

METALYST FØRGINGS LIMITED

(formerly known as Ahmednagar Forgings Limited)

Registered Office :
Gat No.614, Village Kuruli Khod, Pune, Maharashtra - 410501
Tel.: +91-8087090023
CIN No. is L28910MH1077PLC010569

REF NO.: MFL/BSE/NSE/2022-23

Date: July 09th, 2022

To,

The Secretary BSE Limited Listing Department Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001 Scrp code: 513335	The Secretary National Stock Exchange of India Limited, "Exchange Plaza", 5th Floor, Plot No. C/1, G-Block, Bandra - Kurla Complex, Bandra (E), Mumbai-400051 Symbol: METALFORGE
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Subject: Notice of 44th Annual General Meeting of the Company

Dear Sir / Ma'am,

Pursuant to the provisions of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Notice of 44th Annual General Meeting of the Company to be held on Monday, 1st August, 2022 at 11:00 AM (IST) through Video Conference ("VC")/ Other Audio Visual Means ("OAVM").

This is for your information and records.

Thanking you.

Yours Faithfully

For Metalyst Forgings Limited

(A Company under Corporate Insolvency Resolution Process)


Divya Srivastava
(Company Secretary)

Enclosed: A/a

Issued with Approval of Mr. Dinkar Tiruvannadapuram Venkatasubramanian

(Resolution Professional) IP Registration no. IBBI/IPA-001/IP-P00003/2016-17/10011

(Metalyst Forgings Limited is under Corporate Insolvency Resolution Process of the Insolvency and Bankruptcy Code, 2016. Its affairs, business and assets are being managed by the Resolution Professional, Mr. Dinkar T. Venkatasubramanian, appointed as Interim Resolution Professional by the National Company Law Tribunal by order dated 15 December, 2017 and continued as Resolution Professional by the Committee of Creditors in its meeting held on 12 January, 2018 under provisions of the code)



METALYST FORGINGS LIMITED
(FORMERLY KNOWN AS AHMEDNAGAR FORGINGS LIMITED)
(Company under Corporate Insolvency Resolution Process)

44th ANNUAL REPORT

2020 - 2021

METALYST

METALYST FORGINGS LIMITED

(FORMERLY KNOWN AS AHMEDNAGAR FORGINGS LIMITED)

CIN: L28910MH1977PLC019569

44th Annual Report

2020 - 2021

Board of Directors

Mr. Yogesh Kapur	Chairman & Director
Mr. Shekhar Gupta	Whole Time Director
Mr. Arvind Dham	Director
Ms. Anuradha Kapur (resigned w.e.f.18.10.2019)	Director
Mr. Brajindar Mohan Singh	Director

Resolution Professional

Dinkar T. Venkatasubramanian
IP Registration no. IBBI/IPA-001/IP-P00003/2016-17/10011

Company Secretary & Compliance Officer

Ms. Pratibha Chaudhary (appointed from 31.03.2021)
Mr. Piyush Kumar
(resigned w.e.f 08.03.2021)

Chief Financial Officer

Mr. Arun Kumar Maiti

Cost Auditors

M/s Sashi Ranjan & Associates
(For the FY 2021-22)
Cost Accountants, New Delhi

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Registered Office

Gat No. 614, Village Kuruli
Tal. Khed, Dist. Pune - 410 501
(Maharashtra)

Plant Location

- MIDC Area, Ahmednagar
- Chakan, Dist. Pune
- Kuruli, Dist. Pune
- Nalagarh, Distt. Solan, (H.P.)
- MIDC Area, Aurangabad

Auditors

M/s Raj Gupta & Co.
Chartered Accountants, New Delhi
(resigned w.e.f. 14.08.2020)
M/s. Jayesh Sangharjka & Co. LLP
Practicing Chartered Accountants, Mumbai
(appointed w.e.f. 12.09.2020)

