

IMEC/BSE/29/2021-22

September 06, 2021

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Rotunda Building, Dalal Street,
Mumbai – 400 001

Dear Sir/Madam,

Sub: Submission of Annual Report along with Notice of the 33rd Annual General Meeting of the Company for the Financial Year 2020-21

In compliance of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report along with Notice of the 33rd Annual General Meeting (AGM) of the Members of IMEC Services Limited to be held on Thursday, September 30, 2021 at 12:30 P.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OVAM") for the Financial Year 2020-21.

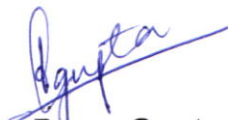
In accordance with the applicable provisions of the MCA Circulars and SEBI Circulars, the Annual Report 2020-21 and Notice of 33rd AGM has been sent through email today i.e. September 06, 2021, to all the Members of the Company, whose e-mail addresses are registered with the Company / Depository Participant(s).

This is for the information of the Exchange and members thereof.

Thank you,

Yours truly,

For IMEC Services Limited



Parag Gupta
Company Secretary
M. No. A50725



Encl: as Above

33rd ANNUAL REPORT 2020-21



IMEC Services Limited

CORPORATE INFORMATION

IMEC SERVICES LIMITED		
CIN: L74110MH1987PLC142326		
BOARD OF DIRECTORS	DESIGNATION	DIN
Mr. Negendra Singh	Independent Director (w.e.f. June 29, 2021)	07756704
Ms. Swati Kushwah	Independent Director (w.e.f. March 09, 2021)	08494474
Mr. Saket Barodia	Non-Executive Director	00683938
Mr. Ashutosh Mishra	Independent Director (upto June 29, 2021)	00038320
Mrs. Shivani Gupta	Independent Director (upto February 19, 2021)	08275256

Chief Financial Officer

Mr. Nilesh Nagar
(upto June 30, 2021)

Company Secretary

Mr. Parag Gupta
M. No. A50725

Auditors

M/S SCAN & Co.,
(formerly known as
M/s. M.S. Singhatwadia & Co.,)
Chartered Accountants
Firm R. No. 113954W
211, Trade Centre, 2nd Floor, 18
South Tukoganj, Indore

Registered Office

611, Tulsiani Chambers,
Nariman Point, Mumbai-400021

Registrar & Share Transfer Agent

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (E) Mumbai-400059

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NOTICE

NOTICE is hereby given that the 33rd Annual General Meeting (“AGM / Meeting”) of the Members of IMEC Services Limited (the Company) will be held on **Thursday, September 30, 2021 at 12:30 P.M.** through Video Conferencing (“VC”) / Other Audio Visual Means (“OVAM”) to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the year ended March 31, 2021 together with the Report of Board’s & Auditors thereon.
2. To appoint Mr. Saket Barodia (DIN: 00683938), who retires by rotation and being eligible, offers himself for re-appointment and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Saket Barodia (DIN: 00683938), Non- Executive Director of the Company, retiring by rotation, be and is hereby re-appointed as Director of the Company whose period of office will be liable to be determined by retirement by rotation.”

SPECIAL BUSINESS:

3. To approve the appointment of Ms. Swati Kushwah (DIN: 08494474) as a Woman Independent Director of the Company and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act), the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or any amendment or any substitution or re-enactment thereof, for the time being in force), the recommendation of the Nomination and Remuneration Committee, the Articles of Association of the Company and such other approvals as may be required, Ms. Swati Kushwah (DIN: 08494474) who was appointed as an Additional Director of the Company pursuant to Section 161(1) of the Act with effect from March 09, 2021 to hold Office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice from a Member under Section 160 of the Act, proposing her candidature for the office of Director of the Company and who has given a declaration of independence under Section 149(6) of the Act, be and is hereby appointed as a Non-Executive Woman Independent Director of the Company for a period of five consecutive years with effect from March 09, 2021, not liable to retire by rotation.

RESOLVED FURTHER THAT the Directors and Company Secretary of the Company be and are hereby severally authorized to file necessary forms/returns with the Registrar of Companies to give effect to the aforesaid resolution and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

4. To approve the appointment of Mr. Negendra Singh (DIN: 07756704) as an Independent Director of the Company and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (the Act), the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or any

amendment or any substitution or re-enactment thereof, for the time being in force), the recommendation of the Nomination and Remuneration Committee, the Articles of Association of the Company and such other approvals as may be required, Mr. Negendra Singh (DIN: 07756704) who was appointed as an Additional Director of the Company pursuant to Section 161(1) of the Act with effect from June 29, 2021 to hold Office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice from a Member under Section 160 of the Act, proposing his candidature for the office of Director of the Company and who has given a declaration of independence under Section 149(6) of the Act, be and is hereby appointed as a Non-Executive Independent Director of the Company for a period of five consecutive years with effect from June 29, 2021, not liable to retire by rotation.

RESOLVED FURTHER THAT the Directors and Company Secretary of the Company be and are hereby severally authorized to file necessary forms/returns with the Registrar of Companies to give effect to the aforesaid resolution and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

5. To approve the request received from Ruchi Soya Industries Limited for re-classification from ‘Promoter & Promoter Group’ Category to ‘Public’ Category and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) the applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or any amendment or any substitution or re-enactment thereof, for the time being in force) and subject to the approval of BSE Limited and/or such other approval, if any, as may be required, the consent of the Members of the Company be and is hereby accorded to reclassify ‘Ruchi Soya Industries Limited’ holding 17,71,700 (Seventeen Lakh Seventy One Thousand Seven Hundred) equity shares of Rs. 10/- each constituting 3.54% of the paid up capital of the Company from the existing ‘Promoter & Promoter Group’ Category to ‘Public’ Category.

RESOLVED FURTHER THAT that the Promoter seeking re-classification from the existing ‘Promoter & Promoter Group’ Category to ‘Public’ Category, shall continue to comply with the conditions as specified under Regulation 31A of the Listing Regulations for a period as specified in the said Regulation.

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

6. Capital Reduction of 4,80,95,701 equity shares of Rs. 10/- each of the Company. To consider and if thought fit, with or without modification, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Section 66 and other applicable provisions, if any, of the Companies Act, 2013 (“**Act**”) and the rules made thereunder including the National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016 (“**NCLT Rules**”) and any other applicable provisions of law (including any statutory amendment(s), modification(s) or re-enactment(s) thereof for the time being in force), Article 29 of the Articles of Association of the Company and subject to the confirmation by the Hon’ble National Company Law Tribunal, Mumbai Bench (“**NCLT**”) and such other approvals, consents, permissions and sanctions as may be required to be obtained from appropriate Governmental authorities, departments, offices, institutions, bodies, agencies and/or third parties

and subject to the terms and conditions, as may be prescribed while granting such approvals, consents, permissions and sanctions by the NCLT and/or any other appropriate Governmental authorities, departments, offices, institutions, bodies, agencies and/or third parties connected with the Reduction of Share Capital and which may be agreed to by the Board of Directors of the Company ("**Board**") (which term shall be deemed to mean and include one or more committee(s) constituted/to be constituted by the Board), the approval of the Shareholders of the Company ("**Members**") be and is hereby accorded to the Scheme of Reduction of Share Capital as submitted to BSE Limited, the Designated Stock Exchange for observations ("**Scheme**") and to reduce the accumulated losses of the Company to the extent of Rs. 48,09,57,010/- (Rupees Forty Eight Crore Nine Lacs Fifty Seven Thousand Ten Only) out of Total Accumulated Loss of Rs. 48,20,99,310/- (Rupees Forty Eight Crore Twenty Lacs Ninety Nine Thousand Three Hundred Ten Only) and the same to be set off against the paid up capital of the Company of Rs.49,99,57,010/- (Rupees Forty Nine Crore Ninety Nine Lacs Fifty Seven Thousand Ten only) consisting of 4,99,95,701 fully paid up Equity Shares of Rs. 10/- each (Rupees Ten Only).

RESOLVED FURTHER THAT the issued, subscribed and paid-up equity share capital of the Company be reduced from Rs.49,99,57,010/- (Rupees Forty Nine Crore Ninety Nine Lacs Fifty Seven Thousand Ten only) divided into 4,99,95,701 (Four Crore Ninety Nine Lacs Ninety Five Thousand Seven Hundred One) fully paid up Equity Shares of Rs. 10/- each (Rupees Ten Only) to Rs. 1,90,00,000/- (Rupees One Crore Ninety Lacs only) divided into 19,00,000 (Nineteen Lacs) Equity Shares of Rs. 10/- each (Rupees Ten only) by cancelling and extinguishing Rs. 48,09,57,010/- (Rupees Forty Eight Crore Nine Lacs Fifty Seven Thousand Ten Only) consisting of 4,80,95,701 (Four Crore Eighty Lac Ninety Thousand Seven Hundred One) fully paid up equity shares of Rs. 10/- (Rupees Ten only) each, as on record date.

RESOLVED FURTHER THAT approval of the Members of the Company be and is hereby also accorded for Reduction of Share Capital of the Company by making corresponding adjustments by way of debit to:

- (i) the paid-up equity share capital for Rs. 48,09,57,010/- (Rupees Forty Eight Crore Nine Lacs Fifty Seven Thousand Ten Only) consisting of 4,80,95,701 (Four Crore Eighty Lac Ninety Thousand Seven Hundred One) fully paid up equity shares of Rs. 10/- (Rupees Ten only) each; and
- (ii) the Securities Premium/General Reserves Account of the Company for Rs. 48,09,57,010/- (Rupees Forty Eight Crore Nine Lacs Fifty Seven Thousand Ten Only) on the terms and conditions as contained in the Scheme.

RESOLVED FURTHER THAT upon confirmation of the Scheme by NCLT and the aforesaid authorities and becoming effective and operative, without any further act or deed by the equity shareholders (including but not limited to sending appropriate instructions to the depository participants NSDL and CDSL), the abovementioned equity shares of the Company i.e. 4,80,95,701 (Four Crore Eighty Lacs Ninety Thousand Seven Hundred One) fully paid up equity shares of Rs. 10/- each (Rupees Ten only) on record date shall stand cancelled, extinguished and rendered invalid without any obligations and consequences of whatsoever nature to the Company.

RESOLVED FURTHER THAT subject to confirmation of the Scheme by NCLT and all other approvals from any other appropriate authorities, the Company shall not be required to add the words "And Reduced" to its name subsequent to such reduction of equity share capital of the Company.

RESOLVED FURTHER THAT the Board and the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable to give effect to the resolution and the Scheme, including, making any modifications to the Scheme, statutory form filings, making application to authorities, regulatory or otherwise and to settle any matter, question, difficulty or doubt that may arise in regard to the Scheme as it may deem necessary, proper, desirable or expedient without requiring any further approval of the Members and that the Members shall be deemed to have given their approval thereto expressly by the authority of this Resolution and acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing and any such acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be.

RESOLVED FURTHER THAT the Board and the Company Secretary of the Company be and are hereby severally authorized, in its absolute discretion, to bring into effect the abovementioned resolution on such other terms and conditions as it may consider appropriate and to accept such other conditions and modifications as may be prescribed by the NCLT and other appropriate bodies/authorities while according their sanction or consent to the Capital Reduction or to suspend, withdraw or revive the proposal for Capital Reduction from time to time as may be specified by any statutory authority or as the Board may suo-moto decide in its absolute discretion.

RESOLVED FURTHER THAT the Board and the Company Secretary of the Company be and are hereby severally authorized to delegate all or any of the powers herein conferred, to a committee of the Board or any such persons as it may deem fit in its absolute discretion, with the power to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purposes of the Scheme and settle any questions or difficulties that may arise in regard to the Scheme.”

Registered Office:
611, Tulsiani Chambers,
Nariman Point,
Mumbai – 400021
Maharashtra

**By order of the Board of Directors
For IMEC Services Limited**

Sd/-

**Parag Gupta
Company Secretary
M. No. A50725**

Date: August 28, 2021
Place: Indore

NOTES:

1. In view of the continued outbreak of the Coronavirus pandemic, Ministry of Corporate Affairs has vide Circular No. 02/2021 dated January 13, 2021 read with Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and other applicable circulars, if any, (collectively referred to as “MCA Circulars”) read with Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India (collectively referred to as ‘SEBI Circulars’) permitted the holding of the Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) as amended from time to time and above mentioned MCA Circulars, the 33rd AGM of the Company will be held through VC / OAVM. Central Depository Services (India) Limited (‘CDSL’) will be providing facility for voting
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through remote e-voting, for participation in the AGM through VC / OAVM facility and e-voting during the AGM. The detailed procedure for participating in the meeting through VC / OAVM is explained in the notice below and is also available on the website of the Company at www.imecservices.in. The deemed venue for the AGM shall be the Registered Office of the Company i.e. **611, Tulsiani Chambers, Nariman Point, Mumbai - 400021.**

2. In compliance with applicable provisions of the Act read with the MCA Circulars and Listing Regulations, the 33rd AGM of the Company is being conducted through VC / OAVM. In accordance with the provisions of Secretarial Standards -2 on General Meetings issued by the Institute of Company Secretaries of India (“ICSI”) read with Guidance/Clarification dated April 15, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.
3. The Company has appointed Central Depository Services (India) Limited (“CDSL”) to provide VC/ OAVM facility for the AGM.
4. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
5. The Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. Corporate Members/Trust /Other Persons intending to send their authorized representative to attend the AGM through VC / OAVM facility, are requested to send a duly certified copy of Board Resolution/ Authorization Letter to the Company, authorizing their representative to attend and vote on their behalf at the AGM.
7. In terms of Section 152 of the Act, Mr. Saket Barodia – Non-Executive Director is liable to retire by rotation at this AGM and being eligible, offers himself for re-appointment.
8. The details of the Director pursuant to Regulations 26(4) and 36(3) of the Listing Regulations and Secretarial Standard on General Meetings in respect of Director seeking re-appointment of Directorship at this AGM is appended to this Notice.
9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the directors are interested maintained under Section 189 of the Act will be available electronically for inspection by the Members during the AGM. All the documents referred to in the accompanying Notice shall be available for inspection through electronic mode without any fee by the Members from the date of circulation of this Notice upto the date of AGM. Members seeking to inspect such documents can send a request through e-mail to investor@imecservices.in.

Dispatch of Annual Report through electronic mode:

10. In accordance with General Circular No. 20/2020 dated May 5, 2020 issued by MCA and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company or the Depositories/Depository Participant(s).
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11. The AGM Notice and Annual Report are available on the website of the Company www.imecservices.in, website of BSE Limited at www.bseindia.com and on website of CDSL (agency for providing the Remote e-voting facility and e-voting system during the AGM) at www.evotingindia.com.
12. The procedure for obtaining the Annual Report, AGM Notice and e-Voting instructions by the shareholders whose email addresses are not registered with the DPs/ RTA is as under:

Shareholders are advised to register/ update their email address and mobile number immediately, in case they have not done so earlier:

- In case of shares are held in demat mode, with their respective DPs.
 - In case of shares held in physical mode, by accessing the link <https://investor@bigshareonline.com> or by sending an email to the RTA at investor@bigshareonline.com with details of Folio number, e-mail id and attaching a self-attested copy of PAN card.
 - After due verification, the Company/ RTA will send login credentials for attending the AGM and voting to the registered email address.
 - Any person who becomes a shareholder of the Company after sending of the AGM Notice and holding shares as on the cut-off date may obtain the user Id and password in the manner provided in the AGM Notice.
13. The Audited Financial Statement of the Subsidiary company and the related detailed information shall be made available to Members of the holding Company i.e. IMEC Services Limited on demand.
 14. The Items of Business given in the AGM Notice dated August 28, 2021 may be transacted through the remote e-voting facility which is provided to the Members of the Company whose names appear in the Register of Members/List of Beneficial owners as on the cut-off date i.e. Thursday, September 23, 2021 to exercise their right to vote at the 33rd Annual General Meeting of the Company by electronic means through remote e-voting platform provided by CDSL. Please note that the Members of the Company are requested to voluntarily opt the remote e-voting facility to vote on the resolution specified in the Notice of AGM, in case they are not able to attend the Annual General Meeting through VC / OAVM.
 15. Any person, who acquires the share(s) of the Company and becomes a Member of the Company after sending of this Notice of AGM and holds the shares as on the cut-off date, can also cast their vote through remote e-voting facility.
 16. **In terms of the Regulation 40 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, except in case of transmission or transposition, requests for effecting transfer of securities of listed companies shall not be processed unless the securities are held in dematerialised form with a Depository. In view of this and to eliminate all risks associated with physical shares, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or its RTA, Bigshare Services Private Limited for the same.**
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17. Members desirous of obtaining any information concerning to the accounts and operations of the Company are requested to send their queries to the Company Secretary at least **seven days before the date of the meeting** so that the required information can be made available at the meeting.
18. **Investor Grievance Redressal:** The Company has designated an exclusive e-mail ID i.e. investor@imecservices.in to enable the investors to register their complaints / send correspondence, if any.
19. **Webcast:** Members who are entitled to participate in the AGM can view the proceedings of AGM by logging in the website of CDSL at www.evotingindia.com using the login credentials.

20. E-Voting Process & Instructions:

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

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

A. Instructions for shareholders for e-voting and joining virtual meetings are as under:

- (i) The voting period begins Monday, September 27, 2021 at 10:00 a.m. and ends on Wednesday, September 29, 2021 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Thursday, September 23, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for e-voting thereafter.
 - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.
Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.
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In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will

	<p>have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

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

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID:
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
 - (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - (ix) Click on the EVSN (Electronic Voting Sequence Number) of IMEC Services Limited.
 - (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
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- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investor@imecservices.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting and e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
 2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
 3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
 4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
 5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss
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due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast seven **days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance seven **days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested) scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

General Instructions

1. The cut-off date for the purpose of e-voting has been fixed as Thursday, September 23, 2021. Shareholders holding shares as on this date only are entitled to vote under either mode.
 2. In case of persons who have acquired shares and become shareholders of the company after the dispatch of AGM Notice, the Company would be mailing the 33rd Annual Report for 2020-21 to their registered email address as and when they become shareholders. They may follow the same procedure for e-voting.
 3. Voting rights of shareholders shall be in proportion to their shareholding in the Company as on the cut-off date i.e. September 23, 2021.
 4. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.
 5. In case a shareholder by inadvertence or otherwise has voted under both options, his voting by Remote e-Voting only will be considered.
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6. Mr. Anish Gupta, (FCS No. 5733, COP No. 4092) of Anish Gupta & Associates, Practicing Company Secretary has been appointed as the Scrutinizer.
7. The Scrutinizer will after the conclusion of voting at the AGM:
 - i) First unblock and count the votes cast at the AGM through e-voting.
 - ii) Then unblock the votes cast through Remote e-Voting.
 - iii) Both the above will be done in the presence of two witnesses not in the employment of the company.
 - iv) Make a consolidated Scrutinizer's report (integrating the votes cast at the meeting & through Remote e-Voting) of the total votes cast in favour or against, to the Chairman.
 - v) The Scrutinizer's report as above would be made soon after the conclusion of AGM and in any event not later than three days from the conclusion of the meeting.
8. Voting Results:
 - i) The Chairman of the AGM or a person authorized by him in writing will authenticate the result of the voting based on the Scrutinizer's report and have it declared.
 - ii) The results will be declared within 48hours after the AGM. The results declared along with the scrutinizer's report shall be uploaded on the company's website www.imecservices.in and on the website of CDSL www.evotingindia.com and the same shall also be communicated to BSE Limited, where the shares of the Company are listed.
 - iii) Subject to receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of AGM.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

STATEMENT PURSUANT TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECTION 102 OF THE COMPANIES ACT, 2013:
Item No. 3

The Board of Directors on the recommendation of the Nomination and Remuneration Committee had appointed Ms. Swati Kushwah (DIN: 08494474) as an Additional and Woman Independent Director (Non-Executive) at its Meeting held on March 09, 2021, who holds office up to the date of this Annual General Meeting.

Ms. Swati Kushwah holds Bachelor's Degree in Science from Devi Ahilya Vishva Vidyalyaya University and currently pursuing PGDM in Business Management from Devi Ahilya Vishva Vidyalyaya University and is working as an Administration Executive in a Chartered Accountants Firm from the past 8 years. Ms. Kushwah also serves on the Board of Indian Steel Corporation Limited as an Independent Director.

Accordingly, the Board is of the opinion that she possesses appropriate balance of skills, experience and knowledge for being appointed as an Independent Director on the Board of the Company. Pursuant to Sections 149, 152, 160 and Schedule IV (Code for

Independent Directors) of the Companies Act, 2013 and the Articles of Association of the Company, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other relevant provisions, Board of Directors proposed the name of Ms. Swati Kushwah for appointment as a Woman Independent Director (Non-Executive) of the Company, not liable to retire by rotation, for a period of five consecutive years w.e.f. March 09, 2021.

Brief Resume of Ms. Swati Kushwah is annexed separately in this Notice. A copy of the terms and conditions of appointment of Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day upto the date of AGM and also available on the website of the Company i.e. www.imecservices.in.

The Board of Directors recommends the resolution as set out at Item No. 3 of the Notice for the approval of the Members as an Ordinary Resolution.

Except Ms. Swati Kushwah, none of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested (financially or otherwise) in the proposed resolution as set out at Item No. 3 of the Notice.

Item No. 4

The Board of Directors on the recommendation of the Nomination and Remuneration Committee had appointed Mr. Negendra Singh (DIN: 0776704) as an Additional and Independent Director (Non-Executive) at its Meeting held on June 29, 2021, who holds office up to the date of this Annual General Meeting.

Mr. Negendra Singh is an Electrical Engineer by profession having expertise in the field of technology and engineering. He is having an experience of around five years in the field of electric engineering. Mr. Singh also serves on the Board of Indian Steel Corporation Limited as an Independent Director.

Accordingly, the Board is of the opinion that he possesses appropriate balance of skills, experience and knowledge for being appointed as an Independent Director on the Board of the Company. Pursuant to Sections 149, 152, 160 and Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and the Articles of Association of the Company, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other relevant provisions, Board of Directors proposed the name of Mr. Negendra Singh for appointment as an Independent Director (Non-Executive) of the Company, not liable to retire by rotation, for a period of five consecutive years w.e.f. June 29, 2021.

Brief Resume of Mr. Negendra Singh is annexed separately in this Notice. A copy of the terms and conditions of appointment of Independent Directors is available for inspection at the Registered Office of the Company during business hours on any working day upto the date of AGM and also available on the website of the Company i.e. www.imecservices.in.

The Board of Directors recommends the resolution as set out at Item No. 4 of the Notice for the approval of the Members as an Ordinary Resolution.

Except Mr. Negendra Singh, none of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested (financially or otherwise) in the proposed resolution as set out at Item No. 4 of the Notice.

Item No. 5

Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') provides a mechanism regarding re-classification from "Promoter & Promoter Group" category to "Public" category. In terms of the said Regulation 'Ruchi Soya Industries Limited' (RSIL) holding 17,71,700 (Seventeen Lakh Seventy One Thousand Seven Hundred) equity shares of Rs. 10/-

each constituting 3.54% of the paid up capital of the Company requested the Company for re-classification of their shareholding from the existing 'Promoter & Promoter Group' Category to 'Public' Shareholder Category in the Shareholding Pattern of the Company and/or at such other places wherever their name appears.

In accordance with the provisions of Regulation 31A(3)(b) of the Listing Regulations, RSIL have confirmed that:

- (i) they do not hold more than ten percent of the total voting rights in the Company;
- (ii) they do not exercise control over the affairs of the Company whether directly or indirectly;
- (iii) they do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;
- (iv) they do not represent on the Board of Directors (including not having a nominee director) of the Company;
- (v) they are not acting as a Key Managerial Person in the Company;
- (vi) they are not 'wilful defaulter' as per the Reserve Bank of India Guidelines;
- (vii) they are not a fugitive economic offender.

Further, RSIL have also confirmed to abide by those conditions specified under Regulation 31A (4) of the Listing Regulations post such re-classification from 'Promoter & Promoter Group' Category to 'Public' Shareholder Category.

The said request for re-classification was considered and analyzed by the Board of Directors at its meeting held on August 28, 2021, which require approval of the Members of the Company by way of Ordinary Resolution, approval from BSE Limited and/or such other approval, if any, as may be required.

Consequent upon the receipt of necessary approvals and re-classification, the Promoter & Promoter Group shareholding in the Company would be 26.63% of the total equity paid up share capital of the Company.

The Board of Directors recommends the resolution as set out at Item No. 5 of the Notice for the approval of the Members as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel or their relatives are in any way whether, concerned or interested (financially or otherwise) in the proposed resolution as set out at Item No. 5 of the Notice.

Item No. 6

Capital Reduction of 4,80,95,701 equity shares of Rs. 10/- each of the Company:

1. Background:

The proposed reduction of the equity share capital of Company is being undertaken in accordance with the provisions of Section 66 read with other applicable provisions, if any, of the Companies Act, 2013 ("**Act**") and the rules made thereunder and specifically the National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016 ("**NCLT Rules**"), which permit a company to undertake a reduction of its share capital in any manner and pursuant to Article 29 of Articles of Association of the Company, read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") and the SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time ("**SEBI Circular**"), BSE In principle Approval/ Observation Letter for Reduction of Share Capital and subject to confirmation by the National Company Law Tribunal, Mumbai Bench ("**NCLT**").

The present business losses of the Company as on March 31, 2020 stands at Rs. 48,20,99,310/- (Rupees Forty Eight Crore Twenty Lacs Ninety Nine Thousand Three Hundred Ten Only) and the same is not represented by any assets of the

Company. Further the Company had filed necessary application before the Stock Exchange where the equity shares of the Company are listed i.e. BSE Limited (“BSE”) seeking their No-Objection to the Scheme and had obtained In-Principle Approval (**Observation Letter**) vide e-Letter Ref. No. CS/AMAL/PB/R37/2007/2021-22 dated July 23, 2021.

The proposed Reduction of Equity Share Capital of the Company will not have any adverse effect on the any of the Creditors of the Company or the Company’s ability to fulfil its commitments or meet its obligations in the ordinary course of business as there is no pay-out resulting from the proposed Capital Reduction.

The Capital Reduction in the manner proposed would be beneficial to all the Shareholders of the Company as the same shall ensure that the total paid of equity share capital of the Company post reduction of capital of the Company will represent the actual available capital of the Company.

2. Capital Structure of the Company as on March 31, 2020:

Share Capital	Amount in Rs.
Authorised:	
50,250,000 Equity Shares of 10/-each	Rs. 502,500,000/-
1,700,000 - 5% Non-Cumulative Redeemable Pref. Shares of Rs.100/- each	Rs. 170,000,000/-
Issued, subscribed and paid-up:	
49,995,701 Equity Shares of 10/-each	Rs. 499,957,010/-

*Note: The above issued, subscribed and paid-up share capital is excluding the amount of forfeited share capital of Rs. 1,71,000/- (34,200*5 i.e. 34,200 equity shares of Rs. 5/- per share paid up).*

3. Accumulated Losses:

As on March 31, 2020 the Company has accumulated losses amounting to Rs.48,20,99,310/-, which are not represented by any available assets to represent the true and fair view of the Company’s financial position to all the Stake Holders:

- The Company suffered losses on account of Trading and other businesses from time to time due to commercial market condition both in India & Abroad.
- Non-receipt of the outstanding from various parties even after follow ups and legal recourses etc.
- The Company has been incurring losses for past couple of years and due to business losses and inadequate working capital facilities the present business of the Company suffered.
- In view of the accumulated carry forward losses that the Company's Balance Sheet is not reflecting at its actual value.
- As on the effective date the paid up capital of the Company was of Rs.49,99,57,010/- (Rupees Forty Nine Crore Ninety Nine Lacs Fifty Seven Thousand Ten only) consisting of 4,99,95,701 equity shares of face value of Rs.10/- each.

4. E-voting, Effective Date and Operative Date:

In accordance with Para 9 (a) of Part I of Annexure I of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, the Scheme of Arrangement/Reduction of Share Capital shall be acted upon only if the votes cast by the public shareholders including e-Voting in favour of the proposal are more than the number of votes cast by the public shareholders against it.

This reduction of capital shall be effective from the Effective Date i.e. the date on which certified copies of the order of the respective Hon'ble NCLT under Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act,2013 and rules framed thereunder, if any, are filed with the Ministry of Corporate Affairs, Office of the Registrar of Companies.

5. Reduction of paid up share capital against accumulated losses:

- 5.1. As on the effective date the paid up equity share capital of the Company was of Rs. 49,99,57,010/- (Rupees Forty Nine Crore Ninety Nine Lacs Fifty Seven Thousand Ten only) consisting of 49,995,701 equity shares of face value of Rs.10/- each.
- 5.2. As on the effective date the total accumulated losses of the Company was of Rs. 48,20,99,310/- (Rupees Forty Eight Crore Twenty Lacs Ninety Nine Thousand Three Hundred Ten Only).
- 5.3. On the effective date and after securing necessary approvals and permissions, the accumulated losses to the extent of Rs. 48,09,57,010/- (Rupees Forty Eight Crore Nine Lacs Fifty Seven Thousand Ten Only) of the Company out of total accumulated Loss of Rs. 48,20,99,310/- (Rupees Forty Eight Crore Twenty Lacs Ninety Nine Thousand Three Hundred Ten Only) to be set off against the paid up capital of the Company of Rs. 49,99,57,010/- (Rupees Forty Nine Crore Ninety Nine Lacs Fifty Seven Thousand Ten only) consisting of 4,99,95,701 fully paid up Equity Shares of Rs. 10/- (Rupees Ten Only).
- 5.4. The Subscribed and Fully Paid-up Share Capital of the Company shall stand reduced from Rs.49,99,57,010/- (Rupees Forty Nine Crore Ninety Nine Lacs Fifty Seven Thousand Ten Only) consisting of 4,99,95,701 fully paid up Equity Shares of Rs. 10/- (Rupees Ten Only); to the extent of **Rs. 1,90,00,000/- (Rupees One Crore Ninety Lacs only) divided into 19,00,000 (Nineteen Lacs) Equity Shares of Rs. 10/- (Ten only) each.**
- 5.5. This reduction is amount to **96.20%** of the Paid up equity share capital of the Company.
- 5.6. Post Reduction the paid up equity share capital of the Company will not exceed Rs. 19,000,000/- (One Crore Ninety Lacs only) divided into 1,900,000 (Nineteen Lacs) Equity Shares of Rs. 10/- (Ten only) each.
- 5.7. The paid up capital of the Company post reduction and rounding up **@ 5 shares for each 132 shares** held will be Rs. 1,90,00,000/- (Rupees One Crore Ninety Lacs only) divided into 19,00,000 (Nineteen Lacs) Equity Shares of Rs. 10/- (Ten only) each.

6. Fractional Shares:

- 6.1. The reconstruction/restructuring of capital shall not cause any shareholder to hold any fractional shares in the Company. In respect of the fractional shares, if any, caused by the reconstruction/restructuring of capital, the same shall be rounded off to the nearest whole number.
 - 6.2. The Company will consolidate the shareholdings post reduction of capital and new shares will be issued to those shareholders whose post holding consist of 10 shares of Rs.10/- each;
 - 6.3. Shareholders holding less than 10 shares shall be transferred to the Escrow account controlled by the Chairman of Audit Committee and he will sale this odd lot shares in the open market within 30 days of commencement of trading and the sale proceed will be send to the shareholders as per their entitlement.
 - 6.4. None of the shareholder will be prejudiced or suffered on account of rounding off. All the fractional shareholders will be given 1(one) share each.
 - 6.5. The Paid up capital of the Company post reduction of capital will not exceed Rs. 19,000,000/- (One Crore Ninety Lacs only) divided into 1,900,000 (Rupees Nineteen Lacs) Equity Shares of Rs. 10/- (Rupees Ten only) each.
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6.6. The paid up capital of the Company post reduction and rounding up @ 5 shares for each 132 shares held will be Rs. 1,90,00,000/- (Rupees One Crore Ninety Lacs only) divided into 19,00,000 (Nineteen Lacs) Equity Shares of Rs. 10/- (Ten only) each.

7. Auditors' Certificate:

SCAN & Co. (Previously known as M.S. Singhatwadia & Co.), Chartered Accountants, Statutory Auditor of the Company, has issued a certificate stating that the capital reduction is being done in accordance with the Generally Accepted Accounting Principles in India and Listing Regulations and Circular(s) issued thereunder.

8. Others:

Notwithstanding the reduction as mentioned above, the Company will be praying before the NCLT that the Company be exempted to add "And Reduced" as a suffix to its name and the Company shall continue in its existing name since no payout is being made to any existing Members and the Company will be able to discharge its liability in the due course of business.

The Special Resolution, if approved by the Members of the Company with requisite majority, will be subject to the confirmation by NCLT as per Section 66(3) of the Companies Act, 2013 read with the NCLT Rules.

In terms of the SEBI Circular, the Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.

A copy of the Scheme setting out in detail the terms and conditions of the proposed Scheme which has been duly approved by the Audit Committee and the Board of Directors of the Company at its meetings held on July 30, 2020 & March 9, 2021, is enclosed as **Annexure 1** to this Notice.

A copy of the Scheme along with the documents submitted to BSE has been uploaded on the website of the Company at www.imecservices.in. BSE (the Designated Stock Exchange) has issued Observation Letter dated July 23, 2021 to the above proposed reduction of share capital of the Company. A copy of the aforesaid Observation Letter is enclosed as **Annexure 2** to this notice.

As per the terms of the Observation Letter, BSE has given its 'No Adverse Objection' to the Scheme with limited reference to those matters having a bearing on listing/de-listing/ continuous listing requirements with the provisions of Listing Regulations, so as to enable the Company to file the Scheme with the Hon'ble NCLT.

Pursuant to the SEBI Circular, the Company has filed the Complaints Report with BSE on June 23, 2021, which is also available on the website of the Company at www.imecservices.in.

Further as per the SEBI Circular, Valuation Report is not required in cases where there is no change in the shareholding pattern of the listed entity/resultant company, accordingly the disclosure about the non applicability of Valuation Report for the Scheme is enclosed as **Annexure 3**. The said disclosure about the non applicability of Valuation Report on shares referred above is also available on Company's website at www.imecservices.in.

9. General Information and disclosures:

- Article 29 of the Articles of Association of the Company provides for Reduction of Capital of the Company by way of a special resolution in accordance with the provisions of the Act.
- The Capital Reduction will not cause any prejudice to any of the Creditors of the Company. The Creditors of the Company are in no way affected by the proposed Capital Reduction, as there is no payout to the Members of the Company nor a reduction in the amount payable to any of the Creditors.
- Further, the proposed Capital Reduction will not have any impact on the operations of the Company or the ability of the Company to honour its commitment or to pay its debts in the ordinary course of business.
- All documents referred to in the accompanying Special Resolution and Explanatory Statement annexed thereto are made available on the Company's website at www.imecservices.in and would also be available for inspection to the Members at the Registered Office of the Company between 10:00 a.m. (IST) and 1:00 p.m. (IST) on any working day, except Saturdays, Sundays and public holidays, till the last date for e-voting by the Members.

The Board of Directors believe that the proposed Scheme is in the best interest of the Company and its Members and therefore recommends the Special Resolution as set out in Item No. 6 in the accompanying Notice for approval by Members of the Company.

