("the Act") and presentation requirements of Division II of Schedule III of the Act and other relevant provisions of the Act as applicable. The Company has uniformly applied the Accounting Policy during the period presented. These are the Company's first IND AS Financial Statements; First Time Adoption of Indian Accounting Standards has been applied.

The transition to Ind AS was carried out voluntarily as on the transition date of 01 April 2020. The financial statements contain an opening balance sheet as on 01 April 2020, comparative information for 31 March 2021 presented under Ind AS and reconciliation for key changes for amounts reported under Indian GAAP and Ind AS.

For all the periods up to, and including 31st March, 2021, the company had prepared its Financial Statements in accordance with Generally Accepted Accounting Principles (GAAP) in India, which includes, Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts), Rules, 2014 and the Companies Act, 2013 (collectively referred to as "Indian GAAP"). The Company followed the provisions of IND AS 101 in preparing its opening IND AS Balance Sheet as of the date of transition, 1st April, 2020.

2.2 Basis of Preparation

The financial statements are prepared on a historical cost basis except for the following assets and liabilities which have been measured at fair value:

- certain financial assets and liabilities which are classified as fair value through Statement of profit and loss or fair value through other comprehensive income;
- defined benefit plans and plan assets.

2.3 Functional and Presentation Currency

The Financial Statements have been presented in Indian National Rupees (INR), which is the Company's functional currency.

2.4 Use of Estimates and Accounting Judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgements based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Any revision to such estimates is recognised in the period in which the same is determined.

2.5 Amendments to Schedule III of the Companies Act, 2013

Ministry of Corporate Affairs (MCA) issued notifications dated 24th March, 2021 to amend Schedule III of the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting 1st April, 2021 and applied to the financial statements:

Significant Accounting Policies and Notes to Financial Statements *(Contd.)*

a. Lease liabilities separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

b. Certain additional disclosures in the standalone Statement of Changes in Equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

c. Additional disclosure for shareholding of promoters.

d. Additional disclosure for ageing schedule of trade receivables, trade payables, capital work-in-progress.

e. Specific disclosure such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in the name of the Company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties etc.

f. Additional disclosures relating to Corporate Social Responsibility (CSR) and undisclosed income.

2.6 Recent Indian Accounting Standards (Ind AS) issued not yet effective

Ministry of Corporate Affairs ("MCA") notified new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 01 April 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in statement of profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37– Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April1,2022, although early adoption is permitted. The Company does not expect the amendment to have any significant impact in its consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

3.1 Property, Plant and Equipment

3.1.1 Recognition and Measurement

Tangible Assets

Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost, less any subsequent accumulated depreciation and impairment losses. The initial cost at cash price equivalence of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, any directly attributable costs of bringing the assets to its working condition and location and present value of any obligatory decommissioning costs for its intended use,

Significant Accounting Policies and Notes to Financial Statements *(Contd.)*

if any.

In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of overheads, directly attributable borrowing costs including trial run expenses (net of revenue).

Any material Spares having useful life of more than one year are capitalised under the respective heads as and when available for use.

Profit or loss arising on the disposal of property, plant and equipment is recognised in the Statement of Profit and Loss.

3.1.2 Subsequent Cost

Subsequent expenditure is recognised as an increase in the carrying amount of the asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits derived from the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of replaced item(s) is derecognised. Any material repairs of property, plant and equipment are recognised in the carrying amount of the item if it is probable that the future economic benefits of the costs incurred will flow to the Company. The carrying amount of the replaced item(s) is derecognised.

3.1.3 Deemed cost on transition to IND AS

On transition to IND AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at April 1, 2020 measured as per previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

3.1.4 Capital Work-in-Progress

Capital work-in-progress is stated at cost which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

3.1.5 Depreciation and Amortisation

Depreciation on tangible assets is provided on straight line method, considering residual value of 5% of the cost of the asset, over the useful lives of the assets, as specified in Schedule II of the Companies Act, 2013 except in case of Plant and Machinery and components thereof, where useful life is determined by technical experts. The useful life assumed by the technical experts is as under:

Asset category	Estimated useful life (in years)
Factory Building & Shed	30 - 60
Plant & Machinery	5 - 30
Furniture & Fixture	10
Vehicles	8 - 10
Office Equipments & Computers	3 - 6

For these classes of assets, based on technical evaluation carried out by external technical experts, the Company believes that the useful lives as given above best represent the period over which Company expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

The estimated useful lives and residual values of depreciable/amortisable assets are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Where the historical cost of a depreciable asset undergoes a change, the depreciation on the revised unamortised depreciable amount is provided over the residual useful life of the asset. Depreciation on addition/deletion during the year is provided on pro-rata basis with reference to the month of addition/ deletion. Assets costing up to Rs. 0.05 Lakhs are fully depreciated in the year in which they are put to use. Depreciation on capital spares is provided over the useful life of the spare or remaining useful life of the mother asset, as reassessed, whichever is lower.

Significant Accounting Policies and Notes to Financial Statements *(Contd.)*

3.2 Intangible assets

3.2.1 Recognition and measurement

Intangible assets are stated at cost less accumulated amortization. Cost includes directly attributable expenditure for making the assets for its intended use.

3.2.2 Subsequent Cost

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the Statement of Profit and Loss.

3.3 Impairment of Non-Financial Assets

The Company reviews the carrying amount of its assets on each Balance Sheet date for the purpose of ascertaining impairment indicators if any, by considering assets of entire Plant as Cash Generating Unit (CGU). If any such indication exists, the assets' recoverable amount is estimated, as higher of the Net Selling Price and the Value in Use. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

3.4 Borrowing costs

Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes exchange difference to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale. The Company considers a period of twelve months or more as a substantial period of time. Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred. If any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

3.5 Inventories

Inventories of stores and spare parts are valued at or below cost after providing for cost of obsolescence and other anticipated losses wherever considered necessary.

Inventories of items other than those stated above are valued at cost or net realizable value whichever is lower. Cost in respect of:

a) Raw Materials, Consumables, Stores & Spares and Traded Goods are computed under weighted average basis.

b) Work-in-Progress and Finished Goods are computed under weighted average basis.

c) By- Products are valued at net realisable value.

Net Realizable Value is the estimated selling price in the ordinary course less the estimated cost of completion and the estimated costs necessary to make the sale.

Materials and other supplies held for use in the production of inventories are not written down below cost if the finished productions in which they will be incorporated are expected to be sold at or above cost.

3.6 Government Grants

Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Where the Grant relates to an

Significant Accounting Policies and Notes to Financial Statements *(Contd.)*

asset value, it is recognised as deferred income, and amortised over the expected useful life of the asset. Other grants are recognised in the statement of Profit & Loss concurrent to the expenses to which such grants relate/ are intended to cover. Where the Company receives non-monetary grants, the asset and the grant are recorded gross at fair amounts and released to the income statement over the expected useful life and pattern of consumption of the benefit of the underlying asset.

3.7 Foreign Currency Transactions

Foreign Currency Transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognised in profit or loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.

Non monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

3.8 Employee Benefits

Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages.

Other Long Term Employee Benefits

The liabilities for leave encashment that are not expected to be settled wholly within twelve months are measured as the present value of the expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurement as the result of experience adjustment and changes in actuarial assumptions are recognized in statement of profit and loss.

Post Employment Benefits

The Company operates the following post employment schemes:

— Defined Benefit Plans

The liability or asset recognized in the Balance Sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods.

The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurement of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss.

— Defined Contribution Plan

Defined contribution plans such as provident fund etc. are charged to the statement of profit and loss as and when

Significant Accounting Policies and Notes to Financial Statements *(Contd.)*

incurred. Contribution to Superannuation fund, a defined contribution plan is made in accordance with the company's policy and is recognised in the Statement of profit and loss.

3.9 Leases

The Company assesses whether a contract is or 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:

1. the contract involves the use of an identified asset
2. the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
3. the Company has the right to direct the use of the asset.

Company as a lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract.

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), variable lease and low value leases. For these short-term, variable lease 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.

3.10 Right-of-use assets

The right-of-use assets are initially recognised 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, if any. 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.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 3.3 Impairment of non-financial assets.

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

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Lease hold Land for 60 years

Office Premises for 3 years

3.11 Lease Liabilities

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

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

Significant Accounting Policies and Notes to Financial Statements *(Contd.)*

- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

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.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease 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.

Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows. Lease liabilities have been classified as current and non current under the head financial liabilities. The Company has used a single discount rate to a portfolio of leases with similar characteristics.

Short-term leases and leases of low-value assets

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

Transitional Provisional to IND AS

On transition to IND AS dated April 1, 2020, the adoption of new standard resulted in recognition of Right-of-Use asset (ROU) of Rs. 137.56 lakh, being leasehold land recognised as ROU Assets transferred from property, plant & equipment. On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

Others

The following is the summary of practical expedients elected on initial application:

(a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

(b) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application, variable lease and low value asset.

(c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

(d) The effective interest rate for lease liabilities is 8.5% p.a.

3.12 Provisions, Contingent Liabilities and Contingent Assets

Provisions and Contingent Liabilities

A Provision is recognised when the Company has present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are discounted to their present value, where the time value of money is material.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as a separate asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognised because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the

Significant Accounting Policies and Notes to Financial Statements *(Contd.)*

amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to Financial Statements.

In cases where the possible outflow of economic resources as a result of present obligation is considered improbable or remote, no Provision is recognised or disclosure is made.

Contingent Assets

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognised though are disclosed, where an inflow of economic benefits is probable.

3.13 Equity and Reserves

Share Capital represents the nominal value of shares that have been issued. Securities premium includes any premium received on issue of Share Capital.

Other components of equity include the following:

- Re-measurement of defined benefit liability comprises the actuarial gain or loss from changes in demographic and financial assumptions and return on plan assets.
- Change in fair value of investment in equity instrument designated as Fair Value through Other Comprehensive Income (FVTOCI).
- General Reserve is created mainly on the account of amalgamation.
- Retained earnings include all current and prior period retained profits.

3.14 Financial Instruments

Recognition, initial measurement and de-recognition

Financial assets and financial liabilities are recognised and are measured initially at fair value adjusted by transactions costs, except for those financial assets which are classified at Fair Value through Profit & Loss (FVTPL) at inception. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- amortised cost
- financial assets at fair value through profit or loss (FVTPL)
- financial assets at fair value through other comprehensive income (FVOCI)

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date.

Amortised cost

A financial asset is measured at amortised cost using effective interest rates if both of the following conditions are met:

a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at FVTPL

Financial assets at FVTPL include financial assets that are either do not meet the criteria for amortised cost classification or that are equity instruments held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. All derivative financial instruments also fall into this category. Assets in this category are measured at fair

Significant Accounting Policies and Notes to Financial Statements (Contd.)

value with gains or losses recognized in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Financial assets at FVOCI

FVOCI financial assets are either debt instruments that are managed under hold to collect and sell business model or are non-trading equity instruments that are irrevocable designated to this category at inception.

FVOCI financial assets are measured at fair value. Gains and losses are recognized in other comprehensive income, except for interest and dividend income, impairment losses and foreign exchange differences on monetary assets, which are recognized in statement of profit or loss.

Classification and subsequent measurement of financial liabilities

Financial liabilities are measured subsequently at amortized cost using the effective interest method, except for financial liabilities held for trading or designated at FVTPL, that are carried subsequently at fair value with gains or losses recognized in profit or loss. All derivative financial instruments are accounted for at FVTPL.

Embedded Derivatives

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the contracts are not measured at FVTPL.

Impairment of Financial Assets

In accordance with IndAS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive.

Trade Receivables

The Company applies approach as specified in Indian Accounting Standards (Ind AS) 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.

Other Financial Assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

3.15 Cash and Cash Equivalents

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

3.16 Income Taxes

Income Tax comprises current and deferred tax. It is recognized in The Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

3.16.1 Current Tax

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

Significant Accounting Policies and Notes to Financial Statements *(Contd.)*

3.16.2 Deferred Tax

Deferred Tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and the unused tax credits.

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

The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit or part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3.17 Impairment

The carrying amounts of Tangible Fixed Assets are reviewed at each balance sheet date to determine, if there is any indication of impairment based on external/internal factors. An impairment loss is recognized wherever the carrying amount of Tangible Fixed Assets exceeds its recoverable amount which represents greater of the "net selling price" and "value in use" of the respective assets. The impairment loss recognized in prior accounting period is reversed if there has been an improvement in recoverable amount.

3.18 Investments

i) Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. The portion of long-term term investments expected to be realized within twelve months after the reporting date are disclosed under current investments.

ii) On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees & duties.

iii) Long-Term Investments designated as equity instrument being non trading in nature are measured at Fair Value through Other Comprehensive Income (FVTOCI).

iv) Short Term Investments being classified as current investment designated as equity instrument / Debt instrument being trading in nature are measured at Fair Value through Profit & Loss (FVTPL).

3.19 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the Government.

a) Sale of Goods

Sale of goods is recognised at the point in time when control of the goods is transferred to the customer. The revenue is measured on the basis of the consideration defined in the contract with a customer, including variable consideration, such as discounts, volume rebates, or other contractual reductions. As the period between the date on which the Company transfers the promised goods to the customer and the date on which the customer pays

Significant Accounting Policies and Notes to Financial Statements (Contd.)

for these goods is generally one year or less, no financing components are taken into account.

Certain contracts provide a customer with a right to return the goods within a specified period. The company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price for goods that are expected to be returned instead of revenue the Company recognises a refund liability. A right of return asset and corresponding adjustment to change in inventory is also recognised for the right to recover products from a customer.

b) Sale of Services

In contracts involving the rendering of services, revenue is measured using the completed service method.

c) Other Operating Revenue

Export incentive and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received. Insurance & other claims, where quantum of accruals cannot be ascertained with reasonable certainty are recognised as income only when revenue is virtually certain which generally coincides with receipt/acceptance.

d) Interest Income

For all financial instruments measured at amortised cost, Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected lift of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

3.20 Earning Per Share

Basic Earning Per Share (EPS) is computed by dividing the net profit or loss for the year attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the result are anti-dilutive.