Secretarial Auditor

M/s. Mukul Dusad & Associates.
Company Secretaries, New Delhi

Bankers

Indian Bank

Union Bank

Bank of Maharashtra
ICICI Bank
State Bank of India
United Bank of India
IDBI Bank
KarurVyasa Bank
Karnataka Bank
Hyderabad State Bank of India
South Indian Bank
Canara bank
Vijaya Bank

Registrar & Share Transfer Agents

Beetal Financial & Computer Services Pvt. Ltd.
Beetal House
3rd Floor, 99, Madangir,
Behind L.S.C., New Delhi-110062
Tel.:011-29255230
Fax: 011-29252146
E-mail: beetalrta@gmail.com

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 44th ANNUAL GENERAL MEETING OF METALYST FORGINGS LIMITED WILL BE HELD ON AUGUST 01ST 2022 AT 11:00 A.M THROUGH VIDEO CONFERENCING (“VC”)/ OTHER AUDIO-VISUAL MEANS (“OAVM”) TO TRANSACT THE FOLLOWING BUSINESSES:

Metalyst Forgings Limited is under Corporate Insolvency Resolution Process of the Insolvency and Bankruptcy Code, 2016. Its affairs, business and assets are being managed by the Resolution Professional, Mr. Dinkar T. Venkatasubramanian, appointed as Insolvency Resolution Professional by the National Company Law Tribunal by order dated 15th December, 2017 and continued as Resolution Professional by the Committee of Creditors in its meeting held on 12th January, 2018 under provisions of the code.

ORDINARY BUSINESS (ES)

- 1. TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED ON MARCH 31ST, 2021, THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THERE ON AND IN THIS REGARD, PASS THE FOLLOWING RESOLUTION(S) AS AN ORDINARY RESOLUTION(S):**

“RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31st, 2021 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

SPECIAL BUSINESS (ES)

- 1. APPOINTMENT OF STATUTORY AUDITOR:**

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

RESOLVED THAT pursuant to section 139(8), 142 and other applicable provisions if any, of Companies Act 2013 as amended from time to time (including any statutory modification or amendment thereto or re-enactment thereof for time being in force), On the recommendation of Resolution Professional of the Company **M/s. Jayesh Sangharjka & Co. LLP. Practicing Chartered Accountants (Firm Registration Number: 104184W/W100075)**, be and is hereby appointed as Statutory Auditors of the Company to the office for a term of 5 (five) years from the conclusion of 44th Annual General Meeting i.e. from financial year 2021-2022 till 49th Annual General Meeting the financial year 2025-2026, upon such terms and condition and remuneration as mutually agreed between Auditors and Resolution Professional of the Company.

RESOLVED FURTHER THAT the Board of Directors/Resolution Professional of the Company be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution subject to approval of the Committee of Creditors of the Company, if required.”

2. RATIFICATION OF REMUNERATION TO BE PAID TO COST AUDITORS OF THE COMPANY FOR THE FINANCIAL YEAR 2021-22.

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

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration not exceeding Rs. 2 Lakhs per annum as approved by the Board/Resolution Professional on their commendations of the Audit Committee/Resolution Professional, to be paid to **M/s. Shashi Ranjan & Associates**, Cost Accountants (Firm Registration Number- **101139**), Cost Auditors of the Company for Cost Audit for the financial year 2021-22, be and is hereby ratified, confirmed and approved.

RESOLVED FURTHER THAT the Resolution Professional / Board of Directors of the Company be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution subject to the approval of the Committee of Creditors of the Company, if required.”

3. TO CONSIDER AND APPROVE RELATED PARTY TRANSACTIONS AND IF THOUGHT FIT, TO PASS, WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act 2013, if any, read with Companies (Meetings of Board and its Powers) Rules 2014 consent of the Company be and is hereby accorded for entering into related party transactions by the Company for the financial year 2019-20 upto the maximum per annum amounts as appended below:-