None of the Directors, Key Managerial Personnel or their relatives are in any way whether, concerned or interested (financially or otherwise) in the proposed resolution as set out at Item No. 6 of the Notice.

Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by The Institute of Company Secretaries of India, New Delhi, the following information is furnished about the Director proposed to be appointed/re-appointed:

Name of Director	Mr. Saket Barodia	Ms. Swati Kushwah	Mr. Negendra Singh
Age	52 Years	34 Years	29 Years
Qualifications	Bachelors Degree in Science	Bachelor's Degree in Science	Electrical Engineer
Date of first appointment on the Board of the Company	February 19, 2019	March 09, 2021	June 29, 2021
Expertise in specific functional area	Has rich experience of more than 25 years in the field of foreign trade, custom & excise and import & export.	Administration Executive in a Chartered Accountants Firm from the past 8 years	Experience of around five years in the field of electric engineering
Relationship with other Directors and Key Managerial Personnel	He is not related to any Director or KMP of the Company.	She is not related to any Director or KMP of the Company.	He is not related to any Director or KMP of the Company.
Directorships held in other public Companies	Agrotrade Enterprises Limited	Indian Steel Corporation Limited	Indian Steel Corporation Limited
Memberships / Chairmanships of Committees of other Public Companies (includes only Audit Committee and Stakeholder Relationship Committee)	1 (One)	1 (One)	1 (One)
Number of Shares held in Company	NIL	NIL	NIL
No. of Board meetings entitled/attended during the year	6	NIL	NIL
Remuneration last drawn	Kindly refer the Corporate Governance Report	NIL	NIL

Registered Office:

611, Tulsiani Chambers,
Nariman Point,
Mumbai – 400021
Maharashtra

Date: August 28, 2021
Place: Indore

**By order of the Board of Directors
For IMEC Services Limited**

Sd/-

**Parag Gupta
Company Secretary
M. No. A50725**

SCHEME OF REDUCTION OF SHARE CAPITAL

UNDER SECTION 66 OF THE COMPANIES ACT,2013 READ WITH THE NATIONAL COMPANY LAW TRIBUNAL (PROCEDURE FOR REDUCTION OF SHARE CAPITAL OF COMPANY) RULES,2016 OF IMEC SERVICES LIMITED (CIN: L74110MH1987PLC142326) (FORMERLY KNOWN AS RUCHI STRIPS AND ALLOYS LIMITED)

The Scheme is divided into the following parts:

- a. Part I deals with the Preamble, the Definitions and Share capital;
- b. Part II deals with Rationale and salient Features of the scheme;
- c. Part III deals with Reduction of Share Capital and adjustment of Debit balance in the profit and Loss account of the Company; AND
- d. Part IV deals with the General Clauses.

PART - I
PREAMBLE

The Company proposes to reduce the paid up share capital which is lost and/or is unrepresented by available assets to represent the true and fair view of its financial position to all the Stake Holders.

The Continuous Losses of the Company has substantially wiped off the value represented by the Share Capital thus the financial statements presently do not reflect the correct picture of the health of the Company. This has given rise to the need to re-adjust the relation between capital and assets and to accurately and fairly reflect the liabilities and assets of the Company in its books of accounts.

Hence, the Company has evaluated the effect re-organization of its capital by way of reduction of share capital in accordance with Section 66 of Companies Act, 2013 (read with The National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016).

1. Definitions:

- a. The Act' means the Companies Act, 2013 and the rules made thereunder to the extent applicable and as amended from time to time;
- b. Appointed Date' means **April 1, 2020** or such other date as may be approved by the Hon'ble National Company Law Tribunal (herein after referred as "The NCLT") having Judicature at Mumbai or such other appropriate authority;
- c. "DSE" Designated Stock Exchange means a stock exchange which is chosen by the Company in accordance with SEBI circular bearing Nos. CIR/CFD/CMD/16/2015 dated November 30, 2015 and CFD/DIL3/CIR/2017/21 dated March 10, 2017 for the purpose of the scheme BSE Limited is the DSE.
- d. 'Board' or 'Board of Directors' means Board of Directors of the Company (which expression shall be deemed to include any committee of Directors constituted by the Board thereof).

- e. 'ISL' means M/s. IMEC Services Limited (formerly known as Ruchi Strips And Alloys Limited), a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 611, Tulsiani Chambers, Nariman Point, Mumbai – 400021, Maharashtra, India ;
- f. 'Losses' means the accumulated losses available to the Company to be set off against its Capital.
- g. 'The Court' shall mean the Hon'ble National Company Law Tribunal (herein after referred as "The NCLT") having Judicature at Mumbai or such other appropriate authority.
- h. 'The Effective Date' for the reduction of Capital shall mean the date on which certified copies of the Order of the respective Hon'ble NCLT under Sections 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder, if any, are filed with the Registrar of Companies;
- i. "Scheme" wherever appears means reduction of capital of the Company filed under Section 66 of the Companies Act, 2013 and rules framed there under read with the National Company Law Tribunal (Procedure for reduction of Share Capital of Company) Rules, 2016.
- j. 'Record Date' is any date after the Effective Date to be fixed by the Board of Directors of the company for determining the members of the Company whose shares in the Company will stand reduced in accordance with the Order of Hon'ble NCLT;
- k. The words "shareholder" and "member" are used to denote the same meaning and are used interchangeably;

All terms and words not defined in the scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning as ascribed to them under the Companies Act, 2013 other applicable laws, rules, regulations, bye laws, as the case may be or any statutory modifications or reenactment thereof from time to time.

2. DETAILS OF COMPANY:

2.1 COMPANY:

M/S. IMEC SERVICES LIMITED (CIN: L74110MH1987PLC142326) (formerly known as Ruchi Strips And Alloys Limited) hereinafter Referred to as "The Company", was incorporated on June 18, 1987.

The Company is under the Jurisdiction of the Registrar of Companies, Mumbai, Maharashtra (herein after referred as "ROC, Mumbai").

2.2 PRESENT MAIN OBJECT OF THE COMPANY:

The Present object of the Company as under:

- A. To provide engineering, technical and management consultancy services for design, application, development, production, fabrication, operation, promotion, marketing and use of products out of all types of metal and metal alloy sheets/coils required and/or used in the house hold/official goods, architectural, construction, automobiles, railway transport and other allied sectors including the providing of consultancy and advisory Services in agriculture, horticulture, plantation and tissue culture and/or also to carry on the business of providing Manpower Placement and Recruiting, Selecting, Interviewing, Training and Employing all types of executives, Middle Management Staff, Junior Level Staff, Workers, Labourers, Skilled/Unskilled required by various Industries and organizations including providing security services, Labour contractors, Industrial, Commercial, Housing and other security services and workers for ,office management and to provide consultancy and other services in connection with requirements of persons and manpower supply and to charge fees, commission for such advises & services.

- B. To carry on the business of providing advisory and consultancy services for all kinds of software/information technology projects including computer hardware, consumer hardware, system integration, software and solutions, data communication, telecommunication, manufacturing and process control, artificial intelligence, animation, HTML, web content, web hosting, search engine optimization, application development, software development, SAP & ERP development, database management services, bulk' SMS services, bulk

email services, voice marketing services, voice solutions, natural language processing, providing portal based and applications (Apps) related services and to render all such services as are required customers in by the relation to processing of the information and also in the interpretation, application and use of processed data and rendering technical services, business transformation projects and to act as technical and software development consultants and/or providing solutions and services related to web technologies, web marketing and advertising, web programming, internet and e-commerce, including to design, develop, maintain, operate, own, establish, install, host, provide, create, facilitate or otherwise deal in e-commerce, website designing and development, web based and web enabled services and applications, e-commerce service provider, e-commerce solutions, digital marketing services and e-business solutions, Business Process Outsourcing (BPO), Knowledge Process Outsourcing (KPO), Information Technologies enabled services, network management, technical knowhow, infrastructure management and/or any kinds of services or advices in the technology and analysis and to charge fees, commission for such advises & services and help to all types of industries, companies, body corporate, association or organizations and without limiting the generality of the above to act as the Consultants.

The Company had changed its Objects pursuant to the approval of Members of the Company at the Annual General Meeting held on September 19, 2018 and consequent to which the Company had received Certificate of Registration of the Special Resolution confirming Alteration of Object Clause(s) on October 4, 2018 from the Government of India, Ministry of Corporate Affairs, Registrar of Companies, Mumbai.

2.3. In the last five years:

- (a) the name of the company has changed from M/s. Ruchi Strips And Alloys Limited to M/s. IMEC Services Limited. The Name of the Company was changed on October 4, 2018 pursuant to the approval of the members at the Annual General Meeting held on September 19, 2018.
- (b) the object of the Company was changed on October 4, 2018 pursuant to the approval of the members at the Annual General Meeting held on September 19, 2018.

(c) there was no change in the registered office of the Company from one state to another.

2.4 The Company is a listed company and presently Listed with BSE Limited. Being a Listed company, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations') applicable to the Company.

3. CAPITAL STRUCTURE OF THE COMPANY AS ON MARCH 31, 2019:

Share Capital	Amount in Rs.
Authorised:	
50,250,000 Equity Shares of 10/-each	Rs. 502,500,000/-
1,700,000 - 5% Non-Cumulative Redeemable Pref. Shares of Rs.100/- each	Rs. 170,000,000/-
Issued, subscribed and paid-up:	
49,995,701 Equity Shares of 10/-each	Rs. 499,957,010/-

*Note: The above issued, subscribed and paid-up share capital is excluding the amount of forfeited share capital of Rs. 1,71,000/- (34,200*5 i.e. 34,200 equity shares of Rs. 5/- per share paid up).*

4. ACCUMULATED LOSSES:

As on March 31, 2020 the Company has accumulated losses amounting to Rs.48,20,99,310/-, which are not represented by any available assets to represent the true and fair view of the Company's financial position to all the Stake Holders.

5. EVOTING, EFFECTIVE DATE AND OPERATIVE DATE:

In accordance with Para 9 (a) of Part I of Annexure I of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, the Scheme of Arrangement/Reduction of Share Capital shall be acted upon only if the votes cast by the public shareholders including eVoting in favour of the proposal are more than the number of votes cast by the public shareholders against it .

This reduction of capital shall be effective from the Effective Date.

PART - II

6. PURPOSES & RATIONALE FOR THE REDUCTION OF SHARE CAPITAL:

The Reduction of share capital of the Company is necessary because:

- a. The Company suffered losses on account of Trading and other businesses from time to time due to commercial market condition both in India & Abroad.
- b. Non-receipt of the outstanding from various parties even after follow ups and legal recourses etc.
- c. The Company has been incurring losses for past couple of years and due to business losses and inadequate working capital facilities the present business of the Company suffered.
- d. The Object of the Company though changed around 2018 but the Board could not scale the businesses because of proper finance restructuring on account of accumulated losses. From the past 7-years the Company had hardly carried any major activities in the field of trading. The subscribed and paid up capital of the Company wiped out to the extent of 97%.
- e. In view of the accumulated carry forward losses that the Company's Balance Sheet is not reflecting at its actual value and with the future prospect of growth and value addition to the shareholders, the Company has proposed to clean its books thereby enabling the Company to raise future resources considering the expansion programs that has been considered for development would need huge amount of investment both in terms of equity as well as debt. The Company is therefore unable to raise any finance either from the capital markets or financial institutions whether in the form of equity or debt, to undertake business activities on a larger scale. The proposed reduction of capital would enable the company to correct its existing capital by reduction and to show the actual financial position in its balance sheet to depict the representing Assets value which in turn will enable it to approach for financial assistances in order to develop its business value.

PART III

7. REDUCTION OF PAID UP SHARE CAPITAL AGAINST ACCUMULATED LOSSES:

- 7.1. As on the effective date the paid up capital of the Company was of Rs.499,957,010/- (Rupees Forty Nine Crore Ninety Nine Lacs Fifty Seven Thousand Ten only) consisting of 49,995,701 equity shares of face value of Rs.10/- each.
- 7.2. The Company has no Warrants, debentures or paid up Preference shares or any Instruments pending for conversion into shares capital of the Company. The Company has no partly paid shares.
- 7.3. As on the effective date the total accumulated losses of the Company was of Rs.48,20,99,310/-.
- 7.4. On the effective date and after securing necessary approvals and permissions, the accumulated losses to the extent of Rs. 480,957,010/- (Rupees Forty Eight Crore Nine Lacs Fifty Seven Thousand Ten Only) of the Company out of total accumulated Loss of Rs. 48,20,99,310/- (Rupees Forty Eight Crore Twenty Lacs Ninety Nine Thousand Three Hundred Ten Only) to be set off against the paid up capital of the Company of Rs.499,957,010/- (Rupees Forty Nine Crore Ninety Nine Lacs Fifty Seven Thousand Ten only) consisting of 49,995,701 fully paid up Equity Shares of Rs. 10/- (Rupees Ten Only).
- 7.5. The Subscribed and Fully Paid-up Share Capital of the Company shall stand reduced from Rs.499,957,010/- (Rupees Forty Nine Crore Ninety Nine Lacs Fifty Seven Thousand Ten Only) consisting of 49,995,701 fully paid up Equity Shares of Rs. 10/- (Rupees Ten Only), to the extent of **Rs. 19,000,000/- (One Crore Ninety Lacs only) divided into 1,900,000 (Nineteen Lacs) Equity Shares of Rs. 10/- (Ten only) each.**
- 7.6. This reduction is amount to **96.20%** of the Paid up equity share capital of the Company.
- 7.7. Post Reduction the paid up equity share capital of the Company will not exceed Rs. 19,000,000/- (One Crore Ninety Lacs only) divided into 1,900,000 (Nineteen Lacs) Equity Shares of Rs. 10/- (Ten only) each.
- 7.8. The paid up capital of the Company post reduction and rounding up @ 5 shares for each 132 shares held will be Rs. 1,90,00,000/- (Rupees One Crore Ninety Lacs only) divided into 19,00,000 (Nineteen Lacs) Equity Shares of Rs. 10/- (Ten only) each.

8. FRACTIONAL SHARES:

8.1. The reconstruction/restructuring of capital shall not cause any shareholder to hold any fractional shares in the Company. In respect of the fractional shares, if any, caused by the reconstruction/restructuring of capital, the same shall be rounded off to the nearest whole number.

8.2. The Company will consolidate the shareholdings post reduction of capital and new shares will be issued to those shareholders whose post holding consist of 10 shares of Rs.10/- each;

8.3 Shareholders holding less than 10 shares shall be transferred to the Escrow account controlled by the Chairman of Audit Committee and he will sale this odd lot shares in the open market within 30-days of commencement of trading and the sale proceed will be send to the shareholders as per their entitlement.

8.4. None of the shareholder will be prejudiced or suffered on account of rounding off. All the fractional shareholders will be given 1(one) share each.

8.5. The Paid up capital of the Company post reduction of capital will not exceed Rs. 19,000,000/- (One Crore Ninety Lacs only) divided into 1,900,000 (Rupees Nineteen Lacs) Equity Shares of Rs. 10/- (Rupees Ten only) each.

8.6. The paid up capital of the Company post reduction and rounding up @ 5 shares for each 132 shares held will be Rs. 1,90,00,000/- (Rupees One Crore Ninety Lacs only) divided into 19,00,000 (Nineteen Lacs) Equity Shares of Rs. 10/- (Ten only) each.

9. CORPORATE ACTION AND OTHER PROVISIONS AT THE TIME OF ISSUE OF SHARES:

9.1. The said new Equity Shares issued and allotted by the Company will be in terms of this Scheme shall be subject to the provisions of the Memorandum and Articles of Association of the Company .

9.2 The shares to be issued to the members of the Company shall rank for voting rights and in all respects pari-passu with the existing Equity Shares of the Company and having same ratio.

9.3 New Equity shares of the Company issued will be listed and / or admitted to trading on BSE Limited (BSE) where the shares of Company is listed and / or admitted to trading in terms of the applicable bye-laws and regulations.

9.4 The Company shall enter into such arrangements and give such confirmations and / or undertaking as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said Stock Exchange as per SEBI (LODR) Regulations, 2015. On such formalities being fulfilled the said Stock exchange shall list and / or admit such equity shares also for the purpose of trading.

9.5 For the purpose of issue of equity shares to the shareholders of the Company shall, if and to the extent required, apply for and obtain the required statutory approvals including approval of Reserve Bank of India and other concerned regulatory authorities for the issue and allotment by the Company of such equity shares.

9.6 The Equity Shares to be issued by the Company pursuant to this Reduction of capital, in respect of Equity Shares which are not fully paid up shall also be kept in abeyance.

9.7 The Company shall issue Equity shares within 90 days from the date of registration of the order with the Registrar of Companies or the sanction of this Scheme by the Hon'ble Court(s) whichever is later.

9.8. The Company will make necessary application to NSDL & CDSL the depositories for admission of the new share capital of the Company to be raised on accounts of Reduction of share capital of the Company.

10. CANCELLATION OF SHARES:

Upon this reduction becoming finally effective, all the shareholders, if so required by the Company, shall surrender their share certificates for cancellation thereof. Notwithstanding anything to the contrary, upon the issue of the new share certificates in the Company to the Shareholders whose names shall appear in the Register of Members of the Company on such Record Date fixed

as aforesaid post reduction of capital, the old share certificates held by them in the Company shall be deemed to have been automatically cancelled and cease to be negotiable and be of no commercial or legal value, on and from the Record Date.

The Company may instead of requiring the surrender of the old share certificates, as above, directly issue and dispatch the new share certificates of the Company in lieu thereof. In the case of shares held in dematerialized and electronic form, the required procedure for reflecting the change in the holdings of the members of the Company, as a consequence of the sanctioning of this Scheme, shall be adopted for making the necessary alterations in the Depository Accounts of the respective shareholders.

11. ACCOUNTING TREATMENT:

11.1 With effect from the Appointed date and upon the Scheme becoming effective the amount of share capital as extinguished as per clause 6 above shall be reduced from the Equity Share Capital of the Company and correspondingly from debit balance of the Profit and Loss account of the Company.

11.2 The Company will comply with all the relevant Accounting Policies and Indian Accounting Standards and relevant provisions as per Section 133 of the Companies Act, 2013 to the extent applicable to the Company in relation to the accounting for Reduction of Share Capital and correspondingly writing of accumulated losses of the Company and any other applicable provisions and laws for the time being in force.

12. PENDING CONVERTIBLE WARRANTS INTO EQUITY SHARES:

There were no convertible warrants into equity shares pending for allotment in the Company.

13. PARTLY PAID UP SHARES:

The Company does not have any partly paid up shares as on date.

PART IV

14. PRE AND POST SHAREHOLDING PATTERN:

The Pre & Post Shareholding pattern of the Company as on 31.08.2020 is as under:

Category	Particulars	Prior to the Scheme of Arrangement		Scheme Post reduction	
		No. of Shares	% to Total	No. of Shares	% to Total
(A)	Promoters & Promoter Group	1,50,85,592	30.17	5,70,868	30.05
(B)	Public	3,49,10,109	69.83	13,29,132	69.95
(C)	Non Promoter- Non Public	-	-	-	-
(C1)	Shares Underlying Drs.	-	-	-	-
(C2)	Shares held by the employee trust	-	-	-	-
	TOTAL	4,99,95,701	100.00	19,00,000	100.00

There shall be no change in the shareholding pattern of the promoter holdings of the Company on account of reduction of share capital of the Company, save and except for those shares that will be given to the RTA for the purpose of rounding off of the fractional shares.

15. CHANGE OF MANAGEMENT

There will be no change of Management or shareholding of the promoters on accounts of Reduction of share capital.

16. CREDITOR'S

The Creditors of the Company will not be affected with this reduction of capital as their claim has not diluted or altered or alienated directly or indirectly for the purpose of this Capital Reduction of the Company.

The Company has not accepted or renewed any fixed deposits.

17. DESIGNATED STOCK EXCHANGE:

BSE Limited (BSE) is the designated Stock Exchange as per the SEBI Circular CIR/CFD/CMD/16/2015 read with CFD/DIL3/CIR/2017/21 dated March 10, 2017.

18. MODIFICATIONS, AMENDMENTS TO THE SCHEME:

18.1 The Company may assent from time to time on behalf of all persons concerned to any modifications or amendments or addition to this Scheme or to any conditions or limitations which the respective Hon'ble NCLT, SEBI or any statutory authorities under the Law may deem fit to approve of or impose and to resolve any doubt or difficulties that may arise for carrying out this Scheme and to do and execute all such acts, deeds, matters and things as may be necessary, desirable or proper for carrying the Scheme into effect.

18.2 For the purpose of giving effect to the scheme or to any modification thereof, the Board of Directors of the company (which expression shall be deemed to include any committee of Directors constituted by the Board thereof), are authorised to give such directions and/or to take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise

19. SCHEME CONDITIONAL UPON APPROVALS / SANCTIONS:

This Scheme is specifically conditional upon and subject to:

19.1. The approval of the reduction of capital by the requisite majority of such Classes of persons of Company as may be constructed as per Section 66 of the Companies Act, 2013 (Section 100 – 104 of the Companies Act, 1956) of the

said Act for calling meetings and necessary resolutions being passed under the Act for the purpose.

19.2. The sanctions of the High Court will be obtained under Section 66 of the Companies Act, 2013 (Section 100 – 104 of the Companies Act, 1956, as applicable) and other applicable provisions of the Act, on behalf of the Company.

19.3. Pursuant to this Scheme, the Company shall file the requisite forms with the Registrar of Companies and other statutory authorities, in due course.

20. EFFECTIVE DATE OF THE SCHEME:

This reduction of capital although to come into operation from Appointed Date shall not come into effect until the last of the following dates viz.:

20.1. The date on which the last of all the consents, approvals, permissions, resolutions, sanctions and/or orders as are hereinabove referred to have been obtained or passed; and

20.2. The date on which all necessary certified copies of the order under section 66 of the Companies Act, 2013 of the Act are duly filed with the Registrar of Companies and such date shall be referred to as Effective Date for the purpose of the Scheme.

21. REVOCATION OF THE SCHEME

21.1. In the event of any of the said sanctions and approvals referred to in Clause 12 above not being obtained and/or complied with and/or satisfied relating to this reduction of capital or not being sanctioned/approved by the Hon'ble High Court or such other appropriate authority and/or order or orders not being passed as aforesaid before 31.03.2022 or such other date as may be renewed/extended by the Board of Directors of the Company, this reduction of capital shall be deemed to be stand revoked, cancelled and be of no effect.

21.2. Further, the Board of Directors of the Company shall be entitled to revoke, cancel and declare the Reduction of Capital if they feel it is in the best interest of the company or statutorily not feasible to proceed with the reduction of capital.

21.3. In the event of revocation under clauses herein above, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Company or its respective shareholders or employees or any other person, if any, and in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case and at such time.

22. APPLICATION TO THE NATIONAL COMPANY LAW BOARD (THE TRIBUNAL):

The Company shall make all applications/petitions under Section 66 of the Companies Act, 2013 READ WITH the National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016 and other applicable provisions of the Act to the Hon'ble NCLT of Judicature at Mumbai, Maharashtra for sanctioning of this Reduction of Share Capital of the Company and obtain all approvals as may be required under law.

23. STATUTORY COMPLIANCES

Pursuant to this Scheme of share capital reduction, the Company shall file the requisite forms with the Registrar of Companies, Stock Exchange, SEBI & other Statutory and other authorities.

DCS/AMAL/PB/R37/2007/2021-22

“E-Letter”

July 23, 2021

The Company Secretary,
Imec Services Ltd.
611, Tulsiani Chambers, Nariman Point,
Mumbai, Maharashtra, 400021

Sir,

Sub: Observation letter regarding Draft Scheme of Reduction of Share Capital of Imec Services Ltd.

We are in receipt of the Draft Scheme of Reduction of Share Capital of Imec Services Ltd as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated July 19, 2021 has inter alia given the following comment(s) on the draft scheme of Arrangement:

- **“Company shall duly comply with various provisions of the Circular.”**
- **“Company may be advised to take necessary steps to ensure that the shares mentioned in para 8.3 (i.e. holding of shareholders having less than 10 shares will be transferred to the escrow account controlled by the Chairman of the audit committee and he will be responsible for selling these shares in the open market within 30 days of commencement of trading) at solo-in the open market within 30 days of the listing of shares.”**
- **“Company to ensure that suitable disclosure about the latest financials of the companies involved in the Scheme being not more than 6 months old is done before filing the same with the Hon’ble NCLT.”**
- **“Company shall ensure that the proposed scheme is acted upon only if approved by the NCLT and if the majority votes cast by the public shareholders are in favour of the proposal.”**
- **“Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchanges, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges.”**
- **“Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.”**
- **“It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.”**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon’ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,

Sd/-

Prasad Bhide
Manager



IMEC Services Limited

301, The Horizon, 11/5, South Tukoganj,
Nath Mandir Road, Indore - 452001 (M.P.), India
Phone : +91 731 4017577, 2518125-26, Fax : +91 7312518127
CIN : L74110MH1987PLC142326

April 29, 2021

To,
The General Manager,
Department of Corporate Services,
BSE Limited,
P.J. Towers, Dalal Street,
Mumbai – 400 001.

Sub: Non-applicability of Valuation Report regarding Scheme of Arrangement i.e. Reduction of Equity Share Capital of IMEC Services Limited

Reference: Scrip Code: 513295 Scrip ID: IMEC

Dear Sir/Madam,

With reference to our application dated September 23, 2020 filed with BSE Limited (BSE) vide Case No. 118336 for seeking in-principle approval for Scheme of Arrangement (i.e. Reduction of Equity Share Capital) of IMEC Services Limited (**the Company**).

Please take note that the Valuation Report as mentioned in Para 4 of Annexure – I to the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 states that:

(a) All listed entities are required to submit a valuation report from an Independent Chartered Accountant.

(b) However, Valuation Report is not required in cases where there is no change in the shareholding pattern of the listed entity / resultant company.

(c) For the limited purpose of this Circular, 'change in the shareholding pattern' shall mean;

(i) change in the proportion of shareholding of any of the existing shareholders of the listed entity in the resultant company; or

(ii) new shareholder being allotted equity shares of the resultant company; or

(iii) existing shareholder exiting the company pursuant to the Scheme of Arrangement .

The Present case under review is for Reduction of Capital. In reduction of capital all the share will be reduced in an applicable ratio. Hence there will be no change in Shareholding of the Listed Company. Hence no Valuation report required. Further we wish to clarify the following:

a) There shall not be any change in the proportion of shareholding of any of the pre-scheme shareholders of the Company;

b) There is no fresh allotment of equity shares upon reduction of capital. Only 132 equity shares of Rs. 10/- each shall be consolidated to 5 new equity shares of Rs. 10/- each.

c) All pre-Scheme Shareholders shall remain the Shareholders of the Company after post Scheme.



IMEC Services Limited

301, The Horizon, 11/5, South Tukoganj,
Nath Mandir Road, Indore - 452001 (M.P.), India
Phone : +91 731 4017577, 2518125-26, Fax : +91 7312518127
CIN : L74110MH1987PLC142326

Further please take note that after securing necessary approvals and permissions, the accumulated losses to the extent of Rs. 480,957,010/- of the Company out of total accumulated Loss of Rs. 48,20,99,310/- to be set off against the paid up capital of the Company of Rs.499,957,010/- consisting of 49,995,701 fully paid up Equity Shares of Rs. 10/-.

Post Reduction the paid up equity share capital of the Company will not exceed Rs. 19,000,000/- (One Crore Ninety Lacs only) divided into 1,900,000 (Nineteen Lacs) Equity Shares of Rs. 10/- each.

This proposed reduction of share capital of the Company would amount to **96.20%** of the existing paid up equity share capital of the Company. The paid up capital of the Company after reduction and rounding up @ **5 shares for each 132 shares** held will be Rs. 1,90,00,000/- consists of 19,00,000 equity shares of face value of Rs.10/- each.

The Pre & Post Reduction of Share Capital of the Company will be as follows:

Shareholding pattern	Pre Arrangement		Post Arrangement	
	No. of Shares	% of holding	No. of Shares	% of holding
Promoter	1,50,85,592	30.17	5,70,868	30.05
Public	3,49,10,109	69.83	13,29,132	69.95
Custodian	0	0	0	0
Total	4,99,95,701	100.00	19,00,000	100.00
No of shareholders	21,738	-	21,738	-

Note: The above Post Scheme shares and percentage are after consolidation of 5 equity shares for each 132 equity shares held by the existing shareholders of the Company.

A certified copy of the Board Resolution regarding the non-applicability of Valuation Report is enclosed for your ready reference.

Thank you,

Yours truly,

For IMEC Services Limited

Sd/-

Parag Gupta
Company Secretary
M. No. A50725

Enclosed as above



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Nath Mandir Road, Indore - 452001 (M.P.), India
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Certified true copy of the resolution passed by the Board of Directors of IMEC Services Limited (formerly known as Ruchi Strips and Alloys Limited) at its Meeting held on Thursday, July 30, 2020

Sub.: Non-applicability of Valuation Report from Independent Chartered Accountant, as per Para I(A)(4) of Annexure I of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017.

“RESOLVED THAT the Board hereby take on record the fact that the Reduction of Share Capital of the Company has not resulted into any change in shareholding pattern of the Company post reduction of share capital of the Company.

FURTHER RESOLVED THAT Valuation Report from Independent Chartered Accountant, as per Para I(A)(4) of Annexure I of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 be and is hereby not applicable to the Reduction of Share Capital of the Company.”

**Certified to be true
For IMEC Services Limited**
(formerly known as Ruchi Strips and Alloys Limited)

Sd/-

**Parag Gupta
Company Secretary
M. No.: A50275**

BOARD'S REPORT

To,
The Members of
IMEC Services Limited

Your Directors have pleasure in presenting the 33rd Annual Report together with Audited Financial Statements of the Company for the year ended March 31, 2021.

1. FINANCIAL PERFORMANCE AND STATE OF COMPANY'S AFFAIRS:

(Rs. in Lac)

Particulars	Standalone		Consolidated	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Sales & Other Income	24.96	292.10	1477.31	2014.25
Earning before finance cost and depreciation	(21.70)	2.23	(368.08)	(5720.38)
Depreciation and Financial Charges	0.02	0.32	351.95	356.24
Profit/(Loss) before exceptional items & Tax	(21.72)	1.91	(720.03)	(6076.62)
Exceptional items	-	-	57.07	-
Profit/(Loss) before Tax	(21.72)	1.91	(777.10)	(6076.62)
Current Tax	-	0.37	-	0.37
Deferred Tax	0.04	0.06	0.04	690.47
Income tax for earlier year	-	-	0.71	-
Profit/(Loss) After Tax	(21.76)	1.48	(777.85)	(6767.46)
Other Comprehensive Income/(Loss)	(0.11)	(0.16)	9.58	(3.13)
Total Comprehensive Income/(Loss)	(21.87)	1.32	(768.27)	(6770.59)

The Company is engaged in providing management and consultancy services and also in the business of trading of all kinds of goods including agricultural products, metal & metal alloys etc. The Company's total turnover (including other income) on standalone basis stood at Rs. 24.96 Lac for the year ended March 31, 2021 as compared to Rs. 292.10 Lac in the previous year. The Company reported Comprehensive Loss of Rs. 21.87 Lac as compared to profit of Rs. 1.32 Lac in the previous year on standalone basis. The Company's total turnover (including other income) on consolidated basis stood at Rs. 1477.31 Lac for the year ended March 31, 2021 as compared to Rs. 2014.25 Lac in the previous year. The Company reported Comprehensive Loss of Rs. 768.27 Lac as compared to loss of Rs. 6770.59 Lac in the previous year on consolidated basis. Management is evaluating various propositions to improve the financial situation and is hopeful of arriving out of the distressed financial position.

2. DIVIDEND:

Considering the continued weak performance of the Company, the Board of Directors of your Company expresses their inability to recommend any dividend for the year under report.

3. AMOUNT TRANSFERRED TO RESERVES:

The Company has not transferred any amount to its reserves during the year.

4. DEPOSITS:

The Company has not accepted any Deposits within the meaning of Section 73 of the Companies Act, 2013 ("the Act") and the Rules framed thereunder. As on March 31, 2021, there were no deposits lying unpaid or unclaimed.

5. SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANY: (change as per RSPL)

The Company has one Subsidiary i.e. RSAL Steel Private Limited (RSPL).

RSPL is engaged in manufacturing of Cold Rolled Close Annealed and other steel products and trading of Hot Rolled Coils, Cold Rolled Close Annealed, other steel products and Agro Commodities. The Consolidated Financial Statements presented by the Company includes the Financial Statements of its subsidiary company as well.

The Total turnover (including other income) of the subsidiary company stood at Rs. 1452.34 Lac as compared to Rs. 1722.15 Lac in the previous year. The total Comprehensive Loss for the year stood at Rs. 746.43 Lac as compared to Rs. 6771.91 Lac in the previous year.

From the past few financial years, the performance of the Company was primarily impacted due to stretched working capital cycle, lower level of liquidity impacting capacity utilization and business operations of the Company. The Low utilization of capacity of plant had adversely affected the fixed cost absorption and also affected profitability of the Company. The Company had taken various steps to cut down the expenses in man power cost and in other expenses as well. The Company is exploring the business opportunity through job works. The Job Work Production was approx. 100% of the total production in financial year 2020-21 as compared to 94% of during the financial year 2019-20. With support of Job Work, the Company is able to utilize its capacity by approx. 20% in financial year 2020-2021 as compared to 14% of during the financial year 2019-20.

The National Company Law Tribunal ("NCLT"), Mumbai Bench, vide Order dated September 3, 2019 ("Insolvency Commencement Order") has initiated Corporate Insolvency Resolution Process ("CIRP") based on petition filed by Dena Bank under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("the Code"). Mr. Rajender Kumar Girdhar, IP Registration No. IBBI/IPA-003/IP-N00048/2017-18/10396, was appointed as Interim Resolution Professional ("IRP") to manage the affairs of the Company in accordance with the provisions of the Code. In the first meeting of the Committee of Creditors held on October 9, 2019, Mr. Rajender Kumar Girdhar had been confirmed as Resolution Professional ("RP"/ "Resolution Professional") for the Company. Pursuant to the Insolvency Commencement Order and in line with the provisions of the Code, the powers of the Board of Directors of the subsidiary company were suspended and the same are being exercised by RP. The Resolution Plan duly approved by the Committee of Creditors of the Corporate Debtor has been filed before Hon'ble NCLT, Mumbai Bench and the same is pending adjudication as on the date of this Board's Report.

Pursuant to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing salient features of the Financial Statement of the Company's subsidiary i.e. RSPL in Form AOC-1 is attached to the Financial Statements. The Company has no joint venture or associate company.

Further, pursuant to the provisions of Section 136 of the Act, the Financial Statements of the Company, Consolidated Financial Statements along with relevant documents and separate Audited Financial Statements in respect of subsidiary of the Company, are available on the website of the Company viz. www.imecservices.in.

None of the companies, which have become/ceased to be subsidiary (ies), joint ventures or associate companies during the year.