3.21 Cash Flow Statement

Cash Flow Statement presents the Cash Flows by operating, investing and financing activities of the Company. Cash and Cash equivalents presented in the Cash Flow Statement consist of cash on hand, cash at bank, and short - term investments with an original maturity of three months or less.

3.22 Proposed Divided

Dividend recommended/declared after the Balance Sheet Date but before the Financial Statements are approved by Shareholders in the General Meeting are not recognized as a liability at the Balance Sheet Date because no obligation exists at the Balance Sheet Date. Such Dividend is disclosed in the Notes.

3.23 Measurement of Fair Values

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

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

In the principal market for the asset or liability, or

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

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

Significant Accounting Policies and Notes to Financial Statements *(Contd.)*

its highest and best use.

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

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

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

Level 2- Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

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

External valuers are involved for valuation of significant assets & liabilities. Involvement of external valuers is decided by the management of the company considering the requirements of Ind AS and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

4. SIGNIFICANT JUDGEMENTS AND KEY SOURCES OF ESTIMATION IN APPLYING ACCOUNTING POLICIES

Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

Depreciation / Amortization and Impairment on Property, Plant and Equipment / Intangible Assets:

Property, plant and equipment and intangible assets are depreciated/ amortized on straight-line /written down value basis over the estimated useful lives (or lease term if shorter) in accordance with Schedule II of the Companies Act, 2013, taking into account the estimated residual value, wherever applicable.

The company reviews its carrying value of its Tangible and Intangible Assets whenever there is objective evidence that the assets are impaired. In such situation assets recoverable amount is estimated which is higher than assets or cash generating units (CGU), fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre-tax discount rate which reflect the current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered or otherwise in absence of such transactions appropriate valuations are adopted. The Company reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation / amortization and amount of impairment expense to be recorded during any reporting period. This reassessment may result in change estimated in future periods.

Income taxes :

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes.

Recognition of Deferred Tax Assets :

The extent to which deferred tax assets can be recognised is based on a assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

Defined Benefit Obligation (DBO) :

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.

Significant Accounting Policies and Notes to Financial Statements *(Contd.)*

Provisions and Contingencies :

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37 , 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.

Impairment of Financial Assets :

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

Allowances for Doubtful Debts :

The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

Fair value measurement of Financial Instruments :

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

(₹ in Lakhs)

NOTE '5' - Property, Plant and Equipment

Particulars	Gross carrying Amount				Accumulated Depreciation			NET BLOCK	
	As At 01.04.2021	Addition	Deletion / Adjustment	As At 31.03.2022	As at 01.04.2021	For the Year	Deletion / Adjustment	As at 31.03.2022	As At 31.03.2022
Factory Building & Shed	411.13	-	-	411.13	25.36	25.36	-	50.72	360.41
Plant & Machineries	2,842.84	60.34	-	2,903.17	379.39	366.15	-	745.54	2,157.63
Furniture & Fixture	25.03	2.40	-	27.43	2.37	2.56	-	4.93	22.50
Vehicles (Incl. Cycle)	553.81	1.55	-	555.36	74.17	76.04	-	150.21	405.15
Office Equipments & Computers	38.73	8.49	-	47.22	9.84	9.39	-	19.23	27.99
Total	**3,871.54**	**72.77**	**-**	**3,944.31**	**491.13**	**479.50**	**-**	**970.63**	**2,973.68**

Particulars	Gross carrying Amount				Accumulated Depreciation			NET BLOCK	
	As At 01.04.2020	Addition	Deletion / Adjustment	As At 31.03.2021	As at 01.04.2021	For the Year	Deletion / Adjustment	Upto 31.03.2021	As At 31.03.2021
Factory Building & Shed	411.13	-	-	411.13	-	25.36	-	25.36	385.77
Plant & Machineries	2,726.12	116.72	-	2,842.84	-	379.39	-	379.39	2,463.45
Furniture & Fixture	23.92	1.11	-	25.03	-	2.37	-	2.37	22.66
Vehicles (Incl. Cycle)	550.49	6.38	3.06	553.81	-	75.70	1.53	74.17	479.64
Office Equipments & Computers	36.53	2.20	-	38.73	-	9.84	-	9.84	28.89
Total	**3,748.19**	**126.41**	**3.06**	**3,871.54**	**-**	**492.66**	**1.53**	**491.13**	**3,380.41**

B. Title deeds of immovable properties not held in the name of the Company

All the title deeds are held in the name of the company.

C. Details of Benami Property held

No proceedings have been initiated on or are pending against the company for holding benami property during the reporting year or any preceding financial years under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) [formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)] and Rules made thereunder.

D. Disclosure on revaluation of Property, Plant and Equipment

The Company has not revalued it's Property, Plant and Equipment during the reporting period.

NOTE '6' - Right of Use Assets

Particulars	Gross carrying Amount				Accumulated Depreciation			NET BLOCK	
	As At 01.04.2021	Addition / Adjustment	Less: Sales/ Adjustments	As At 31.03.2022	As at 01.04.2021	For the Year	Less: Sales/ Adjustments	Upto 31.03.2022	As At 31.03.2022
Leasehold Land & Site Development	228.50	-	-	228.50	3.37	3.81	-	7.18	221.31
Building	42.34			42.34	3.53	14.11		17.64	24.70
Total	**270.84**	**-**	**-**	**270.84**	**6.90**	**17.92**	**-**	**24.82**	**246.01**

Particulars	Gross carrying Amount				Accumulated Depreciation			NET BLOCK	
	As At 01.04.2020	Addition	Less: Sales/ Adjustments	As At 31.03.2022	As at 01.04.2021	For the Year	Less: Sales/ Adjustments	Upto 31.03.2022	As At 31.03.2022
Leasehold Land & Site Development	137.57	90.93	-	228.50	-	3.37	-	3.37	225.12
Building	-	42.34		42.34	-	3.53		3.53	38.81
Total	**137.57**	**133.27**	**-**	**270.84**	**-**	**6.90**	**-**	**6.90**	**263.93**

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

i) Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows: ₹ in Lakhs

Particulars	31-03-2022	31-03-2021	01-04-2020
Short-term leases	1.00	17.90	30.42
Leases of low value assets	0.03	0.02	-
Variable lease payments	-	-	-

ii) Total cash outflow for leases for the year ended 31 March, 2022 was 15 Lacs (31 March, 2021 : 3.75 Lakhs).

iii) Maturity of lease liabilities ₹ in Lakhs

The table below provides details regarding the contractual maturities of lease liabilities of contractual commitments as on 31st March 2022 are as follows:

Particulars	Lease payments	Interest expense	Net Present Values
Not later than 1 year	15.95	1.72	14.23
Later than 1 year not later than 5 years	12.59	0.41	12.18
Later than 5 years	-	-	-
	28.54	**2.13**	**26.41**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

iv) The following is the break-up of current and non-current lease liabilities for the year ended as at

₹ in Lakhs

Particulars	31-03-2022	31-03-2021	01-04-2020
Non-current lease liabilities	12.18	26.23	-
Current lease liabilities	14.23	12.38	-
	26.41	**38.61**	**-**

The effective interest rate for lease liabilities is 8.50% (PY 8.50%) as on 31st March, 2022.

v) The following is the movement in lease liabilities for the year ended 31 March 2022 ₹ in Lakhs

Particulars	31-03-2022	31-03-2021
Balance at the beginning of the year	38.61	-
Additions	-	41.50
Finance cost accrued during the year	2.81	0.86
Payment of lease liabilities	(15.01)	(3.75)
	26.41	**38.61**

vi) The following are the amounts recognised in the Statement of Profit & Loss: ₹ in Lakhs

Particulars	31-03-2022	31-03-2021
Depreciation expense of right-of-use assets	17.92	6.90
Interest expense on lease liabilities	2.81	0.86
Interest income on fair value of security deposit	(0.25)	(0.06)
Expense relating to short-term leases (included in other expenses)	1.00	17.90
Expense relating to leases of low-value assets (included in other expenses)	0.03	0.02
Total	**21.51**	**25.61**

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

vii) Information about extension and termination options for the FY ended on 31st March, 2022.

Particulars	Office Premises	Leasehold Land
Number of leases	1	1
Range of remaining term (in years)	1.25 Years	58.3 years
Average remaining lease term (in years)	1.25 Years	58.3 years
Number of leases with extension option	1	1
Number of leases with termination option	-	1

Disclosure on revaluation of Right of use Assets

The Company has not revalued it's Right of use assets during the reporting period.

NOTE '7' - Capital Work-in-Progress

₹ in Lakhs

Particulars	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
Capital Work in Progress	986.61	216.18	233.45

a) Age Analysis of CWIP

CWIP	Amount in CWIP for a period of				Balance as at 31.03.2022
	Less than 1 year	1-2 year	2-3 year	More years than 3	
Project in Progress (A)	773.05	90.50	39.42	83.64	986.61
Projects temporarily suspended (B)	-	-	-	-	-
Capital Work in Progress Total (A + B)	773.05	90.50	39.42	83.64	986.61

CWIP	Amount in CWIP for a period of				Balance as at 31.03.2021
	Less than 1 year	1-2 year	2-3 year	More years than 3	
Project in Progress (A)	92.73	39.81	83.64	-	216.18
Projects temporarily suspended (B)	-	-	-	-	-
Capital Work in Progress Total (A + B)	92.73	39.81	83.64	-	216.18

CWIP	Amount in CWIP for a period of				Balance as at 01.04.2020
	Less than 1 year	1-2 year	2-3 year	More years than 3	
Project in Progress (A)	161.10	72.35	-	-	233.45
Projects temporarily suspended (B)	-	-	-	-	-
Capital Work in Progress Total (A + B)	161.10	72.35	-	-	233.45

b) Expected completion schedule for capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan.

There are no projects as on each reporting date where activity had been suspended. Also there are no projects as on the reporting period which has exceeded cost as compared to its original plan or where completion is overdue.

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

NOTE '8' - Non Current -Investments

₹ in Lakhs

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
INVESTMENT CARRIED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME			
Investment in Equity Instruments (Unquoted)			
Giridhan Metal Private Limited	9,689.51	9,453.09	6,244.00
Aggregate amount of Unquoted Instruments	**9,689.51**	**9,453.09**	**6,244.00**

Details of Investment in unquoted equity instrument:

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
No. of shares (in Lakhs)	31.82	31.82	25.00
Face Value Per shares (In ₹)	10.00	10.00	10.00
Fair Value per shares (in ₹)	**304.51**	**297.08**	**249.76**

Disclosure on Layers of Investment

The Company doesn't have any subsidiary company as defined in Section 2(87) of the Companies Act'2013. The Company has only investment in unquoted share of Giridhan Metal Private Limited shown as above.

NOTE '9' - Other Financial Assets

₹ in Lakhs

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
A. Non-current			
(Unsecured, considered good)			
Security Deposit	8.10	11.10	-
(Includes 31st March, 2022: ₹ 3.75 Lakhs, 31st March, 2021: ₹ 3.75 Lakhs and 1st April, 2020: ₹ NIL to Related parties)			
Earmarked Balances with Banks*	90.65	441.72	23.50
Interest Accrued on Earmarked Balances	5.15	-	0.06
	103.90	**452.82**	**23.56**

*Non-current Earmarked Balances with Bank represents deposits due for realisation after 12 months from the balance sheet date. These are primarily pledged as margin money/ security against issue of Bank guarantees and Letter of Credit.

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
B. Current			
(Unsecured, considered good)			
Security Deposits	-	-	7.24
Foreign Exchange Forward Contract (MTM)	10.92	-	3.10
Interest Accrued on Margin Money	7.59	16.40	9.35
	18.51	**16.40**	**19.69**

NOTE '10' - Non - Current Tax Assets (net)

₹ in Lakhs

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
Advance tax /TDS/TCS and Income Tax Refundable	1,037.24	562.31	1,612.35
Less : Provision for Income Tax	(888.82)	(418.24)	(1,111.93)
	148.42	**144.07**	**500.42**

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

NOTE '11' - Other assets

₹ in Lakhs

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
A. Non-current			
(Considered good-Unsecured)			
Capital Advances	718.33	54.56	99.53
Advances other than Capital Advances			
Security Deposits	-	-	7.96
Prepaid Expenses	6.55	30.86	6.60
Total	**724.88**	**85.42**	**114.09**
B. Current			
Advances other than Capital Advances			
(i) Advances to related parties			
Considered Good-Unsecured (Includes 31st March, 2022: ₹ NIL, 31st March, 2021: ₹ NIL Lakhs and 1st April, 2020: ₹ 1596.34 Lakhs to Related parties)	-	-	1,596.34
Sub Total (i)	-	-	1,596.34
(ii) Other Advances against supply of goods and services			
Considered Good-Unsecured	298.63	337.67	477.81
Considered Doubtful-Unsecured	-	-	-
Less : Provision for Doubtful Advances	**-**	**-**	**-**
	298.63	**337.67**	**477.81**
Balances with Government and statutory authorities	138.21	68.24	21.52
Prepaid expenses	20.82	73.14	44.57
Advances to Employees	0.96	0.36	-
Export Incentive/Duty Drawback Receivable	13.02	16.86	14.90
Other Receivables	-	12.14	12.14
Sub Total (ii)	**471.64**	**508.41**	**570.94**
Total (i)+(ii)	**471.64**	**508.41**	**2,167.28**

NOTE '12' - Inventories

₹ in Lakhs

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
(As taken , Valued and Certified by the Management)			
Raw Materials	2,285.63	577.78	740.12
Raw Materials In Transit	131.63	32.22	-
Work In Progress	179.72	134.14	115.13
Finished Goods	3,839.66	3,805.49	2,086.99
Stores and Spares*	320.23	179.82	269.55
	6,756.87	**4,729.45**	**3,211.79**

*Net of provision of Non moving/Obsolete items (As at 31st March , 2022: 71.17 Lakhs ; As at 31st March, 2021 70.48 lakhs and 1st April, 2020 86.41 lakhs)

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

NOTE '13' - Current - Investments

₹ in Lakhs

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
Investment at Fair Value through Profit or Loss			
Investment in Mutual Fund (Quoted)			
Union Liquid Fund Growth - Direct Plan	199.99	-	0.05
	199.99	**-**	**0.05**
Aggregate Book Value of Quoted Investments	199.99	-	0.05
Aggregate Market Value of Quoted Investments	**199.99**	**-**	**0.05**

NOTE '14' - Trade Receivables

₹ in Lakhs

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
a) Considered good - Unsecured	1,944.90	1,489.54	2,122.16
b) Significant increase in credit risk	68.23	-	-
b) Credit Impaired	-	294.00	204.07
	2,013.13	**1,783.54**	**2,326.23**
Less: Allowance for credit losses	31.42	294.00	204.07
Total	**1,981.71**	**1,489.54**	**2,122.16**

14.1 In determining allowance for credit losses of trade receivables, the Company has used the practical expedient by computing the expected credit loss allowance based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on ageing of the receivables and rates used in the provision matrix.