MAXIMUM VALUE OF CONTRACT/TRANSACTION FOR THE FINANCIAL YEAR 2021-22 (in crore)						
Transactions defined u/s 188(1) of Companies Act, 2013						
Name of Interested Directors(s)/KMP(s)	Sale, Purchase of any goods or materials	Selling or buying property of any kind	Giving any Loan/ Guarantee Or provide Securities	Availing or rendering of any service	Leasing of Property of any kind	
NAME OF RELATED PARTY						
Holding Company						
Amtek Auto Ltd.	-	100	-	-	-	-
Subsidiaries of Holding Company						
JMT Auto Limited	-	50	-	-	-	-

Associates of Holding Company						
Castex Technologies Ltd.	The Company is under Corporate Insolvency Resolution Process	50	-	-	-	-
ACIL Ltd.	The Company is under Corporate Insolvency Resolution Process	100	-	-	-	-
Total		300	-	-	-	-

RESOLVED FURTHER THAT the Resolution Professional / Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things as may be necessary to settle any question, difficulty, or doubt that may arise with regard to giving effect to this Resolution.”

Any related party transaction to be entered in the financial year 2020-21 which is during the Corporate Insolvency Resolution Process will be subject to the approval of the Committee of Creditors in terms of Section 28 of the Insolvency & Bankruptcy Code, 2016 and subject to examination of any undervalued transaction under Section 45. IMPACT OF THE 2020impact

For Metalyst Forgings Limited

(A Company under Corporate Insolvency Resolution Process)

Sd/-

Divya Srivastava

(Company Secretary)

(Membership No.: A68436)

(Metalyst Forgings Limited is under Corporate Insolvency Resolution Process of the Insolvency and Bankruptcy Code, 2016. Its affairs, business and assets are being managed by the Resolution Professional, Mr. Dinkar T. Venkatasubramanian ,appointed as Interim Resolution Professional by the National Company Law Tribunal by order dated 15 December, 2017 and continued as Resolution Professional by the Committee of Creditors in its meeting held on 12 January,2018 under provisions of the code).

Date :

08/07/2022

Place: New

Delhi

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to Special businesses under Item No. 2, 3 & 4 above, is annexed hereto.
2. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") vide its circular dated January 13, 2021 read with circulars dated May 5, 2020, April 13, 2020 and April 8, 2020 and Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 (collectively referred to as "Circulars"), have 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 accordance with the said Circulars and applicable provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 44th AGM of the Company is being held through VC / OAVM. Participation of members through VC / OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
3. 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/EGM. 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.
4. The Members can join the EGM/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 EGM/AGM through VC/OAVM will be made available to atleast 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.
5. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the

Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.

7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at . The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.
8. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
9. In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020, General Circular No. 02/2021 dated 13th January, 2021, General Circular No. 19/2021 dated 08th December, 2021 and 21/2021 dated 14th December, 2021 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 dated 05th May, 2020.
10. The Company has appointed **M/S KRR & COMPANY (Company Secretaries), Practising Company Secretaries** (Membership Number: F6334) to act as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner.
11. The Register of Members and Share Transfer Books of the Company shall remain closed from 22nd JUNE, 2022 to 28TH, June, 2022 (both days inclusive) for the purpose of compliance with the annual closure of Books as per Section 91 of the Companies Act, 2013.
12. The Notice of the Annual General Meeting is also uploaded on the website of the Company (www.amtek.com/mfl.php). The Annual General Meeting Notice is being sent to all the members, whose names appear in the Register of Members as on 07th July, 2022 Pursuant to Section 125 of the Companies Act, 2013, unclaimed final dividend for the financial year 2013- 14 is due for transfer to Investors' Education and Protection Fund (IEPF) established by Govt. of India. All Shareholders, whose dividend is unpaid for the year 2013-2014, are requested to lodge their claim by submitting an application at the earliest date, with either of the following:

M/s Beetal Financial & Computer Services Private Limited (RTA)
Beetal House, 3rd Floor, 99 Madangir, Behind LSC New Delhi-110062
The Company Secretary,

METALYST FORGINGS LIMITED

3 L.S.C. Pamposh Enclave, Greater Kailash, New Delhi-110048

13. Kindly note that no claims will lie against the Company or the IEPF once the dividend amount is deposited in IEPF.
14. Since the Company is Corporate Insolvency Resolution Process ("CIRP) and powers of the Board/committees stands suspended therefore No directors are seeking re-appointment/appointment/confirmations, hence details under Regulation 26(5) and 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2, issued by the Institute of Company Secretaries of India in respect of Directors seeking re-appointment/appointment/confirmation is not applicable.

THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on 29th July 2022 at 9.00 A.M and ends on 31st July 2022 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 (record date) of <25th July2022> may cast their vote electronically. The e-voting module shall be disabled by CDSL for 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 09.12.2020**, 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.

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 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote

through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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 e-voting is in progress as per the information provided by company. On clicking the e-voting 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 e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.

<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<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 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. 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 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>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<ol style="list-style-type: none"> 4) 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.

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

7) After entering these details appropriately, click on “SUBMIT” tab.

	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) 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. 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.

8) 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.

9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

10) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

11) 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.

12) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

- 13) 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.
- 14) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- 15) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- 16) 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.
- 17) **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;info@metalyst.co.in.(designated email address by company) , 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/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/EGM 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/EGM.
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 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 requesting advance atleast **7days 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 **7days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to 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/EGM 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 EGM/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.

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.

The Scrutinizer, after scrutinising the votes cast at the meeting through remote e-voting and during AGM will, not later than two (2) working days from the conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.amtek.com/mfl.php and on the website of CDSL www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchanges.

The voting result will be announced by the Chairman or any other person authorized by him within two days of the AGM.

For Metalyst Forgings Limited

(A Company under Corporate Insolvency Resolution Process)

Sd/-

Divya Srivastava
(Company Secretary)
(Membership No.: A68436)

Date:08/07/2022

Place: New Delhi

(Metalyst Forgings Limited is under Corporate Insolvency Resolution Process of the Insolvency and Bankruptcy Code, 2016. Its affairs, business and assets are being managed by the Resolution Professional, Mr. Dinkar T. Venkatasubramanian, appointed by the National Company Law Tribunal by order dated 15 December, 2017 and continued as Resolution Professional by the Committee of Creditors in its meeting held on 12th January,2018 under provisions of the code).

Annexure to Notice

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following statements set out all material facts relating to the special businesses mentioned in the accompanying notice:

ITEM NO.2

The Resolution Professional of the Company on 12th September, 2020 has appointed **M/s. Jayesh Sangharjka & Co. LLP. Practicing Chartered Accountants (Firm Registration Number: 104184W/W100075)** as the Statutory Auditors of the Company in Casual vacancy subject to the approval of members which was arised due to the resignation of **M/s. Raj Gupta & CO., Chartered Accountants, (FRN:000203N)**.

M/s. Jayesh Sangharjka & Co. LLP. Practicing Chartered Accountants (Firm Registration Number: 104184W/W100075) have conveyed their consent to be appointed as Statutory Auditor of the Company along with a confirmation that their appointment, if made, would be within the limits prescribed under Companies Act 2013.

M/s. Jayesh Sangharjka & Co. LLP. Practicing Chartered Accountants (Firm Registration Number: 104184W/W100075) would be appointed as Statutory Auditor of the Company for the term of five(5) years.

Relevant details of where the statutory auditor(s) is/are proposed to be appointed/re-appointed as required by 36(5) of the Listing Regulations are provided here under:

- (a) Proposed fees payable to the statutory auditor(s): Rs 7,35,000 p.a. (except the applicable taxes and out of pocket expenses)
- (b) terms of appointment: /s. Jayesh Sangharjka & Co. LLP. Practicing Chartered Accountants (Firm Registration Number: 104184W/W100075) would be appointed as Statutory Auditor of the Company and shall be entitled to hold office of the Statutory Auditor of the Company from the Conclusion of 44th Annual General Meeting i.e. from financial year 2021-2022 till the conclusion of 49th Annual General Meeting to financial year 2025-2026.
- (c) in case of a new auditor, any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change. There is no material change in fee payable to auditor. The outgoing auditor had asked for increase in the professional fees and looking at the current situation and financial position the Company did not approve the proposal.
- (d) Basis of recommendation for appointment including the details in relation to and credentials of the statutory auditor(s) proposed to be appointed.