6. MATERIAL CHANGES BETWEEN THE DATE OF THE BOARDS' REPORT AND END OF FINANCIAL YEAR:

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report. However following change was initiated by the Company during the financial year 2020-21:

Reduction of Share Capital of the Company:

During the year under review, the Company had consequent to the recommendation of the Audit Committee and approval of the Board of Directors of the Company at their respective meetings held on July 30, 2020; subject to the approval of the Members of the Company, the National Company Law Tribunal, Mumbai, BSE Limited and all other requisite approvals, as may be required; approved the Scheme of Arrangement i.e. Reduction of Share Capital of the Company (the Scheme) and had filed the draft Scheme with BSE Limited on September 23, 2020 for seeking their "Observation Letter" on the draft Scheme.

The BSE Limited vide their letter dated July 23, 2021 have issued their "Observation Letter/No-objection Letter" as required under Regulation 37 of the Listing Regulations with 'No adverse observations', to the proposed Scheme of Reduction of Share Capital.

The approval of the Members of the Company is sought by way of special resolution for the proposed Reduction of Share Capital of the Company at the ensuing Annual General Meeting of the Company.

7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Your Directors have nothing to report on the aforesaid matters as your Company is not engaged in manufacturing activities and has no foreign collaboration and has not exported or imported any goods or services during the year.

8. BUSINESS RISK MANAGEMENT:

Pursuant to Section 134(3)(n) of the Act and Listing Regulations, the Company has framed a detailed Risk Management Policy for assessment of risk and determine the responses to these risks so as to minimize their adverse impact on the organization. The functional head of the Company is responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board/Audit Committee.

9. DIRECTORS & KEY MANAGERIAL PERSONNEL:

A. DIRECTORS:

Mr. Saket Barodia (DIN – 00683938), Non-Executive Director retires by rotation in accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company and being eligible, offers himself for re-appointment.

As on March 31, 2021 the Board of Directors of the Company consists of Mr. Saket Barodia (DIN: 00683938) - Non Executive Director, Mr. Ashutosh Mishra - (DIN: 00038320) -Independent Director (Non-Executive) and Mrs. Swati Kushwah (DIN: 08494474) - Woman Independent Director (Non-Executive).

During the year under review, the Board of Directors at its Meeting held on March 9, 2021 had subject to the approval of the Members in the ensuing Annual General Meeting of the Company, appointed Mrs. Swati Kushwah as a Non-Executive Women Independent Director of the Company for the period of five consecutive years w.e.f. March 9, 2021.

Further the Board of Directors at its Meeting held on June 29, 2021 had subject to the approval of the Members in the ensuing Annual General Meeting of the Company, appointed Mr. Negendra Singh as a Non-Executive Independent Director of the Company for the period of five consecutive years w.e.f. June 29, 2021.

The Board of Directors has recommended to the Members to appoint/confirm the above Directors at the ensuing Annual General Meeting of the Company.

During the year under review, Mrs. Shivani Gupta has resigned from the Directorship of the Company w.e.f. February 19, 2021. Further, Mr. Ashutosh Mishra has also resigned from the Directorship of the Company w.e.f. June 29, 2021.

Pursuant to provisions of sub-section (6) of Section 149 of the Act and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), each of the Independent Directors of the Company have submitted a declaration that each of them continue to meet the criteria of independence as provided in the Act and the Listing Regulations.

During the year under review, there was no re-appointment of any of the Independent Directors in the Company.

In compliance with Regulation 36(3) of the Listing Regulations, brief resume, expertise and other details of the Director proposed to be appointed/re-appointed is given in the Notice convening the ensuing Annual General Meeting.

B. KEY MANAGERIAL PERSONNEL:

As on March 31, 2021, the office of Key Managerial Personnel comprised of Mr. Nilesh Nagar – Chief Financial Officer and Mr. Parag Gupta – Company Secretary and Compliance Officer.

Further, Mr. Nilesh Nagar has resigned from the office of Chief Financial Officer of the Company w.e.f. June 30, 2021. The Company is looking for suitable candidate for the post of Chief Executive Officer and Chief Financial Officer of the Company.

10. BOARD EVALUATION:

Pursuant to the provisions of the Act and corporate governance requirements as prescribed by the Listing Regulations, the Board of Directors had on the basis of manner specified by the Nomination and Remuneration Committee carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Board Committees. The manner in which the evaluation has been carried out, is explained in the Corporate Governance Report.

The performance evaluation of Independent Directors has been done by the Board of Directors excluding the directors being evaluated.

A meeting of Independent Directors was held to review the performance of the Chairman, Non-Independent Directors of the Company and the performance of the Board as a whole as mandated by Schedule IV of the Act and Listing Regulations. The Directors also discussed the quality, quantity and timeliness of flow of information between the Company management and the Board, which is necessary for the Board to effectively and reasonably perform their duties. The feedback of the meeting was shared with the Chairman of the Company.

11. MEETINGS:

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year, Six Board Meetings, Five Audit Committee Meetings, One Stakeholders' Relationship Committee Meetings and One Nomination and Remuneration Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report to this Annual Report of the Company. The intervening gap between the two Meetings was within the period prescribed under the Act/Listing Regulations.

The details of composition of the Board of Directors and its Committees is given in the Corporate Governance Report to this Annual Report of the Company.

12. POLICY FOR APPOINTMENT OF DIRECTORS, KMPs AND SENIOR MANAGEMENT AND THEIR REMUNERATION:

The Board has adopted a policy for appointment of Directors, Key Managerial Personnel's and Senior Management and their remuneration. The extract of the said Policy is reproduced in the Corporate Governance Report.

13. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134 (5) of the Act, the Board of Directors of the Company hereby state and confirm that:

- i) In the preparation of the annual accounts for the financial year ended on March 31, 2021, the applicable accounting standards have been followed and no material departures have been made from the same;
 - ii) we have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year under review;
 - iii) we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
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- iv) we have prepared the annual accounts/financial statements on a going concern basis;
- v) we have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi) we have devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

14. STATUTORY AUDITORS:

At the 31st Annual General Meeting held on September 25, 2019, the Members of the Company had appointed M/s. M.S. Singhatwadia & Co (now known as SCAN &Co.), Chartered Accountants, Indore, as Statutory Auditors of the Company for a term of five consecutive years to hold office from the conclusion of that meeting till the conclusion of the 36th Annual General Meeting of the Company to be held in 2024.

The Standalone and Consolidated Auditors' Report issued by M/s. SCAN & Co. (formerly known as M.S. Singhatwadia & Co.), Chartered Accountants, Indore for the financial year ended March 31, 2021, does not contain any qualifications, reservations or adverse remarks. However, the Statutory Auditors have in their Audit Reports have put few Emphasis of Matters drawing attention of the Members of the Company.

15. SECRETARIAL AUDIT REPORT AND SECRETARIAL COMPLIANCE REPORT:

Pursuant to the provisions of Section 204 of the Act, Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Listing Regulations, the Board of Directors of the Company at its meeting held on March 9, 2021, had appointed M/s. Manish Jain & Co. Company Secretaries, Indore as the Secretarial Auditor of the Company to undertake the Secretarial Audit of the Company for the financial year 2020-21. The Secretarial Audit Report in the prescribed Form MR-3 is annexed to this report as "**Annexure-A**".

The said Secretarial Audit Report contains qualification as specified below on which the opinion of the Board is also mentioned:

- i) As per Section 149(1)(a) of the Companies Act, 2013, the Company had only two directors during the period from 19th February, 2021 to 09th March, 2021. i.e less than the minimum number of three directors as specified in the Act:
Opinion: There was vacancy in the office of Director as Mrs. Shivani Gupta had filed her resignation from directorship of the Company in e-form DIR-11 with the Ministry of Corporate Affairs w.e.f. February 19, 2021. The Company had filled up the vacancy by appointing Ms. Swati Kushwah as a Woman Independent Director in the immediate next Board Meeting held on March 9, 2021.
 - ii) The composition of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee of the company is not in compliance with Regulation 18, 19 and 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from 19th February, 2021 to 09th March, 2021. The Committee comprises of only two directors during aforesaid period.
Opinion: Upon appointment of Ms. Swati Kushwah as a Woman Independent Director at the Board Meeting held on March 9, 2021 all three Committees of the Board were re-constituted in compliance with the provisions of Regulation 18, 19 and 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
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- iii) As per Regulation 13(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated 19th March, 2020, the Company has delayed in filing the Statement of Investor Complaints for the Quarter ended on March 2020. The same was required to be filed on or before 15th May, 2020 but the company had filed on 20th May, 2020.
- iv) As per Regulation 31 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated 19th March, 2020 the Company has delayed in filing the Shareholding Pattern for the Quarter ended on March 2020. The same was required to be filed on or before 15th May, 2020 but the company had filed on 22nd May, 2020.
- v) As per Regulation 27(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated 19th March, 2020 the Company had delayed in filing the Corporate Governance Report for the Quarter Ended March 2020. The same was required to be filed on or before 15th May, 2020 but the company had filed on 22nd May, 2020.

Opinion (for iii, iv & v): The Company had by an Application dated 05.09.2020 requested BSE Limited for waiver of fines for the delay in few quarterly compliances which had actually caused due to "COMPLETE LOCKDOWN" which started from March 24, 2020 as imposed by the Central and State Government because of the ongoing COVID-19 Pandemic. Due to said reason the officials of the Company were not having complete access of the Company's data, hence could not submit the concerned compliance within the stipulated time period.

Further as soon as the 'unlock phase' from the Complete Lockdown started in the State of Madhya Pradesh where the Corporate Office of the Company is situated, the Company had immediately complied with the quarterly compliances.

The fine as levied had been waived off by BSE Limited as follows:

- a) *Delay in filing the Statement of Investor Complaints - on 23.12.2020.*
- b) *Delay in filing the shareholding pattern - on 22.09.2020.*
- c) *Delay in filing the Corporate Governance Report – on 28.09.2020.*

- vi) As per Regulation 30 read with Schedule III Part A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company had informed BSE about the resignation of Ms. Shivani Gupta (Holding DIN: 08275256), Independent Director of the Company. The reason of resignation stated by her was pre-occupation. This is not the detail resignation as per our view.

Opinion: The Board requested the officials to kindly keep this in knowledge and if in future any such resignation of any other independent director arises; to take detailed reasons for such resignation as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- vii) As per Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Limited Review Report for all the Quarters for the Financial Year 2020-21 and Auditor's Report for the financial year end on 31st March, 2020 was issued by the auditor who does not holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as on that date.

Opinion: The Auditor had applied for the peer review certificate but was not able to receive the same due to COVID pandemic; currently the Auditors have received the Peer Review Certificate w.e.f. 14.06.2021 to be valid till 30.06.2024.

- viii) As per Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and BSE Circular LIST/COMP/13/2019-20 dated 16th May, 2019 the Company had not filed the Annual Report for the F.Y. 2019-20 in XBRL mode, till date.

Opinion: The Company has a subsidiary named RSAL Steel Private Limited (RSPL) which under CIRP process and as such all its e-forms are filed as an attachment in e-form GNL-2 with the Ministry of Corporate Affairs; further while filing the details in XBRL of the Company the SRN for filing of balance sheet by RSPL is required and when we are entering the SRN of the concerned GNL-2 in which e-form AOC-4 XBRL of RSPL is filed, it is showing error "enter valid SRN of form AOC-4/AOC-4 XBRL"; The Company is constantly coordinating with the MCA officials to resolve the concerned issue so that we can file the AOC-4 XBRL of IMEC Services Limited and also file simultaneously the Annual Report in XBRL mode for the F.Y. 2019-20.

- ix) As per Regulation 74(5) of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 read with SEBI Relaxation granted vide SEBI/HO/MIRSD/RTAMB/CIR/P/2020/59 dated 13/04/2020 the Company had delayed in filing the Compliances-Certificate for the Quarter Ended March 2020. The same was required to be filed on or before 21st May, 2020 but the company had filed on 23rd May, 2020:

- x) As per Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 read with SEBI Relaxation granted vide SEBI/HO/MIRSD/RTAMB/CIR/P/2020/59 dated 13/04/2020 the Company had delayed in filing the Reconciliation and Share Capital Audit Report for the Quarter Ended March 2020. The same was required to be filed on or before 21st May, 2020 but the company had filed on 23rd May, 2020:

Opinion (for ix & x): Due to "COMPLETE LOCKDOWN" which started from March 24, 2020 as imposed by the Central and State Government because of the ongoing COVID-19 Pandemic. Due to said reason the officials of the Company were not having complete access of the Company's data, hence could not submit the concerned compliance within the stipulated time period.

Further as soon as the 'unlock phase' from the Complete Lockdown started in the State of Madhya Pradesh where the Corporate Office of the Company is situated, the Company had complied with the same.

xi) As per Regulation 30 Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, read with SEBI/HO/CFD/DCR1/CIR/P/2020/49 dated 27th March 2020, the promoter of the Company had delayed in filing the Continual Disclosure related to shareholding in the Company:

xii) As per Regulation 31 Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 read with SEBI/HO/CFD/DCR1/CIR/P/2020/49 dated 27th March 2020, the promoter of the Company had delayed in filing the Annual Disclosure of encumbered shares related to shareholding in the Company:

Opinion (xi & xii): The Company had requested the Promoter(s) to submit the future disclosures/intimations within the stipulated timeline as specified in the Regulations as may be applicable. The Promoters have ensured to adhere to the future disclosures/intimations within the required timelines.

xiii) As per Section 203 of the Companies Act, 2013 the Company had not filled the casual vacancy within a period of six months from the date of vacancy caused due to resignation of Chief Executive Officer w.e.f 9th November, 2019:

Opinion: The Management is looking for a suitable candidate to fill the vacancy in the office of CEO.

xiv) As per Section 137 of the Companies Act, 2013, the Company had not filed Form AOC-4 XBRL for the F.Y.2019-20 till date:

Opinion: The Company has a subsidiary named RSAL Steel Private Limited (RSPL) which under CIRP process and as such all its e-forms are filed as an attachment in e-form GNL-2 with the Ministry of Corporate Affairs; further while filing the details in XBRL of the Company the SRN for filing of balance sheet by RSPL is required and when we are entering the SRN of the concerned GNL-2 in which e-form AOC-4 XBRL of RSPL is filed, it is showing error "enter valid SRN of form AOC-4/AOC-4 XBRL"; The Company is constantly coordinating with the MCA officials to resolve the concerned issue so that we can file the AOC-4 XBRL of IMEC Services Limited for the F.Y. 2019-20.

xv) The company has delayed in filing Annual Return (Form III) under the Minimum Wages Act, 1948 and Annual Return (Form D) under the Payment of Bonus Act, 1965:

Opinion: The Company would ensure in future the filing of the said returns within the statutory time limit.

xvi) There is delay in depositing the provident Fund for the month of April, 2020, under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952:

Opinion: Due to "COMPLETE LOCKDOWN" there was delay in depositing the provident fund for the concerned month.

xvii) The payment of remuneration to the employees of the Company have not been made within the time period specified under the Minimum Wages Act, 1948:

Opinion: The Company would ensure in future that the remuneration is paid on time to its employees.

Further, in accordance with provisions of SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 11, 2020 and the Listing Regulations, the Board of Directors of the Company had authorized M/s. Manish Jain & Co. – Secretarial Auditor of the Company to issue the Secretarial Compliance Report for the financial year 2020-21.

In accordance with the provisions of the Listing Regulations, the Secretarial Compliance Report for the financial year 2020-21 issued by M/s. Manish Jain & Co., Company Secretaries had been sent to the Stock Exchange within the statutory time limit.

16. INTERNAL AUDITOR:

Pursuant to the provisions of Section 138 of the Act and rules made thereunder, the Board of Directors at its meeting held on July 30, 2020, had appointed M/s. Nahata Mahajan & Co., Chartered Accountants as the Internal Auditor of the Company for the Financial Year 2020-21. The respective reports of the Internal Auditor were placed before the Audit Committee Meeting of the Board of Directors of the Company for their review and necessary action.

Further, the Board of Directors at its meeting held on June 29, 2021 re-appointed M/s. Nahata Mahajan & Co., Chartered Accountants, Indore as the Internal Auditor of the Company for the financial year 2021-22.

17. MAINTENANCE OF COST RECORDS:

Maintenance of cost records as specified by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013, is not applicable to the Company.

18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY:

During the year under review, the Company has not made any loans or investments or given any guarantees or provided any securities under the provisions of Section 186 of the Act.

The existing loans given, investments made, guarantees given and/or securities provided are in compliance with the provisions of the Act and Rules made thereunder and details thereof are given in the Notes to the Financial Statements of the Company.

19. RELATED PARTY TRANSACTIONS:

All transactions entered during the financial year into by the Company with the related party were in the ordinary course of the business and at arm's length basis. The Audit Committee grants omnibus approval for the transactions that are in the ordinary course of the business and repetitive in nature. For other transactions, the Company obtains specific approval of the Audit Committee before entering into any such transactions. Disclosures about the related party transactions which were in the ordinary course of business and at arm's length basis have been made in Note No. 23 to the Financial Statement. There are no materially significant related party transactions entered into by the Company.

The policy on related party transactions as approved by the Board of Directors is available on the website of the Company viz. www.imecservices.in.

20. CORPORATE SOCIAL RESPONSIBILITY:

The Company is not required to constitute a Corporate Social Responsibility Committee, as it does not fall within purview of Section 135(1) of the Act and hence it is not required to formulate policy on corporate social responsibility.

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

During the year under review, there has been no such significant and material orders passed by any Regulators or Courts or Tribunals impacting the going concern status of the Company or its operations in future except that the Company, the subsidiary company i.e. RSAL Steel Private Limited and the Ex Directors of the Subsidiary company have been declared as a wilful defaulter by State Bank of India vide its letter dated January 11,2021.

22. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board. The Internal financial controls with reference to the financial statements were adequate and operating effectively.

23. WHISTLE BLOWER POLICY/ VIGIL MECHANISM:

The Company has a mechanism called the 'Vigil Mechanism' and a policy to facilitate its employees and Directors to voice their concerns or observations without fear or raise reports of instance of any unethical or unacceptable business practice or event of misconduct/unethical behavior, actual or suspected fraud and violation of Company's Code of Conduct etc. to the Committee. The said Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. The Whistle Blower Policy is disclosed on the website of the Company viz. www.imecservices.in.

24. PARTICULARS OF EMPLOYEES:

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in "Annexure-B" forming part of the Board's Report.

25. CORPORATE GOVERNANCE:

Your Company is committed to maintaining the standards of Corporate Governance and adhering to the Corporate Governance requirements as set out by the Securities and Exchange Board of India. The Report on Corporate Governance as stipulated under the Listing Regulations forms part of the Annual Report.

26. SECRETARIAL STANDARDS:

The Company complies with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

27. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report for the year under review, as stipulated under the Listing Regulations, is provided in a separate section forming part of the Annual Report.

28. DETAILS OF SEXUAL HARASSMENT COMPLAINTS:

In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (Sexual Harassment Act), the Company has formed a Policy for prevention, prohibition and redressal of sexual harassment of women at workplace. The provisions relating to the constitution of the Internal Complaints Committee are not applicable to the Company.

The status of complaints as on March 31, 2021 under the Sexual Harassment Act is as under:

1. Number of complaints pending as at the beginning of the year: NIL
2. Number of complaint received in the year: NIL
3. Number of complaint disposed off during the year: NIL
4. Number of complaints pending as at the end of the year: NIL

29. EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return for the financial year ended March 31, 2021 in the prescribed Form MGT-9 is enclosed as “**Annexure-C**”.

30. LISTING AT STOCK EXCHANGE:

The Company's Equity Shares are continued to be listed on BSE Limited.

31. SHARE CAPITAL:

The fully paid up Equity Share Capital of the Company as on March 31, 2021 was Rs. 49,99,57,010/- constituting 4,99,95,701 equity shares of Rs. 10/- each. There was no change in the share capital during the year under review.

32. CERTIFICATION BY CHIEF EXECUTIVE OFFICER & CHIEF FINANCIAL OFFICER:

The Board of Directors have received a certificate from Chief Financial Officer (due to the vacancy in the office of the Chief Executive Officer of the Company, the said Certificate was only signed by the CFO) of the Company as specified in Part B of Schedule II of Regulation 17 (8) of the Listing Regulations.

33. INDUSTRIAL RELATIONS:

Relations with the employees continued to remain cordial throughout the year. Your Directors wish to place on record their appreciation for sincere and dedicated services rendered by the executives and staff at all levels.

34. ACKNOWLEDGEMENT:

The Directors wish to place on record their appreciation for the sincere cooperation extended by the Members, Bankers, Employees of the Company and all other Government Agencies in carrying out the business of the Company.

**By order of the Board of Directors
For IMEC Services Limited**

Sd/-

Sd/-

**Date: August 28, 2021
Place: Indore**

**Negendra Singh
Director
DIN: 07756704**

**Swati Kushwah
Director
DIN: 08494474**

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED on 31st March, 2021
[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
IMEC Services Limited
611, Tulsiani Chambers, Nariman Point,
Mumbai - 400021

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IMEC Services Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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. I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 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:

Due to Covid-19 pandemic I was unable to physically visit the Company office and therefore, I have examined the books, papers, minute books, forms and returns filed and other records received via Emails and other electronic means maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
 - 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 there under;
 - iv. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings;
 - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
-

- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014- **There is no Share Based Employee Benefits in the Company;**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- **There is no Listed Debt Securities in the Company;**
- (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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **No Equity Shares are delisted during the year;** and
- (i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018- **There is no event of Buyback of securities during the year.**

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

- i. Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.

We report that, during the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following Qualification:

1. *As per Section 149(1)(a) of the Companies Act, 2013, the Company had only two directors during the period from 19th February, 2021 to 09th March, 2021. i.e less than the minimum number of three directors as specified in the Act.*
 2. *The composition of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee of the company is not in compliance with Regulation 18, 19 and 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from 19th February, 2021 to 09th March, 2021. The Committee comprises of only two directors during aforesaid period.*
 3. *As per Regulation 13(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated 19th March, 2020, the Company has delayed in filing the Statement of Investor Complaints for the Quarter ended on March 2020. The same was required to be filed on or before 15th May, 2020 but the company had filed on 20th May, 2020.*
 4. *As per Regulation 31 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated 19th March, 2020 the Company has delayed in filing the Shareholding Pattern for the Quarter ended on March 2020. The same was required to be filed on or before 15th May, 2020 but the company had filed on 22nd May, 2020.*
-

5. *As per Regulation 27(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated 19th March, 2020 the Company had delayed in filing the Corporate Governance Report for the Quarter Ended March 2020. The same was required to be filed on or before 15th May, 2020 but the company had filed on 22nd May, 2020.*
 6. *As per Regulation 30 read with Schedule III Part A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company had informed BSE about the resignation of Ms. Shivani Gupta (Holding DIN: 08275256), Independent Director of the Company. The reason of resignation stated by her was pre-occupation. This is not the detail resignation as per our view.*
 7. *As per Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Limited Review Report for all the Quarters for the Financial Year 2020-21 and Auditor's Report for the financial year end on 31st March, 2020 was issued by the auditor who does not holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as on that date.*
 8. *As per Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and BSE Circular LIST/COMP/13/2019-20 dated 16th May, 2019 the Company had not filed the Annual Report for the F.Y. 2019-20 in XBRL mode, till date.*
 9. *As per Regulation 74(5) of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 read with SEBI Relaxation granted vide SEBI/HO/MIRSD/RTAMB/CIR/P/2020/59 dated 13/04/2020 the Company had delayed in filing the Compliances-Certificate for the Quarter Ended March 2020. The same was required to be filed on or before 21st May, 2020 but the company had filed on 23rd May, 2020.*
 10. *As per Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 read with SEBI Relaxation granted vide SEBI/HO/MIRSD/RTAMB/CIR/P/2020/59 dated 13/04/2020 the Company had delayed in filing the Reconciliation and Share Capital Audit Report for the Quarter Ended March 2020. The same was required to be filed on or before 21st May, 2020 but the company had filed on 23rd May, 2020.*
 11. *As per Regulation 30 Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, read with SEBI/HO/CFD/DCR1/CIR/P/2020/49 dated 27th March 2020, the promoter of the Company had delayed in filing the Continual Disclosure related to shareholding in the Company.*
 12. *As per Regulation 31 Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 read with SEBI/HO/CFD/DCR1/CIR/P/2020/49 dated 27th March 2020, the promoter of the Company had delayed in filing the Annual Disclosure of encumbered shares related to shareholding in the Company.*
-

13. *As per Section 203 of the Companies Act, 2013 the Company had not filled the casual vacancy within a period of six months from the date of vacancy caused due to resignation of Chief Executive Officer w.e.f 9th November, 2019.*
14. *As per Section 137 of the Companies Act, 2013, the Company had not filed Form AOC-4 XBRL for the F.Y.2019-20 till date.*

I further report that

During the period from 19th February, 2021 to 09th March, 2021 the Board of Directors of the Company and committee of the Board is not properly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

I further report that having regard to the systems and processes in place to monitor and ensure compliance with general laws like Labour laws, Competition laws and on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the following general laws applicable to the Company:

- i. Labour Laws
 - Payment of Bonus Act, 1965
 - Payment of Gratuity Act, 1972
 - The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
 - Minimum Wages Act, 1948
 - The Sexual harassment of Women at Workplace (prevention, Prohibition and Redressal) Act, 2013
- ii. Competition Act, 2002

We report that, during the year under review the Company has complied with the provisions of the above mentioned Laws subject to the following remarks:

1. *The company has delayed in filing Annual Return (Form III) under the Minimum Wages Act, 1948 and Annual Return (Form D) under the Payment of Bonus Act, 1965*
 2. *There is delay in depositing the provident Fund for the month of April, 2020, under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952.*
 3. *The payment of remuneration to the employees of the Company have not been made within the time period specified under the Minimum Wages Act, 1948.*
-

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

Matters pertaining to financial, direct/indirect taxation, statutory audit which have been dealt by other professionals, are not in the scope of our audit and hence, no comments have been made on these matters.

I further report that during the audit period, there were no instances of:

- i. Public /Right/ Preferential issue of shares / debentures / sweat equity, etc.
- ii. Redemption / buy-back of securities.
- iii. Major decisions taken by the members in pursuant to section 180 of the Companies Act, 2013.
- iv. Merger / amalgamation etc.
- v. Foreign technical collaborations, etc.

**for Manish Jain & Co.
Company Secretaries**

Date: 27/08/2021
Place: Indore

Sd/-

Manish Jain
(Proprietor)
Membership No. 4651
COP No. 3049
UDIN: F004651C000841135

To,
The Members
IMEC Services Limited
611, Tulsiani Chambers, Nariman Point,
Mumbai - 400021

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

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

**for Manish Jain & Co.
Company Secretaries**

Date: 27/08/2021
Place: Indore

Sd/-

Manish Jain
(Proprietor)
Membership No. 4651
COP No. 3049
UDIN: F004651C000841135

ANNEXURE-B

Details pertaining to remuneration including increased remuneration of Directors and KMP and details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- 1) Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21 are as under:

Name of Director and KMP	Designation	Remuneration for F.Y. 2020-21 (in Rs.)	Remuneration for F.Y. 2019-20 (in Rs.)	% Increase in remuneration	Ratio to the median
Mr. Nilesh Nagar#	Chief Financial officer	2,87,720	2,01,888	-	0.71
Mr. Parag Gupta	Company Secretary	4,05,090	4,29,793	-	1
Mr. Chaitanya Zaveri	Corporate Affairs Manager	8,95,330	-	-	2.21

Note: The Company does not have any Managing Director/Whole Time Director during the year under review.

#The Remuneration paid to Mr. Nilesh Nagar during the F.Y. 2019-20 was for approx. 8 (eight) months hence not comparable with the Remuneration paid to him for the F.Y. 2020-21.

- 2) The median remuneration of employees of the Company during the financial year was Rs. 4,05,090/-.
- 3) The percentage increase in the remuneration is specified in the above table.
- 4) During the year, median remuneration increased from the last financial year.
- 5) There are 3 permanent employees on the rolls of Company as on March 31, 2021.
- 6) Average percentile increase in salaries of employees other than managerial personnel for F.Y. 2020-21: Nil
Percentile increase in salaries of managerial personnel for F.Y. 2020-21: Specified in the above table.
The increase in the salaries of managerial personnel was on the basis of their individual performances.
- 7) It is hereby affirmed that the remuneration paid is as per the Policy for appointment of Directors, Key Managerial Personnel and senior management employees or their remuneration.
-

FORM NO. MGT- 9
EXTRACT OF ANNUAL RETURN
As on financial year ended 31st March, 2021
(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management & Administration) Rules, 2014)

I. REGISTRATION AND OTHER DETAILS:

1.	CIN	L74110MH1987PLC142326
2.	Registration Date	18/06/1987
3.	Name of the Company	IMEC Services Limited
4.	Category/Sub-category of the Company	Company Limited By Shares/ Indian Non Government Company
5.	Address of the Registered office and contact details	611, Tulsiani Chambers, Nariman Point, Mumbai - 400021, Maharashtra Tel: 022-22851303 Fax: 022-22823177 E-mail: investor@imecservices.in Website: www.imecservices.in
6.	Whether listed company	Yes
7.	Name, Address and contact details of Registrar & Transfer Agent, if any	Bigshare Services Private Limited Bharat Tin Works Building, 1 st Floor, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (E), Mumbai – 400059 Tel: 022-62638200/62638222 E-mail: investor@bigshareonline.com Website: www.bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Management Consultancy Activities	70200	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1.	RSAL Steel Private Limited 611, Tulsiani Chambers, Nariman Point, Mumbai - 400021, Maharashtra	U28990MH2010PTC211581	Subsidiary Company	100 % of equity share capital	2(87) of the Companies Act, 2013

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

i. Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1 st April, 2020)				No. of Shares held at the end of the year (As on 31 st March, 2021)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	5,000	0	5,000	0.01	5,000	0	5,000	0.01	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0	0	0	0	0	0.00
d) Bodies Corp.	1,50,80,592	0	1,50,80,592	30.16	1,50,80,592	0	1,50,80,592	30.16	0.00
e) Banks / FI	0	0	0	0	0	0	0	0	0.00
f) Any other (Trust)	0	0	0	0.00	0	0	0	0	0.00
Sub-total (A) (1):-	1,50,85,592	0	1,50,85,592	30.17	1,50,85,592	0	1,50,85,592	30.17	0.00
(2) Foreign									
a) NRIs-Individual	0	0	0	0.00	0	0	0	0	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0	0.00
e) Any other	0	0	0	0.00	0	0	0	0	0.00
Sub-total (A)(2):-	0	0	0	0.00	0	0	0	0	0.00
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1,50,85,592	0	1,50,85,592	30.17	1,50,85,592	0	1,50,85,592	30.17	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	79,500	79,500	0.16	0	79,500	79,500	0.16	0.00
b) Banks / FI	200	100	300	0.00	200	100	300	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0	0.00
g) FIIs	0	0	0	0.00	0	0	0	0	0.00

h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0	0.00
i) Any other	0	0	0	0.00	0	0	0	0	0.00
Sub-total (B)(1):-	200	79,600	79,800	0.16	200	79,600	79,800	0.16	0.00
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	2,21,68,714	1,31,100	2,22,99,814	44.60	2,21,63,534	1,31,100	2,22,94,634	44.59	(0.01)
ii) Overseas	0	0	0	0	0	0	0		
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	29,11,961	25,83,565	54,95,526	11.00	30,38,439	25,83,665	56,22,104	11.25	0.25
ii) individual shareholders holding nominal share capital in excess of Rs 1 lakh	38,70,136	0	38,70,136	7.74	37,63,407	0	37,63,407	7.53	(0.21)
c) Others									
i) Clearing Members	16,512	0	16,512	0.03	3,966	0	3,966	0.01	(0.02)
ii) Trust	28,80,200	0	28,80,200	5.76	28,80,400	0	28,80,400	5.76	0.00
iii) HUF	1,63,754	0	1,63,754	0.33	1,62,231	0	1,62,231	0.32	(0.01)
iv) NRI	48,067	56,300	1,04,367	0.21	47,767	55,800	1,03,567	0.21	0.00
Sub-total (B) (2):-	3,20,59,344	27,70,965	3,48,30,309	69.67	3,20,59,744	27,70,565	3,48,30,309	69.67	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	3,20,59,544	28,50,565	3,49,10,109	69.83	3,20,59,944	28,50,165	3,49,10,109	69.83	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0.00
Grand Total (A+B+C)	4,71,45,136	28,50,565	4,99,95,701	100.00	4,71,45,536	28,50,165	4,99,95,701	100.00	0.00

ii. Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 1 st April, 2020)			Shareholding at the end of the year (As on 31 st March, 2021)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1.	Param Foundation Pvt. Ltd.	86,79,077	17.36	69.75	86,79,077	17.36	69.75	0.00
2.	Ruchi Infotech Ltd	38,99,263	7.80	100.00	38,99,263	7.80	100.00	0.00

3.	Ruchi Soya Industries Ltd.	17,71,700	3.54	0.00	17,71,700	3.54	0.00	0.00
4.	APL International Pvt. Ltd.	6,75,000	1.35	0.00	6,75,000	1.35	0.00	0.00
5.	Nutrela Marketing Pvt. Ltd.	30,000	0.06	0.00	30,000	0.06	0.00	0.00
6.	Steeltech Resources Limited	13,852	0.03	0.00	13,852	0.03	0.00	0.00
7.	Ruchi Infrastructure Ltd.	11,700	0.02	0.00	11,700	0.02	0.00	0.00
8.	Mrs. Abhadevi Shahra	5,000	0.01	0.00	5,000	0.01	0.00	0.00
	Total	1,50,85,592	30.17	-	1,50,85,592	30.17	-	0.00

iii. **Change in Promoters' Shareholding (please specify, if there is no change):**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.					
-----NA-----					

iv. **Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Top Seals India Private Limited				
	At the beginning of the year i.e. April 1, 2020	69,76,714	13.95	69,76,714	13.95
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year i.e. March 31, 2021	69,76,714	13.95	69,76,714	13.95
2	Money Capfin Private Limited				
	At the beginning of the year i.e. April 1, 2020	42,35,796	8.47	42,35,796	8.47
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year i.e. March 31, 2021	42,35,796	8.47	42,35,796	8.47
3	Joyful Developers Private Limited				
	At the beginning of the year i.e. April 1, 2020	38,06,075	7.61	38,06,075	7.61
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year i.e. March 31, 2021	38,06,075	7.61	38,06,075	7.61

4	Jush Developers And Erectors Private Limited				
	At the beginning of the year i.e. April 1, 2020	38,06,000	7.61	38,06,000	7.61
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year i.e. March 31, 2021	38,06,000	7.61	38,06,000	7.61
5	Avirat Urja Private Limited				
	At the beginning of the year i.e. April 1, 2020	19,49,468	3.90	19,49,468	3.90
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year i.e. March 31, 2021	19,49,468	3.90	19,49,468	3.90
6	Iron Global Limited				
	At the beginning of the year i.e. April 1, 2020	11,53,352	2.31	11,53,352	2.31
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year i.e. March 31, 2021	11,53,352	2.31	11,53,352	2.31
7	Mr. Surya Prakash Heda				
	At the beginning of the year i.e. April 1, 2020	15,33,000	3.07	15,33,000	3.07
	Shares decreased on June 26, 2020	60,000	0.12	14,73,000	2.95
	Shares decreased on July 10, 2020	2000	0.01	14,71,000	2.94
	Shares decreased on January 08, 2021	1,25,348	0.25	13,45,652	2.69
	Shares decreased on February 12, 2021	18,005	0.03	13,27,647	2.66
	Shares decreased on February 19, 2021	3,300	0.01	13,24,347	2.65
	Shares decreased on March 05, 2021	2,226	0.01	13,22,121	2.64
	Shares decreased on March 19, 2021	1,100	0.00	13,21,021	2.64
	Shares decreased on March 26, 2021	88,608	0.17	12,32,413	2.47
	At the end of the year i.e. March 31, 2021	12,32,413	2.47	12,32,413	2.47
8	Mr. Naresh Lalwani				
	At the beginning of the year i.e. April 1, 2020	5,99,050	1.20	5,99,050	1.20
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year i.e. March 31, 2021	5,99,050	1.20	5,99,050	1.20
9	Ms. Sangeeta Jhaver				
	At the beginning of the year i.e. April 1, 2020	1,98,000	0.39	1,98,000	0.39
	Shares decreased on June 26, 2020	1,000	0.39	1,97,000	0.39
	Shares decreased on July 03, 2020	2,000	0.39	1,95,000	0.39
	Shares decreased on July 10, 2020	2,000	0.39	1,93,000	0.39
	At the end of the year i.e. March 31, 2021	1,93,000	0.39	1,93,000	0.39
10	Shashwat Trust				
	At the beginning of the year i.e. April 1, 2020	28,80,000	5.76	28,80,000	5.76
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year i.e. March 31, 2021	28,80,000	5.76	28,80,000	5.76

v. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-		

V. INDEBTEDNESS:

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (Rs.)
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-
2	Stock Option		-
3	Sweat Equity		-

4	Commission - as % of profit - others, specify...	-	-
5	Others, please specify	-	-
	Total	-	-
	Ceiling as per the Act	-	Rs. 60,00,000/- per annum as per Schedule V of the Companies Act, 2013

B. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount (Rs)
		Mr. Ashutosh Mishra	Mrs. Shivani Gupta	Mr. Saket Barodia	
1	Independent Directors				
	Fee for attending Board / Committee Meetings	58,000	45,000	58,000	1,61,000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	58,000	45,000	58,000	1,61,000
2	Other Non-Executive Directors				
	Fee for attending Board / Committee Meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total(1+2)	58,000	45,000	58,000	1,61,000

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount (Rs)
		Chief Financial Officer	Company Secretary	
		Mr. Nilesh Nagar	Mr. Parag Gupta	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,87,720	4,05,090	6,92,810
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-	-
2	Stock Option		-	-
3	Sweat Equity		-	-
4	Commission		-	-
	- as % of profit		-	-
	- others, specify...		-	-
5	Others, please specify		-	-
	Total	2,87,720	4,05,090	6,92,810

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**By order of the Board of Directors
For IMEC Services Limited**

**Date: August 28, 2021
Place: Indore**

Sd/-
**Negendra Singh
Director
DIN: 07756704**

Sd/-
**Swati Kushwah
Director
DIN: 08494474**

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure and Development:

The Company is engaged in providing Management and Consultancy Services and it also in the business of trading of all kinds of goods including agricultural products, metal & metal alloys etc. All these activities are facing competitive, taxation, regulatory headwinds and game changing structural changes. Your Company is gearing up to face such developments and re-engineer its business strategy as required from time to time. Much awaited revival of economic growth and its resultant benefits, early signs of which are being felt, are likely to provide favorable business conditions for the Company.