14.2 The Company considers its maximum exposure to credit risk with respect to customers as at March 31, 2022 to be Rs. 1981.71 lakhs (March 31, 2021: Rs. 1489.54 lakhs & April 01, 2020: Rs.2122.16 lakhs), which is the carrying value of trade receivables after allowance for credit losses.

The Company's exposure to customers is diversified and only one customer contributes more than 10% of the outstanding receivables for an amount Rs. 248.45 lakhs as at March 31, 2022.

14.3 Trade receivable are generally on terms of 0 to 90 days credit period.]

14.4 No trade or other receivables are due from Directors or other officers of the company either severally or jointly with any other person.

14.5 Trade Receivables Includes 31st March, 2022: ₹ NIL, 31st March, 2021: ₹ 0.01 Lakhs and 1st April, 2020: ₹ 63.62 Lakhs to Related parties.

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

For trade receivable outstanding, the ageing schedule is given below:

As at March 31, 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 Month	6 month- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivable -considered good-Unsecured	1,801.14	135.94	7.82	-	-	-	1,944.90
Undisputed Trade receivable - which have significant increase in credit risk	-	11.35	7.04	1.04	28.80	20.00	68.23
Undisputed Trade Receivables- Credit impaired	-	-	-	-	-	-	-
Disputed Trade receivable -considered goods-Unsecured	-	-	-	-	-	-	-
Disputed Trade receivable -which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivable -Credit impaired	-	-	-	-	-	-	-
Total	**1,801.14**	**147.29**	**14.86**	**1.04**	**28.80**	**20.00**	**2,013.13**
Less: Allowance for Credit losses							31.42
Total Trade Receivables							**1,981.71**

As at March 31, 2021

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 Month	6 month- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivable -considered good-Unsecured	1,304.53	112.56	7.98	30.06	-	34.41	1,489.54
Undisputed Trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables- Credit impaired	-	-	1.00	73.44	12.52	207.04	294.00
Disputed Trade receivable -considered goods-Unsecured	-	-	-	-	-	-	-
Disputed Trade receivable -which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivable -Credit impaired	-	-	-	-	-	-	-
Total	**1,304.53**	**112.56**	**8.98**	**103.50**	**12.52**	**241.45**	**1,783.54**
Less: Allowance for Credit losses							294.00
Total Trade Receivables							**1,489.54**

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

As at April 01, 2020

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 Month	6 month- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivable -considered good-Unsecured	1,863.34	122.22	48.83	19.10	23.83	44.84	2,122.16
Undisputed Trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables- Credit impaired	-	-	11.67	6.37	24.58	161.45	204.07
Disputed Trade receivable -considered goods-Unsecured	-	-	-	-	-	-	-
Disputed Trade receivable -which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivable -Credit impaired	-	-	-	-	-	-	-
Total	**1,863.34**	**122.22**	**60.50**	**25.47**	**48.41**	**206.29**	**2,326.23**
Less: Allowance for Credit losses							204.07
Total Trade Receivables							**2,122.16**

NOTE '15' - Cash and cash equivalents

₹ in Lakhs

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
Balances with banks:			
- In current accounts	300.68	57.18	2.83
Cash on hand	16.65	23.42	20.68
Total	**317.33**	**80.60**	**23.51**

NOTE '16' - Bank balances (other than Note 15)

₹ in Lakhs

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
Earmarked Balances with Banks*	440.00	354.43	191.65
Total	**440.00**	**354.43**	**191.65**

*Earmarked balances with bank represent balances held as margin money / security against issue of Bank guarantees and Letter of Credit.

NOTE '17' - Equity share capital

₹ in Lakhs

Particulars	As at 31 March, 2022		As at 31 March, 2021		As at 1 April, 2020	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
Authorized Share Capital						
Ordinary Equity shares of ₹ 10 each	1,50,00,000	1,500.00	1,50,00,000	1,500.00	1,50,00,000	1,500.00
	1,50,00,000	**1,500.00**	**1,50,00,000**	**1,500.00**	**1,50,00,000**	**1,500.00**
Issued Share Capital						
Ordinary Equity shares of ₹ 10 each	1,15,25,278	1,152.53	1,15,25,278	1,152.53	1,15,25,278	1,152.53
	1,15,25,278	**1,152.53**	**1,15,25,278**	**1,152.53**	**1,15,25,278**	**1,152.53**
Subscribed and Paid-up Share Capital						
Ordinary Equity Shares of ₹10/- each fully paid-up	1,15,25,278	1,152.53	1,15,25,278	1,152.53	1,15,25,278	1,152.53
	1,15,25,278	**1,152.53**	**1,15,25,278**	**1,152.53**	**1,15,25,278**	**1,152.53**

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

a) Reconciliation of shares outstanding at the beginning and at the end of the year :

Particulars	As at 31 March, 2022		As at 31 March, 2021		As at 1 April, 2020	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Equity Shares at the beginning of the year	1,15,25,278	1,152.53	1,15,25,278	1,152.53	1,15,25,278	1,152.53
Add/(Less): Changes in equity share capital during the year	-	-	-	-	-	-
Equity Shares at the end of the year	**1,15,25,278**	**1,152.53**	**1,15,25,278**	**1,152.53**	**1,15,25,278**	**1,152.53**

b) Shareholders holding more than 5% shares of the company :

Particulars	As at 31 March, 2022		As at 31 March, 2021		As at 1 April, 2020	
	Number	% Holding	Number	% Holding	Number	% Holding
Veerbhadra Sales Private Limited	16,22,204	14.08%	16,22,204	14.08%	16,22,204	14.08%
Sabita Agarwal	14,79,142	12.83%	14,79,142	12.83%	14,79,142	12.83%
Priti Agarwal	13,53,000	11.74%	13,53,000	11.74%	13,53,000	11.74%
Vibha Agarwal	13,27,000	11.51%	13,27,000	11.51%	13,27,000	11.51%
Khandelwal Finance Private Limited	22,67,114	19.67%	22,67,114	19.67%	6,10,450	5.30%
Avantika Tie up Private Limited	-	0.00%	-	-	9,22,612	8.01%
Aabha Sales Private Limited	-	0.00%	-	-	7,34,052	6.37%

c) Shareholding of Promoters

Particulars	As at 31 March, 2022			As at 31 March, 2021			As at 1 April, 2020		
	Number of Shares	% of Total shares	% change during the year	Number of Shares	% of Total shares	% change during the year	Number of Shares	% of Total shares	% change during the year
Khandelwal Finance Private Limited	22,67,114	19.67	-	22,67,114	19.67	5.60	6,10,450	14.08	-
Veerbhadra Sales Private Limited	16,22,204	14.08	-	16,22,204	14.08	8.79	16,22,204	5.29	-
Deepak Agarwal	1,51,186	1.31	-	1,51,186	1.31	0.00	1,51,186	1.31	-
Dilipp Agarwal	1,25,232	1.09	-	1,25,232	1.09	0.01	1,25,232	1.08	-
	41,65,736	**36.15**	**-**	**41,65,736**	**36.15**		**25,09,072**	**21.76**	**-**

d) Terms / Rights attached to Equity Shares

(i) Voting

The Company has only one class of issued shares i.e. Equity Shares having par value of Rs.10 per share. Each holder of Equity Shares is entitled to one vote per share and equal right for dividend.

(ii) Dividend

The dividend proposed by the Board of Directors if any is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

(iii) Liquidation

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

e) The Board of Directors has recommended a final dividend of Rs.1/- per equity share for the year ended 31st March, 2022 subject to the approval of shareholders at the ensuing Annual General Meeting.

f) No Equity Shares have been reserved for issue under options and contracts/commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

g) No calls are unpaid by any Director or Officer of the Company during the year.

h) No securities convertible into equity or preference shares have been issued by the company during the year.

i) The company does not have any Holding Company/ Ultimate Holding Company.

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

j) The company has:

a) issued 1,07,25,078 number of Equity shares of Rs.10/- each, for consideration other than cash which includes 57,62,639 bonus shares issued during previous year 2019-20.

b) Has not allotted shares persuant to contracts without payment received in cash.

c) not bought back any shares during last 5 years.

NOTE '18' - Other equity

₹ in Lakhs

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
(A) Other Reserves			
(i) Securities Premium:			
Balance at the beginning of the year	5,197.59	5,197.59	5,773.85
Less:- Bonus Issue	-	-	(576.26)
Balance at the end of the year	**5,197.59**	**5,197.59**	**5,197.59**
(ii) General Reserve:			
Balance at the beginning of the year	25.41	25.41	25.41
Balance at the end of the year	**25.41**	**25.41**	**25.41**
(B) Retained Earnings			
Balance at the beginning of the year	6,045.19	4,855.41	3,811.99
Add: Profit for the year	1,771.99	1,248.61	1,101.05
Add/(Less): Actuarial Gain/(Loss) based on the valuation	(14.82)	(1.59)	-
Less: Tax on above	3.73	0.40	-
Less: Dividend paid	(57.63)	(57.63)	(57.63)
Balance at the end of the year	**7,748.46**	**6,045.19**	**4,855.41**
(C) Other Comprehensive Income			
(i) Equity instrument through Other Comprehensive Income			
Balance at the beginning of the year	3,513.54	2,503.45	-
Add/(Less): Changes in Fair Value of equity instruments	236.42	1,279.03	3,244.00
Add/(Less): Tax on above	7.50	(268.94)	(740.55)
Balance at the end of the year	**3,757.47**	**3,513.54**	**2,503.45**
	16,728.95	**14,781.74**	**12,581.86**

Nature and purpose of other reserves

a) Securities premium reserve

Securities premium reserve represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act.

b) General Reserve

Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement of mandatory transfer of a specified percentage of the net profit to general reserve has been withdrawn. General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

c) Retained Earnings

Retain Earnings are created from the profit / loss of the company, as adjusted for distributors to owners, transfer to other reserves etc.

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

d) Equity investment through Other Comprehensive Income

The Company has elected to recognise changes in the fair value of certain investments in equity instruments in Other Comprehensive Income. These changes are accumulated within the "Equity investment through Other Comprehensive Income" reserve within equity. The Company transfers amounts from this reserve to Retained Earnings when the relevant equity shares are derecognised.

NOTE '19' - Borrowings

₹ in Lakhs

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
Non Current			
Vehicle Loan **	212.54	291.63	363.63
Total secured borrowings (A)	**212.54**	**291.63**	**363.63**
Break up of Security Details			
Secured	212.54	291.63	363.63
Unsecured	-	-	-
	212.54	**291.63**	**363.63**
Current			
Short Term Borrowings			
Vehicle Loan	74.86	69.42	65.17
	74.86	**69.42**	**65.17**
Break up of Security Details			
Secured	74.86	69.42	65.17
Unsecured	-	-	-
Loan Repayable on Demand			
-Working capital Loans*	1,800.09	1,597.69	1,010.98
	1,800.09	**1,597.69**	**1,010.98**
	1,874.95	**1,667.11**	**1,076.15**
The above amount includes			
Secured Borrowings	1,874.95	1,667.11	1,076.15
Unsecured Borrowings	-	-	-
	1,874.95	**1,667.11**	**1,076.15**

***Details of Security :**

Working capital loan from Banks of Rs. 1,800.09 lakhs (As on 31st March, 2021 - Rs.1,597.69 lakhs, As on 1st April, 2020 - Rs.1,010.98 lakhs) is secured by first pari- passu charge on the entire current assets and second pari passu charge on the entire fixed assets of Durgapur unit at Kanjilal Avenue, of the Company, Personal Guarantee of directors and relatives and Corporate Guarantee of some of the shareholders.