Therefore, your Company recommends the passing of Ordinary Resolution as set out at Item No. 02 of the Notice for member's approval.

None of the Directors, Key Managerial Personnel or their relatives in any way is concerned or interested in the said resolution.

ITEM NO.3

The Board/Resolution Professional, on the recommendation of the Audit Committee, has appointed **M/s. Shashi Ranjan & Associates, Cost Accountants (Firm Registration Number. - 101139)** as Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2021-22 at the remuneration not exceeding Rs.2 Lakhs per annum.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 3 of the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.3 of the Notice.

The Board/Resolution Professional recommends passing of the resolution as set out at Item No. 3 of the Notice as an Ordinary Resolution.

ITEM NO.4

Pursuant to provisions of Section 188(1) of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014, the Related Party Transactions as mentioned in clause (a) to (g) of the said Section require a Company to obtain prior approval of the Board of Directors and subsequently the Shareholders of the Company by way of Ordinary Resolution in case the value of the Related Party Transactions exceeds the stipulated thresholds prescribed in Rule 15(3) of the said Rules.

Further as required under Regulation 23(4) of SEBI (Listing obligations and disclosure requirements) Regulations 2015, all material related party transactions (other than as specified under Regulation 23(4) of the SEBI Listing Regulations 2015 shall require approval of the shareholders through Ordinary Resolution. Accordingly, the approval of the shareholders by way of Ordinary Resolution is sought under Section 188 of the Companies Act, 2013, the Companies (meeting of Board and its Powers) Rules, 2014 and Regulations 23(4) of the SEBI Listing Regulations 2015 to enable the Company to enter into related Party Transactions in one or more tranches.

The particulars of the Related Party Transactions, which are required to be stated in the Explanatory Statement, as per Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

MAXIMUM VALUE OF CONTRACT/TRANSACTION FOR THE FINANCIAL YEAR 2021-22 (in crores)						
	Transactions defined u/s 188(1) of Companies Act, 2013					
	Name of Interested Directors(s)/KMP(s)	Sale, Purchase of any goods or materials	Selling or buying property of any kind	Giving any Loan/ Guarantee or provide Securities	Availing or rendering of any service	Leasing of Property of any kind
NAME OF RELATED PARTY						
Holding Company						

Amtek Auto Ltd.	-	100	-	-	-	-
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Subsidiaries of Holding Company						
JMT Auto Limited	-	50	-	-	-	-
Associates of Holding Company						
Castex Technologies Ltd.	The Company is under Corporate Insolvency Resolution Process	50	-	-	-	-
ACIL Ltd.	The Company is under Corporate Insolvency Resolution Process	100	-	-	-	-
Total		300	-	-	-	-

Terms and conditions:

1. At market value for each such transaction in compliance with applicable laws including Domestic Transfer Pricing Guidelines.

Members are informed that pursuant to second proviso of Section 188(1) of the Companies Act 2013, no member of the Company shall vote on any resolution to approve any contract or arrangement which may be entered into by the Company, if such member is a related party. Further, as per its General Circular No. 30/2014 dated 17.07.2014, the Ministry of Corporate Affairs has clarified that the term 'Related Party' in the second proviso to Section 188(1) refers only to such Related Party as may be a Related Party in the context of the contract or arrangement for which the resolution is being passed. Also, as per Companies (Amendment) Act, 2015, the word "Special Resolution" for entering into related party transaction has been replaced by "Resolution". Accordingly, consent of the members is sought for passing an Ordinary Resolution asset out at Item No.4 of the Notice.

None of the Directors and key managerial personnel (other than as mentioned above) and their relatives are deemed to be concerned or interested, financial or otherwise in the proposed ordinary resolution.