The Indian economy was negatively impacted by an unprecedented health crisis in 2020-21 with the highly contagious corona virus (Covid-19) spreading across the country. India's Gross Domestic Product (GDP) contracted 7.3% in 2020-21, as per provisional National Income estimates released by the National Statistical Office, marginally better than the 8% contraction in the economy projected earlier. GDP growth in 2019-20, prior to the COVID-19 pandemic, was 4%.

Industry Outlook:

The Government of India recognizes the importance of promoting growth in services sectors and provides several incentives in wide variety of sectors such as health care, tourism, education, engineering, communications, transportation, information technology, banking, finance, management, among others. Services sector growth is governed by both domestic and global factors. In 2020, almost half of India's GDP was generated by the services sector, a slight and steady increase over the last 10 years. Among the leading services industries in the country are telecommunications, IT, and software. The COVID-19 pandemic, the subsequent lockdown and social distancing measures have had a significant impact on the contact-intensive services sector. During the first half of the financial year 2020-21, the services sector contracted by almost 16 percent. As the economy gradually entered the unlock phase, FDI inflows into the services sector increased by 34 percent YoY during April-September 2020.

With contraction in global demand and implementation of COVID-19 induced lockdown measures, services exports declined by 7.87 percent in first half of F.Y. 2020-21 as against a growth of 6.39 percent in the corresponding period of the previous year. India's services imports exhibited sharper decline of 13.95 percent in the first half of F.Y. 2020-21 in comparison with services exports.

Services sector's significance in the Indian economy has been steady, with the sector now accounting for over 54 per cent of the economy and almost four-fifths of total FDI inflows.

Risk & Concerns and its mitigates:

This section lists forward-looking statements that involve risks and uncertainties. Our outlook, risks and concerns are as follows:

The economic environment, pricing pressures and decreased employee utilization rates could negatively impact our revenues and operating results. Any inability to manage our growth could disrupt our business, reduce our profitability and adversely impact our ability to implement our growth strategy. Intense competition in the market for technology

services could affect our revenues. Our success depends in large part upon our management team and key personnel and our ability to attract and retain them.

New and changing corporate governance and public disclosure requirements add uncertainty to our compliance policies and increase our costs of compliance changes in the policies of the Government of India or political instability may adversely affect economic conditions in India generally, which could impact our business and prospects.

Internal Control Systems and Adequacy:

The Company as well as its subsidiary have good internal control systems. The adequacy of which has also been reported by the Auditors of both the Companies in their respective reports as required under the Companies (Auditor's Report) Order, 2016 issued by the Government of India. Adequate system of internal control is in place which assures:

- Proper recording and safeguarding of assets.
- Maintaining proper accounting records and reliability of financial information.
- Review the process of identification and management of Business Risks.

Environment Management System:

The Company and its subsidiary are committed to demonstrate continual improvement in our environmental performance in line with corporate values and stakeholder's expectations.

Development in Human Resources and Industrial Relation:

The Industrial relations climate of the Company and its subsidiary continues to remain harmonious and cordial with focus on improving productivity quality and safety.

Financial and Operating Performance:

During the period under review, the total income including other income of the Company was stood at Rs. 24.96 Lac as against Rs. 292.10 Lac in the previous year. The Company reported net loss of Rs. 21.76 Lac as compared to net profit of Rs. 1.48 Lac in the previous year; in its Financial Statement which are prepared in accordance with the provisions of the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

Statements in this "Management Discussion Analysis" describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operation include globalization of services, improved business environment for services, reformed regulations in services to enhance performance and create new opportunities, adapting to innovative policies to the growth of services, tax regimes, economic developments in India and other incidental factors.

CORPORATE GOVERNANCE REPORT

INTRODUCTION:

IMEC Services Limited (IMEC) has always believed in fair business and corporate practices while dealing with the shareholders, employees, customers, creditors, lenders and others. We have always aimed to build trust with shareholders, employees, customers, suppliers and diverse stakeholders and to meet expectations of various elements of corporate environment. We believe in transparent and fair corporate actions with adequate disclosure and total accountability.

IMEC has been discharging its statutory obligations and duties and has always complied with statutory and regulatory requirements. Given below are the Company's Corporate Governance policies and practices in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

The Company is in compliance with the requirements on the Corporate Governance provisions stipulated under Chapter IV of the Listing Regulations, which prescribes the obligations of the listed entities which have listed its specified securities on any of the recognized Stock Exchanges.

A report on implementation of the Corporate Governance Code of the Listing Regulations by the Company is furnished below:

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organization. Good Corporate Governance leads to long term shareholder value and enhances interest of other stake holders. It brings into focus the fiduciary and the trusteeship role of the Board to align and direct the actions of the organization towards creating wealth and shareholder value.

II. BOARD OF DIRECTORS:

Composition of the Board of Directors:

The Board of Directors comprised of personalities with adequate experience, qualifications, knowledge and diversified expertise relevant to the diversified business operations of the Company.

As on March 31, 2021, the Board of the Company comprised of 3 (Three) Directors, with 2 (Two) Independent Directors and 1 (One) Non Executive Director.

During the year under review, Mrs. Shivani Gupta has resigned from the Directorship of the Company w.e.f. February 19, 2021. Also the Company had appointed Ms. Swati Kushwad as an Non-Executive Women Independent Director of the Company w.e.f. March 09, 2021.

The composition of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements.

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI LODR Regulations and that they are independent of the management.

Category of Directors, their Directorship in other companies, Committee Membership/Chairmanship in other companies including other listed companies as on March 31, 2021 are given below:

Name of Director	Executive / Non-Executive / Independent	No. of other Directorship* (Chairman)	Membership of other Board Committees** (Chairman)	Directorship in other Listed Companies	Category of Directorship in other Listed Companies
Mr. Saket Barodia	Non-Executive - Non Independent Director	2	1	Nil	Nil
Mr. Ashutosh Mishra	Non-Executive Independent Director	1	Nil	Nil	Nil
Mrs. Swati Kushwah#	Non-Executive Independent Director	1	1	Nil	Nil

**This includes the Directorship held in Public Limited Companies and subsidiaries of Public Limited Companies and excludes the Directorship held by Director in Private Limited Companies, Foreign Companies and the Companies formed under Section 25 of the Companies Act, 1956/ Section 8 of the Companies Act, 2013.*

***Membership/Chairmanship in Audit Committee and Stakeholders' Relationship Committee has only been considered.*

#Ms. Swati Kushwah has been appointed as an Independent Director of the Company w.e.f. March 9, 2021.

Details of Director(s):

In compliance with Regulation 36(3) of the Listing Regulations, the brief resume, expertise in specific functional areas, disclosure of relationships between directors inter-se, details of other Directorships, Membership in Committees of Directors of other listed companies and shareholding in the Company, of the Directors proposed to be re-appointed is given in the Notice convening the Annual General Meeting.

Board Meetings:

The Board meets at least four times in a year in accordance with the applicable laws. Additional meetings are held as and when required. The Company plans and schedules the meetings of the Board and its Committee(s) well in advance. Agenda and detailed notes on agenda are circulated to the Directors in advance along with detailed supporting documents. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meetings. The information as specified in Schedule II to the Listing Regulations is regularly made available to the Board, whenever applicable for discussion and consideration.

During the financial year 2020-21, the Board of Directors met Six times on July 30, 2020, September 12, 2020, November 9, 2020, December 2, 2020, February 5, 2021 and March 9, 2021. As stipulated, the gap between two consecutive Board meetings did not exceed one hundred and twenty days. The attendance of the Directors at the Board Meetings and Annual General Meeting held during the financial year 2020-21 are as under:

Name of Director	Attendance at		
	Board Meetings		Last Annual General Meeting
	No. of Meetings for which entitled to Attend	No. of Meetings Attended	
Mr. Ashutosh Mishra	6	6	Yes
Mrs. Shivani Gupta#	5	5	Yes
Mr. Saket Barodia	6	6	Yes
Mrs. Swati Kushwah##	Nil	Nil	NA

#Mrs. Shivani Gupta ceased to be Director of the Company w.e.f. February 19, 2021.

##Ms. Swati Kushwah has been appointed as an Independent Director of the Company w.e.f. March 9, 2021.

A separate meeting of Independent Directors for the year 2020-21 was held in compliance with the requirements of Schedule IV of the Companies Act and the provisions of Listing Regulations inter-alia to review the performance of the Non-Independent Directors of the Company and the performance of the Board as a whole. The Directors also discussed the quality, quantity and timeliness of flow of information between the Company management and the Board, which is necessary for the Board to effectively and reasonably perform their duties.

Relationship between Directors inter-se:

As on March 31, 2021 none of the Director of the Company was related to any other Director on the Board of the Company in terms of the definition of 'relative' given under the Companies Act, 2013.

Equity Shares held by the Directors:

None of the Directors held any shares in the Company as on March 31, 2021.

Familiarization Programme for Independent Directors:

Upon appointment of a new Independent Director, the Company undertakes an orientation exercise to familiarize the Director about the Company's business operations, corporate objectives, financial performance, management structure, compliance etc., apart from explaining him/her about his/her role, responsibility, rights and duties. The Company's Policy of conducting the Familiarization Program has been disclosed on the website of the Company at <https://www.imecservices.in/Familiarization.html>

Skills/Expertise/Competence of the Board:

The Board comprises of Mr. Saket Barodia (DIN: 00683938) -Non Executive Director, Mr. Ashutosh Mishra - (DIN: 00038320) - Independent Director (Non-Executive) and Ms. Swati Kushwah (DIN: 08494474) - Woman Independent Director (Non-Executive) and all are qualified members who bring in the required skills, competence and expertise that allows them to make effective contribution to the Board and its Committees.

The Board is satisfied that the current composition reflects an appropriate mix of knowledge, skills, experience, diversity and independence required for it to function effectively.

Terms of reference:

The role and terms of reference of Audit Committee together with its powers as specified by the Board are in conformity with the requirements of Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

Role of Audit Committee:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
 2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
 3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
 4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to;
 - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;
 5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
 7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the listed entity with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
-

14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.
21. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177 of Companies Act 2013 or referred to it by the Board.

Information to be mandatorily reviewed by the Audit Committee:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. Statement of deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Powers of the Audit Committee:

1. Investigating any activity within its terms of reference;
2. Seeking information from any employee;
3. Obtaining outside legal or other professional advice; and
4. Securing attendance of outsiders with relevant expertise, if it considers necessary.

IV. NOMINATION AND REMUNERATION COMMITTEE:

During the financial year 2020-21, the Nomination and Remuneration Committee of the Board of Directors met one time on March 9, 2021. The Chairman of the Nomination and Remuneration Committee was present at the 32nd Annual General Meeting to answer shareholders' queries. The constitution of the Committee and the attendance of members of the Committee during the Financial Year 2020-21 are given below:

Name of Director	Designation	Executive / Non-Executive / Independent	No. of Meetings for which entitled to Attend	No. of Meetings Attended
Mr. Ashutosh Mishra#	Chairman	Non-Executive Independent Director	1	1
Mrs. Shivani Gupta#	Member	Non-Executive Independent Director	Nil	Nil
Mr. Saket Barodia	Member	Non-Executive Non-Independent Director	1	1
Ms. Swati Kushwah##	Member	Non-Executive Independent Director	Nil	Nil

#Mrs. Shivani Gupta and Mr. Ashutosh Mishra ceased to be Directors of the Company w.e.f. February 19, 2021 and June 29, 2021 respectively.

##Ms. Swati Kushwah has been appointed as an Independent Director of the Company w.e.f. March 9, 2021.

Upon resignation of Mrs. Shivani Gupta and appointment of Ms. Swati Kushwah as an Additional and Non-Executive Woman Independent Director of the Company w.e.f. March 09, 2021; the Nomination and Remuneration Committee was re-constituted w.e.f. March 10, 2021, with following as its Members:

- | | |
|------------------------|---------------------------------|
| 1. Mr. Ashutosh Mishra | Chairman (Independent Director) |
| 2. Ms. Swati Kushwah | Member (Independent Director) |
| 3. Mr. Saket Barodia | Member (Non-Executive Director) |

Further, upon resignation of Mr. Ashutosh Mishra and appointment of Mr. Negendra Singh as an Additional and Non-Executive Independent Director of the Company w.e.f. June 29, 2021; the Nomination and Remuneration Committee was again re-constituted w.e.f. June 30, 2021, with following as its Members:

- | | |
|-----------------------|---------------------------------|
| 1. Mr. Negendra Singh | Chairman (Independent Director) |
| 2. Ms. Swati Kushwah | Member (Independent Director) |
| 3. Mr. Saket Barodia | Member (Non-Executive Director) |

A) Terms of Reference in brief:

The Nomination and Remuneration Committee ensures effective compliance of the Listing Regulations read with Section 178 of the Companies Act, 2013. Short particulars of terms of reference of the Committee is given below:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;

- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

B) Policy for Appointment of Directors, Key Managerial Personnel and Senior Management Employees and their Remuneration:

1. Objective

The objective of the policy is to attract, motivate and retain qualified and expert individuals that the Company needs in order to achieve its strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognizing the interests of the Company's stakeholders.

2. The Nomination & Remuneration Committee

The Nomination & Remuneration Committee (Committee) is responsible for formulating and making the necessary amendments to the Policy for appointment of Directors, Key Managerial Personnel (KMP) and Senior Management Employees & their Remuneration of the Company from time to time.

3. Appointment

The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.

In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively. The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013. The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director:

- i. Qualification, expertise and experience of the Directors in their respective fields;
- ii. Personal, Professional or business standing;
- iii. Diversity of the Board.

In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

Chief Executive Officer & Managing Director - Criteria for selection / appointment: For the purpose of selection of the CEO & MD, the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board. The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

4. Remuneration

The Non Executive Directors shall be entitled to receive sitting fees and reimbursement of expenses for each meeting of the Board or Committee attended by him/her, of such sum as may be approved by the Board of Directors within the overall

limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Remuneration for the CEO & Managing Director at the time of appointment or re-appointment, the CEO & Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the A&R Committee and the Board of Directors) and the CEO & Managing Director within the overall limits prescribed under the Companies Act, 2013. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

The remuneration of the CEO & Managing Director may comprise only of fixed component. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits.

5. Remuneration for the Senior Management Employees.

In determining the remuneration of the Senior Management Employees (just one level below the board) the Committee shall ensure the relationship of remuneration and performance benchmark is clear.

The Managing Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein-above, whilst recommending the annual increment (if any) and performance incentive to the Committee for its review and approval.

C) Details of Remuneration to Directors& Performance Evaluation:

1. Remuneration to Non- Executive Directors:

The Non- Executive Directors are paid remuneration by way of Sitting Fees. The Non- Executive Directors are paid sitting fees for each meeting of the Board and Committee(s) of Board of Directors attended by them. The total amount of sitting fees paid during the financial year 2020-21 to the Non- Executive Directors of the Company was Rs. 1,61,000/-. The Non- Executive Independent Directors does not have any material pecuniary relationship or transactions with the Company. Details of the sitting fees paid to Directors for the year ended March 31, 2020, is given below:

Sr. No.	Name of the Non- Executive Director	Sitting Fees Paid (Rs.)
1	Mr. Ashutosh Mishra	58,000
2	Mrs. Shivani Gupta	45,000
3	Mr. Saket Barodia	58,000

2. Remuneration to Executive/Whole-Time Directors:

During the Financial Year 2020-21 the Company did not have any Managing Director or Whole Time Director.

3. Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually.

A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Non-executive and Independent Directors was carried out by the entire Board. All

the Non-executive and Independent Directors are eminent personalities having wide experience in the field of business, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

The performance evaluation of the Non Independent Director was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

V. **STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

During the financial year 2020-21 the Stakeholders' Relationship Committee of the Board of Directors of the Company met one time on October 3, 2020. The Chairman of the Stakeholders' Relationship Committee was present at the 32nd Annual General Meeting to answer shareholders' queries. The constitution of the Committee and the attendance of each members of the Committee during Financial Year 2020-21 are given below:

Name of Director	Designation	Executive / Non-Executive / Independent	No. of Meetings for which entitled to Attend	No. of Meetings Attended
Mr. Ashutosh Mishra#	Chairman	Non-Executive Independent Director	1	1
Mrs. Shivani Gupta#	Member	Non-Executive Independent Director	1	1
Mr. Saket Barodia	Member	Non-Executive Non-Independent Director	1	1
Ms. Swati Kushwah##	Member	Non-Executive Independent Director	Nil	Nil

#Mrs. Shivani Gupta and Mr. Ashutosh Mishra ceased to be Directors of the Company w.e.f. February 19, 2021 and June 29, 2021 respectively.

##Ms. Swati Kushwah has been appointed as an Independent Director of the Company w.e.f. March 9, 2021.

Upon resignation of Mrs. Shivani Gupta and appointment of Ms. Swati Kushwah as an Additional and Non-Executive Woman Independent Director of the Company w.e.f. March 09, 2021; the Stakeholders Relationship Committee was re-constituted w.e.f. March 10, 2021, with following as its Members:

- | | |
|------------------------|---------------------------------|
| 1. Mr. Ashutosh Mishra | Chairman (Independent Director) |
| 2. Ms. Swati Kushwah | Member (Independent Director) |
| 3. Mr. Saket Barodia | Member (Non-Executive Director) |

Further, upon resignation of Mr. Ashutosh Mishra and appointment of Mr. Negendra Singh as an Additional and Non-Executive Independent Director of the Company w.e.f. June 29, 2021; the Stakeholders Relationship Committee was again re-constituted w.e.f. June 30, 2021, with following as its Members:

- | | |
|-----------------------|---------------------------------|
| 1. Mr. Negendra Singh | Chairman (Independent Director) |
| 2. Ms. Swati Kushwah | Member (Independent Director) |
| 3. Mr. Saket Barodia | Member (Non-Executive Director) |

Role of Stakeholders Relationship Committee are as follows:

The Committee shall consider and resolve the grievances of the security holders of the listed entity including complaints related to transfer of shares, issue of duplicate share certificates, non-receipt of annual report and non- receipt of declared dividends.

1. Transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
2. Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
3. Non-receipt of declared dividends, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
4. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting,
5. Carrying out any other function contained in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when amended from time to time.

During the year under review the Committee discussed the various reports placed before it regarding the investor complaints and queries.

Status of Investor Complaints for the Financial Year ended March 31, 2021:

Particulars	No. of Complaints
Complaints pending as on April 1, 2020	0
Complaints received during the financial year ended March 31, 2021	0
Complaints disposed of during the financial year ended March 31, 2021	0
Complaints unresolved as on March 31, 2021	0

During the year under review the Company did not receive any complaint through SCORES.

There are no pending share transfers as on March 31, 2021.

Name and Designation of Compliance Officer:

Mr. Parag Gupta - Company Secretary is the Compliance Officer of the Company.

VI. INFORMATION OF GENERAL BODY MEETINGS:

1. Location and time of Annual General Meetings held during the last three years are as follows:

Year	Location/Mode	Date & Time	Whether Special Resolution(s) passed or not
2019-20	Through Video Conferencing / Other Audio Visual Means	December 29, 2020 1:00 P.M.	No
2018-19	Orchid Hall, 2 nd Floor, Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai - 400018	September 25, 2019 3:00 P.M.	No
2017-18	Orchid Hall, 2 nd Floor, Sunville Banquets, 9, Dr. Annie Besant Road, Worli, Mumbai - 400018	September 19, 2018 3:00 P.M.	Yes

2. Special Resolutions passed in the previous three Annual General Meetings:

- A. No special resolution was passed at the 32nd Annual General Meeting held on December 29, 2020.
- B. No special resolution was passed at the 31st Annual General Meeting held on September 25, 2019.
- C. At the 30th Annual General Meeting held on September 19, 2018, following special resolutions were passed:
 - i. Change of Name of the Company.
 - ii. Adoption of Memorandum of Association as per the provisions of the Companies Act, 2013.
 - iii. Adoption of Articles of Association as per the provisions of the Companies Act, 2013.

3. Special resolution passed last year through Postal Ballot:

During the financial year 2020-21 no special resolution was passed through Postal Ballot.

Further, no special resolution is proposed to be conducted through postal ballot.

VII. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

During the year under review, no complaints of any nature were received under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further as on March 31, 2021 no complaint is pending for redressal.

VIII. MEANS OF COMMUNICATION TO SHAREHOLDERS:

The quarterly, half yearly and annual financial results of the Company for the financial year 2020-21 (April 1, 2020 to March 31, 2021) were published in the newspapers namely Free Press Journal & Navshakti (both Mumbai Editions). The Company has its own website viz., www.imecservices.in on which the important public domain information is posted/uploaded by the Company. All financial and other vital official news releases are also properly communicated to the concerned Stock Exchange as besides being placed on the website.

IX. GENERAL SHAREHOLDER INFORMATION:

a. Annual General Meeting Day & Date : Thursday, September 30, 2021
Time : 12: 30 P.M.
Venue/Mode : In compliance with the provisions of the Companies Act, 2013 and the requirements of the General Circular No. 02/2021 dated January 13, 2021 read with General Circular No. 20/2020 dated May 5, 2020 issued by Ministry of Corporate Affairs, the 33rd AGM is being convened through Video Conferencing (VC) or Other Audio Visual Means (OAVM), without the physical presence of members of the Company at a common venue.

b. Financial Calendar 2021-22
Adoption of Quarterly Results of

First quarter : Approved on August 12, 2021
Second quarter : By 2nd week of November, 2021
Third quarter : By 1st week of February, 2022
Fourth quarter & Annual : By 4th week of June, 2022

Annual General Meeting

for the year ended March 31, 2021 : September 30, 2021

c. Dividend Payment Date : No dividend is declared for the year 2020-21

d. Listing on Stock Exchanges : BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai – 400 001
Annual listing fee for the year 2020-21 and 2021-22 has been paid by the Company to BSE.

e. Stock Code/ISIN/CIN : 513295 (IMEC)
ISIN - INE611C01012
CIN: L74110MH1987PLC142326

f. Registrar & Transfer Agent : **Bigshare Services Private Limited**
CIN: U99999MH1994PTC076534
Bharat Tin Works Building, 1st Floor,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (E), Mumbai – 400059
Phone: 022-62638200/62638222
E-mail: investor@bigshareonline.com
Website: www.bigshareonline.com

g. Address of Correspondence : 611, Tulsiani Chambers,
Nariman Point, Mumbai – 400021
E-mail: investor@imecservices.in
Website: www.imecservices.in

h. Dematerialization of shares : 94.30% of the total equity capital is held in Dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited as on March 31, 2021

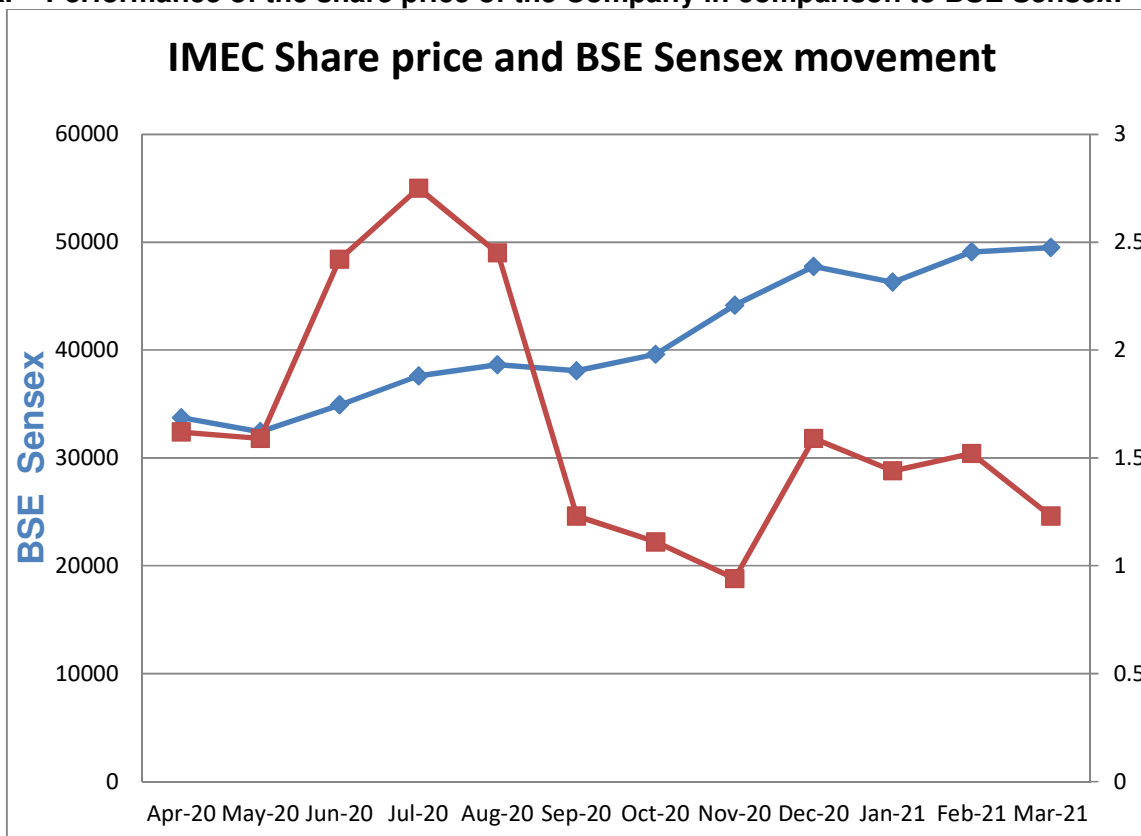
i. **Outstanding ADRs/GDRs** : The Company does not have any outstanding ADRs/GDRs, warrants or convertible instruments

j. **Market Price Data**

High and Low market price of equity shares of the Company at BSE Limited during each month in the financial year ended March 31, 2021 is given below:

Period / Month	High (Rs.)	Low (Rs.)
April, 2020	1.70	1.62
May, 2020	1.60	1.59
June, 2020	2.42	1.59
July, 2020	2.89	2.54
August, 2020	2.62	2.45
September, 2020	2.40	1.19
October, 2020	1.22	1.09
November, 2020	1.11	0.94
December, 2020	1.59	0.81
January, 2021	1.76	1.42
February, 2021	1.94	1.44
March, 2021	1.73	1.13

k. **Performance of the share price of the Company in comparison to BSE Sensex:**



IMEC Share Price

I. Distribution of Shareholding as on March 31, 2021:

No. of shares	No. of Shareholders	% of Total No. of Shareholders	Total No. of Shares held	% of Shareholding
Upto 500	20,110	92.29	33,60,413	6.72
501-1000	977	4.48	8,35,311	1.68
1001-2000	352	1.61	5,55,791	1.11
2001-3000	116	0.53	2,98,913	0.60
3001-4000	38	0.18	1,36,956	0.27
4001-5000	52	0.24	2,49,562	0.50
5001-10000	62	0.28	4,75,617	0.95
10001 and above	84	0.39	4,40,83,138	88.17
Total	21791	100.00	4,99,95,701	100.00

m. Share Transfer System:

The Company has outsourced its share transfer function for shares held in physical form to Bigshare Services Private Limited which is registered with the Securities and Exchange Board of India having Registration No INR000001385. Share transfer is normally affected within a period of 15 days from the date of receipt of request, if all the required documentation is submitted.

n. Distribution of Shareholding as on March 31, 2021 :

Sr. No.	Category of Shareholder	No. of Shares held	% of Shareholding
1	Promoters	1,50,85,592	30.17
2	NRIs/OCBs/FIIs	1,03,567	0.21
3	Banks, FIs, Mutual Funds	79,800	0.16
4	Indian Corporate Bodies	2,22,94,634	44.59
5	Indian Public	1,24,32,108	24.87
	Total	4,99,95,701	100.00

o. Dematerialization of shares and liquidity:

The shares of the Company are under compulsory demat segment and are listed on BSE Limited, Mumbai. The Company's shares are available for trading in both the depository systems i.e. National Securities Depository Limited and Central Depository Services India Limited. The details of Shares held in physical and dematerialized form as on March 31, 2021 are as under:

Category	No. of Holders	% of Holders	Total No. of Shares	%
NSDL	4690	21.52	4,06,82,457	81.37
CDSL	2495	11.45	64,63,079	12.93
Physical	14,606	67.03	28,50,165	5.70
Total	21791	100.00	4,99,95,701	100.00

X. OTHER DISCLOSURES:

a. Transactions with Promoters, Directors and their relatives, Management or their subsidiaries etc.:

The Company has not entered into any transaction of material nature with the Promoters or Directors and/or their relatives or Management and/or their subsidiaries etc. that may have any potential conflict with the interests of the Company. The transactions of purchase and sale of goods, materials and services, if any, made in respect of above parties have been made at prices which are reasonable having regard to prevailing market prices for such goods, materials or services as available with the Company or the prices at which transactions for similar goods, materials or services have been made with other parties (Please refer Note No. 34 of Notes to the Consolidated Financial Statement, forming part of the Annual Report).

b. Compliance by the Company:

The Company has complied with the requirements of the Stock Exchanges, SEBI and other Statutory Authorities on all matters related to Capital Markets during last three years except that the Company was not able to submit the Un-audited Standalone Financial Results and Limited Review Report for the quarter and nine months ended December 31, 2018 by February 14, 2019 i.e. the due date for submission of Financial Results for the relevant quarter, as the Company was in process of appointment of new Statutory Auditors of the Company due to the casual vacancy caused in the office of Statutory Auditors; through Postal Ballot and e-voting Process for which the last date of receiving the ballot forms / e-voting was February 18, 2019. Accordingly the Financial Results for the quarter ended December 2018 were submitted to the Stock Exchange on February 19, 2019 instead of the due date i.e. on or before February 14, 2019 on which the Company was supposed to submit to the Stock Exchange. Hence a penalty (Rs. 5,000/- per day for delay till the date of submission of Results) for an amount of Rs. 29,500/- (inclusive of GST at 18%) was imposed on the Company and the same had been paid by the Company.

Further during the year under review the Company was also not able to submit the statement of Investor Complaints, Corporate Governance Report and Shareholding Pattern for the quarter ended March 31, 2020 within the stipulated time period; hence the Company was advised by BSE Limited to pay fine as mentioned below:

Regulation	Fine amount incl. GST @ 18 % as on September 3, 2020 (Amount in Rs.)
Reg. 13(3) – Statement of Investor Complaints	3,540
Reg. 27(2) – Corporate Governance Report	11,800
Reg. 31 – Shareholding Pattern	11,800
Total fines outstanding for Regulation 13(3), 27(2), 31 for March 2020	27,140

The Company vide letter dated September 5, 2020 i.e. Application for Waiver of fines levied under Regulation 13(3), 27(2), 31 for March 2020 had requested BSE Limited for waiver of the aforesaid fines imposed on the Company for the reason that there was “Complete Lockdown” which started from March 24, 2020 as

imposed by the Central and State Governments because of the ongoing COVID-19 pandemic. Due to the said reason the officials of the Company were not having complete access of the Company's data, hence could not submit the abovementioned quarterly compliances within the stipulated time period.

Further the BSE Limited vide their email dated September 22, 2020, September 28, 2020 and December 23, 2020 had waived off fines as imposed under Regulation 31 – (Shareholding Pattern), Regulation 27(2) – Corporate Governance and Regulation 13(3) – Statement of Investor Complaints respectively.