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

Particulars				As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
****Details of security & Terms of Repayment of Secured Loans from Banks**						
Name of the Bank	**Non Current Maturities**	**Current Maturities**	**Nature of Security**	**Rate of Interest (%)**	**Repayment Terms**	**Instalment Due**
ICICI Bank	-	2.22	Hypothecation of respective assets procured against the Loan.	8.25%	8 installment of Rs. 0.25 Lakhs and 1 instalment of Rs. 0.24 Lakhs ending on 5th December 2022	9
Union Bank of India	209.24	56.60		8.70%	50 instalment of Rs. 6.50 Lakhs ending on 31st May 2026	50
YES Bank	2.33	13.31		8.25%	14 instalment of Rs. 1.17 Lakhs ending on 2nd May 2023	14
YES Bank	0.97	2.73		9.00%	16 instalment of Rs. 0.24 Lakhs ending on 15th July 2023	16
Total	**212.54**	**74.86**				

NOTE '20' - Lease Liabilities

₹ in Lakhs

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
A. Non-current			
Other Lease Liabilities (Refer Note No. 6)	12.18	26.23	
	12.18	**26.23**	**-**
B. Current			
Other Lease Liabilities (Refer Note No. 6)	14.23	12.38	
	14.23	**12.38**	**-**

NOTE '21' - Provisions

₹ in Lakhs

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
A. Non-current			
Provision for Gratuity (Refer Note No. 43)	192.81	163.04	134.68
Provision for Leave Encashment (Refer Note No. 43)	7.21	6.86	5.37
	200.02	**169.90**	**140.05**
B. Current			
Provision for Gratuity (Refer Note No. 43)	0.35	0.35	0.27
Provision for Leave Encashment (Refer Note No. 43)	21.55	19.82	17.38
	21.90	**20.17**	**17.65**

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

NOTE '22' - Deferred Tax Liabilities

₹ in Lakhs

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
DEFERRED TAX LIABILITIES (Net)			
Deferred Tax Liability arising on account of			
On Property, Plant & Equipment	243.49	278.32	310.18
On Fair Valuation of Investment	1,017.15	1,024.66	755.72
On Right of Use Assets	6.22	9.77	-
On the Remeasuement Defined Benefit Obligation & Others	(1.83)	(1.42)	(0.05)
Less : Deferred Tax Assets arising on account of			
On Provision for Employee Benefit	52.54	51.09	43.18
On Provision for Slow and Non-Moving Items	17.56	17.74	21.75
On Expected Credit Loss of Trade Receivable	12.99	72.74	51.37
On Lease Liabilities	6.65	9.72	-
Closing Deferred Tax Liabilities (Net)	**1,175.29**	**1,160.05**	**949.55**

Movement in deferred tax assets and liabilities during the year ended 31st March, 2022

Particulars	As at 1 April, 2021	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31 March, 2022
Deferred Tax Liabilities				
On Property, Plant & Equipment	278.32	(34.85)	-	243.49
On Fair Valuation of Investment	1,024.66	-	(7.51)	1,017.15
On Right of Use Assets	9.77	(3.55)	-	6.22
On the Remeasuement Defined Benefit Obligation & Others	(1.42)	3.32	(3.73)	(1.83)
(A)	**1,311.33**	**(35.08)**	**(11.23)**	**1,265.03**
Deferred Tax Assets				
On Provision for Employee Benefit	51.09	1.45	-	52.54
On Provision for Slow and Non-Moving Items	17.74	(0.18)	-	17.56
On Expected Credit Loss of Trade Receivable	72.74	(59.75)	-	12.99
On Lease Liabilities	9.72	(3.07)	-	6.65
(B)	**151.29**	**(61.55)**	**-**	**89.74**
(A - B)	**1,160.05**	**26.47**	**(11.23)**	**1,175.29**

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

Movement in deferred tax assets and liabilities during the year ended 31st March, 2021.

Particulars	As at 1 April, 2020	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	As at 31 March, 2021
Deferred Tax Liabilities				
On Property, Plant & Equipment	310.18	(31.86)	-	278.32
On Fair Valuation of Investment	755.72	-	268.94	1,024.66
On Right of Use Assets	-	9.77		9.77
On the Remeasuement Defined Benefit Obligation & Others	(0.05)	(0.97)	(0.40)	(1.42)
(A)	**1,065.85**	**(23.06)**	**268.54**	**1,311.33**
Deferred Tax Assets				
On Provision for Employee Benefit	43.18	7.91	-	51.09
On Provision for Slow and Non-Moving Items	21.75	(4.01)		17.74
On Expected Credit Loss on Trade Receivable	51.37	21.37		72.74
On Lease Liabilities	-	9.72	-	9.72
(B)	**116.30**	**34.99**	**-**	**151.29**
(A - B)	**949.55**	**(58.05)**	**268.54**	**1,160.05**

Deferred tax assets and deferred tax liabilities have been offset wherever the company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income tax levied by the same taxation authority.

NOTE '23' - Trade payables (At Amortised Cost)

₹ in Lakhs

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
For goods and services			
- Total outstanding dues of micro and small enterprises	35.69	10.31	5.41
- Total outstanding dues of creditors other than micro and small enterprises			
Acceptance	1,695.26	-	1,213.64
Trade Payales	1,010.58	1,564.37	865.76
	2,741.53	**1,574.68**	**2,084.81**

(Includes 31st March, 2022: ₹ 0.13 Lakhs, 31st March, 2021: ₹ 200.40 Lakhs and 1st April, 2020: ₹ NIL to Related parties)

a) Age analysis of Trade Payables

As at March 31, 2022

Particulars	Unbilled	Outstanding for following periods from due date of payment					Total
		Not Due	Less Than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues - MSME	-	-	35.69	-	-	-	35.69
Undisputed dues- Others	678.27	0.13	2,026.83	0.61	-	-	2,705.84
Disputed dues- MSME	-	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-	-
		0.13	**2,062.52**	**0.61**	**-**	**-**	**2,741.53**

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

As at March 31, 2021

Particulars	Unbilled	Outstanding for following periods from due date of payment					Total
		Not Due	Less Than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues - MSME	-	-	10.31	-	-	-	10.31
Undisputed dues- Others	-	200.39	1,334.56	4.18	-	25.24	1,564.37
Disputed dues- MSME	-	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-	-
	-	**200.39**	**1,344.87**	**4.18**	**-**	**25.24**	**1,574.68**

As at March 31, 2020

Particulars	Unbilled	Outstanding for following periods from due date of payment					Total
		Not Due	Less Than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues - MSME	-	-	5.41	-	-	-	5.41
Undisputed dues- Others	-	-	2,017.90	10.80	3.27	47.43	2,079.40
Disputed dues- MSME	-	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-	-
	-	**-**	**2,023.31**	**10.80**	**3.27**	**47.43**	**2,084.81**

b) Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended 31 March 2022 and year ended 31 March 2021 and 1st April, 2020 respectively are given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	**As at 31 March, 2022**	**As at 31 March, 2021**	**As at 1 April, 2020**
a) principal amount remaining unpaid to supplier at the end of the year	35.69	10.31	5.41
b) Interest due thereon remaining unpaid to supplier at the end of the year	Nil	Nil	Nil
c) The amount of interest paid by the buyer in terms of Section 16 of the Act,2006 along with the amounts of payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil	Nil
d) The amount of interest due and payable for the period of delay in making payment (which have paid but beyond the appointed day during the year) but without adding interest specified under Act)	Nil	Nil	Nil
e) The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil	Nil
f) The amount of further interest remaining due and payable even in succeeding years	Nil	Nil	Nil

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

NOTE '24' - Other Current financial liabilities

₹ in Lakhs

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
Employee Related Liabilities (Includes 31st March, 2022: ₹ 8.03 Lakhs, 31st March, 2021: ₹ 7.43 Lakhs and 1st April, 2020: ₹ 8.92 Lakhs to Related parties)	121.13	113.27	102.79
Foreign Exchange Forward Contract (Net)	-	1.05	-
Interest accrued but not due on borrowings	0.18	0.30	0.43
Interest accrued and due on borrowings	-	-	1.93
Security Deposit Payable	-	-	5.00
Amount Payable for Capital Goods	65.45	6.36	18.75
Contractor Related Liabilities	65.79	50.54	31.91
	252.55	**171.52**	**160.81**

NOTE '25' - Current tax liabilities (net)

₹ in Lakhs

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
Provision for income tax (Net of advance)	18.71	27.29	37.54
	18.71	**27.29**	**37.54**

NOTE '26' - Other current liabilities

₹ in Lakhs

Particulars	As at 31 March, 2022	As at 31 March, 2021	As at 1 April, 2020
Advance Received from Customer	632.49	101.50	160.02
Statutory dues	21.19	18.02	12.80
	653.68	**119.52**	**172.82**

NOTE '27' - Revenue from operations

₹ in Lakhs

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
(A) Sale of Products		
Domestic Sale	61,126.40	36,611.72
Export Sale	197.32	939.72
Trading Sale	2,039.60	121.43
Total (A)	**63,363.32**	**37,672.87**
(B) Other operating revenues		
Export Benefits	-	10.50
Total (B)	**-**	**10.50**
Total (A+B)	**63,363.32**	**37,683.37**

(i) Nature of goods and services

The Company is engaged in the manufacturing of Iron & Steel products and generate revenue from the sale of the product. It is also the only reportable segment of the Company.

(ii) Disaggregation of revenue for the year ended 31st March, 2022 and 31st March, 2021

In the following table, revenue is disaggregated by major products lines and primary geographical market etc.

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
- Based on major products		
Iron & Steel Products	63,363.32	37,672.87
Others	-	-
	63,363.32	**37,672.87**
- Based on geographical market		
India	63,166.00	36,733.15
Outside India	197.32	939.72
	63,363.32	**37,672.87**

(iii) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Receivables, which are included in 'Trade receivable'	1,981.71	1,489.54
Contract Assets	-	-
Contract Liabilities	632.49	101.50

(iv) Reconciliation of amount of revenue recognised in the Statement of Profit and Loss with Contracted price.

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Revenue as per Contracted price	63,363.32	37,672.87
Less: Discounts and Commissions	-	-
Revenue from Contact with Customers	**63,363.32**	**37,672.87**

NOTE '28' - Other income

₹ in Lakhs

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Interest Income		
On Margin Money	29.44	22.50
On Income Tax	-	53.95
On Unwinding of Interest on Financial Assets	0.25	0.06
On Others	31.67	16.80
Other Non-Operating Income:		
Insurance Claim and Miscellaneous Receipt	30.57	5.90
Net Gain/(Loss) on Sale of Current Investments	0.63	30.21
Net Gain/(Loss) on Foreign Currency Transactions/ Translations	17.29	13.68
Net Gain arising from Financial Instruments designated as FVTPL (MTM)	10.92	-
Excess Liabilities/ Provision written back	38.81	152.52
Profit on Sale of Property, Plant & Equipment (Net)	-	-
Total	**159.58**	**295.62**

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

NOTE '29' - Cost of Materials Consumed

₹ in Lakhs

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Inventory at the beginning of the year	577.78	740.12
Add: Purchases	48,121.51	26,396.25
	48,699.29	27,136.37
Less: Inventory at the end of the year	2,285.63	577.78
Total	**46,413.66**	**26,558.59**

NOTE '30' - Changes in Inventories of Finished Goods, Stock-in-Trade & Work-In Progress

₹ in Lakhs

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
(A) Inventories at the end of the year		
Finished Goods	3,839.66	3,805.49
Work In progress	179.72	134.14
Total (A)	**4,019.38**	**3,939.63**
(B) Inventories at the beginning of the year		
Finished Goods	3,805.49	2,086.99
Work In progress	134.14	115.13
Total (B)	**3,939.63**	**2,202.12**
Change in Inventories (B-A)	**(79.75)**	**(1,737.51)**

NOTE '31' - Employee benefits expense

₹ in Lakhs

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Salaries, Wages & Bonus	884.93	791.61
Managerial Remuneration	13.15	10.99
Contribution to Provident and Other funds	62.57	49.63
Gratuity Expenses	14.95	26.85
Staff Welfare Expenses	9.34	1.51
Total	**984.94**	**880.59**

NOTE '32' - Finance costs

₹ in Lakhs

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
(i) Interest Expenses		
- on Working Capital loan	171.55	57.65
- on Vehicle loan	24.36	31.79
- on Lease Liabilities	2.81	0.86
- on others	0.53	0.33
(ii) Exchange differences regarded as an adjustment to Borrowing Cost	-	12.16
(iii) Other Borrowing Cost	175.01	124.55
Total	**374.26**	**227.34**

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

NOTE '33' - Depreciation and amortization Expenses

₹ in Lakhs

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
On Tangible Assets	479.50	492.66
On Right of use Assets	17.92	6.90
Total	**497.42**	**499.56**

NOTE '34' - Other expenses

₹ in Lakhs

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
MANUFACTURING EXPENSES		
Consumption of Stores & Spares	1,307.70	1,057.04
Power & Fuel	8,679.36	7,884.63
Repairs to Machinery	18.51	16.16
Job /Labour Charges	506.84	443.87
Other Manufacturing Expenses	28.47	25.50
Less : Power & Fuel Capitalised/ Transferred to CWIP	6.14	11.16
TOTAL (A)	**10,534.74**	**9,416.04**
SELLING & ADMINISTRATION EXPENSES		
Advertisement, Subscription and Business Promotion Expenses	23.26	14.09
Corporate Social Responsibility Expenses	39.00	41.40
Carriage Outwards /Forwarding Charges	52.08	14.44
Fees, Rates & Taxes	47.10	64.71
Bank Charges	1.96	2.72
Insurance	21.62	19.05
Director's Sitting Fees	1.08	1.00
Premium / Discount on Forward contracts	-	7.50
Net Loss arising from Financial Instruments designated as FVTPL (MTM)	-	1.05
Motor Vehicle Expenses	14.59	10.36
Rent/ Lease Line Charges	2.42	19.22
Repairs to other Assets	23.24	20.88
Loss on Sale/Discard of Property, Plant & Equipment	-	0.17
Professional & Legal Expenses (Incudes Retainership Fees)	57.90	45.32
Printing & Stationery	3.24	2.10
Auditor's Remuneration & Expenses	6.23	6.40
Bad Debts / Sundry Balances written off	296.28	2.49
Reversal of Provsion for Doubtful Debts relating to earlier year	(262.60)	(5.04)
Provsion for sundry balance relating to earlier year	25.23	-
Allowances for Credit Losses/ Provison for Advances	-	95.00
Provision for Non-moving/ Obsolete Store Item	0.70	-
Security Charges	67.72	66.67
Miscellaneous Expenses	12.58	4.66
TOTAL (B)	**433.66**	**434.20**
Less: Amount Transfer to Capital Work In Progress / Pre Operative Expenses (Refer Note No.)	1.74	42.43
TOTAL (C)	**1.74**	**42.43**
TOTAL (A+B-C)	**10,966.66**	**9,807.81**

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Payment to auditors		
As auditors		
Statutory Audit fees	4.00	4.00
Limited Review	1.50	1.50
Tax audit fees	0.50	0.50
Certification Job	-	0.15
Reimbursement of expenses	0.23	0.25
	6.23	**6.40**

NOTE '35' - Tax expenses

₹ in Lakhs

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Income tax recognised in the Statement of Profit and Loss		
Current tax	556.12	470.58
Deferred tax	26.47	(58.05)
Income tax for earlier Tax	(23.99)	(39.96)
	558.60	**372.57**

NOTE '36' - Reconciliation of estimated Income tax expense at Indian statutory Income tax rate to income tax expense reported in statement of Profit & Loss account.