For Metalyst Forgings Limited

(A Company under Corporate Insolvency Resolution Process)

Sd/-

Divya Srivastava

(Company Secretary)

(Membership No.: A68436)

(Metalyst Forgings Limited is under Corporate Insolvency Resolution Process of the Insolvency and Bankruptcy Code, 2016. Its affairs, business and assets are being managed by the Resolution Professional, Mr. Dinkar T. Venkatasubramanian, appointed

as Resolution Professional by the National Company Law Tribunal by order dated 15 December, 2017 and continued as Resolution Professional by the Committee of Creditors in its meeting held on 12 January, 2018 under provisions of the code).

Date: 08/07/2022

Place: New Delhi

BOARD REPORT

Dear Members,

It gives me great to presenting the 44th Annual Report on the business and operations of the Company, together with the audited accounts for the financial year ended March 31st, 2021.

A corporate insolvency resolution process ("CIRP") has been initiated against Metalyst Forgings Limited ('the Company' or 'MFL')vide an order of Mumbai bench of the National Company Law Tribunal (NCLT) dated December 15, 2017 under the provisions of the insolvency and bankruptcy code 2016 (Code). The Hon'ble NCLT, Mumbai Bench by order Dated 15th December, 2017 has appointed Mr. Dinkar T. Venkatasubramanian as an Interim Resolution Professional ('IRP') for carrying out the Corporate Insolvency Resolution Process (CIRP) of the Company.

At the first meeting of Committee of Creditors of the Company held on 12th January, 2018 his appointment was confirmed as a Resolution Professional.

In terms of Section 17 of the Code, on commencement of the Corporate Insolvency Resolution Process (CIRP), the powers of the Board of Directors of MFL stands suspended and the same are being exercised by the Resolution Professional. The management of the affairs of MFL has been vested with Resolution Professional.

In View of the above mentioned provisions of Law since the Powers of Board of Directors stands Suspended and be exercised by the Interim Resolution Professional, the Directors Report which is required to be presented by Board of Directors under Section 134(3) Companies Act, 2013 is not being presented. However a report of Management containing the Details and information as available to be disclosed in Directors Report to the shareholders is being presented to you by Resolution Professional.

1. FINANCIAL RESULTS

The standalone financial statements for the financial year ended March 31, 2021, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standards (IndAS) as notified by the Ministry of Corporate Affairs.

The Company's, financial performance, for the year ended 31st March, 2021 and period ended 31st March, 2020 is summarized below:-

Rs. Lakhs except per equity share data

Particulars	March 31, 2021	March 31, 2020
Revenue from Operations	17,418	18,828
Other Income	501	95
Total Revenue	17,919	18,923
Expenditures (Excluding Depreciation)	24,809	20,596
Gross Profit Before Depreciation	(6,890)	(1,673)
Depreciation	25,215	25,381
Profit Before Tax & Exceptional Items	(32,105)	(27,054)
Exceptional Item	34,697	3,290
Profit Before tax	(66,802)	(30,343)

Tax Expenses	0	
Deferred Tax	0	-
MAT Reversal	0	-
Profit /(Loss) for the year	(66,802)	(30,343)
Other Comprehensive Income	38	168
Total Comprehensive Income	(66,764)	(30,175)
EPS (for continuing operation)		
Basic	(153.39)	(69.67)
Diluted	(153.39)	(69.67)
EPS (for continuing and discontinuing operation)		
Basic	(153.39)	(69.67)
Diluted	(153.39)	(69.67)

FINANCIAL PERFORMANCE

During the year under review, your Company had earned total revenue amounting to Rs.17,418 lakhs as compared to Rs. 18,828 lakhs in the previous year. Loss after Tax stood at Rs. 66,802 lakhs as against Loss after Tax of Rs. 30,343 lakhs in the previous year.

STATE OF COMPANY'S AFFAIRS

The state of affairs of the Company is presented as part of the Management Discussion and Analysis (MDA) Report forming part of this Annual Report.

TRANSFER TO RESERVE

The Company did not transfer any amount to reserve during the year.