Further, till date the Company has not filed its e-form AOC-4 XBRL and Annual Report in XBRL for the financial year 2019-20 as the Company's subsidiary i.e. RSAL Steel Private Limited (RSPL) is under CIRP process and as such all its e-forms are filed as an attachment in e-form GNL-2 with the Ministry of Corporate Affairs; further while filing the details in XBRL of the Company the SRN for filing of balance sheet/financial statement (Form AOC-4) by RSPL is required and when we are entering the SRN of the concerned GNL-2 in which e-form AOC-4 of RSPL is filed, it is showing error "*enter valid SRN of form AOC-4/AOC-4 XBRL*"; since then the Company has been trying to coordinate with the concerned ROC at Mumbai and also at e-governance cell of MCA at Delhi, but the Company has not received any viable solution to overcome this technical error. Hence the Company is yet to file its AOC-4 XBRL of IMEC Services Limited and also file simultaneously the Annual Report in XBRL mode for the F.Y. 2019-20.

c. Whistle Blower Policy:

Your Company has established a Vigil Mechanism/ Whistle Blower Policy to enable stakeholders (including Directors and employees) to report unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides adequate safeguards against victimization of Director(s)/employee(s) and direct access to the Chairman of the Audit Committee in exceptional cases. The Protected Disclosures, if any reported under this Policy will be appropriately and expeditiously investigated by the Chairman.

Your Company hereby affirms that no Director/ employee have been denied access to the Chairman of the Audit Committee and no complaints were received during the year.

The Whistle Blower Policy has been disclosed on the Company's website under the web link <https://www.imecservices.in/Vigil-Mechanism-IMECnew.pdf>

d. Compliance with Corporate Governance Requirements:

The Company has complied with the requirements of Part C (Corporate Governance Report) of Schedule V of the Listing Regulations.

The Company has complied with the Corporate Governance Requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations and necessary disclosures thereof have been made in this Corporate Governance Report.

e. Subsidiary Company's Monitoring Framework:

The Company is having one material unlisted subsidiary company i.e. RSAL Steel Private Limited as defined under Listing Regulations and is required to nominate an independent director of the Company on the Board of subsidiary company. During the year under review one of the Independent Directors of the Company was a Director on the Board of RSAL Steel Private Limited, Subsidiary of the Company.

The Company monitors performance of subsidiary Company inter alia by the following:

- (a) Financial Statements of subsidiary company are reviewed by Audit Committee of the Company at regular intervals.
- (b) All Minutes of Board Meetings of the Subsidiary Company are placed before the Company's Board regularly.

The Company has formulated the Material Subsidiary Policy and uploaded on the website of the Company. The said Policy is available at https://www.imecservices.in/policy_for_determining_material_subsidiaries_IMEC.pdf

f. Related Party Transactions:

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Listing Regulations during the financial year were in the ordinary course of business and on an arm's length basis.

There were no material significant transaction with related parties during the financial year. As required under Listing Regulations, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company at https://www.imecservices.in/Related_PartyTransaction_IMEC.pdf

The Company does not have transactions with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company.

g. Certificate from Company Secretary in practice:

A certificate from M/s. Anish Gupta & Associates, Company Secretaries, that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/Ministry of Corporate Affairs or any other statutory authority is annexed to this report.

h. Fees paid to Statutory Auditors:

Total fees paid by the Company and its subsidiary company during the financial year 2020-21 on a consolidated basis to M/s. SCAN & Co. (previously known as M.S. Singhatwadia & Co.) Chartered Accountants, the Statutory Auditors is given below:

(Rs. in Lacs)

Sr. No.	Particulars	Amount Paid
1	Statutory Audit	1.50
2	Tax Audit	0.50
	Total	2.00

- i. **Demat suspense account:**
There are no unclaimed shares/securities of the Company in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- j. **Credit Rating:**
The Company has neither issued any debt instruments nor undertaken any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad.
- k. **Details of utilisation of funds raised:**
The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).
- l. **Dividend Distribution Policy:**
The provisions regarding Dividend Distribution Policy is not applicable to the Company.
- m. **Non acceptance of any recommendation of any Committee of the Board which was mandatorily required:**
During the year, the Board has accepted all recommendation received from all its Committees.

XI. CODE OF CONDUCT:

The Company has laid down a Code of Conduct for all Board Members and senior management personnel of the Company. The Code of Conduct is available on the website of the Company viz., www.imecservices.in. The declaration of the Chief Financial Officer of the Company is given below:

To,
The Members
IMEC Services Limited

Sub : Compliance with Code of Conduct
I, Nilesch Nagar – Chief Financial Officer of IMEC Services Limited (“the Company”) hereby declare that all the Board Members and Senior Management Personnel have affirmed their compliance with the Code of Conduct as adopted by the Board of Directors, for the year ended March 31, 2021.

Place : Indore
Dated : June 21, 2021

Sd/-
Nilesch Nagar#
Chief Financial Officer

#The Company is in process of filing the vacancy in the Office of Chief Executive Officer.

Independent Auditor's Certificate on Corporate Governance

To
The Members of
IMEC Services Limited

1. We have examined the compliance of conditions of Corporate Governance by IMEC Services Limited ("the Company") for the year ended March 31, 2021 as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("SEBI Listing Regulations").

Managements' Responsibility

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

Auditor's Responsibility

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

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

5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the ICAI), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2021 except that the Company has taken the Certificate as required under para D of Schedule V of the SEBI Listing Regulations from the Chief Financial Officer of the Company instead of Chief Executive Officer (CEO) due to vacancy in the office of CEO of the Company.

8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on Use

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

For SCAN & Co.,
Chartered Accountants
(Firm Reg. No. 113954W)

Sd/-

CA Neel Khandelwal
Partner
M. No.181251

Place: Indore
Date: 28/08/2021
UDIN: 21181251AAAABO8524

CERTIFICATE

Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)

To,
The Members,
IMEC Services Limited
611, Tulsiani Chambers,
Nariman Point, Mumbai 400021.

We have examined the relevant register, papers, minutes books, forms and returns filed, notices and disclosures received from the Directors for the financial year 2020-21, and other records maintained by the Company and also the information provided by the officers, agents and authorised representatives of IMEC Services Limited, CIN: L74110MH1987PLC142326 (hereinafter referred to as 'the Company') having its registered office at 611, Tulsiani Chambers, Nariman Point, Mumbai 400021 for the purpose of issue of Certificate, in accordance with Regulation 34(3) read with Schedule V, Para-C, sub clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide notification no SEBI/LAD/NRO/GN/2018/10 dated 09th May 2018 issued by SEBI.

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

Sr. No.	Director Identification Number (DIN)	Name of the Directors	Designation	Date of Appointment in the Company
1.	00038320	Mr. Ashutosh Mishra	Independent Director	15/05/2018
2.	00683938	Mr. Saket Barodia	Non-Executive Director	19/02/2019
3.	08494474	Ms. Swati Kushwah	Independent Director	09/03/2021

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

For Anish Gupta & Associates,
Company Secretaries

Sd/-

Place: Mumbai
Date: 28/08/2021

Anish Gupta
Proprietor
FCS 5733 / CP No.4092
UDIN: F005733C000849950

Independent Auditor's Report

**To,
The Members of IMEC Services Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of IMEC Services Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and Notes to the Standalone Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the Standalone Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

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

Key Audit Matters

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

Sr No.	Key Audit Matter
1	<p>Assessment of Contingent Liability and Related Disclosures</p> <p>[Refer to Note B (iii) to the Standalone Financial Statements– “Use of Estimates, Judgements and Assumptions – Provisions and contingent liabilities”, Note 19 to the Standalone Financial Statements – “Contingent Liabilities and Commitments”]</p> <p>As at March 31, 2021, the Company has contingent liabilities amounting to Rs 7.36 Lacs.</p> <p>Significant management judgement is required to assess such matters to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognised, or a disclosure should be made. The management judgement is also supported with legal advice in certain cases as considered appropriate.</p> <p>As the ultimate outcome of the matters are uncertain and the positions taken by the management are based on the application of their best judgement, related legal advice including those relating to interpretation of laws/regulations, it is considered to be a Key Audit Matter.</p>
Auditor’s Response	
	<p>Principle Audit Procedures</p> <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We understood, assessed and tested the design and operating effectiveness of key controls surrounding contingent liability relating to the relevant laws and regulations; • We performed our assessment on a test basis on the underlying calculations supporting the contingent liabilities made in the Standalone Financial Statements; • We evaluated management’s assessments by understanding precedents set in similar cases and assessed the reliability of the management’s past estimates/judgements; • We evaluated management’s assessment around those matters that are not disclosed or not considered as contingent liability, as the probability of material outflow is considered to be remote by the management; • We assessed the adequacy of the Company’s disclosures. <p>Based on the above work performed, management’s assessment in respect of disclosures relating to contingent liabilities in the Standalone Financial Statements is considered to be reasonable.</p>
2	<p>Key Audit Matter</p>
	<p>Assessment of carrying value of equity investments in subsidiaries and fair value of other investments</p> <p>[Refer to Note B (iii) to the Standalone Financial Statements – “Use of Estimates, Judgements and Assumptions – Fair Value Measurements of Financial Instruments ”, Note B (v) to the Standalone Financial Statements– “Investments in subsidiary”, Note B (xvii- A) to the Standalone Financial Statements – “Financial assets”, Note 2 to the Standalone Financial Statements – “Investments in subsidiary”, and Note 35 (A) to the Standalone Financial Statements – “Fair value hierarchy”]</p> <p>The Company has equity investments in a subsidiary company. It also has made investments in</p>

preference shares in subsidiary company.

The Company accounts for equity investments in subsidiary at cost (subject to impairment assessment) and other investments at fair value.

For investments carried at cost where an indication of impairment exists, the carrying value of investment is assessed for impairment and where applicable an impairment provision is recognised, if required, to its recoverable amount.

For investments carried at fair values, a fair valuation is done at the year-end as required by Ind AS 109. In case of certain investments, cost is considered as an appropriate estimate of fair value since there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range as permitted under Ind AS 109.

The accounting for investments is a Key Audit Matter as the determination of recoverable value for impairment assessment/fair valuation involves significant management judgement.

The impairment assessment and fair valuation for such investments have been done by the management in accordance with Ind AS 36 and Ind AS 113 respectively.

The key inputs and judgements involved in the impairment/fair valuation assessment of unquoted investments include:

- Forecast cash flows including assumptions on growth rates
- Discount rates
- Terminal growth rate

Economic and entity specific factors are incorporated in valuation used in the impairment assessment

Auditor's Response

Principal Audit Procedures

Our audit procedures included the following:

- We obtained an understanding from the management, assessed and tested the design and operating effectiveness of the Company's key controls over the impairment assessment and fair valuation of material investments.
- We evaluated the Company's process regarding impairment assessment and fair valuation by involving auditor's valuation experts to assist in assessing the appropriateness of the valuation model including the independent assessment of the underlying assumptions relating to discount rate, terminal value etc.
- We assessed the carrying value/fair value calculations of all individually material investments, where applicable, to determine whether the valuations performed by the Company were within an acceptable range determined by us and the auditor's valuation experts.
- We evaluated the cash flow forecasts (with underlying economic growth rate) by comparing them to the approved budgets and our understanding of the internal and external factors.

	<ul style="list-style-type: none"> We checked the mathematical accuracy of the impairment model and agreed relevant data back to the latest budgets, actual past results and other supporting documents. We assessed the Company's sensitivity analysis and evaluated whether any reasonably foreseeable change in assumptions could lead to impairment or material change in fair valuation We had discussions with management to obtain an understanding of the relevant factors in respect of certain investments carried at fair value where a wide range of fair values were possible due to various factors such as absence of recent observable transactions, restrictions on transfer of shares, existence of multiple valuation techniques, investee's varied nature of portfolio of investments for which significant estimates/judgements are required to arrive at fair value. We evaluated the adequacy of the disclosures made in the Standalone Financial Statements. <p>Based on the above procedures performed, we did not identify any significant exceptions in the management's assessment in relation to the carrying value of equity investments in subsidiaries and fair value of other investments.</p>
3	Key Audit Matter
	<p>Evaluation of uncertain tax positions</p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p>
	Auditor's Response
	<p>Principal Audit Procedures</p> <p>We obtained details of completed tax assessments and demands for the year ended March 31, 2021 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2021 to evaluate whether any change was required to management's position on these uncertainties.</p>

Emphasis of Matter

Our opinion is not modified in respect of the following matters:

- The Company has given Corporate guarantee of Rs 24,148 Lacs to its subsidiary company i.e. RSAL Steel Private Limited for loans taken from various banks. Banks have classified these loans as Non-Performing Assets and have taken Symbolic Possession of Subsidiary Company's Factory on 20th June 2019 under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and Rule 8(1) of said act. Banks have issued recall notice demanding outstanding amount to the Company and Subsidiary.

With respect to the CIRP proceedings of the subsidiary company, the Resolution Plan has been filed before Hon'ble NCLT Mumbai Bench and the same is pending adjudication. The CIRP Cost

incurred by the subsidiary company during the financial year 2020-21 amounts to Rs. 475.21 lacs (including Resolution Professional expenses of Rs.57.07 lacs) which are recorded in the books.

- b) The Company has shown amount of Rs 69.31 Lacs as other advances recoverable in books which are outstanding for more than 365 days. As per information provided by the Management, discussion is going for settlement of amount and Management is of the opinion that amount will be recovered and therefore the Company has not made any provision on these advances.
- c) On June 24, 2021 Chief Financial Officer (CFO) of Company Mr. Nilesh Nagar has tendered his resignation and appointment of new CFO is under process as per the Companies Act,2013.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon.

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

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

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

Management's Responsibilities for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going

concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 litigation on its financial position

in its Standalone Financial Statements.

- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no amount, which is required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For SCAN & Co.
Chartered Accountants
(Firm Reg. No.113954W)

Place: Indore
Date: June 29, 2021
UDIN: 20181251AAAABB5677

CA Neel Khandelwal
Partner
M. No. 181251

Annexure - A to the Independent Auditor's Report of even date on the Standalone Financial Statements of IMEC Services Limited

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of IMEC Services Limited of even date.)

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

We have audited the internal financial controls over financial reporting of IMEC Services Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 over Financial Reporting

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

Opinion

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

For SCAN & Co.
Chartered Accountants
(Firm Reg. No.113954W)

CA Neel Khandelwal
Partner
M. No. 181251

Place: Indore
Date: June 29, 2021

Annexure - B to Independent Auditor's Report

Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our report of even date to the members of IMEC Services Limited.

- i. In respect of the Company's Fixed Assets:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. As explained to us, the fixed assets of the Company have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
 - c. There are no immovable property held in the name of the Company.
- ii. The Company is in the business of providing Management and Consultancy Services and does not have any physical inventories.
- iii. According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence the provisions of para 3 clauses (iii) of the said Order are not applicable to the company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act, with respect to the investments made and guarantee given / issued.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules, framed there under. As informed to us no Order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- vi. The maintenance of cost records has not been specified by the Central Government under Section 148 (1) of the Companies Act, 2013 for the business activities carried out by the company. Thus, reporting under clause 3 (vi) of the Order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of Statutory dues:
 - a) The Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Goods and

Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

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

Name of the Statute	Nature of Dues	Amount (Rs. In Lacs)	Period to which amount relates	Remarks
VAT Tax/ Entry Tax/ Other disputed amount in Appeal/Demand	VAT Tax- Penalty & Entry Tax	6.85	2016-17	Appeal filed against the order to Joint Commissioner.
Central Sales Tax Act, 1956	Entry Tax	0.51	2017-18	Not paid till March 31, 2021

- d) There are no dues of Provident Fund, Employee's State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess which have not been deposited with appropriate authorities on account of any dispute.

- viii. According to the records of the Company examined by us and as per the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institution, bank or government as on the balance sheet date. The Company has not issued any debenture.
- ix. In our opinion and according to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, the Company has not raised any term loans during the period under audit.
- x. During the course of our examination of the books of account and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to information and explanation given to us, the company is not a Nidhi Company therefore, the provision of para 3 (xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, therefore the provision of para 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year, hence the provision of para 3 (xv) of the Order is not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 therefore, the provision of para 3 (xvi) of the Order is not applicable to the Company for the year under audit.

For SCAN & Co.
Chartered Accountants
(Firm Reg. No.113954W)

Place: Indore
Date: June 29, 2021

CA Neel Khandelwal
Partner
M. No. 181251

IMEC SERVICES LIMITED
BALANCE SHEET AS AT 31st MARCH, 2021

(Rs. In Lacs)

Particulars	Note No	As at 31 st March, 2021	As at 31 st March, 2020
I. ASSETS			
(1) Non-Current Assets			
(a). Property, Plant and Equipment	1	0.04	0.04
(b) Financial Assets			
Non Current Investment	2	-	-
Total Non-Current Assets		0.04	0.04
(2) Current Assets			
(a) Financial Assets:			
(i) Trade Receivables	3	274.03	293.50
(ii) Cash and Cash equivalents	4	4.23	2.43
(iii) Bank balances other than (ii) above	5	1.39	1.39
(b) Other Current Assets	6	141.48	142.88
Total Current Assets		421.13	440.20
TOTAL ASSETS		421.17	440.24
II. EQUITY AND LIABILITIES			
(1) EQUITY			
(a) Share Capital	7	5,001.28	5,001.28
(b) Other Equity	8	(4,842.86)	(4,820.98)
Total Equity		158.42	180.30
(2) LIABILITIES			
(I) Non-Current Liabilities			
Provisions	9	0.19	0.11
Total Non-Current Liabilities		0.19	0.11
(II) Current Liabilities			
(a) Financial Liabilities			
Trade Payables	10	248.01	248.98
(b) Other Current Liabilities	11	14.55	10.85
Total Current Liabilities		262.56	259.83
TOTAL EQUITY AND LIABILITIES		421.17	440.24
Notes forming an integral part of the financial statements	1 to 39		
General information and Significant accounting policies	A-B		

As per our report of even date attached

For and on behalf of the Board of directors

For SCAN & Co.
Chartered Accountants
(Firm Reg. No. 113954W)

Negendra Singh	Ashutosh Mishra
Director	Director
DIN: 07756704	DIN: 00038320

CA Neel Khandelwal
Partner
Membership No: 181251
Place : Indore
Date : June 29, 2021

Nilesh Nagar
Chief Financial Officer

Parag Gupta
Company Secretary
Membership No. A50725

IMEC SERVICES LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2021

(Rs. In Lacs)

Particulars	Note No	For the year ended March 31 st , 2021	For the year ended March 31 st , 2020
I. INCOME			
a. Revenue from Operations	12	24.14	290.88
b. Other Income	13	0.82	1.22
Total Income		24.96	292.10
II. EXPENSES			
a. Purchases of Stock-in-Trade	14	-	239.03
b. Employee Benefits Expense	15	16.49	15.54
c. Finance Costs	16	0.02	0.32
d. Depreciation and Amortization Expenses	1	-	-
e. Other Expenses	17	30.17	35.30
Total Expenses (a to e)		46.68	290.19
III. Profit/(Loss)/from operations before exceptional items and tax		(21.72)	1.91
IV. Exceptional Items		-	-
V. Profit/(Loss) before tax (III-IV)		(21.72)	1.91
VI. Tax expense:	18		
a. Current Tax		-	0.37
b. Deferred Tax		0.04	0.06
Total Tax Expense (a+b)		0.04	0.43
VII. Net Profit/(Loss) for the Year (V-VI)		(21.76)	1.48
VIII. Other Comprehensive Income / (Loss)			
A) Items that will not be reclassified to profit & Loss			
(i) Re-mesurement gain/(Loss) on Defined Benefit Plans		(0.15)	(0.22)
(ii) Deffered Tax(Assets) / Liabilities on above		0.04	0.06
(iii) Net (Loss) / gain on FVTOCI Equity Securities		-	-
(iv) Deffered Tax(Assets) / Liabilities on above		-	-
(B) Items that will be reclassified to profit or loss		-	-
Total Other Comprehensive Income (VIII)		(0.11)	(0.16)
Total Comprehensive Income for the Year(comprising profit /loss and other comprehensive income for the year)(VII+VIII)		(21.87)	1.32
IX. Earning per Equity share of Rs. 10/- each		(0.04)	-
Basic and Diluted (in Rs.)	27		
Notes forming an integral part of the financial statements	1 to 39		
General information and Significant accounting policies	A-B		

As per our report of even date attached

For and on behalf of the Board of directors

For SCAN & Co.
Chartered Accountants
(Firm Reg. No. 113954W)

Negendra Singh Ashutosh Mishra
Director Director
DIN: 07756704 DIN: 00038320

CA Neel Khandelwal
Partner
Membership No: 181251
Place : Indore
Date : June 29, 2021

Nilesh Nagar
Chief Financial Officer

Parag Gupta
Company Secretary
Membership No. A50725

IMEC SERVICES LIMITED
STATEMENT OF CHANGES IN EQUITY (SOCIE)

A) Equity share capital: (Rs. In Lacs)

Particulars	31 st March, 2021		31 st March, 2020	
	No. of Shares	Amount	No. of Shares	Amount
-Balance at the beginning of the reporting year	4,99,95,701	5,001.28	4,99,95,701	5,001.28
-Changes in equity share capital during the year	-	-	-	-
-Shares issued during the year	-	-	-	-
-Balance at the end of the reporting year	4,99,95,701	5,001.28	4,99,95,701	5,001.28

B) Other Equity: (Rs. In Lacs)

Particulars	Reserves & Surplus			Equity Income Instrument through Other comprehensive income	Total
	Capital Reserve	Security Premium	Retained Earning		
Balances as at 1st April, 2019	10.00	599.02	(5,431.71)	0.39	(4,822.30)
Profit/(loss) for the year	-	-	1.48	-	1.48
Other comprehensive income (net of tax)	-	-	(0.16)	-	(0.16)
Balances as at 31st March, 2020	10.00	599.02	(5,430.39)	0.39	(4,820.98)
Profit for the year	-	-	(21.76)	-	(21.76)
Other comprehensive income (net of tax)	-	-	(0.11)	-	(0.11)
Balances as at 31st March, 2021	10.00	599.02	(5,452.27)	0.39	(4,842.86)
Notes forming an integral part of the financial statements			1 to 39		
General information and Significant accounting policies			A-B		

As per our report of even date attached

For and on behalf of the Board of Directors

For SCAN & Co.
Chartered Accountants
(Firm Reg. No. 113954W)

Negendra Singh **Ashutosh Mishra**
Director Director
DIN: 0775674 DIN: 00038320

CA Neel Khandelwal
(Partner)
Membership No: 181251

Nilesh Nagar
Chief Financial Officer

Place: Indore
Date: June 29, 2021

Parag Gupta
Company Secretary
Membership No. A50725

IMEC Services Limited

A. General Information

IMEC Services Limited was incorporated as a Limited Company on 18th June, 1987. In the year 2011, Company transferred its Plant along with Steel Division situated at Village – Sejwaya, Ghatabillod, Dist. Dhar (M.P.) to its subsidiary RSAL Steel Private Limited. Now, the main business activity of the company is Management and Consultancy Services inter alia – information technology, engineering and technical.

The Equity shares of the Company are listed at the BSE Ltd., Mumbai.

The financial statements for the year ended 31st March, 2021 were approved by the Board of Directors and authorised for issue on June 29, 2021.

B. Significant Accounting Policies of Financial Statements

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

(i) Statement of compliance

The financial statement have been prepared in accordance with Indian Accounting standards (“Ind AS”) notified, under Section 133 of the Companies Act, 2013 (‘Act’) read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) Amendment Rules 2016 and the relevant provisions of the Act.

(ii) Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below.

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

Functional and Presentation of Currency

These financial statements are presented in Indian rupees, which is the Company’s functional currency. All amounts have been rounded to the nearest Rupees in Lacs unless otherwise indicated.

(iii) Use of Estimates, Judgments and Assumptions

In the preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

Key source of estimation of uncertainty at the date of the financial statements, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment, useful lives of property and plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities, fair value measurements of financial instruments and retirement benefit obligations as discussed below.

Impairment

The Company estimates the value in use of the cash generating unit (CGU) based on future cash flows after considering current economic conditions and trends, estimated future operating results and growth rates and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The cash flows are discounted using a suitable discount rate in order to calculate the present value.

Useful lives of property, plant and equipment and intangible assets

The Company reviews the useful life of property, plant and equipment and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period.

Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements.

Fair value measurements of financial instruments

When the fair value 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 Discounted Cash Flow Model. The inputs 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 value. Judgements include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Retirement benefit obligations

The Company's retirement benefit obligations are subject to number of judgements including discount rates, inflation and salary growth. Significant judgements are required when setting these criteria and a change in these assumptions would have a significant impact on the amount recorded in the Company's balance sheet and the statement of profit and loss. The Company sets these judgements based on previous experience and third party actuarial advice.

(iv) Property, plant and equipment

An item of property, plant and equipment is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognized in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognized. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Property, plant and equipment is stated at cost or deemed cost applied on transition to Ind AS, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction is capitalised as part of cost of qualifying asset.

The gain or loss arising on disposal of an item of property, plant and equipment is determined as the difference between sale proceeds and carrying value of such item, and is recognized in the statement of profit and loss.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

Depreciation of Fixed Assets

Depreciation on property, plant and equipment is provided on Written down value method (WDV) as per the useful life of the assets in the manner as specified in Schedule II to the Companies Act, 2013. The estimated useful life of assets and estimated residual value is taken as prescribed under Schedule II to the Companies Act, 2013.

Depreciation on additions during the year is provided on pro rata basis with reference to date of addition/installation. Depreciation on assets disposed/discarded is charged up to the date on which such asset is sold.

(v) Investments in subsidiaries

Investments in subsidiaries are carried at cost/deemed cost applied on transition to Ind AS, less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognized, if required immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognized in the statement of profit and loss.

(vi) Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognized to the extent that it is probable that the economic benefit will flow to the company and the revenue can be measured reliably and there is no continuing effective control/managerial involvement in respect of the revenue activity as described below.

a) Sale of Services

Revenue from sale of services are recognized when agreed contractual task has been completed or services are rendered.

b) Sale of goods

Revenue from sale of products is recognized when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, the risks of loss has been transferred, and either the customer

has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.

Revenue from sales is measured net of returns, trade discounts and volume rebates, GST wherever applicable. Further, the revenue amount is adjusted for the time value of money if that contract contains a significant financing component.

The timing of the transfer of control varies depending on the individual terms of the sales agreement.

c) Interest and Dividend

Interest income is recognized on accrual basis using the effective interest method. Dividend income is recognized in profit or loss on the date on which the company's right to receive payment is established.

(vii) Employee benefits

a) Defined benefit plans

The liability for gratuity a defined benefit plan is determined annually by a qualified actuary using the projected unit credit method.

The Company pays gratuity to the employees who have completed 5 Years of service with company at the time when the employee leaves the company as per the Payment of Gratuity Act, 1972.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in OCI. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

b) Defined contribution plans

The Company's payments to the defined contribution plans are recognized as expenses during the period in which the employees perform the services that payment covers. Defined contribution plan comprise of contribution to the employees' provident fund with government, Employees' State Insurance and Pension Scheme.

c) Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

d) Other Employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of obligation as at the Balance sheet date determined based on an actuarial valuation.

(viii) Income Tax

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

a) Current tax

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

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

- a) has a legally enforceable right to set off the recognized amounts; and
- b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

b) Deferred tax

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

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

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

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised.

Deferred tax assets and liabilities are offset only if:

- a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities;
- b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

(ix) Foreign currency transactions and translations

The financial statements of the Company are presented in Indian Rupees, which is the functional currency of the Company and the presentation currency for the financial statements.

Transactions in foreign currencies are translated into the respective functional currencies of the company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Difference arising on settlement of monetary items are generally recognized in statement of profit and loss.

Non-monetary items that are measured based on historical cost in a foreign currency are not translated. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Exchange difference arising out of these transactions are generally recognized in statement of profit and loss.

(x) Borrowing cost

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

Qualifying asset are the assets that necessarily takes a substantial period of time to get ready for its intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is recognized in the statement of profit and loss.

(xi) Cash and Cash Equivalent

In cash flow statement, Cash and cash equivalent includes the cash and Cheques in hand, bank balances, demand deposits with bank and other short term, highly liquid investments with original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdraft is shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the cash flow statement. Book overdraft are shown within other financial liabilities in the balance sheet and forms part of operating activities in the cash flow statement.

(xii) Cash Flow Statement

Cash flows are reported using indirect method, whereby profit/ (loss) before tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flow. The cash flow from operating, investing and financing activities of the company is segregated based on the available information.

(xiii) Earnings per Share

i) Basic earnings per shares is arrived at based on net profit / (loss) after tax available to equity shareholders divided by Weighted average number of equity shares, adjusted for bonus elements in equity shares issued during the year (if any) and excluding treasury shares.

ii) Diluted earnings per shares is calculated by dividing Profit attributable to equity holders after tax divided by Weighted average number of shares considered for basic earning per shares including potential dilutive equity shares.

(xiv) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation and there is reliable estimate of the amount of obligation.

A disclosure for contingent liabilities is made where there is a possible obligation arising from past events, the existence of which will be confirmed only on 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 arise from past events where it is not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(xv) Leases

As a Lessee

A lease is classified at the inception date as finance lease or an operating lease. Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss.

Other leases are treated as operating leases, with payments are recognized as expense in the statement of profit and loss on a straight line basis over the lease term.

(xvi) Impairment of Non-Financial Assets

The company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the company estimates the amount of impairment loss. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets is considered as cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in profit or loss and reflected in an allowance account. When the company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

(xvii) Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognized in the statement of profit and loss.

Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options; and embedded derivatives in the host contract.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(A) Financial assets

Classification

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

Initial recognition and measurement

All financial assets are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset, in the case of financial assets not recorded at fair value through profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the company commits to purchase or sell the asset.

Measured at Amortized cost

A financial asset is measured at the amortized cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

Measured at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial Asset at fair value through profit and loss (FVTPL)

FVTPL is a residual category for financial asset. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to classify a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily de-recognized (i.e. removed from the company's balance sheet) when:

- i) The rights to receive cash flows from the asset have expired, or
- ii) The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- iii) When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.
- iv) Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

Impairment of financial assets

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

- a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, and bank balance.
- b) Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- i) Trade receivables which do not contain a significant financing component.
The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.
- ii) For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

(B) Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

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

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

The company's financial liabilities include trade and other payables, loans and borrowings, financial guarantee contracts and derivative financial instruments.

Financial liabilities at fair value through profit or loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains / loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss.

Loans and borrowings

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

Derecognition

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

Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values, for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

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

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

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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

IMEC SERVICES LIMITED
Notes forming part of the Standalone Financial Statements

Note 1 - Property, Plant and Equipment

(Rs. In Lacs)

Particulars	Office Equipments	Total
Gross Carrying Value		
As at 1st April, 2019	0.06	0.06
Additions	-	-
Deductions	-	-
As at 31st March, 2020	0.06	0.06
Additions	-	-
Deductions	-	-
As at 31st March, 2021	0.06	0.06
Accumulated Depreciation		
As at 1st April, 2019	0.02	0.02
Depreciation for the year	-	-
Deductions	-	-
As at 31st March, 2020	0.02	0.02
Depreciation for the year	-	-
Deductions	-	-
As at 31st March, 2021	0.02	0.02
Net Block		
As at 31st March, 2021	0.04	0.04
As at 31st March, 2020	0.04	0.04

IMEC SERVICES LIMITED		
Notes forming part of the Standalone Financial Statements		
(Rs. In Lacs)		
Particulars	As at 31st March,2021	As at 31st March,2020
Note 2 Non Current Investments		
a. In Equity Shares (Unquoted)		
In Subsidiary company (At Deemed Cost)		
10,010,000 (Previous year 10,010,000) Equity Shares of Rs. 10/- each fully paid up in RSAL Steel Private Limited	1,001.00	1,001.00
Less: Impairment in value of investment in subsidiary Refer Note 21(a)	(1,001.00)	(1,001.00)
In other than Subsidiary Companies (At fair value through Other Comprehensive Income)		
1,50,000 (Previous Year 1,50,000) Equity Shares of Rs. 10/- each fully paid in Agrotrade Enterprises Limited (formerly known as Ruchi Global Limited)	167.71	167.71
Less: Impairment in value of investment Refer Note 21(b)	(167.71)	(167.71)
Total (a)	-	-
b. In Preference Shares (At Deemed Cost)		
In Subsidiary company		
42,788,700 (Previous year 42,788,700), 5% Non-cumulative Redeemable Preference Shares of Rs. 10/- each fully paid in RSAL Steel Private Limited	4,278.87	4,278.87
Less: Impairment in value of investment in subsidiary Refer Note 21(a)	(4,278.87)	(4,278.87)
Total (b)	-	-
Total (a+b)	-	-
Aggregate amount of unquoted investments	5,447.58	5,447.58
Aggregate amount for diminution in value of investments	5,447.58	5,447.58
Note 3 Trade Receivables		
Unsecured considered good	274.03	293.50
Unsecured considered Doubtful	20.09	20.09
	294.12	313.59
Less:- Allowance for Bad & Doubtful Debts	20.09	20.09
Total	274.03	293.50
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.		
Note 4 Cash and Cash Equivalent		
i. Balances with Banks in Current Accounts	4.19	2.22
ii. Cash on hand	0.04	0.21
Total	4.23	2.43
Note 5 Bank Balances other than Cash and Cash Equivalent above		
In Deposit Accounts		
i. having maturity of more than 3 months up to 12 months	0.76	0.76
ii. having maturity more than 12 Months	0.63	0.63
Deposits maintained by the Company with Banks, which can be withdrawn by the Company at any point of the time without prior notice or penalty on the principal amount		
Total	1.39	1.39

IMEC SERVICES LIMITED
Notes forming part of the Standalone Financial Statements

Particulars	(Rs. In Lacs)	
	As at 31 st March,2021	As at 31 st March,2020
Note 6 Other Current Assets (Unsecured, considered good)		
Balance with Government Authorities	4.30	4.41
Advance to Suppliers ¹	91.66	91.38
Other advances recoverable	13.30	16.89
Interest Accrued on deposits	0.23	0.13
Advance Tax	31.99	30.07
Total	141.48	142.88

¹ Advance to Supplier includes Rs 21.41 Lacs (Previous year Rs 21.41lacs) advance to Related Parties (Refer Note 23)

Note 7 Share Capital		
Authorised		
5,02,50,000 Equity shares (Previous year 5,02,50,000), Equity Shares of Rs.10/- each.	5,025.00	5,025.00
17,00,000 (Previous year 17,00,000) 5% Non Cumulative Redeemable Preference Share of Rs. 100 each.	1,700.00	1,700.00
	6,725.00	6,725.00
Issued		
5,00,29,901 Equity Shares (Previous Year 5,00,29,901) Equity Shares of Rs. 10/- each.	5,002.99	5,002.99
Subscribed & Fully paid up		
4,99,95,701 Equity shares (Previous year 4,99,95,701) Equity shares of Rs.10/-each fully paid-up	4,999.57	4,999.57
Forfeited shares		
Amount originally paid up on forfeited shares	1.71	1.71
Total	5,001.28	5,001.28

7.1 The reconciliation of the number of shares and amount outstanding is set out below:

Particulars	As at 31st March,2021		As at 31st March,2020	
	No. of Shares	Amount	No. of Shares	Amount
Issued				
Equity Shares at the beginning of the year	5,00,29,901	5,002.99	5,00,29,901	5,002.99
Add: Shares issued during the year.	-	-	-	-
	5,00,29,901	5,002.99	5,00,29,901	5,002.99
Subscribed & Fully paid up				
Equity Shares at the beginning of the year	4,99,95,701	4,999.57	4,99,95,701	4,999.57
Add: Shares issued during the year	-	-	-	-
Add: Amount paid up on Forfeited Shares	-	1.71	-	1.71
	4,99,95,701	5,001.28	4,99,95,701	5,001.28

7.2 The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share. The dividend proposed if any, by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

IMEC SERVICES LIMITED				
Notes forming part of the Standalone Financial Statements				
7.3 The details of Shareholders holding more than 5% shares:				
Name of the Shareholders	As at 31st March,2021		As at 31st March,2020	
	No of shares Held	% Held	No of shares Held	% Held
Param Foundation Private Limited	86,79,077	17.36	86,79,077	17.36
Top Seals India Private Limited	69,76,714	13.95	69,76,714	13.95
Money Capfin Private Limited	42,35,796	8.47	42,35,796	8.47
Ruchi Infotech Limited	38,99,263	7.80	38,99,263	7.80
Joyful Developers Private Limited	38,06,075	7.61	38,06,075	7.61
Jush Developers And Erectors Private Limited	38,06,000	7.61	38,06,000	7.61
Shashwat Trust	28,80,000	5.76	28,80,000	5.76
7.4 During the period of five year immediately preceding the date of which the balance sheet is made :-				
(i) No bonus shares were issued.				
(ii) No shares were bought back.				
(iii) No shares are allotted for consideration other than cash by the Company.				