₹ in Lakhs

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Profit/(loss) before tax	2,330.59	1,621.18
Indian statutory income tax rate	25.17%	25.17%
Estimated Income tax expenses	586.56	408.02
Tax effect on:		
CSR Expenditure	9.82	10.42
On the Account of Section 43B of Income Tax Act, 1961	15.31	13.21
On the Account of Depreciation	39.48	27.84
On the Account of Provision of Debtors & Stores	(80.63)	18.63
Others	(14.42)	(7.54)
Current tax provision	**556.12**	**470.58**
Deferred Tax Liability / (Assets) - (Refer Note No - 22)	26.47	(58.05)
Adjustment for Income Tax in relation to earlier years	(23.99)	(39.96)
Income Tax expenses recognised in Statement of Profit & Loss account	**558.60**	**372.57**
Effective Tax Rate	23.97%	22.98%

NOTE '37' - Other comprehensive income

₹ in Lakhs

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Items that will not be reclassified subsequently to statement of profit and Loss		
(a) Fair Valuation of Investments in equity instruments designated at OCI	236.42	1,279.03
(b) Remeasurement gain/(loss) on defined benefit plans	(14.82)	(1.59)
Less : Tax expense on the above	11.23	(268.54)
	232.83	**1,008.90**

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

NOTE '38' - Contingent Liabilities and Commitments (to the extent not recorded a liability in accounts)

₹ in Lakhs

	Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
(i)	**Contingent Liabilities**		
	Litigation for various matters relating to:		
	- Excise Duty & Service Tax	3,447.76	2,227.07
	- Income Tax	1.25	-
		3,449.01	**2,227.07**
	# Figures consists of original demand and penalty		
(ii)	**Commitments**		
	(a) Capital Commitments		
	Estimated amount of contracts remaining to be executed on account of capital goods and not provided as liability in accounts (Net of Advances)	771.42	177.12
	(b) Other Commitments		
	Outstanding Bank Guarantee	2,504.70	2,504.69
		3,276.12	**2,681.81**

39 Others Additional Statutory Information:

39.1 Utilisation of borrowings

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

39.2 Disclosure on Loans & Advances

There is no outstanding loan as at 31/03/2022 which is repayable on demand.

During the current and previous year there are no Loans or Advances in the nature of loans granted to promoters, directors, KMPs and the related parties, that are without specifying any terms or period of repayment.

Details of loans made by the Company under Section 186 of the Companies Act, 2013, during the financial year 2021-22 are given below:

Name of the Entity	Relation	Amount of Loan Given during the year (₹ in Lakhs)	Amount outstanding as on 31/03/2022 (₹ in Lakhs)	Particulars of loan, guarantee and investments	Purpose for which the loan is proposed to be utilised
Promotional Equity Services Pvt. Ltd.	Refer Note No. 41.1 (iii)	2700	Nill	Loan	Business Purpose

39.3 Wilful Defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

39.4 Relatioship with Struck off companies

The Company does not have any transactions with companies struck off as defined in Section 248 of the Companies Act'2013 or section 560 of Companies Act, 1956.

39.5 Registration of Charges or Satisfaction with ROC

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

39.6 Disclosure on compliance with approved scheme(s) of Arrangements

During the year no Scheme of Arrangement has been formulated by the Company/pending with competent authority.

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

39.7 Disclosure of Utilisation of Borrowed funds and share premium

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

39.8 Disclosure regarding undisclosed income

During the year, the Company has not surrendered or disclosed any income in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Accordingly, there are no transaction which are not recorded in the books of accounts.

39.9 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

40 The details of Corporate Social Responsibility as prescribed under section 135 of the Companies Act, 2013 as follows:

SL NO.	Particulars	31-03-2022	31-03-2021
a	Gross Amount required to be spent during the year	38.89	41.11
b	Amount approved by the board to be spent during the year	38.89	41.11
c	Amount spent during the year on:		
	i) Construction/acquisition of any asset	39.00	21.40
	ii) On purposes other than i) above	-	20.00
d	Amount of expenditure incurred	39.00	41.40
e	Shortfall at the end of the year	-	-
f	Total of previous years shortfall	-	-
g	Reason for shortfall	-	-
h	Nature of CSR activities		
	Activities specified in Schedule VII of the Act	Construction of Training hall, school, healthcare etc	
	Activities Other than specified in Schedule VII of the Act	-	-
i	Details of related party transactions	-	21.00

Note: The above CSR expenditure incurred by the company through a charitable trust Supershaki Foundation . The objectives of Supershakti Foundation includes working in areas of social, economic and health and hygiene awareness, women empowerment education , Rural Infrastructure development , promote flora / fauna etc.

41 Code on Social Security

During the previous year ended 31st March, 2021 the Central Government has published "The Code on Social Security, 2020" and "Industrial Relations Code, 2020" ("the Codes") in the Gazette of India, inter alia, subsuming various existing labour and industrial laws which deals with employees related benefits including post employment. The effective date of the codes thereunder and the rules are yet to be notified. The impact of the legislative changes, if any, will be assessed and recognised post notification of the relevant provisions.

42 Borrowing secured against current assets

RECONCILIATION OF STOCK STATEMENT

The Company has been sanctioned working capital facilities from banks on the basis of security of current assets. The company has filed quarterly returns/ statements with such banks which are not in agreement with the audited books of account, however such differences between the amounts disclosed to the banks and those as per the books of accounts have been reconciled. Refer table below for summary of reconciliation and reasons of material discrepancies.

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

Name of bank / Financial Institution	Section Limit	Quarter ended	Nature of current Assets / Liabilities	Amount as per books of account (A)	Amount as reported in the quarterly return/ statement (B)	Amount of difference (B-A)	Reason for Material difference
Indian Overseas Bank / Bank of Baroda / Union Bank of India	8,700	June 30, 2020	Trade Receivables	1,877.09	1,454.87	(422.22)	Note 1
			Advance against Raw Materials	2,645.53	2,665.40	19.87	Note 2
			Inventories	1,609.34	1,630.58	21.24	Note 3
			Trade Payables for supplies	1,110.93	293.94	(816.99)	Note 4
			Advance from Customers	235.63	319.45	83.82	Note 5
Indian Overseas Bank / Bank of Baroda / Union Bank of India	8,700	September 30, 2020	Trade Receivables	1,871.36	1,373.31	(498.05)	Note 1
			Advance against Raw Materials	160.67	160.67	-	Note 2
			Inventories	3,498.38	4,314.82	816.44	Note 3
			Trade Payables for supplies	1,634.43	1,062.28	(572.15)	Note 4
			Advance from Customers	382.55	460.45	77.90	Note 5
Indian Overseas Bank / Bank of Baroda / Union Bank of India	8,700	December 31, 2020	Trade Receivables	2,275.95	2,034.54	(241.41)	Note 1
			Advance against Raw Materials	222.10	222.10	(0.00)	Note 2
			Inventories	3,822.62	4,715.19	892.57	Note 3
			Trade Payables for supplies	1,379.75	657.39	(722.36)	Note 4
			Advance from Customers	380.12	574.29	194.17	Note 5
Indian Overseas Bank / Bank of Baroda / Union Bank of India	8,700	March 31, 2021	Trade Receivables	1,783.54	1,351.94	(431.60)	Note 1
			Advance against Raw Materials	337.67	308.38	(29.29)	Note 2
			Inventories	4,729.45	4,757.72	28.27	Note 3
			Trade Payables for supplies	1,574.68	893.87	(680.81)	Note 4
			Advance from Customers	101.50	154.51	53.01	Note 5
Indian Overseas Bank / Bank of Baroda / Union Bank of India	8,700	June 30, 2021	Trade Receivables	2,401.15	1,962.34	(438.81)	Note 1
			Advance against Raw Materials	266.78	272.47	5.69	Note 2
			Inventories	6,707.46	7,208.07	500.61	Note 3
			Trade Payables for supplies	1,557.33	1,493.19	(64.14)	Note 4
			Advance from Customers	101.48	125.20	23.73	Note 5
Indian Overseas Bank / Bank of Baroda / Union Bank of India	8,700	September 30, 2021	Trade Receivables	2,696.95	2,219.84	(477.11)	Note 1
			Advance against Raw Materials	1,070.57	1,070.57	-	Note 2
			Inventories	4,407.29	4,457.69	50.40	Note 3
			Trade Payables for supplies	898.04	430.91	(467.13)	Note 4
			Advance from Customers	665.09	665.09	0.00	Note 5

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

Name of bank / Financial Institution	Section Limit	Quarter ended	Nature of current Assets / Liabilities	Amount as per books of account (A)	Amount as reported in the quarterly return/ statement (B)	Amount of difference (B-A)	Reason for Material difference
Indian Overseas Bank / Bank of Baroda / Union Bank of India	11,200	December 31, 2021	Trade Receivables	2,170.24	1,728.07	(442.17)	Note 1
			Advance against Raw Materials	235.31	235.31	-	Note 2
			Inventories	4,552.80	5,835.29	1,282.49	Note 3
			Trade Payables for supplies	1,160.93	2,193.40	1,032.47	Note 4
			Advance from Customers	309.67	431.71	122.04	Note 5
Indian Overseas Bank / Bank of Baroda / Union Bank of India	11,200	# March 31, 2022	Trade Receivables	2,013.13	1,798.98	(214.15)	Note 1
			Advance against Raw Materials	298.63	610.61	311.98	Note 2
			Inventories	6,756.87	6,987.15	230.28	Note 3
			Trade Payables for supplies	2,741.53	1,115.99	(1,625.56)	Note 4
			Advance from Customers	632.49	587.50	(44.99)	Note 5

 # Statement for the quarter ended March 25, 2022 are being submitted to bank.

Notes

Note 1: Impact of sales reversal/ adjustments arising out of provision for debit and credit notes/ expected credit loss provision/ debtors beyond 120 days not considered in returns/ statements submitted to the banks.

Note 2: Impact is immaterial, which is on account of miscellaneous adjustment not considered in returns/ statements submitted to the banks.

Note 3: Adjustments pertaining to cut offs, goods in transit, overhead allocation on work-in-progress and finished goods, etc. are done only on finalisation of books of accounts/financial statements. Same has not been considered in returns/statements submitted to the banks.

Note 4: Impact of provision for operational expenses not considered in returns/statements submitted to the banks.

Note 5: Impact is immaterial, which is on account of miscellaneous adjustment not considered in returns/ statements submitted to the banks.

43 Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013.

a) Defined Contribution Plan

The amount recognized as an expense for the Defined Contribution Plans are as under: ₹ in Lakhs

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
Employer's Contribution to Provident Fund	45.71	34.66

b) Defined Benefit Plan

The following are the types of defined benefit plans:

(i) Gratuity Plan

Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

(ii) Provident Fund

Provident Fund (other than government administered) as per the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952.

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

(iii) Leave obligations

The Obligation for Leave encashment is determined and recognised in the same manner as gratuity.

c) Risk Exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

a) **Interest rate risk:** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

b) **Salary escalation risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

c) **Demographic risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

d) **Liquidity Risk:** This is the risk that the Company is not able to meet the short-term gratuity pay-outs. This may arise due to non availability of enough cash/ cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

e) **Regulatory Risk:** Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20,00,000).

f) **Asset Liability Mismatching or Market Risk:** The duration of the liabilty is longer compared to duration of assets,exposing the Company to market risk for volatilities/fall in interest rate.

g) **Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

h) **Asset Liability Mismatching or Market Risk:** The duration of the liabilty is longer compared to duration of assets, exposing the Company to market risk for volatilities/fall in interest rate.

d) Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/ liability and its components:

Particulars	Gratuity (Funded)		Gratuity (Unfunded)		Leave Encashment	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Balance at the beginning of the year	144.47	125.99	31.22	25.16	7.00	5.48
Current Service Cost	2.60	8.72	5.60	8.96	2.35	1.79
Interest Expense or Cost	5.46	8.56	2.12	1.71	0.48	0.37
Re-measurement (or Actuarial) (gain) / loss arising from:						
Changes in demographic assumptions		-		-	-	-
Changes in financial assumptions	5.42	-	2.58	-	(0.45)	-
experience variance (i.e. Actual experience vs assumptions	4.67	3.92	1.86	(4.61)	(0.33)	(0.64)
Benefits Paid	(7.34)	(2.72)	-	-	(0.82)	-
Balance at the end of the year	**155.28**	**144.47**	**43.38**	**31.22**	**8.23**	**7.00**

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

e) Reconciliation of the Plan Assets

The following table shows a reconciliation from the opening balances to the closing balances for the Plan Assets and its components:

Particulars	Gratuity (Funded)		Gratuity (Unfunded)		Leave Encashment	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Balance at the beginning of the year	12.29	16.18	-	-	-	-
Investment Income	0.84	1.10	-	-	-	-
Benefits Paid	(7.34)	(2.72)	-	-	-	-
Return on plan assets , excluding amount recognised in net interest expense	(0.29)	(2.27)	-	-	-	-
Balance at the end of the year	**5.50**	**12.29**	**-**	**-**	**-**	**-**

f) Reconciliation of Fair Value of Assets & Obligation

Particulars	Gratuity (Funded)			Gratuity (Unfunded)		
	March 31, 2022	March 31, 2021	April 1, 2020	March 31, 2022	March 31, 2021	April 1, 2020
Present value of Defined Benefit Obligation	155.28	144.47	125.99	43.38	31.22	25.16
Fair Value of Plan Assets	5.50	12.29	16.18	-	-	-
Surplus / (Deficit)	(149.78)	(132.18)	(109.80)	(43.38)	(31.22)	(25.16)
Net Assets/ (Liability) recognised in the Balance Sheet	**(149.78)**	**(132.18)**	**(109.80)**	**43.38**	**31.22**	**25.16**

Particulars	Leave Encashment		
	March 31, 2022	March 31, 2021	April 1, 2020
Present value of Defined Benefit Obligation	8.23	7.00	5.48
Fair Value of Plan Assets	-	-	-
Surplus / (Deficit)	(8.23)	(7.00)	(5.48)
Net Assets/ (Liability) recognised in the Balance Sheet	**(8.23)**	**(7.00)**	**5.48**

g) Expenses recognized in profit or loss

Particulars	Gratuity (Funded)		Gratuity (Unfunded)		Leave Encashment	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Current Service Cost	2.60	8.72	5.60	8.96	2.35	1.79
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	4.63	8.56	2.12	1.71	0.48	0.37
Re-measurement (or Actuarial) (gain) / loss arising from:						
Changes in demographic assumptions	-	-	-	-		-
Changes in financial assumptions	-	-	-	-	(0.45)	-
Experience v)ariance (i.e. Actual experience vs assumptions	-	-	-	-	(0.33)	(0.64)
Total	**7.23**	**17.28**	**7.72**	**10.67**	**2.05**	**1.52**

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

h) Remeasurements recognized in other comprehensive income

Particulars	Gratuity (Funded)		Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Remeasurements:						
(Gain)/loss from change in demographic assumptions	-	-		-	-	-
(Gain)/loss from change in financial assumptions	5.42	-	2.58	-	-	-
Experience variance (i.e. Actual Experience vs assumptions)	4.67	3.92	1.86	(4.61)	-	-
Return on plan assets, excluding amount recognised in net interest expense	0.29	2.27		-	-	-
Components of defined benefit costs recognised in other comprehensive income	10.38	6.19	4.44	(4.61)	-	-

Major Categories of Plan Assets

Particulars	Gratuity (Funded)		Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Qualified Insurance Policy	-	-	-	-	-	-
Insurer Managed Funds	100%	100%	-	-		-

(i) The Gratuity Scheme is invested in a Group Gratuity - Cum - Life Assurance Cash accumulation policy offered by Life Insurance Corporation (LIC) of India. The information on the allocation of the fund into major asset classes and expected return on each major class are not readily available. The expected rate of return on plan assets is based on the assumed rate of return provided by the company.