MATERIAL CHANGES AND COMMITMENTS

A corporate insolvency resolution process ("CIRP") has been initiated against Metalyst Forgings Limited ('the Company') vide an order of Mumbai bench of the National Company Law Tribunal (NCLT) dated December 15th, 2017 under the provisions of the insolvency and bankruptcy code 2016 (Code). The Hon'ble NCLT, Mumbai Bench by order Dated 15th December, 2017 has appointed Mr. Dinkar T. Venkatasubramanian as an Interim Resolution Professional ('IRP') for carrying out the Corporate Insolvency Resolution Process (CIRP) of the Company & Resolution Plan Submitted By **Deccan Value Investors L.P.** has been Approved By Committee Of Creditors In Its **Meeting Dated On 25th August, 2018.**

IMPACT OF THE 2020 CORONAVIRUS (COVID-19) PANDEMIC IN INDIA

COVID-19 pandemic has manifested as a global challenge, with disruption across the world. Global solutions are needed to overcome these.

The COVID-19 outbreak (previously 2019-nCoV) was caused by the SARS-CoV-2 virus. This outbreak was triggered in December 2019 in Wuhan city in Hubei province of China. COVID19 continues to spread across the world. Initially the epicentre of the outbreak was China with reported cases either in China or being travellers from China.

While there is no way to tell exactly what the economic damage from the global COVID-19 corona virus pandemic will be, there is widespread agreement among economists that it will have severe negative impacts on the global economy. Early estimates predicated that, should the virus become a global pandemic, most major economies will lose at least 2.9 percent of their gross domestic product (GDP) over 2020. This forecast was already restated to a GDP loss of 3.4 percent. To put this number in perspective, global GDP was estimated at around 84.54 trillion U.S. dollars in 2020—meaning that a 4.5 percent drop in economic growth results in almost 2.96 trillion U.S. dollars of lost economic output

Dividend

In view of losses incurred during the year under review, the Board of Directors/Resolution Professional does not recommend any dividend on the equity shares for the financial year ended March 31, 2021.

SHARE CAPITAL

The Authorized Share Capital of the Company is **Rs. 52,00,00,000** (Rupees Fifty Two Crores only) divided into 5,00,00,000 (Five Crores) Equity Shares of INR 10/- each aggregating to INR 50,00,00,000 (Rupees Fifty Crores Only) and 20,00,000 (Twenty Lakhs) Preference Shares of INR 10/- each aggregating to Rs. 2,00,00,000 (Rupees Two Crore Only).

Further Paid up capital of the company is comprises of **Rs. 43,55,00,000** (Rupees Forty Three crores fifty five lakhs only) divided into **4,35,50,000** (four crores thirty five lakhs fifty thousand only) Equity shares 10/- each and Rs. 1,34,22,800 (One crore thirty four lakhs twenty two thousand eight hundred only) 0.1% non-cumulative redeemable preference shares divided into 13,42,280 divided into Re. 10/- each.

DETAILS OF DIRECTORS, KEY MANAGERIAL PERSONNEL & RESOLUTION PROFESSIONAL

Directors:- There is no change in Directorship of the Company during the financial year ended March, 2021

Key Managerial Personnel:

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows as 31.03.2021:

DIN/PAN	NAME OF KMP MANAGERIAL PERSONNEL	DATE OF APPOINTMENT
*01744465	Shekhar Gupta	Whole time Director
ACBPM8301M	Arun Kumar Maiti	CFO(KMP)

**DUUPK9788J	Piyush Kumar	Company Secretary
***BMQPC3152A	Pratibha Chaudhary	Company Secretary

*Mr. Shekhar Gupta, whole time Director of the Company has also resigned from the post of directorship of the Company, but compliance under companies act 2013 is pending, hence he is still showing as a director in the Companies Master Data on MCA.

**During the period under review, Mr. Piyush Kumar had resigned from the office of Company Secretary of the Company w.e.f. 08 March, 2021. The Board/Resolution Professional places on record its appreciation for the services rendered by Mr. Piyush Kumar during his tenure with the Company.