(Rs. In Lacs)		
Particulars	As at 31 st March,2021	As at 31 st March,2020
Note 8 Other Equity		
a) Capital Reserve		
Balance as at the beginning of the year	10.00	10.00
Add : Received during the year	-	-
Balance as at the end of the year	10.00	10.00
b) Securities Premium Account		
Balance as at the beginning of the year	599.02	599.02
Add: Premium on shares issued during the year	-	-
Balance as at the end of the year	599.02	599.02
c) Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	(5,430.39)	(5,431.71)
Add: Profit /(Loss)for the year	(21.76)	1.48
Add: Item of OCI recognised in retained earnings Remeasurement gain/(loss) on define benefit plan	(0.11)	(0.16)
Balance as at the end of the year	(5,452.27)	(5,430.39)
d) Equity Instrument through other Comprehensive Income		
Balance as at the beginning of the year	0.39	0.39
Add : Net fair Value gain /(loss) in Equity Instrument (Net tax)	-	-
Add:-Other Comprehensive income	-	-
Balance as at the end of the year	0.39	0.39
Total	(4,842.86)	(4,820.98)
Nature of Reserve		
a) Capital Reserve		
Capital reserve was created against state investment subsidy received and utilised in accordance with the provisions of Companies Act, 2013		
b) Securities Premium		
Securities Premium is created on recording of premium on issue of shares. The reserve is utilised in accordance with the provision of Companies Act, 2013		
Note 9 Non Current Liabilities (Provision)		
Provision for Employee Benefits (Refer Note 29)	0.19	0.11
Total	0.19	0.11

IMEC SERVICES LIMITED		
Notes forming part of the Standalone Financial Statements		
Note 10 Trade Payable		
Dues of Micro, Small and Medium Enterprises (Refer Note 20)	-	-
Dues of Others	248.01	248.98
	248.01	248.98
Note 11 Other Current Liabilities		
Statutory Dues	0.82	1.25
Other Liabilities ¹	7.53	3.40
Advances from Customers	6.20	6.20
Total	14.55	10.85
¹ Other Liabilities includes Rs 1.90Lacs (Previous year Rs 0.80 Lacs) payable to Related Parties (Refer Note 23)		

(Rs. In Lacs)		
Particulars	For The Year Ended 31 st March, 2021	For The Year Ended 31 st March, 2020
Note 12 Revenue from Operations		
a. Sales of Products (Gross)	-	248.54
b. Sale of Service	24.14	42.34
Total	24.14	290.88
Note 13 Other Income		
Interest Income		
- On Fixed Deposit	0.10	0.44
- Other Interest Income	0.72	0.78
Total	0.82	1.22
Note 14 Purchases of stock in trade		
Purchases of traded goods	-	239.03
Total	-	239.03
Note 15 Employee Benefits Expense		
Salaries and Wages	15.64	14.70
Contribution to Provident and other funds	0.73	0.37
Staff Welfare Expenses	0.12	0.47
Total	16.49	15.54
Note 16 Finance Costs		
Interest Expenses	0.02	0.32
Other Borrowing Cost	-	-
Total	0.02	0.32
Note 17 Other Expenses		
Establishment and Other expenses		
Rent	1.86	2.10
Insurance	0.70	1.15
Repairs and maintenance	0.10	0.05
Rates and Taxes , excluding taxes on income	0.02	0.05
Printing & Stationery	0.03	2.18
Postage & Telegram Expenses	0.01	0.67
Telephone Expenses	0.25	0.24
Legal Expenses	3.53	2.18
Professional Charges	8.48	2.82
Payment to Auditors (Refer Note 26)	1.60	1.60
Secretarial Expenses	4.05	4.26
Travelling & Conveyance Expenses	2.89	3.05
Filling fess	0.11	0.14
Listing Fess	3.00	3.00
Bank Commission & Chages	0.02	0.20
Miscellaneous Expenses	3.52	3.62
Allowance for Bad & doubtful Debts	-	5.04
Sundry Bal. Written off	-	2.95
Total	30.17	35.30

IMEC SERVICES LIMITED
NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Note 18. Tax Expenses

(Rs. In Lacs)		
Particulars	For the Year ended 31 st March, 2021	For the Year ended 31 st March, 2020
A. Tax expenses recognized in the statement of Profit & Loss:		
I. Current Tax		
in respect of current year	-	0.37
in respect of earlier year	-	-
Total	-	0.37
II. Deferred Tax		
in respect of current year	0.04	0.06
Total Deferred income tax expense/(credit)	0.04	0.06
Total (A)	0.04	0.43
B. Amounts recognized in Other Comprehensive Income:		
Items that will not be reclassified to Profit or Loss	-	-
Remeasurements of the defined benefit Plans	(0.04)	(0.06)
Equity Instruments Through Other Comprehensive Income	-	-
Total (B)	(0.04)	(0.06)
Total (A+B)	-	0.37

A. Reconciliation of the income tax amount between the enacted income tax rate and the effective income tax of the Company is as follows:

(Rs. In Lacs)

Particulars	2020-21	2019-20
Profit/(loss) before tax	(21.72)	1.91
Applicable Tax Rate (MAT)	15.6%	19.24%
Income tax as per above rate	-	0.37
Adjustments for taxes for;	-	-
Expense not deductible for tax purposes	-	-
Income Tax related to earlier year	-	-
Tax due to change in tax rate	-	-
Others	-	-
Income tax as per statement of profit and loss	-	0.37

B. The movement in Deferred Tax assets and liabilities during the year ended 31st March, 2020 and 31st March, 2021:

(Rs. In Lacs)

Particulars	As at 1 st April, 2019	(Credit)/charge in statement of Profit and loss	Recognized in OCI	As at 31 st March, 2020	(Credit)/charge in statement of Profit and loss	Recognized in OCI	As at 31 st March, 2021
Deferred tax liabilities							
Depreciation on PPE	-	-	-	-	-	-	-
Other timing difference	-	0.06	(0.06)	-	0.04	(0.04)	-
Deferred Tax assets							
Amount allowable on payment basis	-	-	-	-	-	-	-
Total	-	0.06	(0.06)	-	0.04	(0.04)	-

IMEC SERVICES LIMITED
NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Note 19. Contingent Liabilities and commitments

(To the extent not provided for)

(Rs. In Lacs)

Particulars	2020-21	2019-20
A. Contingent Liabilities		
(i) VAT Tax/ Entry Tax/ Other disputed amount in Appeal/Demand	7.36	6.85
(ii) Balance outstanding for Corporate guarantee given on behalf of subsidiary	24,148.00	24,148.00
B. Commitment	Nil	Nil

Corporate guarantee given on behalf of RSAL Steel Private Limited for loans have been classified as Non-Performing Assets by Banks. The amount of Guarantee provided is as under:

(Rs. In Lacs)

Sr No.	Name of Bank	Amount
1.	Dena Bank (Merged with Bank of Baroda)	3,085.00
2.	State Bank of India	13,715.00
3.	Jammu & Kashmir Bank Ltd	2,303.00
4.	United Bank of India (Merged with Punjab National Bank)	1,845.00
5.	Allahabad Bank (Merged with Indian Bank)	3,200.00

Note 20.

a) Trade Payables includes Rs. Nil (Previous Year Nil) amount due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) Act.

b) The details of amount outstanding to Micro and Small Enterprises are as under:

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Principle amount due and remain unpaid	-	-
Interest due on above and unpaid interest	-	-
Interest Payment made beyond appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest due and payable in succeeding years	-	-

c) The information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note 21.

a) Financial Year 2015-16 to 2020-21, Company's subsidiary RSAL Steel Pvt. Ltd. has suffered huge losses and consequent upon its net worth has been fully eroded further subsidiary's accounts declared Non-Performing Assets by its banks, the Company has provided for diminution in the value of its investment in subsidiary for full value i.e. Rs. 5,279.87 Lacs in the Statement of Profit and Loss during the FY 2015-16.

b) Company holds 1,50,000 Equity Shares of Agrottrade Enterprises Limited, in the Financial Year 2017-18, Agrottrade Enterprises Limited has suffered huge losses and consequent upon its net worth has been fully eroded. Considering the negative net worth Company has provided for diminution in the value of its investment in Equity Shares for full value i.e. Rs. 167.71 Lacs in the Statement of Profit and Loss during the FY 2018-19.

IMEC SERVICES LIMITED
NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Note 22.

The Cash & Cash Equivalents held with the company of Rs 4.23 Lacs (previous year Rs 2.43 Lacs) are unrestricted cash held in current account and cash in hand. There is no lien mark against this cash balances.

Note 23. Related Party Relationships, Transactions and Balances

As per Ind AS-24, the disclosure of transactions with related parties is given below:

List of related parties where control exists with whom transactions have taken place and relationships:

i. Parties where control exists:

Name of Entity	Relation
RSAL Steel Private Limited	Subsidiary Company

ii. Person or a close members has control or joint control, significant influence on the reporting entity or is member of KMP in reporting entity

Name of Person	Relation
(a) KMP	
Mr. Ravi Deshmukh	Chief Financial Officer (up to 20-07-2019)
Mr. Parag Gupta	Company Secretary
Mr. Nilesh Nagar	Chief Financial Officer(up to 30-06-2021)
(b) Directors	
Mr. Ashutosh Mishra	Independent Director
Mr. Saket Barodia	Non-Executive Director(w.e.f. 19-02-2019)
Mrs. Shivani Gupta	Independent Director (up to 19-02-2021)
Mrs. Swati Kushwah	Independent Director (w.e.f. 09-03-2021)

iii. Entities where Key Management Personnel & relatives of Key Management Personnel have significant influence: Nil

Note: Related Party relationship is as identified by the Company on the basis of information available and relied upon by the Auditor.

RSAL STEEL PRIVATE LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

Transactions carried out with related parties referred in above, in ordinary course of business during the existence of related party relationship:

Nature of Transaction	(Rs. In Lacs)	
	2020-21	2019-20
IMEC Services Limited		
Guarantee issued by holding company	24,148	24,148
Outstanding:		
Receivable	-	-
Payable	21.41	21.41
Mr. Arvind Mishra (CEO)		
Remuneration	23.80	22.00
Outstanding	12.92	7.53
Mr. Nitesh Kumar Shah (CFO upto 30.11.2019)		
Remuneration	-	5.81
Outstanding	-	0.93
Mr. Deepak Sogani (CFO w.e.f. 19.08.2020)		
Remuneration	5.51	-
Outstanding	5.91	-
Mr. Chaitanya Zaveri (Company Secretary upto 30.05.2020)		
Remuneration	2.42	9.87
Outstanding	-	3.65
Mr. Parag Gupta (Company Secretary w.e.f. 19.08.2020)		
Remuneration	0.42	-
Outstanding	0.06	-
Mr. Ashutosh Mishra		
Sitting Fees	-	0.18
Mr. Sunil Kumar Vijay		
Sitting Fees	-	0.18
Mrs. Shivani Gupta (upto 30.11.2019)		
Sitting Fees	-	0.18
Mr. Saket Barodia (w.e.f. 19.02.2019)		
Remuneration	16.44	14.22
Outstanding	10.61	5.08

IMEC SERVICES LIMITED
NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

(b) Secondary Segment Geographical:

Particulars	(Rs. InLacs)	
	2020-21	2019-20
The Company's Operating Facilities are located in India		
Domestic Revenue	24.96	292.10
Export Revenue	-	-
Total	24.96	292.10

Note 25.

In the opinion of Board of Directors, non-current/ current assets and Loans and Advances have value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the Balance sheet and that the provision for known liabilities is adequate and reasonable. There are no contingent liabilities other than stated herein above.

Note 26. Payment to the Auditors

Particulars	(Rs. In Lacs)	
	2020-21	2019-20
(i) Remuneration to the Statutory auditors		
- For Statutory Audit	0.75	0.75
- For Tax Audit	0.25	0.25
(ii) Remuneration to Internal Auditors	0.20	0.20
(iii) Remuneration to Secretarial Auditors	0.40	0.40
(iv) Other Services	-	0.05

Note 27. Earnings per Share (EPS)

Particulars		(Rs in Lacs)	
		2020-21	2019-20
Basic and Diluted Earnings Per Share			
(a)	Net(Loss)/ Profit after tax but before Exceptional items	(21.76)	1.48
(b)	Less: Exceptional items	-	-
(c)	(Loss)/Profit available for Equity shareholders	(21.76)	1.48
(d)	Weighted Average Number of Equity Shares (Nos.)	4, 99,95,701	4,99,95,701
(e)	Nominal Value of Per ordinary Share	10.00	10.00
(f)	Basic Earning Per Share (in Rs.)	(0.04)	-

Note 28. Leases - Where company is Lessee:

The Company has taken various premises under operating leases with no restrictions and is renewable / cancellable at the option of either party. There are no sub leases. There are no restrictions imposed by lease arrangements. The Company has not recognized any contingent rent as expense in the statement of profit and loss. The aggregate amount of operating lease payment recognized in the statement of profit and loss is Rs.1.86 Lacs (Previous year Rs. 2.10Lacs).

IMEC SERVICES LIMITED
NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Note 29. Disclosure as per Ind AS-19 – Employee Benefits:

Gratuity:

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is paid as per the provisions of Payment of Gratuity Act, 1972. The gratuity plan is funded plan and company makes annual contributions to the Group Gratuity cum Life Assurance Scheme administered by LIC of India, a Funded defined benefit plan for qualifying employees.

The annual premium paid to Life Insurance Corporation of India is charged to statement of Profit & Loss account. The Company also carries out actuarial valuation of gratuity using projected Unit Credit Method as required by Indian Accounting Standard “Employee Benefits”.

(Rs. In Lacs)

Particulars	Gratuity 2020-21	Gratuity 2019-20
Change in the Present Value of Projected Benefit obligation		
Obligation at the beginning of the year	0.22	0.46
Interest Cost	0.02	0.04
Current Service cost	0.10	0.08
Past Service Cost	-	-
Liability transferred In / Acquisitions	-	-
(Liability transferred out/ Divestments)	-	-
(Gains)/Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
Benefit paid directly by the employer	-	-
(Benefits Paid from the Fund)	-	(0.51)
The Effect of Changes in Foreign Exchange Rate	-	-
Actuarial (gains)/ Losseson Obligations-Due to Change in Demographic Assumptions	-	-
Actuarial (gains)/ Losses on Obligations-Due to Change in Financial Assumptions	(0.01)	0.04
Actuarial (gains)/ Losses on Obligations-Due to Experience	0.14	0.11
Obligations at the end of the year	0.47	0.22
Change in the fair value of plan Assets		
Fair value of plan assets at the beginning of the year	10.72	10.48
Interest Income	0.73	0.82
Contributions by the Employer	0.01	0.01
Expected Contributions by the Employees	-	-
Assets Transferred In /Acquisitions	-	-
(Assets Transferred out /Divestments)	-	-
(Benefits Paid from the Fund)	-	(0.51)
(Assets Distributed on Settlements)	-	-
(Expenses & Tax for managing the benefit obligations – Paid from the Fund)	-	-
Effects of Asset Ceiling	-	-
The Effect of Changes in Foreign Exchange Rates	-	-

Return on Plan Assets, Excluding Interest Income	(0.01)	(0.07)
Fair value of plan assets at the end of the year	11.46	10.72
Amount recognized in the Balance Sheet		
Present value of benefit obligation at the end of the year	0.47	0.22
Fair value of plan assets at the end of the year	11.46	10.72
Funded Status (Surplus / Deficit)	10.98	10.50
Net (Liability)/Asset recognized in balance sheet	10.98	10.50
Balance Sheet Reconciliation		
Opening Net Liability	(10.50)	(10.02)
Expenses recognized in statement of Profit or Loss	(0.61)	(0.70)
Expenses recognized in OCI	0.15	0.22
Net Liability/(Asset) Transfer In	-	-
Net (Liability)/Asset Transfer Out	-	-
(Benefit paid directly by the Employer)	-	-
(Employer's Contribution)	(0.02)	(0.01)
Net Liability/(Asset) Recognized in Balance Sheet	(10.98)	(10.50)
Amounts recognized in the profit and loss account		
Current service cost	0.10	0.08
Net Interest cost	(0.72)	(0.78)
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments and Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
Expenses recognized	(0.62)	(0.70)
Expenses Recognized in the Other Comprehensive Income (OCI) for Current Year		
Actuarial Gains/(Losses) on Obligation for the Year	0.13	0.15
Return on Plan Assets, Excluding Interest Income	0.02	0.07
Change in Assets Ceiling	-	-
Net (Income)/ Expenses for the Period Recognized in OCI	0.15	0.22
Sensitivity Analysis		
Projected Benefit Obligation on Current Assumptions	0.47	0.22
Delta Effect of +1% change in Rate of Discounting	(0.08)	(0.04)
Delta Effect of -1% change in Rate of Discounting	0.09	0.05
Delta Effect of +1% change in Rate of Salary Increase	0.09	0.05
Delta Effect of -1% change in Rate of Salary Increase	(0.08)	(0.04)
Delta Effect of +1% change in Rate of Employee Turnover	(0.05)	-
Delta Effect of -1% change in Rate of Employee Turnover	-	-
Assumptions (Current Period)		
Expected Return of Plan Assets	6.96%	6.83%
Rate of Discounting	6.96%	6.83%
Rate of Salary Increase	6.00%	6.00%
Rate of Employee Turnover	2.00%	2.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality Rate After Employment	N.A.	N.A.

IMEC SERVICES LIMITED
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Note 30.

A) Value of Imports on CIF Basis

(Rs. In Lacs)

Particulars	2020-21	2019-20
Value of Imports on CIF Basis	Nil	Nil

B) Earning in Foreign Currency

Particulars	2020-21	2019-20
Earning in Foreign Currency	Nil	Nil

C) Expenditure in Foreign Currency

Particulars	2020-21	2019-20
Expenditure in Foreign Currency	Nil	Nil

Note 31.

Pursuant to disclosure pertaining to sec. 186(4) of the Companies Act, 2013 the following are the details thereof:-

- a) Investment Made: The same are classified under respective head for purpose as mentioned in their object clause (Refer note 2).
- b) Guarantee Given, the same is as under:

(Rs. In Lacs)

Particulars	2020-21	2019-20
RSAL Steel Private Limited	24,148.00	24,148.00

Note 32. Financial instruments – Fair values and risk management

Financial risk management

The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables, and financial guarantee contract. The main purpose of these financial liabilities is to manage finances for the company's operation. The company's financial assets comprise investment, loan and other receivables, trade and other receivable, cash, and deposits that arise directly from its operations.

The Company's activities are exposed to market risk, credit risk and liquidity risk. In order to minimize adverse effects on the financial performance of the Company, derivative financial instruments such as forward contracts are entered into to hedge foreign currency risk exposure. Derivatives are used exclusively for hedging purpose and not as trading and speculative purpose.

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

- (i) Market risk
 - (a) Currency risk;
- (ii) Credit risk; and
- (iii) Liquidity risk

IMEC SERVICES LIMITED
NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of risks on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

(i) Market risk

Market risk is the risk of changes the market prices on account of foreign exchange rates, interest rates and Commodity prices, which shall affect the Company's income or the value of its holdings of its financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the returns.

(a) Currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account and equity, where any transaction has more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

As on 31st March, 2021 Company is not exposed to foreign currency risk as there are no receivable/payables outstanding as on date.

(ii) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

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NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

(Rs. In Lacs)		
Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Past due 0–90 days	0.20	260.71
Past due 91–180 days	-	3.43
Past due more than 180 days	293.92	49.45
TOTAL	294.12	313.59

Expected credit loss assessment for customers as at 31st March, 2020 and 31st March, 2021:

(Rs. in Lacs)	
Reconciliation of loss allowance provision - Trade receivables	Amount
31st March, 2020	
Opening provision	48.27
Additional Provision made	5.04
Bad Debts written off against Provision already made	(33.22)
Closing Provision	20.09
31st March, 2021	
Opening provision	20.09
Additional Provision made	-
Bad Debts written off against Provision already made	-
Closing Provision	20.09

Cash and cash Equivalents

The Company holds cash and cash equivalents with credit worthy banks and financial institutions of Rs 4.23 Lacs as at March 31, 2021 [Previous Year Rs. 2.43 Lacs]. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

(iii) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Liquidity crises have led to default in repayment of principal and interest to lenders. The Company had taken measures to ensure that the Company's cash flow from business borrowing is sufficient to meet the cash requirements for the company's operations. The Company managing its liquidity needs by monitoring forecasted cash inflows and outflows in day to day business. Liquidity needs are monitored on various time bands, on a day to day and week to week basis, as well as on the basis of a rolling 30day projections. Presently company's objective is to maintain sufficient cash to meet its operational liquidity requirements.

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NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Exposure to liquidity risk

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

Contractual Cash Flows As at 31st March, 2021

(Rs. In Lacs)

As at 31 st March, 2021	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Secured term loans and borrowings	-	-	-	-	-	-
Trade and other payables	248.01	248.01	1.50	239.03	7.48	-
Other financial liabilities (repayable on demand)	-	-	-	-	-	-
Derivative financial liabilities	-	-	-	-	-	-

Contractual Cash Flows as at 31st March, 2020

(Rs. In Lacs)

As at 31 st March, 2020	Carrying amount	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Secured term loans and borrowings	-	-	-	-	-	-
Trade and other payables	248.98	248.98	241.50	-	7.48	-
Other financial liabilities (repayable on demand)	-	-	-	-	-	-
Derivative financial liabilities	-	-	-	-	-	-

Note 33. Capital Management

The Company's objective when managing the capital is to safeguard the Company's ability to continue as a going concern. In order to provide the return to shareholders and benefits to other stakeholder's and to maintain an optimal capital structures to reduce the capital.

The Company monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total debt, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents.

Equity comprises of Equity share capital and other equity. However, in view of certain adverse factors and liquidity problems faced by the Company, the net worth of the Company has been eroded in previous years.

IMEC SERVICES LIMITED
NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

A. The Company's adjusted net debt to adjusted equity ratio was as follow:

(Rs. In Lacs)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Debt	-	-
Cash and cash equivalent	4.23	2.43
Adjusted net Debt	(4.23)	(2.43)
Total Equity	158.42	180.30
Net Debt to equity ratio	(0.03)	(0.01)

B. Dividends

No dividend is paid by the Company in last three Years.

Note 34. Financial instruments by Category

Accounting classification and fair values

The following table shows the carrying amounts of financial assets and financial liabilities, including their level in fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value. A substantial portion of the Company's long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Accordingly, the carrying value of such long-term debt approximates fair value.

(Rs. In Lacs)

Particulars	As at 31 st March, 2021			As at 31 st March, 2020		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
(i) Investments	-	-	-	-	-	-
(ii) Trade receivables	-	-	274.03	-	-	293.50
(iii) Cash and cash equivalents	-	-	4.23	-	-	2.43
(iv) Bank Balance other than above	-	-	1.39	-	-	1.39
Financial liabilities						
(i) Trade Payables	-	-	248.01	-	-	248.98

IMEC SERVICES LIMITED
NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Note 35.

(A) Fair Value Hierarchy

The following table provides an analysis of financial instruments that are measured at fair values and have been grouped into Level 1, Level 2 and Level 3 below:

(Rs. In Lacs)				
As at 31 st March, 2021	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTPL				
(i) Investments;	-	-	-	-
Financial instruments at FVTOCI				
(i) Investments*	-	-	-	-

*Company has provided for full dimunition in the value of investment's

As at 31 st March, 2020	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTPL				
(i) Investments;	-	-	-	-
Financial instruments at FVTOCI				
(i) Investments	-	-	-	-

(B) Measurement of fair values

Valuation techniques and significant unobservable inputs

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Note 36.

Company has made the provisions for Bad & Doubtful Debts in FY 2020-21 for its customers of Rs. Nil (Previous year Rs. 5.04 Lacs)

IMEC SERVICES LIMITED
NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

Note 37.

In some cases, confirmation of loans, advances, deposits, debtors and creditors are not received. Therefore, same are shown as per books of accounts. Necessary adjustments, if any, will be made on reconciliations, quantum of impact if any, not ascertainable.

Note 38.

In respect of Subsidiary's borrowings from banks and financial institutions aggregating Rs 20,128.04 Lacs, banks have classified above loans as Non-Performing assets and have taken Symbolic Possession of Factory on 20th June 2019 under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and Rule 8(1) of said act. The Company has provided Corporate Guarantee on said loans and has been issued notice from banks. The application for initiation of Corporate Insolvency Resolution Process of RSAL Steel Private Limited ("subsidiary company") filed by Dena Bank (now since merged with Bank of Baroda) (Financial Creditor/Applicant) under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("Code") read with Rule 4 of Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 was admitted by Hon'ble NCLT, Mumbai Bench vide order no. CP 2985 (IB)/MB/2018 dated September 03, 2019 (date of receipt of order by Interim Resolution Professional was September 09, 2019) wherein Mr. Rajender Kumar Girdhar, having Reg. Number: IBBI/IPA-003/IP-N00048/2017-18/10396 was appointed as the Interim Resolution Professional ("IRP") to carry out the functions as mentioned under the Code and in the first meeting of the Committee of Creditors held on October 9, 2019, Mr. Rajender Kumar Girdhar had been resolved to be appointed as the Resolution Professional ("RP") of the Corporate Debtor. Further as per section 17(1)(b) read with Section 23 of the Code the powers of the board of directors of the subsidiary company, was stand suspended and is being exercised by the interim resolution professional/resolution professional. With respect to the CIRP proceedings of the subsidiary company, the Resolution Plan has been filed before Hon'ble NCLT Mumbai Bench and the same is pending adjudication.

Note39.The corresponding figure for 31st March, 2020 have been regrouped / reclassified in order to confirm to the presentation for the current year.

Independent Auditor's Report

**To,
To The Members of IMEC Services Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Financial Statements of IMEC Services Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income / Loss), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and Notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2021, its consolidated total comprehensive income / loss (comprising of profit/loss and other comprehensive income), its consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis of Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, 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 draw attention to the following points:

Sr No.	Key Audit Matter
1	<p>Assessment of litigations and related disclosure of contingent liabilities</p> <p>[Refer to Note B (iii) to the Consolidated Financial Statements– “Use of estimates, Judgements and Assumptions– Provisions and contingent liabilities”, Note 30 to the Consolidated Financial Statements – “Contingent Liabilities and commitments”</p> <p>As at March 31, 2021, the Group has exposures towards litigations relating to various matters as set out in the aforesaid Notes.</p> <p>Significant management judgement is required to assess such matters to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognised, or a disclosure should be made. The management judgement is also supported with legal advice in certain cases as considered appropriate.</p> <p>As the ultimate outcome of the matters are uncertain and the positions taken by the management are based on the application of their best judgement, related legal advice including those relating to interpretation of laws/regulations, it is considered to be a Key Audit Matter</p>
Auditor’s Response	
	<p>Principal Audit Procedures</p> <p>Our audit procedures included the following:</p> <ul style="list-style-type: none">• We understood, assessed and tested the design and operating effectiveness of key controls surrounding assessment of litigations relating to the relevant laws and regulations;• We discussed with management the recent developments and the status of the material litigations which were reviewed and noted by the audit committee;• We performed our assessment on a test basis on the underlying calculations supporting the contingent liabilities/other significant litigations made in the Consolidated Financial Statements;• We used auditor’s experts to gain an understanding and to evaluate the disputed tax matters;• We considered external legal opinions, where relevant, obtained by management;• We met with the Group external legal counsel to understand the interpretation of laws/regulations considered by the management in their assessment relating to a material litigation;• We evaluated management’s assessments by understanding precedents set in similar

	<p>cases and assessed the reliability of the management's past estimates/judgements.</p> <ul style="list-style-type: none"> • We evaluated management's assessment around those matters that are not disclosed or not considered as contingent liability, as the probability of material outflow is considered to be remote by the management; and • We assessed the adequacy of the Group disclosures. <p>Based on the above work performed, management's assessment in respect of litigations and related disclosures relating to contingent liabilities/other significant litigations in the Consolidated Financial Statements are considered to be reasonable.</p>
2	Key Audit Matter
	<p>Assessment of carrying value and fair value of investments</p> <p>[Refer to Note B (iii) to the Consolidated Financial Statements – “Use of Estimates, Judgements and Assumptions – Fair Value Measurements of Financial Instruments”, Note B (xix- A) to the Consolidated Financial Statements – “Financial assets”, and Note 46 (A) to the Consolidated Financial Statements – “Fair value hierarchy”]</p> <p>For investments carried at cost where an indication of impairment exists, the carrying value of investment is assessed for impairment and where applicable an impairment provision is recognised, if required, to its recoverable amount.</p> <p>For investments carried at fair values, a fair valuation is done at the year-end as required by Ind AS 109. In case of certain investments, cost is considered as an appropriate estimate of fair value since there is a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range as permitted under Ind AS 109.</p> <p>The accounting for investments is a Key Audit Matter as the determination of recoverable value for impairment assessment/fair valuation involves significant management judgement.</p> <p>The impairment assessment and fair valuation for such investments have been done by the management in accordance with Ind AS 36 and Ind AS 113 respectively.</p> <p>The key inputs and judgements involved in the impairment/fair valuation assessment of unquoted investments include:</p> <ul style="list-style-type: none"> • Forecast cash flows including assumptions on growth rates • Discount rates • Terminal growth rate <p>Economic and entity specific factors are incorporated in valuation used in the impairment assessment</p>
Auditor's Response	
	<p>Principal Audit Procedures</p> <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We obtained an understanding from the management, assessed and tested the design and operating effectiveness of the Group's key controls over the impairment assessment and fair valuation of material investments. • We evaluated the Group's process regarding impairment assessment and fair valuation by involving auditor's valuation experts to assist in assessing the appropriateness of the valuation model including the independent assessment of the underlying

assumptions relating to discount rate, terminal value etc.

- We assessed the carrying value/fair value calculations of all individually material investments, where applicable, to determine whether the valuations performed by the Group were within an acceptable range determined by us and the auditor's valuation experts.
- We evaluated the cash flow forecasts (with underlying economic growth rate) by comparing them to the approved budgets and our understanding of the internal and external factors.
- We checked the mathematical accuracy of the impairment model and agreed relevant data back to the latest budgets, actual past results and other supporting documents.
- We assessed the Group's sensitivity analysis and evaluated whether any reasonably foreseeable change in assumptions could lead to impairment or material change in fair valuation.
- We had discussions with management to obtain an understanding of the relevant factors in respect of certain investments carried at fair value where a wide range of fair values were possible due to various factors such as absence of recent observable transactions, restrictions on transfer of shares, existence of multiple valuation techniques, investee's varied nature of portfolio of investments for which significant estimates/judgements are required to arrive at fair value.
- We evaluated the adequacy of the disclosures made in the Consolidated Financial Statements.

Based on the above procedures performed, we did not identify any significant exceptions in the management's assessment in relation to the fair value of other investments.

3 Key Audit Matter

Evaluation of uncertain tax positions

The Group has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.

Auditor's Response

Principal Audit Procedures

We obtained details of completed tax assessments and demands for the year ended March 31, 2021 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions. Additionally, we considered the effect of new information in respect of uncertain tax positions as at April 1, 2020 to evaluate whether any change was required to management's position on these uncertainties.

4 Key Audit Matter

Allowance for credit losses

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss,

	<p>the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.</p> <p>We identified allowance for credit losses as a key audit matter because the Company exercises significant judgment in calculating the expected credit losses.</p> <p>Refer Notes 46 & 50 to the Standalone financial statements.</p>
Auditor's Response	
	<p>Principal Audit Procedures</p> <p>Our audit procedures related to the allowance for credit losses for trade receivables and unbilled revenue included the following, among others:</p> <p>We tested the effectiveness of controls over the (1) development of the methodology for the allowance for credit losses, including consideration of the current and estimated future economic conditions (2) completeness and accuracy of information used in the estimation of probability of default and (3) computation of the allowance for credit losses.</p> <p>For a sample of customers: We tested the input data such as credit reports and other credit related information used in estimating the probability of default by comparing them to external and internal sources of information.</p> <p>We tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company.</p>

Emphasis of Matter

Our opinion is not modified in respect of the following matters:

- (i) The Hon'able National Company Law Tribunal ("NCLT"), Mumbai Bench, admitted petition for initiation of Corporate Insolvency Process ("CIRP") u/s 7 of Insolvency and Bankruptcy Code, 2016 ("the Code") filed by Dena Bank(now Bank of Baroda), one of the financial creditors of the Company; vide order no. CP 2985 (IB) / MB/ 2018 dated September 3, 2019 ("Insolvency Commencement date") and appointed an Interim Resolution Professional ("IRP") to manage affairs of the Company in accordance with the provision of the Code. The Committee of Creditors ("COC") of the Company, in its meeting confirmed IRP as Resolution Professional ("RP") for the Company. In view of pendency of the CIRP the management of affairs of Company and powers of Board of Directors of Company are now vested with RP. By the order of NCLT a moratorium shall have effect from the date of order till the completion of the corporate insolvency resolution process or until Bench approves the resolution plan under sub- section (1) of Section 31 of I&B Code or passes an order for the liquidation of the Company under section 33 of I&B Code, as the case may be .With respect to the CIRP proceedings of the company, the Resolution Plan duly approved by the Committee of Creditors of Company has been filed before Hon'ble NCLT, Mumbai Bench and the same is pending adjudication. The CIRP Cost incurred by the Company during the financial year 2020-21 amounts to Rs. 475.21 lacs (including Resolution Professional expenses of Rs.57.07 lacs) which are recorded in the books.
- (ii) Company's subsidiary - RSAL Steel Private Limited has accumulated losses of Rs.33,063.41 Lacs. The Subsidiary's current liabilities exceeded its current assets as at the balance sheet date and its net worth has been fully eroded. In view of the continuing default in payment of dues,

certain lenders have sent notices /letters recalling their loans given and called upon the Company to pay entire dues and other liability and Corporate Insolvency Process against the Company is in process. Since the CIRP is currently in progress, as per the Code, it is required that the Company be managed as a going concern basis. However there exists material uncertainty about the Company's ability to continue as going concern since the same is dependent upon the resolution plan as approved by the CoC, to be approved by NCLT. The appropriateness of preparation of financial results on going concern basis is critically dependent upon outcome of CIRP as specified in the Code.