(i) Asset Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

j) Actuarial Assumptions

Particulars	Gratuity (Funded)		Gratuity (Unfunded)	
	2021-22	2020-21	2021-22	2020-21
Financial Assumptions				
Discount Rate	7.25%	6.80%	7.25%	6.80%
Salary Escalation Rate	7.30%	7.00%	7.75%	7.00%
Demographic Assumptions				
Mortality Rate	100% of IALM 2012-2014	100% of IALM 2012-2014	100% of IALM 2012-2014	100% of IALM 2012-2014
Normal retirement age	58 Years	58 Years	58 Years	58 Years
Withdrawal Rate				
Upto 44 years	2.00%	2.00%	2.00%	2.00%
Above 44 years	1.00%	1.00%	1.00%	1.00%

k) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

l) Maturity Analysis

The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows:

Particulars	Gratuity (Funded)		Gratuity (Unfunded)		Leave Encashment (Unfunded)	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
1 Year	7.50	7.95	0.73	0.35	1.03	0.15
2 to 5 Years	42.74	35.30	7.45	5.43	2.73	2.30
6 to 10 Years	78.74	80.42	9.27	5.64	0.78	0.67
More than 10 Years	185.51	178.71	131.80	89.24	19.10	18.23
Weighted average duration of defined benefit obligation (based on discounted cashflows)	9 years	10 years	15 years	15 years	13 years	15 years

m) Sensitivity Analysis

The sensitivity analysis below have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. 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:

Gratuity (Funded)

Variable	Sensitivity Level	Effect on Defined Benefit Obligations			
		Gratuity (Funded)			
		31 March, 2022		31 March, 2021	
		Increase	Decrease	Increase	Decrease
Discount Rate	+/- 1%	137.37	164.31	131.56	159.22
Salary Escalation Rate	+/- 1%	164.17	137.26	159.05	131.47
Attrition rate	+/- 50%	149.99	149.97	144.39	144.55
Mortality rate	+/- 10%	149.98	149.98	144.47	144.47

Gratuity (Unfunded)

Variable	Sensitivity Level	Effect on Defined Benefit Obligations			
		31 March, 2022		31 March, 2021	
		Increase	Decrease	Increase	Decrease
Discount Rate	+/- 1%	37.67	50.29	26.99	36.34
Salary Escalation Rate	+/- 1%	49.42	37.67	36.09	26.97
Attrition rate	+/- 50%	43.06	43.72	30.97	31.48
Mortality rate	+/- 10%	43.37	43.38	31.22	31.22

Leave Encashment

Variable	Sensitivity Level	Effect on Defined Benefit Obligations			
		31 March, 2022		31 March, 2021	
		Increase	Decrease	Increase	Decrease
Discount Rate	+/- 1%	7.36	9.29	6.10	8.09
Salary Escalation Rate	+/- 1%	9.28	7.35	8.08	6.10
Attrition rate	+/- 50%	8.25	8.22	6.99	7.02
Mortality rate	+/- 10%	8.24	8.23	7.00	7.00

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

44 Related Party Disclosures:

1. **Relationships**

(i) **Key Management Personnel (KMP)**

A. **Executive Directors**

Sudipto Bhattacharyya *	Whole Time Director (w.e.f 29/09/2021)

B. **Non-Executive Directors**

Dilipp Agarwal	Chairman
Deepak Agarwal	Director
Bhawna Khanna	Independent Director
Vijay Kumar Bhandari	Independent Director
Tuhinanshu Shekhar Chakrabarty	Independent Director

C. **Key Management Personnel (KMP) other than above**

Shyam Sundar Somani	Chief Financial Officer
Navin Agarwal	Company Secretary

*Mr. Sudipto Bhattacharyya has appointed as a additonal director on 15th December,2020 and regularised as Whole Time Director on 29th September, 2021.

(ii) **Relatives of Key Management Personnel (KMP)**

Sitaram Agarwal
Sabita Agarwal
Vibha Agarwal
Priti Agarwal
Rachana Agarwal

(iii) **Enterprises over which key management personnel and relatives of such personnel exercise significant influence and control (others)**

Super Smelters Limited
Sai Electrocasting Private Limited
Giridhan Metal Private Limited
Linkview Realty Private Limited
Supershakti Foundation
Promotional Equity Services Private Limited

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

2. Transactions with Related Parties

(Amount in ₹)

Particulars	KMP		Relatives of KMP		Enterprises over which KMP and relatives of such personnel exercise significant influence		Total	
	Year Ended		Year Ended		Year Ended		Year Ended	
	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021
Purchase of Goods/ License								
Super Smelters Limited	-	-	-	-	36,095.80	24,554.37	36,095.80	24,554.37
Giridhan Metal Private Limited	-	-	-	-	7,845.77	-	7,845.77	-
Sale of Goods			-	-	-	-		
Super Smelters Limited	-	-	-	-	2,599.91	514.17	2,599.91	514.17
Sai Electrocasting Private Limited	-	-	-	-	619.76	436.58	619.76	436.58
Investments								
Giridhan Metal Private Limited	-	-	-	-	-	1,930.06	-	1,930.06
Loan & Advances								
Promotional Equity Services Private Limited	-	-	-	-	2,700.00	-	2,700.00	-
Loan Repayments								
Promotional Equity Services Private Limited	-	-	-	-	2,700.00	-	2,700.00	-
Reimbursement of Expenses								
Super Smelters Limited	-	-	-	-	40.52	27.03	40.52	27.03
Recovery of Expenses					-	-		
Super Smelters Limited	-	-	-	-	655.44	5.42	655.44	5.42
Navin Agarwal			-	-	-	-	-	-
Rent / Electricity Expenses Paid					-	-		
Linkview Realty Private Limited	-	-	-	-	19.29	4.72	19.29	4.72
Security Deposit					-	-		
Linkview Realty Private Limited	-	-	-	-	-	3.75	-	3.75
Paid to Trust for CSR Activities					-	-		
Supershakti Foundation	-	-	-	-	39.00	41.00	39.00	41.00
Remuneration, Perquisites & Others					-	-		
Ajay Kumar Bajaj	-	7.08	-	-	-	-	-	7.08
Sudipto Bhattacharyya	13.15	3.91	-	-	-	-	13.15	3.91
Shyam Sundar Somani	31.20	31.33	-	-	-	-	31.20	31.33
Navin Agarwal	14.95	14.95	-	-	-	-	14.95	14.95
Bhawna Khanna	0.38	0.43	-	-	-	-	0.38	0.43
Vijay Kumar Bhandari	0.30	0.15	-	-	-	-	0.30	0.15
Tuhinanshu Shekhar Chakrabarty	0.40	0.43	-	-	-	-	0.40	0.43
Dividend Paid	-	-			-	-		
Deepak Agarwal	0.76	0.76	-	-	-	-	0.76	0.76
Dilipp Agarwal	0.63	0.63	-	-	-	-	0.63	0.63
Sabita Agarwal	-	-	7.40	7.40	-	-	7.40	7.40
Vibha Agarwal	-	-	6.64	6.64	-	-	6.64	6.64
Priti Agarwal	-	-	6.77	6.77	-	-	6.77	6.77

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

3. Amount due to/ from Related Parties (Amount in ₹)

Particulars	KMP			Enterprises over which KMP and relatives of such personnel exercise significant influence			Total		
	As at			As at			As at		
	31st March, 2022	31st March, 2021	31st March, 2020	31st March, 2022	31st March, 2021	31st March, 2020	31st March, 2022	31st March, 2021	31st March, 2020
Trade Receivable	-	-	-						
Sai Electrocasting Private Limited	-	-	-	-	0.01	63.62	-	0.01	63.62
Advance against Purchase of Raw Material	-	-	-						
Super Smelters Limited	-	-	-	-	-	1,596.34	-	-	1596.34
Trade Payables	-	-	-						
Super Smelters Limited	-	-	-	-	200.10	-	-	200.10	-
Linkview Realty Private Limited	-	-	-	0.13	0.30	-	0.13	0.30	-
Security Deposit Receivable	-	-	-						
Linkview Realty Private Limited	-	-	-	3.75	3.75	-	3.75	3.75	-
Employee Related Liabilities									
Ajay Kumar Bajaj	-	-	2.56	-	-	-	-	-	2.56
Sudipto Bhattacharyya	1.98	1.17	-	-	-	-	1.98	1.17	-
Shyam Sundar Somani	3.91	4.12	4.18	-	-	-	3.91	4.12	4.18
Navin Agarwal	2.14	2.14	2.19	-	-	-	2.14	2.14	2.19

45 Transition to Ind AS

45.1 Basis for preparation

These financial statements have been prepared for the first time in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India. Accordingly, these financial statements for the year ended March 31, 2022 are First Ind AS Financial Statement of the Company.

The financial statements of the Company for all periods up to and including the year ended March 31, 2021, were prepared in accordance with generally accepted accounting principles (GAAP) in India, which includes the accounting standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and other provisions of the Act (collectively referred to as "Indian GAAP").

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2022, together with the comparative period data as at and for the year ended March 31, 2021, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening statement of financial position was prepared as at April 1, 2020, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Previous GAAP financial statements as at April 1, 2020 and the financial statements as at and for the year ended March 31, 2021.

45.2 Exceptions and Exemptions Applied

IND AS 101 "First-time adoption of Indian Accounting Standards" (hereinafter referred to as Ind AS 101) allows first time adopters certain mandatory exceptions and optional exemptions from the retrospective application of certain IND AS, effective for 1st April, 2020 opening balance sheet. In preparing these financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

45.2.1 Optional Exemptions Availed

a) Property, plant and equipment and Intangible assets

As permitted by Para D5-D8B of Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment.

b) Determining whether an arrangement contains a lease

Ind AS 116 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 116, assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

Accordingly, the Company has elected to assess all the contracts existing at the date of transition to Ind AS.

45.2.2 Mandatory Exceptions

a) Estimates

As per para 14 of Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Para 16 of the standard, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition or at the end of the comparative period.

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statement that were not required under the previous GAAP are listed below:

- Fair Valuation of financial instruments carried at FVTPL and/ or FVOCI.
- Impairment of financial assets based on the expected credit loss model.
- Determination of the discounted value for financial instruments carried at amortized cost.

b) De-recognition of financial assets and liabilities

As per Para B2 of Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, "Financial Instruments", prospectively for transactions occurring on or after the date of transition to Ind AS. However, Para B3 gives an option to the entity to apply the derecognition requirements from a date of its choice if the information required to apply Ind AS 109 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the initially accounting for those transactions. The Company has elected to apply the derecognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

c) Classification and measurement of financial assets

Para B8 - B8C of Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortized cost has been done retrospectively.

45.3 Transition to Ind AS- Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as required under Ind AS 101:

1. Reconciliation of Balance Sheet as at April 1, 2020 (Transition Date) and March 31, 2021.
2. Reconciliation of Statement of Profit and Loss and Total Comprehensive Income for the year ended March 31, 2021.
3. Reconciliation of total equity as at April 1, 2020 and March 31, 2021.
4. Explanation to material items of Balance sheet as at April 1, 2020 (Transition Date) and as at March 31, 2021.

The presentation requirement under Previous GAAP differ from Ind AS, and hence, Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

45.3.1 Effect of Ind AS adoption on the Balance Sheet as on 31 March, 2021 and 1 April, 2020 ₹ in Lakhs

Particulars	As at 31 March, 2021			As at 1 April, 2020		
	Previous GAAP*	Effect of Transition to Ind AS	Ind AS	Previous GAAP*	Effect of Transition to Ind AS	Ind AS
Assets						
Non current assets						
(a) Property, Plant and Equipment	3,601.81	(221.40)	3,380.41	3,881.46	(133.27)	3,748.19
(c) Right of Use-Assets	-	263.93	263.93	-	137.56	137.56
(b) Capital Work in Progress	216.18	-	216.18	233.45	-	233.45
(d) Financial Assets						
(i) Investments	4,930.06	4,523.03	9,453.09	3,000.00	3,244.00	6,244.00
(ii) Other Financial Assets	453.60	(0.78)	452.82	23.56	-	23.56
(e) Non -Current Tax Assets (Net)	144.07	-	144.07	500.42	-	500.42
(f) Other Non- Current Assets	85.42	-	85.42	114.09	-	114.09
Total	**9,431.14**	**4,564.78**	**13,995.92**	**7,752.98**	**3,248.29**	**11,001.27**
Current assets						
(a) Inventories	4,735.45	(6.00)	4,729.45	3,217.79	(6.00)	3,211.79
(b) Financial Assets						
(i) Investments	-	-	-	0.05	-	0.05
(ii) Trade Receivables	1,644.60	(155.06)	1,489.54	2,182.22	(60.06)	2,122.16
(iii) Cash and Cash Equivalents	80.60	-	80.60	23.51	-	23.51
(iv) Bank Balances (other than above)	354.43	-	354.43	191.65	-	191.65
(v) Other Financial Assets	16.92	(0.53)	16.40	18.57	1.12	19.69
(c) Other Current Assets	508.41	-	508.41	2,167.28	-	2,167.28
Total	**7,340.41**	**(161.59)**	**7,178.83**	**7,801.07**	**(64.94)**	**7,736.13**
Total Assets	**16,771.55**	**4,403.19**	**21,174.75**	**15,554.05**	**3,183.35**	**18,737.40**
Equity and Liabilities						
Equity						
(a) Equity Share Capital	1,152.53	-	1,152.53	1,152.53		1,152.53
(b) Other Equity	11,403.64	3,378.10	14,781.74	10,138.68	2,443.18	12,581.86
Total Equity	**12,556.17**	**3,378.10**	**15,934.27**	**11,291.21**	**2,443.18**	**13,734.39**
Liabilities						
Non-Current Liabilities						
(a) Financial Liabilities						
(i) Borrowings	291.63	-	291.63	363.63	-	363.63
(ii) Lease Liabilities	-	26.23	26.23	-	-	-
(b) Provisions	169.90	-	169.90	140.05	-	140.05
(c) Deferred Tax Liabilities (Net)	174.12	985.93	1,160.05	209.00	740.55	949.55
Total	**635.65**	**1,012.16**	**1,647.81**	**712.68**	**740.55**	**1,453.23**

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

Particulars	As at 31 March, 2021			As at 1 April, 2020		
	Previous GAAP*	Effect of Transition to Ind AS	Ind AS	Previous GAAP*	Effect of Transition to Ind AS	Ind AS
Current liabilities						
(a) Financial Liabilities						
(i) Borrowings	1,667.11	-	1,667.11	1,076.15	-	1,076.15
(ii) Lease Liabilities	-	12.38	12.38	-	-	-
(iii) Trade Payables						
(a) Total outstanding dues of micro enterprises and small enterprises	10.31	-	10.31	5.41	-	5.41
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,564.37	-	1,564.37	2,079.40	-	2,079.40
(iv) Other Financial Liabilities	170.97	0.55	171.52	161.19	(0.38)	160.81
(b) Provisions	20.17	-	20.17	17.65	-	17.65
(c) Current Tax Liabilities (Net)	27.29	-	27.29	37.54	-	37.54
(d) Other Current Liabilities	119.52	-	119.52	172.82	-	172.82
Total	**3,579.74**	**12.93**	**3,592.67**	**3,550.16**	**(0.38)**	**3,549.78**
Total Liabilities	**4,215.39**	**1,025.09**	**5,240.48**	**4,262.84**	**740.17**	**5,003.01**
Total Equity and Liabilities	**16,771.56**	**4,403.19**	**21,174.75**	**15,554.05**	**3,183.35**	**18,737.40**

45.3.2 Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended 31 March, 2021

Particulars	Previous GAAP*	Effect of Transition to Ind AS	Ind AS
Revenue from operations	37,683.37	-	37,683.37
Other income	295.56	0.06	295.62
Total Income	**37,978.93**	**0.06**	**37,978.99**
Cost of Materials Consumed	26,558.59	-	26,558.59
Purchase of stock-in-trade	121.43	-	121.43
Change in inventories	(1,737.51)	-	(1,737.51)
Employee benefits expense	882.18	(1.59)	880.59
Finance costs	224.91	2.43	227.34
Depreciation and amortization expenses	495.46	4.10	499.56
Other expenses	9,715.55	92.26	9,807.81
Total Expenses	**36,260.61**	**97.20**	**36,357.81**
Profit/(Loss) before Tax	**1,718.32**	**(97.14)**	**1,621.18**
Tax Expenses			
Current tax	470.58		470.58
Deferred tax	(34.88)	(23.17)	(58.05)
Income tax for earlier years	(39.96)		(39.96)
Total Tax Expenses	**395.74**	**(23.17)**	**372.57**
Profit/(Loss) for the year	**1,322.58**	**(73.97)**	**1,248.61**

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

Particulars	Previous GAAP*	Effect of Transition to Ind AS	Ind AS
Other Comprehensive Income (OCI)			
Other comprehensive income not to be reclassified to profit or loss			
Fair Valuation of Investments in equity investment designated at OCI	-	1,279.03	1,279.03
Re-Measurement gain/(loss) on defined benefit plans	-	(1.59)	(1.59)
Income tax relating to item above	-	(268.54)	(268.54)
Other Comprehensive Income/(Loss) for the year (Net of tax)	**-**	**1,008.90**	**1,008.90**
Total Comprehensive Income/(Loss) for the year	**1,322.58**	**934.93**	**2,257.51**

45.3.3 Reconciliation of Total Equity as on 31 March, 2021 and 1 April, 2020

Particulars	As at 31 March, 2021	As at 1 April, 2020
Total Equity under Previous Indian GAAP*	**12,556.17**	**11,291.20**
Impact on measurement Fair Valuation of Investment	4,523.03	3,244.00
Impact on measurement of ECL on Trade Receivables	(155.06)	(60.06)
Others	(3.94)	(0.20)
Tax Adjustments on Above	(985.92)	(740.55)
Total Equity under Ind-AS	**15,934.27**	**13,734.39**

45.3.4 Explanations to the material adjustments made in the process of IND AS transition from previous GAAP

a) Long term borrowings

Under Indian GAAP, the Company accounted for long term borrowings measured at transaction value.Under Ind AS, the Company has recognised the long term borrowings at amortised cost using effective interest rate (EIR) method.

b) Leases

Under Ind AS, where the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, straight lining of lease is not required. The same was required under AS-19.The Company has initially recognised security deposit paid to the lessor at fair value and subsequently at amortised cost as per Ind AS 109.

c) Security deposits given

Under the Previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) were recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as prepaid rent.

d) Deferred tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or a separate component of equity.

e) Re-classifications

Assets/ liabilities which do not meet the definition of financial asset/ financial liability have been reclassified to other asset/ liability.

Remeasurement gain/loss on long term employee defined benefit plans are re-classified from statement of profit and loss to OCI.

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

46 Previous GAAP figures have been reclassified/regrouped to confirm the presentation requirements under IND AS and the requirements laid down in Division-II of the Revised Schedule-III of the Companies Act, 2013.

47 Financial Instrument by Category

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

The details of significant accounting policies, including the criteria for recognition, basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3.14 to the financial statements.

i) Fair Valuation of Financial Assets and Financial Liabilities

The following table presents carrying amount and fair value of each category of financial assets and liabilities as at March 31, 2022 ; March 31, 2021 & April 1, 2020:

Particulars	31 March, 2022			31 March, 2021			1 April, 2020		
	Fair Value through Profit & loss	Fair Value through OCI	Amortised Cost	Fair Value through Profit & loss	Fair Value through OCI	Amortised Cost	Fair Value through Profit & loss	Fair Value through OCI	Amortised Cost
Financial Assets									
Investments									
Equity Investment in Unquoted share	-	9,689.51	-	-	9,453.09	-	-	6,244.00	-
- Mutual Funds	199.99	-	-	-	-	-	0.05	-	-
Trade Receivables	-	-	1,981.71	-	-	1,489.54	-	-	2,122.16
Cash and Cash Equivalents	-	-	317.33	-	-	80.60	-	-	23.51
Other Bank Balances	-	-	440.00	-	-	354.43	-	-	191.65
Other Financial Assets	10.92		111.48	-	-	469.22	3.10	-	40.16
Total Financial Assets	**210.91**	**9,689.51**	**2,850.52**	**-**	**9,453.09**	**2,393.80**	**3.15**	**6,244.00**	**2,377.48**
Financial Liabilities									
Borrowings	-	-	2,087.49	-	-	1,958.74	-	-	1,439.78
Lease Liabilities	-	-	26.41			38.61	-	-	-
Trade Payables	-	-	2,741.53	-	-	1,574.68	-	-	2,084.81
Other Financial Liabilities	-	-	252.55	1.05	-	170.47	-	-	160.81
Total Financial Liabilities	**-**	**-**	**5,107.98**	**1.05**	**-**	**3,742.50**	**-**	**-**	**3,685.40**

The following is the comparison by class of the carrying amounts and fair value of the Company's financial instruments that are measured at Amortized cost:

Particulars	31 March, 2022		31 March, 2021		1 April, 2020	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets						
Trade Receivables	1,981.71	1,981.71	1,489.54	1,489.54	2,122.16	2,122.16
Cash and Cash Equivalents	317.33	317.33	80.60	80.60	23.51	23.51
Other Bank Balances	440.00	440.00	354.43	354.43	191.65	191.65
Other Financial Assets	111.48	111.48	469.22	469.22	40.16	40.16
Total Financial Assets	**2,850.52**	**2,850.52**	**2,393.80**	**2,393.80**	**2,377.48**	**2,377.48**
Financial Liabilities						
Borrowings	2,087.49	2,087.49	1,958.74	1,958.74	1,439.78	1,439.78
Lease Liabilities	26.41	26.41	38.61	38.61	-	-
Trade Payables	2,741.53	2,741.53	1,574.68	1,574.68	2,084.81	2,084.81
Other Financial Liabilities	252.55	252.55	170.47	170.47	160.81	160.81
Total Financial Liabilities	**5,107.98**	**5,107.98**	**3,742.50**	**3,742.50**	**3,685.40**	**3,685.40**

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

The management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short term borrowings, and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments. The management has assessed that the fair value of floating rate instruments approximates their carrying value.

(ii) Fair value measurement

The fair values of financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used in the year ended March 31, 2022.

48 Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows below.

1. Quoted prices in an active market (Level 1):

This level of hierarchy includes financial instruments that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of mutual fund investments.

2. Valuation techniques with observable inputs (Level 2):

This level of hierarchy includes financial instruments, measured using inputs other than quoted prices included within Level 1 that are observable for the instruments, either directly (i.e., as prices) or indirectly (i.e., derived from prices) and rely as little as possible on entity specific estimates. If all significant inputs required to fair value or instrument are observable, the instrument is included in Level 2.

3. Valuation techniques with significant unobservable inputs (Level 3):

This level of hierarchy includes financial instruments measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This category consists of investment in unquoted equity instrument.

48.1 The following methods and assumptions were used to estimate the fair values:

The fair values for loans, security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risks, which has been assessed to be insignificant.

The fair values of non-current borrowings are based on the discounted cash flows using a current borrowing rate. They are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risks, which was assessed as on the balance sheet date to be insignificant.

48.1.1 Assets and Liabilities measured at Fair Value - recurring fair value measurements

As at 31st March, 2022 ,31st March, 2021 and 1st April, 2020

Particulars	31 March, 2022			31 March, 2021			1 April, 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets									
Investment in Equity Instruments		-	9,689.51	-	-	9,453.09	-	-	6,244.00
Investment in Mutual Fund	199.99		-	-			0.05	-	-
Other Financial Assets	10.92	-	-	-	-	-	3.10	-	
Total Financial Assets	**210.91**	**-**	**9,689.51**	**-**	**-**	**9,453.09**	**3.15**	**-**	**6,244.00**
Financial Liabilities									
Other Financial Liabilities	-	-	-	1.05	-	-	-	-	-
Total Financial Liabilities	**-**	**-**	**-**	**1.05**	**-**	**-**	**-**	**-**	**-**

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

48.1.2 Financial Assets and Liabilities measured at Amortized Cost for which fair values are disclosed

Particulars	31 March, 2022			31 March, 2021			1 April, 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial Assets									
Trade Receivables	-	-	1,981.71	-	-	1,489.54	-	-	2,122.16
Cash and Cash Equivalents	-	-	317.33	-	-	80.60	-	-	23.51
Other Bank Balances	-	-	440.00	-	-	354.43	-	-	191.65
Other Financial Assets			111.48			469.22			40.16
Total Financial Assets	**-**	**-**	**2,850.52**	**-**	**-**	**2,393.80**	**-**	**-**	**2,377.48**
Financial Liabilities									
Borrowings	-	-	2,087.49	-	-	1,958.74	-	-	1,439.78
Lease Liabilities	-	-	26.41	-	-	38.61	-	-	-
Trade Payables	-	-	2,741.53	-	-	1,574.68	-	-	2,084.81
Other Financial Liabilities	-	-	252.55	-	-	170.47	-	-	160.81
Total Financial Liabilities	**-**	**-**	**5,107.98**	**-**	**-**	**3,742.50**	**-**	**-**	**3,685.40**

Notes:

(i) Investments carried at their fair values through profit & loss, are generally based on market price quotations. In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors. Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

(ii) Investments carried at their fair values through other comprehensive income, measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This category consists of investment in unquoted equity instrument.

(iii) Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

(iv) The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There have been no transfers between Level 1, Level 2 and Level 3 from March 31, 2021 to March 31, 2022.

49 Financial Risk Management

The Company has a Risk Management Policy which covers risk associated with the financial assets and liabilities. The Risk Management Policy is approved by the director. The different types of risk impacting the fair value of financial instruments are as below:

49.1 Credit Risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Financial instruments that are subject to concentrations of credit risk, principally consist of investments, trade receivables and balances with banks. None of the financial instruments of the Company result in material concentrations of credit risks.