- (iii) Holding Company's subsidiary - RSAL Steel Private Limited had undertaken certain Capital project in the earlier years which is yet to be executed however due to insufficient funds, accounts of Company turned Non-performing Assets by banks and no new tie-ups of funds these projects have been stuck with an uncertainty of completion. The Company has not made full assessments of impairment on this Capital Work in Progress as required by Ind AS 36 on Impairment of Assets.
- (iv) For reasons mentioned in Note (i), the Group has not made full assessments of impairment as required by Ind AS 36 on Impairment of Assets, if any as at March 31, 2021 in the value of tangible assets.
- (v) Company has not made provision for interest payable on term loans and working capital loans due to banks from March 31, 2018. The Banks have classified loans given to the Subsidiary company as Non-Performing Asset (NPA). As the company is in CIRP process the amount of interest due could not be accurately ascertained and therefore cannot be quantified.
- (vi) As on March 31, 2021 the Subsidiary Company has not paid Salary to its employees from the month of July, 2020 to March 2021 amounting to Rs. 253.43 Lacs, Ex-gratia Rs.14.29 lacs, LTA Rs.7.77 lacs and leave encashment Rs. 33.94 lacs, provision for same has been done in books of accounts.
- (vii) As on March 31, 2021 the Subsidiary Company has not paid bonus to its employees for the year 2018-19, 19-20 and 20-21 amounting to Rs. 32.05 Lacs, provision for same has been done in books of accounts.
- (viii) As on March 31, 2021 the Subsidiary Company has not deposited EPF from July,2020 amounting to Rs.28.93 Lacs.
- (ix) The Subsidiary Company has made provisions on doubtful debts of Rs 1.46 Lakhs during the year ended March 31st 2021. Management is of the opinion that recovery of amount from these debtors is doubtful and hence created the provision.
- (x) The Company has shown amount of Rs.69.31 lacs as other advances recoverable in books which are outstanding for more than 365 days. As per information provided by the Management, discussion is going for settlement of amount and Management is of the opinion that amount will be recovered and therefore the Company has not made any provision on these advances.

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

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements and our auditor's report thereon.

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

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

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

Management's Responsibilities for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income/loss, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the Companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- i. Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. 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 Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- vi. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities included in the Consolidated Financial Statements.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors

in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that :

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income / Loss, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended :

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

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us :
- i. The Group has disclosed the impact of pending litigations on its financial position in its Financial Statements.
 - ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no amount, which is required to be transferred to the Investor Education and Protection Fund by the Company and Subsidiary Company.

For SCAN &Co.
Chartered Accountants
(Firm Reg. No.113954W)

Place: Indore
Date: June 29, 2021
UDIN: 21181251AAAA8D3368

CA Neel Khandelwal
Partner
M. No. 181251

Annexure - A to the Independent Auditor's Report of even date on the Consolidated Financial Statements of IMEC Services Limited

Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of RSAL Steel Private Limited of even date.

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

We have audited the internal financial controls over financial reporting of IMEC SERVICES LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary company as of March 31, 2021 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 over Financial Reporting

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

Opinion

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

For SCAN &Co.

Chartered Accountants
(Firm Reg. No.113954W)

Place: Indore

Date: June,29 2021

UDIN: 21181251AAAA8D3368

CA Neel Khandelwal

Partner

M. No. 181251

IMEC SERVICES LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2021

(Rs. In Lacs)

Particulars	Note No.	As at 31 st March, 2021	As at 31 st March, 2020
I. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	1	1,972.11	2,169.78
(b) Capital work-in-progress	1	577.80	577.80
(c) Financial assets			
Non Current Investment	2	-	-
Total Non-Current Assets		2,549.91	2,747.58
(2) Current Assets			
(a) Inventories	3	316.62	305.62
(b) Financial Assets			
(i) Trade Receivables	4	343.16	305.92
(ii) Cash and cash equivalents	5	19.26	17.91
(iii) Bank balances Other than (ii) above	6	69.64	9.52
(iv) Other Financial Assets	7	114.63	282.03
(c) Current Tax Assets(Net)	8	76.91	116.74
(d) Other Current Assets	9	213.96	178.40
Total Current Assets		1,154.18	1,216.14
TOTAL ASSETS		3,704.09	3,963.72
II. EQUITY AND LIABILITIES			
(1) EQUITY			
(a) Share Capital	10	5,001.28	5,001.28
(b) Other Equity	11	(34,931.33)	(34,163.04)
Total Equity		(29,930.05)	(29,161.76)
(2) LIABILITIES			
(I) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	12 (a)	1,284.27	1,284.27
(ii) Other Financial Liabilities	13	3,373.42	3,220.39
(b) Provisions	14	16.46	21.27
(c) Other Non-Current Liabilities	15	64.39	4.39
Total Non-Current Liabilities		4,738.54	4,530.32
(II) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	12 (b)	19,101.77	18,843.77
(ii) Trade Payables	16	862.18	936.37
(iii) Other Financial Liabilities	17	5,994.10	5,994.10
(b) Other Current Liabilities	18	2,931.47	2,816.04
(c) Provisions	19	6.08	4.88
Total Current Liabilities		28,895.60	28,595.16
TOTAL EQUITY AND LIABILITIES		3,704.09	3,963.72
Notes forming an integral part to the financial statements General information and Significant accounting policies	1 to 51 A-B		

As per our report of even date attached

For and on behalf of the Board of Directors

Chartered Accountants
(Firm Reg. No. 113954W)
For SCAN & Co.

Negendra Singh Ashutosh Mishra
Director Director
DIN: 07756704 DIN: 00038320

CA Neel Khandelwal
Partner
Membership No: 181251

Nilesh Nagar
Chief Financial Officer

Place : Indore
Date : June 29, 2021

Parag Gupta
Company Secretary
Membership No. A50725

IMEC SERVICES LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2021

(Rs. In Lacs)

Particulars	Note No.	For The Year Ended 31 st March, 2021	For The Year Ended 31 st March, 2020
I. INCOME			
a. Revenue from Operations	20	1,225.40	1,979.11
b. Other Income	21	251.91	35.14
TOTAL INCOME		1,477.31	2,014.25
II. EXPENSES			
a. Cost of Materials Consumed	22	5.20	326.69
b. Purchases of Stock-in-Trade	23	154.50	381.05
c. Changes in inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	24	(1.37)	241.78
d. Employee Benefits Expense	25	586.17	665.10
e. Finance Costs	26	154.29	156.74
f. Depreciation and Amortization Expense	1	197.66	199.50
g. Other Expenses	27	1,100.89	6,120.01
TOTAL EXPENSES (a to g)		2,197.34	8,090.87
III. Profit/(Loss) before Exceptional Items and Tax (I-II)		(720.03)	(6,076.62)
IV. Exceptional Items		57.07	-
V. Profit/(Loss) before tax (III-IV)		(777.10)	(6,076.62)
VI. Tax expense:		29	
a. Current tax		-	0.37
b. Deferred tax		0.04	690.47
c. Income tax for earlier year		0.71	-
VII. Net Profit/(Loss) for the Year (V-VI)		(777.85)	(6,767.46)
VIII. Other Comprehensive Income/(Loss)			
(A) Item that will not be reclassified to profit or loss			
(i). Remeasurement gains/ (losses) of Defined Benefit Plan		9.54	(4.23)
(ii). Deferred Tax (Assets)/ Liabilities on above		0.04	1.10
(iii). Net (loss)/gain on FVTOCI Equity Securities		-	-
(iv). Deferred Tax (Assets)/ Liabilities on above		-	-
(B) Items that will be reclassified to profit or loss			
		-	-
VIII. Total Other Comprehensive Income/(Loss)		9.58	(3.13)
IX. Total Comprehensive Income for the year (comprising profit/loss)		(768.27)	(6,770.59)
(Loss)/Profit for the year attributable to			
(a) Owner of the company		(777.85)	(6,767.46)
(b) Non Controlling interest		-	-
Other Comprehensive (Loss)/Income for the year attributable to			
(a) Owner of the company		9.58	(3.13)
(b) Non Controlling interest		-	-
Total Comprehensive Income/(Loss) for the year attributable to			
(a) Owner of the company		(768.27)	(6,770.59)
(b) Non Controlling interest		-	-
X. Earning per Equity share of Rs. 10 each			
Basic and Diluted (in Rs.)	38	(1.56)	(13.54)
Notes forming an integral part to the financial statements		1 to 51	
General information and Significant accounting policies		A-B	

As per our report of even date attached

For and on behalf of the Board of Directors

For SCAN & Co.

Chartered Accountants
(Firm Reg. No. 113954W)

Narendra Singh Ashutosh Mishra
Director Director
DIN: 07756704 DIN: 00038320

CA Neel Khandelwal
Partner
Membership No: 181251

Nilesh Nagar
Chief Financial Officer

Place : Indore
Date : June 29, 2021

Parag Gupta
Company Secretary
Membership No. A50725

IMEC SERVICES LIMITED
STATEMENT OF CHANGES IN EQUITY (SOCIE)

A) Equity share capital

(Rs. In Lacs)

Particulars	31 st March, 2021		31 st March, 2020	
	No. of Shares	Amount	No. of Shares	Amount
-Balance at the beginning of the reporting year	4,99,95,701	5,001.28	4,99,95,701	5,001.28
-Changes in equity share capital during the year	-	-	-	-
-Shares issued during the year	-	-	-	-
-Balance at the end of the reporting year	4,99,95,701	5,001.28	4,99,95,701	5,001.28

B) Other Equity:

(Rs. In Lacs)

Particulars	Reserve & Surplus			Equity Income Instrument through Other comprehensive income	Equity Component of Compound Financial Instrument	Total
	Capital Reserve	Security Premium	Retained Earning			
Balances as at 1st April, 2019	10.00	599.02	(30,930.58)	0.39	2928.72	(27,392.45)
Profit/(loss) for the year	-	-	(6,767.46)	-	-	(6,767.46)
Other comprehensive income (net of tax)	-	-	(3.13)	-	-	(3.13)
Balances as at 31st March, 2020	10.00	599.02	(37,701.17)	0.39	2928.72	(34,163.04)
Profit for the year	-	-	(777.85)	-	-	(777.85)
Other comprehensive income (net of tax)	-	-	9.58	-	-	9.58
Balances as at 31st March, 2021	10.00	599.02	(38,469.46)	0.39	2928.72	(34,931.33)

As per our report of even date attached

For and on behalf of the Board of Directors

For SCAN & Co.
Chartered Accountants
(Firm Reg. No. 113954W)

Negendra Singh
Director
DIN: 0775674

Ashutosh Mishra
Director
DIN: 00038320

CA Neel Khandelwal
Partner
Membership No: 181251

Nilesh Nagar
Chief Financial Officer

Place: Indore
Date: June 29,2021

Parag Gupta
Company Secretary
Membership No. A50725

IMEC SERVICES LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

		(Rs. In Lacs)	
	Particulars	For The Year Ended 2020-2021	For The Year Ended 2019-20
A	<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
	a) Profit / (Loss) before Tax	(777.10)	(6,076.62)
	Adjustment for:		
	Depreciation, amortisation and impairment Expenses	197.66	199.50
	Finance cost	154.29	156.74
	Interest Income	(10.47)	(10.08)
	Net Gain on Sale/ Discard of Fixed Assets		-
	Other Non- cash items	-	4,897.07
	b) Operating profit before working capital changes	(435.62)	(833.39)
	Working capital adjustments:		
	(Increase)/ Decrease in trade and other receivables	134.44	(1.24)
	(Increase)/ Decrease in inventories	(11.00)	259.37
	Increase/ (Decrease) in trade and other payables	250.65	647.96
	c) Cash generated from operations	(61.52)	72.70
	Income Taxes paid	(0.73)	(0.37)
	NET CASH FLOW FROM OPERATING ACTIVITIES	(62.25)	72.33
B	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
	Payment for Purchase and Construction of Property, Plant and Equipment		(0.12)
	Change in Other Non Current Assets & Other long term Advances	9.54	(4.23)
	Interest Income	10.47	10.08
	Proceeds from sale of Property, Plant and Equipment	-	1.59
	Redemption of bank deposit with maturity more than 3 months(net)	(60.11)	8.79
	NET CASH FLOW FROM INVESTING ACTIVITIES	(40.11)	16.11
C	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
	Increase/(Decrease) in Borrowings and Finance charges	258.00	-
	Finance cost	(154.29)	(156.74)
	NET CASH FLOW FROM FINANCING ACTIVITIES	103.71	(156.74)
D	<u>NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENT</u>	1.35	(68.30)
	Cash & Cash Equivalent at beginning of the year	17.91	86.21
	Cash & Cash Equivalent at end of the year	19.26	17.91
	NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENT	1.35	(68.30)

As per our report of even date attached

For and on behalf of the Board of Directors

For SCAN & Co.
Chartered Accountants
(Firm Reg. No. 113954W)

Negendra Singh **Ashutosh Mishra**
Director Director
DIN: 07756704 DIN: 00038320

CA Neel Khandelwal
Partner
Membership No: 181251

Nilesh Nagar
Chief Financial Officer

Place : Indore
Date : June,29 2021

Parag Gupta
Company Secretary
Membership No. A50725

IMEC Services Limited

A. Basis of Consolidation

Consolidated financial statement of IMEC Services Limited and its subsidiary RSAL Steel Private Limited are prepared under historical cost convention and on accrual basis of accounting and in accordance with the generally accepted accounting principles (GAAP in India).

1. These financial statements have been prepared to comply in all material aspects with Indian Accounting Standard notified under Rule 7 of The Companies (Accounts) Rules 2014 in respect of section 133 of the Companies Act, 2013 and other recognized accounting practices and policies.
2. The financials statements of subsidiary company used in consolidation are drawn up to the same reporting date of the company.
3. The financials statement of the company and its of subsidiary have been combined on a line by line basis by adding together like items of assets, liabilities, income and expenses.
4. Inter company balances, transaction and resulting unrealized profit or losses have been eliminated in full.
5. Non-controlling interest in the net assets of subsidiary has been separately disclosed in the consolidated financial statements
6. Figures pertaining to subsidiary have been reclassified to bring them in line with the parent company's financial statements.

B. Significant Accounting Policies of Financial Statements

The significant accounting policies applied by the Group in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

(i) Statement of compliance

The financial statement have been prepared in accordance with Indian Accounting standards ("Ind AS") notified, under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) Amendment Rules 2016 and the relevant provisions of the Act.

(ii) Basis of Preparation of Financial Statements

These financial statements have been prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. The Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

Functional and Presentation of Currency

These financial statements are presented in Indian rupees, which is the Group's functional currency. All amounts have been rounded to the nearest Rupees in Lacs unless otherwise indicated.

(iii) Use of Estimates, Judgments and Assumptions

In the preparation of the financial statements, the Group makes judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

Key source of estimation of uncertainty at the date of the financial statements, which may cause material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment, useful lives of property and plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities, fair value measurements of financial instruments and retirement benefit obligations as discussed below.

Impairment

The Group estimates the value in use of the cash generating unit (CGU) based on future cash flows after considering current economic conditions and trends, estimated future operating results and growth rates and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The cash flows are discounted using a suitable discount rate in order to calculate the present value.

Useful lives of property, plant and equipment and intangible assets

The Group reviews the useful life of property, plant and equipment and intangible assets at the end of each reporting period. This reassessment may result in change in depreciation and amortisation expense in future periods.

Valuation of deferred tax assets

The Group reviews the carrying amount of deferred tax assets at the end of each reporting period.

Provisions and contingent liabilities

A provision is recognized when the Group has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements.

Fair value measurements of financial instruments

When the fair value 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 Discounted Cash Flow Model. The inputs 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 value. Judgements include considerations of inputs such as liquidity risks, credit risks and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Retirement benefit obligations

The Group's retirement benefit obligations are subject to number of judgements including discount rates, inflation and salary growth. Significant judgements are required when setting these criteria and a change in

these assumptions would have a significant impact on the amount recorded in the Group's balance sheet and the statement of profit and loss. The Group sets these judgements based on previous experience and third party actuarial advice.

(iv) Property, plant and equipment

An item of property, plant and equipment is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. This recognition principle is applied to costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognized in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognized. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Property, plant and equipment is stated at cost or deemed cost applied on transition to Ind AS, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction is capitalised as part of cost of qualifying asset.

The gain or loss arising on disposal of an item of property, plant and equipment is determined as the difference between sale proceeds and carrying value of such item, and is recognized in the statement of profit and loss.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation of Fixed Assets

Depreciation on property, plant and equipment is provided on Written down value method (WDV) as per the useful life of the assets in the manner as specified in Schedule II to the Companies Act, 2013. The estimated useful life of assets and estimated residual value is taken as prescribed under Schedule II to the Companies Act, 2013.

Depreciation on additions during the year is provided on pro rata basis with reference to date of addition/installation. Depreciation on assets disposed/discarded is charged up to the date on which such asset is sold.

(v) Intangible Assets

Computer Software have finite useful lives and are measured at cost less accumulated amortization and any accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortization

Amortization is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over the estimated useful lives and is generally recognized in statement of profit and loss. Computer software are amortized over their estimated useful lives of 3 years. Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted, if required.

(vi) Inventories

Inventories are stated at the lower of cost and net realizable value, except by-product/ scrap is valued at net realizable value. Cost of inventories by using Moving Average Price Method. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the

inventories to their present location and condition. Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the cost of conversion from their existing state to a finished condition and for the cost of marketing, selling and distribution.

Provisions are made to cover slow-moving and obsolete items based on historical experience of utilisation on a product category basis, which involves individual businesses considering their product lines and market conditions.

(vii) Investments in subsidiaries

Investments in subsidiaries are carried at cost/deemed cost applied on transition to Ind AS, less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognized, if required immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognized in the statement of profit and loss.

(viii) Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognized to the extent that it is probable that the economic benefit will flow to the group and the revenue can be measured reliably and there is no continuing effective control/managerial involvement in respect of the revenue activity as described below.

a) Sale of goods

Revenue from sale of products is recognized when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, the risks of loss has been transferred, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied.

Revenue from sales is measured net of returns, trade discounts and volume rebates, GST but inclusive of excise duty wherever applicable. Further, the revenue amount is adjusted for the time value of money if that contract contains a significant financing component.

The timing of the transfer of control varies depending on the individual terms of the sales agreement.

b) Sale of Services

Revenue from sale of services are recognized when agreed contractual task has been completed or services are rendered.

c) Interest and Dividend

Interest income is recognized on accrual basis using the effective interest method. Dividend income is recognized in profit or loss on the date on which the Group's right to receive payment is established.

(ix) Employee benefits

a) Defined benefit plans

The liability for gratuity a defined benefit plan is determined annually by a qualified actuary using the projected unit credit method.

The Company pays gratuity to the employees who have completed 5 Years of service with Company at the time when the employee leaves the company as per the Payment of Gratuity Act, 1972.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in OCI. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and

benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

b) Defined contribution plans

The Company's payments to the defined contribution plans are recognized as expenses during the period in which the employees perform the services that payment covers. Defined contribution plan comprise of contribution to the employees' provident fund with government, Employees' State Insurance and Pension Scheme.

c) Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

d) Other Employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of obligation as at the Balance sheet date determined based on an actuarial valuation.

(x) Income Tax

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

a) Current tax

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

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

- a) has a legally enforceable right to set off the recognized amounts; and
- b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

b) Deferred tax

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

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

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

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised.

Deferred tax assets and liabilities are offset only if:

- a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities;
- b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

(xi) Foreign currency transactions and translations

The financial statements of the Group are presented in Indian Rupees, which is the functional currency of the Group and the presentation currency for the financial statements.

Transactions in foreign currencies are translated into the respective functional currencies of the Group at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Difference arising on settlement of monetary items are generally recognized in statement of profit and loss.

Non-monetary items that are measured based on historical cost in a foreign currency are not translated. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Exchange difference arising out of these transactions are generally recognized in statement of profit and loss.

(xii) Borrowing cost

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

Qualifying asset are the assets that necessarily takes a substantial period of time to get ready for its intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Investment income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is recognized in the statement of profit and loss.

(xiii) Cash and Cash Equivalent

In cash flow statement, Cash and cash equivalent includes the cash and Cheques in hand, bank balances, demand deposits with bank and other short term, highly liquid investments with original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdraft is shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the cash flow statement. Book overdraft are shown within other financial liabilities in the balance sheet and forms part of operating activities in the cash flow statement.

(xiv) Cash Flow Statement

Cash flows are reported using indirect method, whereby profit/ (loss) before tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flow. The cash flow from operating, investing and financing activities of the company is segregated based on the available information.

(xv) Earnings per Share

i) Basic earnings per shares is arrived at based on net profit / (loss) after tax available to equity shareholders divided by Weighted average number of equity shares, adjusted for bonus elements in equity shares issued during the year (if any) and excluding treasury shares.

ii) Diluted earnings per shares is calculated by dividing Profit attributable to equity holders after tax divided by Weighted average number of shares considered for basic earning per shares including potential dilutive equity shares.

(xvi) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation and there is reliable estimate of the amount of obligation.

A disclosure for contingent liabilities is made where there is a possible obligation arising from past events, the existence of which will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arise from past events where it is not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(xvii) Leases

As a Lessee

A lease is classified at the inception date as finance lease or an operating lease. Leases under which the group assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in finance costs in the statement of profit and loss.

Other leases are treated as operating leases, with payments are recognized as expense in the statement of profit and loss on a straight line basis over the lease term.

(xviii) Impairment of Non-Financial Assets

The Group assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the Group estimates the amount of impairment loss. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or group of assets is considered as cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

(xix) Financial Instruments

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction

costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognized in the statement of profit and loss.

Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options; and embedded derivatives in the host contract.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(A) Financial assets

Classification

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

Initial recognition and measurement

All financial assets are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset, in the case of financial assets not recorded at fair value through profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Measured at Amortized cost

A financial asset is measured at the amortized cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

Measured at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial Asset at fair value through profit and loss (FVTPL)

FVTPL is a residual category for financial asset. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to classify a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognized (i.e. removed from the Group's balance sheet) when:

- i) The rights to receive cash flows from the asset have expired, or
- ii) The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- iii) When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.
- iv) Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

Impairment of financial assets

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

- a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, and bank balance.
- b) Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- i) Trade receivables which do not contain a significant financing component.
The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.
- ii) For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

(B) Financial liabilities

Classification

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

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

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

The group's financial liabilities include trade and other payables, loans and borrowings, financial guarantee contracts and derivative financial instruments.

Financial liabilities at fair value through profit or loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss.

Loans and borrowings

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to interest-bearing loans and borrowings.

Derecognition

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

Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values, for financial instruments.

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified. When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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

IMEC SERVICES LIMITED
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1 Property, Plant & Equipment

(Rs. In Lacs)

Particulars	Tangible Assets							WIP
	Freehold Land	Building	Plant & Machinery	Furniture and Fixture	Office Equipments	Vehicles	Total	Plant & Machinery
Gross carrying Value as at								
As at 31st March, 2020	214.49	801.15	1,899.50	5.76	12.95	9.98	2,943.83	577.80
Additions	-	-	-	-	-	-	-	-
Deductions	-	-	-	-	-	-	-	-
Gross carrying Value as at								
As at 31st March, 2021	214.49	801.15	1,899.50	5.76	12.95	9.98	2,943.83	577.80
Accumulated Depreciation & Impairment								
As at 31st March, 2020	-	261.75	496.79	2.99	6.49	6.03	774.05	-
Depreciation for the year	-	65.38	130.40	0.25	0.55	1.08	197.66	-
Deductions	-	-	-	-	-	-	-	-
As at 31st March, 2021	-	327.13	627.19	3.24	7.04	7.11	971.71	-
<u>Net Block</u>								
As at 31st March, 2021	214.49	474.02	1,272.31	2.52	5.91	2.87	1,972.11	577.80
As at 31st March, 2020	214.49	539.40	1,402.71	2.77	6.46	3.95	2,169.78	577.80

IMEC SERVICES LIMITED
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Rs. In Lacs)

Particulars	As at 31 st MARCH, 2021	As at 31 st MARCH, 2020
NOTE 2 NON- CURRENT INVESTMENTS		
In Equity Shares (Unquoted)		
In other than Subsidiary Companies (At fairvalue through Other Comprehensive Income)		
1,50,000 (Previous Year 1,50,000) Equity Shares of Rs.10 Agrotrade Enterprises Limited(formerly known as Ruchi Less: Impairment in value of investment (Refer Note 33)	167.71 (167.71)	167.71 (167.71)
Total	-	-
Aggregate amount of unquoted investments	167.71	167.71
Aggregate amount for diminution in value of investments	167.71	167.71
NOTE 3 INVENTORIES		
Work in Progress	5.18	1.77
Finished Goods	-	2.03
Stores, Spares and Consumables	281.76	295.46
Stock in Trade (Valued at lower of cost and net realizable value except scrap valued at net realizable value) The cost of inventories recognised as an expenses include Rs.Nil (Prev.year Nil) In respect of Written down inventory to net realisable value	29.68	6.36
Total	316.62	305.62
NOTE 4 TRADE RECEIVABLES		
Unsecured, considered good	343.16	305.92
Unsecured considered doubtful	6,387.35	6,385.90
	6,730.51	6,691.82
Less:- Allowance for Bad & Doubtful Debts	6,387.35	6,385.90
Total	343.16	305.92
In determining allowance for credit losses of trade receivables, the Group 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.		
NOTE 5 CASH AND CASH EQUIVALENTS		
i. Balances with Banks in Current Accounts	18.26	16.68
ii. Cash on hand	1.00	1.23
Total	19.26	17.91
NOTE 6 BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS ABOVE		
In Deposit account Earmarked against margin money (under lien) :		
i. Having maturity of more than 3 months up to 12 months	69.01	8.89
ii. Having maturity of more than 12 months	0.63	0.63
Deposits maintained by the Company with Banks, which can be withdrawn by the Company at any point of the time without prior notice or penalty on the principal amount		
Total	69.64	9.52
NOTE 7 OTHER FINANCIAL ASSETS		
Unsecured, considered good		
Deposit with Government Authorities	13.40	180.80
Security Deposits	101.23	101.23
Total	114.63	282.03
i. Balances with Government Authorities primarily relate to amounts paid under protest in respect of demands and claims from regulatory authorities.		
ii. Security Deposits primarily includes deposits for Electricity, Rent and Telephone services.		

IMEC SERVICES LIMITED
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Rs. In Lacs)

Particulars	As at 31 st	As at 31 st
	MARCH, 2021	MARCH, 2020
NOTE 8 Current Tax Assets(Net)		
Advance Income Tax (Net of Provision) ¹	76.91	116.74
¹ Provision for Tax of Rs. 15.59 Lacs (Previous Year Rs 118.55 Lacs) is netted off in above amount.		
Total	76.91	116.74
NOTE 9 OTHER CURRENT ASSETS		
Balance with Government Authorities	11.17	20.27
Advance to Suppliers	135.98	92.07
Others Advances recoverable	23.40	19.36
Interest Accrued on deposits	1.80	0.69
Gratuity Fund	41.61	46.01
Total	213.96	178.40
Note 10 : SHARE CAPITAL		
Authorised		
5,02,50,000 Equity shares (Previous year 5,02,50,000), Equity Shares of Rs.10/- each.	5,025.00	5,025.00
17,00,000 (Previous year 17,00,000) 5% Non Cumulative Redeemable Preference Share of Rs. 100 each. *	1,700.00	1,700.00
	<u>6,725.00</u>	<u>6,725.00</u>
Issued		
5,00,29,901 Equity Shares (Previous Year 5,00,29,901) Equity Shares of Rs. 10/- each.	5,002.99	5,002.99
Subscribed & Fully Paid Up		
4,99,95,701 Equity shares (Previous year 4,99,95,701) Equity shares of Rs.10/-each fully paid-up	4,999.57	4,999.57
Forfeited shares		
Amount originally paid up on forfeited Equity Shares	1.71	1.71
Total	5,001.28	5,001.28

* Preference Shares are classified in Other Equity (Note 11) and Other Financial Liabilities (Note 13)

10.1. The reconciliation of the number of equity shares and amount outstanding is set out below:

Particulars	(Rs. In Lacs)			
	As at 31 st March, 2021		As at 31 st March, 2020	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares at the beginning of the year	50,029,901	5,002.99	50,029,901	5,002.99
Add: Shares issued during the year	-	-	-	-
Equity Shares at the end of the year	50,029,901	5,002.99	50,029,901	5,002.99
Subscribed & Fully Paid Up				
Equity Shares at the beginning of the year	49,995,701	4,999.57	49,995,701	4,999.57
Add: Shares issued during the year	-	-	-	-
Add: Amount paid up on Forfeited Shares	-	1.71	-	1.71
Equity Shares at the end of the year	49,995,701	5,001.28	49,995,701	5,001.28

Terms/Right attached to equity shares :

10.2 The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share. The dividend proposed if any, by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

10.3 The details of Equity Shareholders holding more than 5% shares:

Name of the Shareholders	(Rs. In Lacs)			
	As at 31 st March, 2021		As at 31 st March, 2020	
	No of shares held	% Held	No of shares held	% Held
Param Foundation Private Limited	86,79,077	17.36	86,79,077	17.36
Top Seals India Private Limited	69,76,714	13.95	69,76,714	13.95
Money Capfin Private Limited	42,35,796	8.47	42,35,796	8.47
Ruchi Infotech Limited	38,99,263	7.80	38,99,263	7.80
Joyful Developers Private Limited	38,06,075	7.61	38,06,075	7.61
Jush Developers And Erectors Private Limited	38,06,000	7.61	38,06,000	7.61
Shashwat Trust	28,80,000	5.76	28,80,000	5.76

As per the records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownerships of equity shares.

10.4 During the period of five year immediately preceding the date on which the balance sheet is made

- (i) No bonus shares were issued,
- (ii) No shares were bought back,
- (iii) No shares are allotted for consideration other than cash, by the Company.

IMEC SERVICES LIMITED
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Rs. In Lacs)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
NOTE 11 OTHER EQUITY		
a) Capital Reserve		
Balance as at the beginning of the year	10.00	10.00
Add : Received during the year		-
Balance as at the end of the year	10.00	10.00
b) Securities Premium Account		
Balance as at the beginning of the year	599.02	599.02
Add: Premium on shares issued during the year	-	-
Balance as at the end of the year	599.02	599.02
c) Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	(37,701.17)	(30,930.58)
Add : (Loss)/Profit for the year	(777.85)	(6,767.46)
Add: Item of OCI recognised in retained earnings	9.58	(3.13)
Remeasurement gain/(loss) on define		
Balance as at the end of the year	(38,469.46)	(37,701.17)
d) Equity Instrument through Other Comprehensive Income		
Balance as at the beginning of the year	0.39	0.39
Add: Net fair Value gain /(loss) in Equity Instrument (Net tax)	-	-
Balance as at the end of the year	0.39	0.39
e) Equity Component of Compound Financial Instrument		
Balance as at the beginning of the year	2,928.72	2,928.72
Balance as at the end of the year	2,928.72	2,928.72
Total	(34,931.33)	(34,163.04)

Nature of Reserve

a) Capital Reserve

Capital reserve was credited against state investment subsidy received and utilised in accordance with the provisions of Companies Act, 2013

b) Securities Premium

Securities Premium is created on recording of premium on issue of Shares. These reserve is utilised in accordance with the provision of Companies Act, 2013

c) Equity Instrument through other Comprehensive Income

The company has elected to recognise change in fair value of certain class of investment in other comprehensive income. These fair value changes are accumulated within this reserve and shall be adjusted on derecognition of investment.

(Rs. In Lacs)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
NOTE 12 BORROWINGS		
(a) NON CURRENT		
Secured		
Working Capital Term Loan		
From Banks	1,284.27	1,284.27
Total(a)	1,284.27	1,284.27
(b) CURRENT		
Loans repayable on demand		
Secured		
(i) Working Capital Loans		
From Banks	18,843.77	18,843.77
(refer Note for Terms)		
(ii) CIRP Loan (Interim Finance/ Corpus Fund)	258.00	-
Total(b)	19,101.77	18,843.77

IMEC SERVICES LIMITED
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 12 BORROWINGS - (a) NON CURRENT

A. Details of Borrowings

(Rs. In Lacs)

Particulars	Interest Rate	Security	Year of Maturity in Financial Year	Terms of Repayment	As at 31 st March, 2021	As at 31 st March, 2020
Working Capital Term Loan from State Bank of India	15 %	Secured by Pari passu first charge over the Company's Subsidiary RSAL entire fixed assets situated at Sejwaya Ghatabillod, District Dhar (M.P.), second charge created over the Company's Subsidiary RSAL entire current assets including stocks of raw material, finished goods, receivable and other current assets on paripassu basis. Personally Guaranteed by Shri Umesh Shahra and Shri Kailash Chandra Shahra and Corporate Guarantee of IMEC Services Limited (holding company).	2018-2019	Total Sanctioned Amount: 2,500.00 Lacs. The Term Loan is repayable in 24 quarterly instalments comprising of First eight instalments of Rs. 47.00 Lacs commencing from June, 2010, Next four instalments of Rs. 78.00 Lacs, Next four instalments of Rs. 86.13 Lacs and Last eight instalments of Rs. 94.50 Lacs each. Last instalment of Rs. 110.00 Lacs was due on March 2019. Rate of interest 15 %. (Pre. Year 15%) p.a. as at the year end.	1,284.27	1,284.27

B. The Company has defaulted in repayment of the loans which are outstanding, details as follow:

Particulars of Loan	Amount of continuing default as on March 31, 2021		Due Date for Payment
	Of Principal Amount	Of Interest accrued up to 31.03.2018	
Working Capital Term Loan from State Bank of India	1,284.27	327.97	As per recall notice issued dated 30.01.2017

IMEC SERVICES LIMITED
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 12 BORROWINGS - (b) CURRENT

(ia). Details of Borrowings

					(Rs. In Lacs)	
Particulars	Interest Rate	Security	Terms of Repayment	As at 31 st March, 2021	As at 31 st March, 2020	
Cash Credit Dena Bank (Merged with Bank of Baroda)	14.20 %	Secured by Pari passu first charge over the Company's Subsidiary RSAL entire current assets including stocks of raw material, finished goods, receivable and other current assets and second charge created over the Company's Subsidiary RSAL entire fixed assets situated at Sejwaya Ghatabillod, District Dhar (M.P.) on paripassu basis, Personally Guaranteed by Shri Umesh Shahra and Shri Kailash Chandra Shahra and Corporate Guarantee of IMEC Services Limited (holding Company).	Total Sanctioned Amount: 3,085.00 Lacs. Repayable on demand during the facility tenure of 12 months.	2,690.30	2,690.30	
Cash Credit Jammu & Kashmir Bank	15.00 %		Total Sanctioned Amount: 2,303.00 Lacs. Repayable on demand during the facility tenure of 12 months.	1,227.50	1,227.50	
Cash Credit United Bank of India (Merged with Punjab National Bank)	13.90 %		Total Sanctioned Amount: 1,845.00 Lacs. Repayable on demand during the facility tenure of 12 months.	1,630.76	1,630.76	
Cash Credit Allahabad Bank (Merged with Indian Bank)	15.00 %		Total Sanctioned Amount: 3,200.00 Lacs. Repayable on demand during the facility tenure of 12 months.	2,735.36	2,735.36	
Cash Credit State Bank of India	15.00 %		Total Sanctioned Amount: 13,715.00 Lacs. Repayable on demand during the facility tenure of 12 months.	10,559.85	10,559.85	

IMEC SERVICES LIMITED
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(ib). The Company has defaulted in repayment of the loans which are outstanding, details as follow:

(Rs. In Lacs)

Particulars of Loan	Amount of continuing default as on March 31, 2021		Due Date for Payment
	Of Principal Amount	Of Interest accrued up to 31.03.2018	
Cash Credit Dena Bank (Merged with Bank of Baroda)	2,690.30	633.22	As per recall notice issued dated 17.07.2017
Cash Credit Jammu & Kashmir Bank	1,227.50	302.23	As per recall notice issued dated 14.02.2019
Cash Credit United Bank of India (Merged with Punjab National Bank)	1,630.76	380.64	As per recall notice issued dated 07.10.2016
Cash Credit of Allahabad Bank (Merged with Indian Bank)	2,735.36	748.88	As per notice issued dated 10.07.2018
Cash Credit State Bank of India	10,559.85	3,601.16	As per recall notice issued dated 30.01.2017

(ii). Interim Finance provided under CIRP, details as follows:

(Rs. In Lacs)

Particulars of Loan	As at 31st March,2021
Unsecured Interim Finance (without interest) provided by State Bank of India under Corporate Insolvency Resolution Process towards the Corpus Funds	258.00

IMEC SERVICES LIMITED
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to current losses and losses incurred in earlier years, the company had defaulted in repayment of borrowing (term loan and working capital facilities) to the banks and the account of company's Subsidiary RSAL with banks had turned into a non performing asset.

The Hon'able National Company Law Tribunal ("NCLT"), Mumbai Bench, admitted petition for initiation of Corporate Insolvency Process ("CIRP") u/s 7 of Insolvency and Bankruptcy Code, 2016 ("the Code") filed by Dena Bank, financial creditors of the company's Subsidiary RSAL vide order no. CP 2985 (IB) / MB/ 2018 dated September 3, 2019 ("Insolvency Commencement date") and appointed an Interim Resolution Professional ("IRP") to manage affairs of the Company in accordance with the provision of the Code. The Committee of Creditors ("COC") of the Company, in its meeting confirmed IRP as Resolution Professional ("RP") for the Company. In view of pendency of the CIRP the management of affairs of Company and power of Board of Directors are now vested with RP. With respect to the CIRP proceedings of the company, the Resolution Plan duly approved by the Committee of Creditors has been filed before Hon'ble NCLT Mumbai Bench and the same is pending adjudication.

The company's Subsidiary RSAL has accordingly, not recognised interest payable on term loans and working capital loans due to banks from March 31, 2018. As the company's Subsidiary RSAL is in CIRP process the amount of interest due could not be accurately ascertained and therefore cannot be quantified.

IMEC SERVICES LIMITED
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Rs. In Lacs)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
NOTE 13 OTHER FINANCIAL LIABILITIES - NON CURRENT		
5% Non Cumulative redeemable Preference share	2,703.42	2,550.39
Non Controlling Interest	670.00	670.00
Total	3,373.42	3,220.39
NOTE 14 PROVISIONS-NON CURRENT		
For Employee Benefits	16.46	21.27
Total	16.46	21.27
NOTE 15 OTHER NON CURRENT LIABILITIES		
Security Deposit	4.39	4.39
Security Deposit received from 3 Resolution Applicants#.	60.00	-
#.Subsequent to the finalisation and approval of Resolution Plan by Committee of Creditors,the Security Deposit have been refunded to 2 Resolution Applicants.		
Total	64.39	4.39
NOTE 16 TRADE PAYABLE		
Dues to Micro and Small Enterprises (Refer Note 32)	20.93	6.64
Dues to others (Refer Note 31)	841.25	929.73
Total	862.18	936.37
NOTE 17 OTHER FINANCIAL LIABILITIES -CURRENT		
Interest accrued & due on borrowings(Refer Note no. 12)	5,994.10	5,994.10
Total	5,994.10	5,994.10
NOTE 18 OTHER CURRENT LIABILITIES		
Statutory Dues	33.47	36.85
Advances from Customers	2,551.59	2,577.05
Other Liabilities ¹	346.41	202.14
Total	2,931.47	2,816.04
¹ Other Liabilities includes Rs 31.40 Lacs (Previous year Rs 17.99 Lacs) payable to Related Parties (Refer Note 34).		
NOTE 19 PROVISIONS-CURRENT		
For Employee Benefits	6.08	4.88
Total	6.08	4.88

(Rs. In Lacs)

Particulars	For The Year Ended 31 st March, 2021	For The Year Ended 31 st March, 2020		
NOTE 20 REVENUE FROM OPERATIONS				
A. Sales of Products	172.77	984.21		
B. Sale of Services		-		
Job Work Processing Charges Received	1,025.64	909.40		
Other Service Income	26.75	50.92		
C. Other Operating Revenue	0.24	34.58		
Total	1,225.40	1,979.11		
NOTE 21 OTHER INCOME				
A. Interest Income				
- On Fixed Deposit	1.96	0.95		
- Other Interest Income	8.51	9.14		
B. Other non-operating income				
Other Income	178.45	23.95		
Insurance Claim Received	-	1.10		
Profit on Exchange Fluctuation	62.99	-		
Total	251.91	35.14		
NOTE 22 COST OF MATERIALS CONSUMED				
Raw Materials Consumed	5.20	326.69		
Total	5.20	326.69		
Imported and Indigenous Raw Material Consumed				
Raw Material	2020-21		2019-20	
	Amount	% of Total Consumption	Amount	% of Total Consumption
Imported	-	-	-	-
Indigenous	5.20	100%	326.69	100%
Total	5.20	100%	326.69	100%

IMEC SERVICES LIMITED
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Rs. In Lacs)

Particulars	For The Year Ended 31 st March, 2021	For The Year Ended 31 st March, 2020
NOTE 23 PURCHASES OF STOCK IN TRADE		
Purchases of traded goods	154.50	381.05
Total	154.50	381.05
NOTE 24 CHANGES IN INVENTORIES OF FINISHED GOODS		
WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Inventory at the end of the year		
Finished Goods	-	2.03
Work in Progress	5.18	1.78
Stock-in-Trade	-	-
	5.18	3.81
Less: Inventory at the Beginning of the year	-	
Finished Goods	2.03	103.29
Work in Progress	1.78	142.30
Stock-in-Trade	-	-
	3.81	245.59
Net (Increase)/Decrease in Inventories	(1.37)	241.78
Total	(1.37)	241.78
NOTE 25 EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	537.19	606.77
Contribution to Provident and other funds	27.03	33.87
Staff Welfare Expenses	21.95	24.46
Total	586.17	665.10
NOTE 26 FINANCE COSTS		
Interest expense	154.24	156.62
Other Borrowing Cost	0.05	0.12
Total	154.29	156.74
NOTE 27 OTHER EXPENSES		
Manufacturing & Service Related Expenses		
Consumption of Stores, Spares, consumable	123.21	93.27
Power and Fuel	593.06	559.22
Processing Charges	3.37	14.22
Rent	22.47	23.70
Repairs to Buildings	0.34	1.66
Repairs to Machinery	2.95	8.39
Repairs others	3.79	9.50
Other Manufacturing Expenses	10.66	14.44
Selling and Distribution expenses		
Freight and forwarding charges	11.24	37.06
Packing,Cutting,Forwarding	46.60	59.09
Cash Discount on Sales	-	8.61
Brokerage on Sales	0.04	0.98
Allowance for Bad Debts & Doubtful Debts	1.46	4,893.49
Sundry Balance Written Off	0.01	3.59
Establishment and Other expenses		
Insurance expenses	10.44	11.13
Rates and Taxes ,excluding taxes on income	173.05	3.29
Payment to Auditors (Refer Note 37)	3.30	3.82
Travelling & Conveyance	32.01	37.93
Legal & Professional Charges	16.20	16.39
Loss on foreign currency transaction/translation (Net)	-	208.08
Secretarial Expenses	4.05	4.37
Filing fees	0.11	0.32
Listing Fees	3.00	3.00
Bank Commission & Charges	0.02	0.20
Miscellaneous Expenses	39.51	104.26
Total	1,100.89	6,120.01
NOTE 28 EXCEPTIONAL ITEMS		
Resolution Professional Charges ¹	57.07	-
Total	57.07	-
1 In relation to appointment of Resolution Professional there has been expenditure of resolution professional fee, audit fees and reimbursement for the expenses incurred by him.		

IMEC SERVICES LIMITED
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 29. Tax Expenses

(Rs. In Lacs)

Particulars	For the Year ended March 31 st , 2021	For the Year ended March 31 st , 2020
A. Tax expenses recognized in the statement of Profit & Loss:		
I. Current Tax		
in respect of current year	-	0.37
in respect of earlier year	0.71	-
Total Current Tax	0.71	0.37
II. Deferred Tax		
in respect of current year	0.04	690.47
Total Deferred income tax expense/(credit)-	0.04	690.47
Total (A)	0.75	690.84
B. Amounts Recognized in Other Comprehensive Income:		
Items that will not be reclassified to Profit or Loss	(0.04)	(1.10)
Remeasurements of the defined benefit Plans	-	-
Equity Instruments Through Other Comprehensive Income	-	-
Total (B)	(0.04)	(1.10)
Total (A+B)	0.71	689.74

A. Reconciliation of the income tax amount between the enacted income tax rate and the effective income tax of the Group is as follows:

(Rs. In Lacs)

Particulars	2020-21	2019-20
Profit/(loss) before tax	(777.10)	(6,076.62)
Applicable Tax Rate (MAT)	15.60%	19.24%
Income tax as per above rate	-	0.37
Adjustments for taxes	-	-
Expense not deductible for tax purposes	-	-
Income Tax related to earlier year	-	-
Tax due to change in tax rate	-	-
Income tax as per statement of profit and loss	-	0.37

B. The movement in Deferred Tax assets and liabilities during the year ended 31st March, 2020 and 31st March, 2021:

(Rs. In Lacs)

Particulars	As at 1 st April, 2019	(Credit)/charge in statement of Profit and loss	Recognized in OCI	As at 31 st March, 2020	(Credit)/charge in statement of Profit and loss	Recognized in OCI	As at 31 st March, 2021
Deferred tax liabilities							
Depreciation on PPE	-	-	-	-	-	-	-
Other timing difference	(689.37)	690.47	(1.10)	-	0.04	(0.04)	-
Deferred Tax assets							
Amount allowable on payment basis	-	-	-	-	-	-	-
Total	(689.37)	(690.47)	(1.10)	-	0.04	(0.04)	-

IMEC SERVICES LIMITED
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 30. Contingent Liabilities and Commitments

(To the extent not provided for)

(Rs. In Lacs)

Particulars	2020-21	2019-20
A) Contingent liabilities:		
i) Income Tax/ Sales Tax/Customs Duty/Excise Duty /other disputed amount in appeals/ demands.	34.55	34.04
ii) Estimated liability of Custom duty which may arise if export obligation is not fulfilled	1,211.34	1,130.94
B) Commitments:		
Estimated amount of contracts remaining to be executed on capital commitment (Net of Advance) ¹	116.35	116.35

¹**Note:** Subsidiary Company had undertaken certain Capital project in the earlier years which is yet to be executed however due to insufficient funds. Accounts of subsidiary company turning Non-Performing Assets by banks and no new tie up of funds in place these projects are being stuck with an uncertainty of completion. Following contract was cancelled in the earlier year:

Capital Project	Contract Value	Amount Paid	Contract Value to be executed
Plant & Machinery	USD 1,518,000	USD 870,000	USD 648,000

Note 31.

Trade Payables includes bills payable for purchase of goods Rs. Nil (Previous Year Rs. Nil).

Note 32.

- a) Trade Payables includes Rs. 20.93 Lacs (Previous Year- Rs 6.64 Lacs) amount due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) Act. The details of amount outstanding to Micro and Small Enterprises are as under:

(Rs. In Lacs)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Principle amount due and remain unpaid	20.93	6.64
Interest due on above and unpaid interest	-	-
Interest Paid	-	-
Interest Payment made beyond appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest due and payable in succeeding years	-	-

- b) The information has been determined to the extent such parties have been identified on the basis of information available with the Group and relied upon by the Auditors. No identification of amount due to Micro and small enterprises had been done in the previous year by the Group.

Note 33.

The Holding Company holds 1,50,000 Equity Shares of Agrotrade Enterprises Limited (formerly known as Ruchi Global Limited), in the Financial Year 2017-18, Agrotrade Enterprises Limited (formerly known as Ruchi Global Limited) has suffered huge losses and consequent upon its net worth has been fully eroded. Considering the negative net worth of Agrotrade Enterprises Limited (formerly known as Ruchi Global limited) the Holding Company has provided for diminution in the investment in Equity Shares for full value i.e. Rs. 167.71Lacs. in the Statement of Profit and Loss during the FY.2018-19.

IMEC SERVICES LIMITED

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 34. Related Party Relationships, Transactions and Balances

As per Ind AS-24, the disclosure of transactions with related parties is given below:

List of related parties where control exists with whom transactions have taken place and relationships:

(i) Person or a close members has control or joint control, significant influence on the reporting entity or is member of KMP in reporting entity

Name of Person	Relation
(a) KMP	
Mr. Arvind Mishra	Subsidiary Company- Chief Financial Officer
Mr. Ravi Deshmukh	Parent Company- Chief Financial Officer (up to 20.07.2019)
Mr. Parag Gupta	Parent Company- Company Secretary
	Subsidiary Company- Company Secretary (w.e.f 19.08.2020)
Mr. Chaitanya Zaveri	Subsidiary Company- Company Secretary (up to 30.05.2020)
Mr. Nilesh Nagar	Parent Company- Chief Financial Officer (up to 30.06.2021)
Mr. Deepak Sogani	Subsidiary Company- Chief Financial Officer (w.e.f 19.08.2020)
Mr. Nitesh Kumar Shah	Subsidiary Company- Chief Financial Officer (up to 30.11.2019)
(b) Directors	
Mr. Ashutosh Mishra	Parent Company- Independent Director
	Subsidiary Company- Independent Director
Mr. Saket Barodia	Parent Company- Non-Executive Director
Mrs. Shivani Gupta	Parent Company- Independent Director (up to 19.02.2021)
	Subsidiary Company- Independent Director(up to 30.11.2019)
Mrs. Swati Kushwah	Parent Company- Independent Director (w.e.f 09.03.2021)
Mr. Sunil Kumar Vijay	Subsidiary Company- Independent Director

(ii) Entities where Key Management Personnel & relatives of Key Management Personnel have significant influence: Nil

Note: Related Party relationship is as identified by the Group on the basis of information available and relied upon by the Auditor.

IMEC SERVICES LIMITED
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Transaction carried out with related parties referred in above, in ordinary course of business during the existence of related party relationship.

(Rs. In Lacs)

Related Party	2020-21	2019-20
Mr. Ashutosh Mishra		
Sitting Fees	0.58	0.74
Mr. Ravi Deshmukh (upto 20.07.2019)		
Remuneration	-	0.97
Outstanding	-	0.03
Mr. Arvind Mishra		
Remuneration	23.80	22.00
Outstanding	12.92	7.53
Mr. Nitesh Kumar Shah(CFO upto 30.11.2019)		
Remuneration	-	5.81
Outstanding	-	0.93
Mr. Nilesh Nagar (CFO up to 30.06.2021)		
Remuneration	2.98	2.09
Outstanding	0.79	0.31
Mr. Chaitanya Zaveri(CS up to 30.05.2020)		
Remuneration	2.42	9.87
Outstanding	-	3.65
Mr. Sunil Kumar Vijay		
Sitting Fees	-	0.18
Mr. Saket Barodia		
Sitting Fees	0.58	0.40
Remuneration	16.44	14.22
Outstanding	10.61	5.08
Mr. Parag Gupta		
Remuneration	4.59	4.41
Outstanding	1.17	0.46
Mrs. Shivani Gupta		
Sitting fees	0.45	0.74
Mr. Deepak Sogani (CFO w.e.f. 19.08.2020)		
Remuneration	5.51	-
Outstanding	5.91	-

IMEC SERVICES LIMITED
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 35: Segment Reporting

General Information

Factors used to identify the entity's reportable segments, including the basis of organization

Based on the criterion as mentioned in Ind-As-108- "Operating Segment", the Group has identified its reportable segments, as follows:

- Segment 1- Steel
- Segment 2- Other- Includes Operations related to Consultancy
- Segment 3- Service
- Segment 4- Trading

Unallocable - All the segments other than segments identified above are collectively included in this segment. The Chief Operating Decision Maker ("CODM") evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and gross profit as the performance indicator for all of the operating segments.

(a) Primary Segment

(Rs. In Lacs)

Particulars	Steel		Service		Trading		Others	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Segment Revenue	1442.70	1,711.03	24.14	42.34	-	248.54	-	1.64
Segment Results (PBIT)	(491.79)	(5,856.85)	(10.83)	(8.50)	-	9.51	-	(18.11)
Less: Finance Cost	-	-	-	-	-	-	-	-
Profit before exceptional items and tax	-	-	-	-	-	-	-	-
Exceptional Items	-	-	-	-	-	-	-	-
Profit Before Tax	-	-	-	-	-	-	-	-
Less: Current Tax	-	-	-	-	-	-	-	-
Deferred Tax (Assets) Liabilities	-	-	-	-	-	-	-	-
Profit/(Loss) After Tax	-	-	-	-	-	-	-	-

Particulars	Un Allocable		Total	
	2020-21	2019-20	2020-21	2019-20
Segment Revenue	10.47	10.70	1477.31	2,014.25
Segment Results (PBIT)	(63.14)	(45.93)	(565.74)	(5,919.88)
Less: Finance Cost	-	-	154.29	156.74
Profit before exceptional items and tax	-	-	(720.03)	(6,076.62)
Exceptional Items	-	-	57.07	-
Profit Before Tax	-	-	(777.10)	(6,076.62)
Less: Current Tax	-	-	-	0.37
Deferred Tax (Assets) Liabilities	-	-	0.04	690.47
Income Tax earlier year	-	-	0.71	-
Profit/(Loss) After Tax	-	-	(777.85)	(6,767.46)

(Rs. In Lacs)

Particulars	Steel		Service		Trading		Others	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Segment Assets	3137.77	3,250.79	167.01	166.46	248.54	248.54	-	-
Segment Liabilities	3588.33	3,523.01	21.82	20.91	239.03	239.03	-	-
Capital Expenditure	-	-	-	-	-	-	-	-
Segment Depreciation	195.78	196.34	-	-	-	-	-	-
Non-Cash Expenses	-	-	-	-	-	-	-	-

Particulars	Un Allocable		Total	
	2020-21	2019-20	2020-21	2019-20
Segment Assets	150.77	297.93	3,704.99	3,963.72
Segment Liabilities	29784.96	29,342.53	32964.14	33,125.48
Capital Expenditure	-	0.12	-	0.12
Segment Depreciation	1.88	3.16	197.66	199.50
Non-Cash Expenses	-	-	-	-

(b) Secondary Segment Geographical:

(Rs. In Lacs)

Particulars	2020-21	2019-20
The Group's Operating Facilities are located in India		
Domestic Revenue	1477.31	2,014.25
Export Revenue		-
Total	1477.31	2,014.25

Note 36.

In the opinion of Board of Directors, Non-current / current assets, Loans and Advances have value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the Balance sheet and that the provision for known liabilities is adequate and reasonable. There are no contingent liabilities other than stated herein above.

Note 37. Payment to the Auditors

(Rs. In Lacs)

Particulars	2020-21	2019-20
(i) Remuneration to the Statutory auditors		
- For Statutory Audit	1.50	1.50
- For Tax Audit	0.50	0.50
(ii) Remuneration to Internal Auditors	0.60	0.60
(iii) Remuneration to Cost Auditors	-	0.50
(iv) Remuneration to Secretarial Auditors	0.70	0.70
(v) Other Services	-	0.05
(vi) Other Expenses	-	0.02

IMEC SERVICES LIMITED
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 38. Earnings per Share (EPS)

(Rs. In Lacs)

Sr No.	Particulars	2020-21	2019-20
	Basic and Diluted Earnings Per Share		
(a)	Net (Loss)/ Profit after tax but before Exceptional items	(720.78)	(6,767.46)
(b)	Less: Exceptional items	57.07	-
(c)	(Loss)/Profit available for Equity shareholders	(777.85)	(6,767.46)
(d)	Weighted Average Number of Equity Shares (Nos.)	4,99,95,701	4,99,95,701
(e)	Nominal Value of Per ordinary Share (Rs.)	10.00	10.00
(f)	Basic and Diluted Earnings Per Share (Rs.)	(1.56)	(13.54)

Note 39. Leases - Where company is Lessee:

The Group has taken various premises under operating leases with no restrictions and is renewable / cancellable at the option of either party. There are no sub leases. There are no restrictions imposed by lease arrangements. The Group has not recognized any contingent rent as expense in the statement of profit and loss.

The total future minimum lease rentals payable in respect of non-cancellable lease as at the balance sheet date is **Nil**.

The aggregate amount of operating lease payment recognized in the statement of profit and loss is Rs. 22.48 Lacs (Previous year Rs. 23.70 Lacs).

Note 40. Disclosure on Financial and Derivative Instruments:

The Group uses foreign currency forward exchange contracts to hedge its exposures in foreign currency related to firm commitment and highly probable forecasted transactions;

- (i) Notional amounts of forward contract entered into by the Group and outstanding at the year-end is- **NIL**
(ii) Foreign currency exposure which are not hedged as at year end:

(In Lacs)

2020-21					2019-20				
Currency	Payable in Foreign Currency	Amount in INR	Receivable in Foreign Currency	Amount in INR	Currency	Payable in Foreign Currency	Amount in INR	Receivable in Foreign Currency	Amount in INR
US \$	33.48	2461.14	-	-	US \$	33.48	2524.13	-	-

Note 41. Value of Imported and Indigenous Stores & Spares Consumed:

(Rs. In Lacs)

Particulars	2020-21		2019-20	
	Value	% of Consumption	Value	% of Consumption
Imported	-	-	-	-
Indigenous	123.21	100%	93.27	100%

IMEC SERVICES LIMITED
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 42.

A) Value of Imports on CIF Basis

Particulars	2020-21	2019-20
Value Of Imports On CIF Basis	-	-

(Rs. In Lacs)

B) Earning in Foreign Currency

Particulars	2020-21	2019-20
Earning In Foreign Currency	-	-

C) Expenditure in Foreign Currency

Particulars	2020-21	2019-20
Travelling	-	-

Note 43. Financial instruments – Fair values and risk management

Financial risk management

The Group's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables, and financial guarantee contract. The main purpose of these financial liabilities is to manage finances for the Group's operation. The Group's financial assets comprise investment, loan and other receivables, trade and other receivable, cash, and deposits that arise directly from its operations.

The Group's activities are exposed to market risk, credit risk and liquidity risk. In order to minimise adverse effects on the financial performance of the Group, derivative financial instruments such as forward contracts are entered into to hedge foreign currency risk exposure. Derivatives are used exclusively for hedging purpose and not as trading and speculative purpose.

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

- (i) Market risk
 - (a) Currency risk;
 - (b) Interest Rate risk
- (ii) Credit risk; and
- (iii) Liquidity risk

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Risk management framework

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group's primary risk management focus is to minimize potential adverse effects of risks on its financial performance. The Group's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities. The respective Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

(i) Market risk

Market risk is the risk of changes the market prices on account of foreign exchange rates, interest rates and Commodity prices, which shall affect the Group's income or the value of its holdings of its financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the returns.

(a) Currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account and equity, where any transaction has more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

Considering the countries and economic environment in which the Group operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in U.S. dollar and Euro, against the respective functional currencies (INR).

The Group, as per its risk management policy, uses foreign exchange and other derivative instruments primarily to hedge foreign exchange and interest rate exposure. The Group does not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported by the management of the respective Company is as follows:

	(Rs. In Lacs)	
Particulars	31 st March, 2021 USD Exposure in INR	31 st March, 2020 USD Exposure in INR
Receivable Net exposure		
Trade receivables	-	-
Net Statement of financial position exposure	-	-
Forward exchange contracts against exports	-	-
Receivable Net exposure	-	-
Payable Net exposure	-	-
Trade payables and other financial liabilities	2,461.14	2,524.13
Net statement of financial position exposure	2,461.14	2,524.13
Forward exchange contracts against imports and foreign currency payables	-	-
Payable Net exposure	2,461.14	2,524.13
Total Net Exposure on Receivable/ (Payable)	(2,461.14)	(2,524.13)

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Sensitivity to Foreign Currency Risk

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

(Rs. In Lacs)				
Effect in INR lacs	Profit or loss		Profit or loss	
	31 st March, 2021		31 st March, 2020	
	Strengthening	Weakening	Strengthening	Weakening
USD	24.61	(24.61)	(25.24)	25.24

(b) 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's exposure to market risk for changes in interest rates relates to deposits and borrowings from Bank. Currently Group is not using any mitigating factor to core the interest rate risk

For details of the Group's short-term and long term loans and borrowings, including interest rate profiles, refer to Note 12(a), 12(b) and Note 17 of these financial statements.

Interest rate sensitivity- fixed rate instruments

The Subsidiary Company's fixed rate borrowings Preference Shares issued @ 5% in the year 2010-2011 are carried at fair value. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

Interest rate sensitivity- variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased equity and profit or loss by amounts shown below. This analysis assumes that all other variables remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

(Rs. In Lacs)		
Particulars	31 st March, 2021	31 st March, 2020
Impact on Profit or Loss for the year- Decrease in Interest Rate	(203.86)	(201.28)
Impact on Profit or Loss for the year- Increase in Interest Rate	203.86	201.28

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(ii) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the respective Company grants credit terms in the normal course of business. The respective Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

A. Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the respective Company grants credit terms in the normal course of business.

Summary of the Group's exposure to credit risk by age of the outstanding from various customers is as follows:

	(Rs. In Lacs)	
Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Past due 0–90 days	66.43	272.52
Past due 91–180 days	2.06	3.58
Past due more than 180 days	6,662.02	6,415.72
TOTAL	6730.51	6,691.82

Expected credit loss assessment for customers as at 31st March, 2020 and 31st March, 2021:

	(Rs. In Lacs)
Reconciliation of loss allowance provision - Trade receivables	Amount
31st March, 2020	
Opening provision	3,380.54
Additional Provision made	3,038.58
Bad Debts written off against Provision already made	(33.22)
Closing Provision	6,385.90
31st March, 2021	
Opening provision	6,385.90
Additional Provision made	1.45
Closing Provision	6387.35

B. Cash and cash Equivalents

The Group holds cash and cash equivalents with credit worthy banks and financial institutions of Rs 19.26 Lacs as at March 31, 2021 [Previous Year Rs. 17.91 Lacs]. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

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Note 44. Capital Management

The Group's objective when managing the capital is to safeguard the Group's ability to continue as a going concern. In order to provide the return to shareholders and benefits to other stakeholder's and to maintain optimal capitals structure to reduce the capital.

The Group monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total debt, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents.

Equity comprises of Equity share capital and other equity. However, in view of certain adverse factors and liquidity problems faced by the Group, the net worth of the Group has been fully eroded in previous years.

A. The Group's adjusted net debt to adjusted equity ratio was as follow:

(Rs. In Lacs)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Non- Current Borrowings	1,284.27	1,284.27
Current Borrowings	19,107.77	18,843.77
Interest accrued	5,994.10	5,994.10
Total Debt	26,386.14	26,122.14
Less: Cash and cash equivalent	19.26	17.91
Adjusted net Debt	26,366.88	26,104.23
Total Equity	(29,930.05)	(29,161.76)
Net Debt to Equity ratio	(0.88)	(0.90)

B. Dividends

No dividend is paid by the Company in last three Years.

C. Loan Covenants

In order to achieve this overall objective, the Group capital management amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loan and borrowings that defined capital structure requirements. There have been breaches in the financial covenants of interest bearing loan and borrowings in the current period and previous periods. The lenders have declared the borrowings have non-performing assets as per prudential norms of Reserve Bank of India. [Refer Note 12]

Note 45. Financial instruments by Category

Accounting classification and fair values

The following table shows the carrying amounts of financial assets and financial liabilities, including their level in fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value. A substantial portion of the Group's long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Accordingly, the carrying value of such long-term debt approximates fair value.

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(Rs. In Lacs)

Particulars	As at 31 st March, 2021			As at 31 st March, 2020		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Non-Current Financial assets						
(i) Investments	-	-	-	-	-	-
(ii) Loans	-	-	-	-	-	-
Current Financial assets						
(i) Trade receivables	-	-	343.16	-	-	305.92
(ii) Cash and cash equivalents	-	-	19.26	-	-	17.91
(iii) Bank Balance other than above	-	-	69.64	-	-	9.52
(iv) Others	-	-	114.63	-	-	282.03
Non-Current Financial liabilities						
(i) Borrowings	-	-	1,284.27	-	-	1,284.27
Current Financial liabilities						
(i) Borrowings	-	-	19,101.77	-	-	18,843.77
(ii) Trade payables	-	-	862.18	-	-	936.37
(iii) Other Financial liability	-	-	5,994.10	-	-	5,994.10

Note 46.

(A) Fair Value Hierarchy

The following table provides an analysis of financial instruments that are measured at fair values and have been grouped into Level 1, Level 2 and Level 3 below:

(Rs. In Lacs)

As at 31 st March, 2021	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTPL				
(i) Investments;	-	-	-	-
Financial instruments at FVTOCI				
(i) Investments*	-	-	-	-

*Company has provided for full diminition in the value of investment's

As at 31 st March, 2020	Level 1	Level 2	Level 3	Total
Financial assets				
Financial instruments at FVTPL				
(i) Investments;	-	-	-	-
Financial instruments at FVTOCI				
(i) Investments	-	-	-	-

IMEC SERVICES LIMITED
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(B) Measurement of fair values

Valuation techniques and significant unobservable inputs

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Note 47.

Company has made the provisions for Bad & Doubtful Debts in FY 2020-21 for its customers of Rs.1.46Lacs (Previous year Rs. 3,035.58 Lacs)

	(Rs. In Lacs)	
Particulars	For 2020-21	For 2019-20
Domestic Customers	1.46	1227.78
Export Customer	-	1,810.80
Total	1.46	3,038.58

Note 48.

In some cases, confirmation of loans, advances, deposits, debtors and creditors are not received. Therefore, same are shown as per books of accounts. Necessary adjustments, if any, will be made on reconciliations, quantum of impact if any, not ascertainable.

Note 49.

In respect of Subsidiary's borrowings from banks and financial institutions aggregating Rs 20,386.04 Lacs, banks have classified above loans as Non-Performing assets and have taken Symbolic Possession of Factory on 20th June 2019 under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and Rule 8(1) of said act.

The Holding Company has provided Corporate Guarantee on said loans and has been issued notice from banks. The application for initiation of Corporate Insolvency Resolution Process of RSAL Steel Private Limited ("subsidiary company") filed by Dena Bank (now since merged with Bank of Baroda) (Financial Creditor/Applicant) under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("Code") read with Rule 4 of Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 was admitted by Hon'ble NCLT, Mumbai Bench vide order no. CP 2985 (IB)/MB/2018 dated September 03, 2019 (date of receipt of order by Interim Resolution Professional was September 09, 2019) wherein Mr. Rajender Kumar Girdhar, having Reg. Number: IBBI/IPA-003/IP-N00048/2017-18/10396 was appointed as the Interim Resolution Professional ("IRP") to carry out the functions as mentioned under the Code and in the first meeting of the Committee of Creditors held on October 9, 2019, Mr. Rajender Kumar Girdhar had been resolved to be appointed as the Resolution Professional ("RP") of the Corporate Debtor. Further as per section 17(1)(b) read with Section 23 of the Code the powers of the board of directors of the subsidiary company, was stand suspended and is being exercised by the interim resolution professional/resolution professional. With respect to the CIRP proceedings of the subsidiary company, the Resolution Plan has been filed before Hon'ble NCLT Mumbai Bench and the same is pending adjudication.

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NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

Note 50.

Holding Company's subsidiary - RSAL Steel Private Limited has accumulated losses of Rs. 33,063.41 Lacs as at the year end and its net worth has been fully eroded. The Subsidiary's current liabilities exceeded its current assets as at the balance sheet date and it expects to get support from promoters and lenders. Considering these conditions there exist a material challenge about the Subsidiary's ability to continue as a going concern. However, the Financial Statements of the Subsidiary's and the Group have been prepared on a going concern basis.

Note 51. The corresponding figure for 31st March, 2020 has been regrouped / reclassified in order to confirm to the presentation for the current year.

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**Part "A": Subsidiaries****(Rs. In Lacs)**

Sr. No.	Particulars	Details as on 31.03.2021
1.	Name of the subsidiary	RSAL Steel Private Limited
2.	Date since when subsidiary was acquired	29/12/2010
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	N.A.
5.	Share capital (Equity Share)	1001.00
6.	Reserves & Surplus (Other Equity)	(30134.69)
7.	Total assets	3567.70
8.	Total Liabilities	32701.39
9.	Investments	Nil
10.	Turnover (Including Other Income)	1452.34
11.	Profit/(Loss) before taxation	(755.40)
12.	Provision for taxation	0.71
13.	Profit/(Loss) after taxation	(756.11)
14.	Proposed Dividend	Nil
15.	Percentage of equity shareholding	100%

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

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

Part “B”: Associates and Joint Ventures

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

Sr. No.	Name of Associates / Joint Ventures	N.A.
1.	Latest audited Balance Sheet Date	-
2.	Date on which the Associate or Joint venture was associated or acquired	-
3.	Shares of Associate/Joint Ventures held by the company on the year end	
(i)	No. of shares	-
(ii)	Amount of Investment in Associates/Joint Venture	-
(iii)	Extend of Holding (in percentage)	-
4.	Description of how there is significant influence	-
5.	Reason why the associate/joint venture is not consolidated	-
6.	Net worth attributable to shareholding as per latest audited Balance Sheet	-
7.	Profit/Loss for the year	
(i)	Considered in Consolidation	-
(ii)	Not Considered in Consolidation	-

1. Names of Associate or Joint Venture which are yet to commence operations - Nil
2. Names of Associate which have been liquidated or sold during the year - Nil

For and on behalf of the Board of Directors

For SCAN & Co.
Chartered Accountants
(Firm Reg. No.: 113954C)

Negendra Singh
Director
DIN: 07756704

Ashutosh Mishra
Director
DIN: 00038320

CA Neel Khandelwal
(Partner)
Membership No: 181251

Nilesh Nagar
Chief Financial Officer

Place: Indore
Date: June 29, 2021

Parag Gupta
Company Secretary
Membership No. A50725