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

Trade receivables

Trade receivables are typically unsecured, considered good and are derived from revenue earned from customers. Customer credit risk is managed as per Company's policy and procedures which involve credit approvals, establishing credit limits and continually monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. Outstanding customer receivables are regularly monitored. Refer below for the credit risks arising out of outstanding trade receivables.

As at March 31, 2022 (₹ in Lakhs)

Ageing schedule	Not Due	Less than 6 Month	6 month-1 year	1-2 years	2-3 years	More than 3 years	Total
Gross Credit Risk	1,801.14	147.30	14.86	1.04	28.80	20.00	2,013.13
Allowances for Credit Risk	-	-	-	-	16.42	15.00	31.42
Net Credit Risk	**1,801.14**	**147.30**	**14.86**	**1.04**	**12.38**	**5.00**	**1,981.71**

As at March 31, 2021 (₹ in Lakhs)

Ageing schedule	Not Due	Less than 6 Month	6 month-1 year	1-2 years	2-3 years	More than 3 years	Total
Gross Credit Risk	1,304.53	112.56	8.98	103.50	12.52	241.45	1,783.53
Allowances for Credit Risk	-	-	1.00	73.44	12.52	207.04	294.00
Net Credit Risk	**1,304.53**	**112.56**	**7.98**	**30.06**	**-**	**34.41**	**1,489.53**

As at April 1, 2020 (₹ in Lakhs)

Ageing schedule	Not Due	Less than 6 Month	6 month-1 year	1-2 years	2-3 years	More than 3 years	Total
Gross Credit Risk	1,863.34	122.22	60.50	25.47	48.41	206.29	2,326.23
Allowances for Credit Risk	-	-	11.67	6.37	24.58	161.45	204.07
Net Credit Risk	**1,863.34**	**122.22**	**48.83**	**19.11**	**23.84**	**44.84**	**2,122.16**

Reconciliation of loss allowance provision	**Trade receivables**
Loss allowance on 1 April, 2020	204.07
Changes in loss allowance	89.93
Loss allowance on 31 March, 2021	294.00
Changes in loss allowance	(262.58)
Loss allowance on 31 March, 2022	31.42

49.2 Liquidity Risk

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

The Company has obtained fund and non-fund based working capital lines from various banks. The Company invests its surplus funds in bank fixed deposit and in liquid schemes of mutual funds, which carry no/low market risk.

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

(i) Maturity Analysis for financial liabilities

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments, if any as at March 31, 2022 and March 31, 2021 & April 1, 2020.

(₹ in Lakhs)

Particulars	Carrying Amount	Contractual cash flows	Less than 1 year	Between 1 - 5 years	More than 5 years
Borrowings	2,087.49	2,087.49	1,874.95	212.53	-
Lease Liabilities	26.41	26.41	14.23	12.18	-
Trade Payables	2,741.53	2,741.53	2,741.53	-	-
Other Financial Liabilities	252.55	252.55	252.55	-	-
Total	**5,107.98**	**5,107.98**	**4,883.26**	**224.71**	**-**

The following are the remaining contractual maturities of financial liabilities as at 31st March, 2021 (₹ in Lakhs)

Particulars	Carrying Amount	Contractual cash flows	Less than 1 year	Between 1 - 5 years	More than 5 years
Borrowings	1,958.74	1,958.74	1,667.11	291.63	-
Lease Liabilities	38.61	38.61	12.38	26.24	-
Trade Payables	1,574.68	1,574.68	1,574.68	-	-
Other Financial Liabilities	170.47	170.47	170.47	-	-
Total	**3,742.50**	**3,742.50**	**3,424.64**	**317.87**	**-**

The following are the remaining contractual maturities of financial liabilities as at 1st April, 2020 (₹ in Lakhs)

Particulars	Carrying Amount	Contractual cash flows	Less than 1 year	Between 1 - 5 years	More than 5 years
Borrowings	1,439.78	1,439.78	1,076.15	363.63	-
Lease Liabilities	-	-	-	-	-
Trade Payables	2,084.81	2,084.81	2,084.81	-	-
Other Financial Liabilities	160.81	160.81	160.81	-	-
Total	**3,685.40**	**3,685.40**	**3,321.77**	**363.63**	**-**

(ii) The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements (if any). The interest payments on variable interest rate loans in the tables above reflect market forward interest rates at the respective reporting dates and these amounts may change as market interest rates change. The future cash flows on derivative instruments may be different from the amount in the above tables as exchange rates change. Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts. When the amount payable is not fixed, the amount disclosed has been determined with reference to conditions existing at the reporting date.

49.3 Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises four type of risks: Commodity Price Risk, Foreign Exchange Risk, Interest Rate Risk and Other Price Risk. Future specific market movements cannot be normally predicted with reasonable accuracy.

Commodity Price Risk

The Company primarily imports Coal, Scrap, Manganese Ore and Copper Mould Tube. It is exposed to commodity price risk arising out of movement in prices of such commodities. Such risks are monitored by tracking of the prices and are managed by entering into fixed price contracts, where considered necessary.

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

Foreign Currency Exchange Rate Risk

Foreign Currency risk is the risk that fair value of the future cash flows of a financial instrument will fluctuate because of changes in the foreign exchange rates. The company undertake transactions in foreign currencies, consequently, exposures to exchange rate fluctuations arise. Any weakening of the functional currency may impact the Company's cost of imports. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Exchange rate exposure are managed with in approved policy parameters utilizing foreign exchange forward contracts. The Company, as per its risk management policy, uses such forward contract derivative instruments primarily to hedge foreign exchange fluctuations.

a) Exposure to currency risk

The Company's exposure to foreign currency risk at the end of the reporting period are as follows:

I) Unhedge Foreign Currency Exposure

Particulars	31 March, 2022		31 March, 2021		1 April, 2020	
	USD	INR	USD	INR	USD	INR
Financial Assets (A)	-	-	-	-	-	-
Financial Liabilities (B)	-	-	-	-	-	-
Import Creditors	1.74	131.85	1.80	132.62	12.71	958.04
Net Exposure in foreign currency (B-A)	**1.74**	**131.85**	**1.80**	**132.62**	**12.71**	**958.04**

I) Hedge Foreign Currency Exposure

Particulars	31 March, 2022		31 March, 2021		1 April, 2020	
	USD	INR	USD	INR	USD	INR
Derivative Assets (A)	-	-	-	-	-	-
Derivative Liabilities (B)	-	-	-	-	-	-
Import Creditors	20.62	1,563.42	2.12	155.61	3.39	255.60
Net Exposure in foreign currency (B-A)	**20.62**	**1,563.42**	**2.12**	**155.61**	**3.39**	**255.60**

b Sensitivity Analysis

The Analysis is based on assumption that the increase/decrease in foreign currency by 5% with all other variables held constant, on the unhedged foreign currency exposure.

Particulars	31 March, 2022			31 March, 2021		
	Sensitivity Analysis	Impact On		Sensitivity Analysis	Impact On	
		Profit before tax	Impact on Post Tax - Equity		Profit before tax	Impact on Post Tax - Equity
USD Sensitivity (Increase)	5%	6.59	4.93	5%	6.63	4.96
USD Sensitivity (Decrease)	5%	(6.59)	(4.93)	5%	(6.63)	(4.96)

The movement in the profit before tax and post tax equity is a result of a change in the fair value of derivative financial instruments not designated in a hedge relationship and monetary assets and liabilities.

49.4 Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group exposure to the risk of changes in market interest rates relates primarily to the Group's long term and short term borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Notes to Financial Statements for the year ended 31st March, 2022 *(Contd.)*

a. Exposure to interest rate risk

Particulars		31 March, 2022	31 March, 2021
Fixed Rate Instruments			
Financial Assets	(A)	543.38	812.55
Financial Liabilities#	(B)	212.54	291.63
	(C)= (B)- (A)	**(330.84)**	**(520.92)**
Variable Rate Instruments			
Financial Assets	(A)	-	-
Financial Liabilities	(B)	1,875	1,667
	(C)= (B)- (A)	1,875	1,667

Fixed rate instrument Financial liability includes Vehicle Loans.

b. Interest rate Sensitivity

A Change in 50 bps in interest rate would have following impact on PBT and Other Equity.

Particulars	31st March, 2022			31st March, 2021		
	Sensitivity Analysis	Impact on		Sensitivity Analysis	Impact on	
		Profit before tax	Other Equity		Profit before tax	Other Equity
Interest Rate Increase by	0.50%	9	7	0.50%	8	6
Interest Rate Decrease by	0.50%	(9)	(7)	0.50%	(8)	(6)

50 Capital Risk management

The Company's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic investments. Apart from internal accrual, sourcing of capital is done through judicious combination of equity and borrowing, both short term and long term. Net debt (total borrowings less cash & cash equivalents and Other bank balance) to equity ratio is used to monitor capital.

Particulars		31 March, 2022	31 March, 2021	1 April, 2020
Short term debt (Refer Note - 19)		1,874.95	1,667.11	1,076.15
Long term debt (Refer Note - 19)		212.54	291.63	363.63
Total Borrowings		**2,087.49**	**1,958.74**	**1,439.78**
Less: Cash & Cash Equivalents (Refer Note - 15)		(317.33)	(80.60)	(23.51)
Less : Bank Balance other than cash and cash equivalent (Refer Note - 16)		(440.00)	(354.43)	(191.65)
Less : Current Investment (Refer Note - 13)		(199.99)	-	(0.05)
Net Debt	**(A)**	**3,217.66**	**3,482.45**	**2,664.34**
Equity Share Capital (Refer Note - 17)		1,152.53	1,152.53	1,152.53
Other Equity (Refer Note - 18)		16,728.95	14,781.74	12,581.86
Total Equity	**(B)**	**17,881.48**	**15,934.27**	**13,734.39**
Gearing Ratio	**(A / B = C)**	**17.99%**	**21.86%**	**19.40%**

51 FINANCIAL PERFORMANCE RATIO

	FINANCIAL RATIOS	Numerator	Denominator	2021-22	2020-21	% Variance *	Reason for change more than 25%
A.	**Performance Ratio:**						
1	Net profit ratio	Profit after Tax	Revenue from operations	2.80%	3.31%	(15.60)%	
2	Net capital turnover ratio	Revenue from Operations	Closing working capital	13.75	10.51	30.85%	Increase in turnover and decrease in working capital
3	Return on Capital employed	Earning before Interest & Taxes	Closing capital employed (i.e. Total Assets-Current Liabilities)	13.88%	10.51%	32.06%	Increase in Profitability
7	Return on Equity Ratio	Profit after Tax	Average Shareholder's Equity	10.48%	8.42%	24.51%	Increase in Profitability
5	Return on investment	Closing less opening market price	Opening market price	11.70%	9.26%	26.32%	
6	Debt Service Coverage Ratio	Earning for debt service (i.e.Profit after Tax + Interest + Depreciation & Amortisation)	Debt Service (i.e. Interest & Lease Payment + Principal Repayments)	7.22	8.07	(10.54)%	
B.	**Leverage Ratio:**						
7	Debt-Equity Ratio	Total Debt	Total Equity	0.117	0.123	(5.03)%	
C.	**Liquidity Ratio:**						
8	Current Ratio	Current Assets	Current Liabilities	1.83	2.00	(8.60)%	
D.	**Activity Ratio:**						
9	Inventory turnover ratio	Sales	Average Inventories	11.03	9.49	16.25%	
10	Trade Receivables turnover ratio	Total Sales	Closing Accounts Receivable	36.51	20.87	74.95%	Increase in sales and better realisation of trade receivable
11	Trade payables turnover ratio	Total Purchase	Closing Accounts Payable	28.28	19.85	42.46%	Higher Cost of purchase of goods & services

*Positive figure in '% Variance' column represents percentange increase in ratio as compare to previous year and negative as vice-versa.

52 EVENTS AFTER THE REPORTING PERIOD

No significant adjusting event occurred between the balance sheet date and date of the approval of these financial statements by the Board of Directors of the Company requiring adjustment or disclosure.

53 ROUNDING OFF

The figures appearing in financial statements have been rounded off to the nearest Lakhs, as required by General Instructions for preparation of Financial Statements in Division II Schedule III to the Companies Act, 2013.

54 EARNINGS PER SHARE

	Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
(a)	Profit for the year (₹ in Lakhs)	1,771.99	1,248.61
(b)	Profit after tax attributable to Equity Shareholders (₹ in Lakhs)	1,771.99	1,248.61
(c)	Weighted average number of equity shares outstanding during the year used as denominator in calculating basic earnings per share (Nos)	1,15,25,278.00	1,15,25,278.00
(d)	Dilutive Potential Equity shares	-	-
(e	Weighted average number of equity shares outstanding during the year used as denominator in calculating diluted earnings per share (Nos)	1,15,25,278.00	1,15,25,278.00
(f)	Nominal value per equity share (₹)	10.00	10.00
(g)	Earnings per share (in ₹) - Basic & Diluted	15.37	10.83

55 Certain Balances of Trade Receivable , Loans & Advances and Trade Payable are subject to confirmation and reconciliation and adjustments in this respect are carried out as and when amount thereof, if any, are ascertained.

56 In the opinion of the management and Board of the Directors, Current Assets and Loans & Advances have the value at which these are stated in the Balance Sheet, unless otherwise stated and adequate provisions for all known liabilities have been made and are not in excess of the amount reasonably required.

57 Previous GAAP figures have been reclassified/regrouped to confirm the presentation requirements under IND AS and the requirements laid down in Division-II of the Schedule-III of the Companies Act, 2013.

As per our report of even date annexed herewith
For SINGHI & CO.
Chartered Accountants
Firm Registration No : 302049E

SHRENIK MEHTA
(Partner)
Membership No. 063769
Place: Kolkata
Date: 27th May, 2022

SUDIPTO BHATTACHARYYA
(Whole Time Director)
DIN 06584524

DEEPAK AGARWAL
(Director)
DIN 00343812

NAVIN AGARWAL
(Company Secretary)

SHYAM SUNDAR SOMANI
(Chief Financial Officer)

Notes

SUPERSHAKTI METALIKS LIMITED