***Further, the Resolution Professional of the Company Mr. Dinkar T. Venkatasubramanian, has appointed Ms. Pratibha Chaudhary as a Company Secretary of the Company w.e.f. from 31st March 2021 had resigned from the office of Company Secretary of the Company w.e.f. 28 December, 2021. The Board/Resolution Professional places on record its appreciation for the services rendered by Ms. Pratibha Chaudhary during his tenure with the Company.

Further stated that Metalyst Forgings Limited is under Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code 2016 (Code) vide an order of the Hon'ble National Company Law Tribunal ("NCLT"), Mumbai dated 15.12.2017 and Mr. Dinkar T. Venkatasubramanian (IP Registration no. IBBI/IPA-001/IP-P00003/2016-17/10011), was appointed as the Insolvency Resolution Process ("IRP") with effect from 15th December 2017. Further, in terms of the provisions of the Code, the Committee of Creditors (CoC) in its meeting held on 12th January 2018 continued to Mr. Dinkar T. Venkatasubramanian as the Resolution Professional.

TRANSFER OF UNPAID AND UNCLAIMED AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), the declared dividends, which remained unpaid or unclaimed for a period of seven (7) years and shares thereof shall be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Accordingly, during the year, the Company has transferred the unpaid or unclaimed dividend for a period of seven (7) years from the date they become due for to IEPF and shares are in process to transfer. The shareholders have option to claim their shares and/or amount of dividend transferred from IEPF. However the unclaimed dividend for the FY 2013-14 is due to transfer to Investors' Education and Protection Fund (IEPF) established by the Government of India.

The company has send the notice to the respective shareholders who have not claimed dividend for seven Consecutive Years and whose shares are liable to be transferred to IEPF during the Financial year.

No claim shall be entertained against the Company for the amounts and shares so transferred.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

The Company has no subsidiary, Joint Venture and Associates as on 31st March, 2021.

NUMBER OF BOARD MEETING AFTER THE COMMENCEMENT OF INSOLVENCY PROCESS

After the Commencement of Insolvency Resolution Process In terms of Section 17 of the Code, on commencement of the Corporate Insolvency Resolution Process (CIRP), the powers of the Board of Directors of Metalyst Forgings Limited (MFL) stands suspended and the same are being exercised by the Resolution Professional. The management of the affairs of MFL has been vested with Resolution Professional, therefore no meeting of Board of Directors or Committee was held after the Commencement of Corporate Insolvency Resolution Process (CIRP) w.e.f. 15th December, 2017.

NUMBER OF MEETING OF COMMITTEE OF CREDITORS (COC)

During the period under review Two (2) meetings of the Committee of Creditors (CoC) were held, details of which are given below and forms part of this Annual Report:

S. No	Date of Meeting	Total Number of Members	Attendance
1	11-May-20	18	16
2	10-September-2020	18	17

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

Pursuant to Section 134(3)(e) & Section 178(3) of the Companies Act 2013, the Nomination and Remuneration Committee of the Board has framed a policy for selection and appointment of Directors and senior management personnel, which *inter alia* includes the criteria for determining qualifications, positive attributes and independence of a Director(s) / Key managerial personnel and their remuneration. Details of the policy on appointment and remuneration are available on the website of the Company (www.amtek.com/mfl.php)

DECLARATION BY INDEPENDENT DIRECTORS

The Company is in CIRP and accordingly power of the Board has been suspended due to the appointment of Mr Dinkar T. Venkatasubramanian Resolution Professional pursuant to NCLT vide order dated 15th December 2017. Therefore no declaration received from each independent director under section 149(7) of Companies Act 2013.

Further in terms of SEBI(Listings Obligations and Disclosure Requirements) (Third Amendments) Regulations 2018 dated 31st May 2018, after the commencement of Corporate Insolvency Resolution Process against the Company, all the powers and Committees shall be fulfilled by the Resolution Professional of the Company.

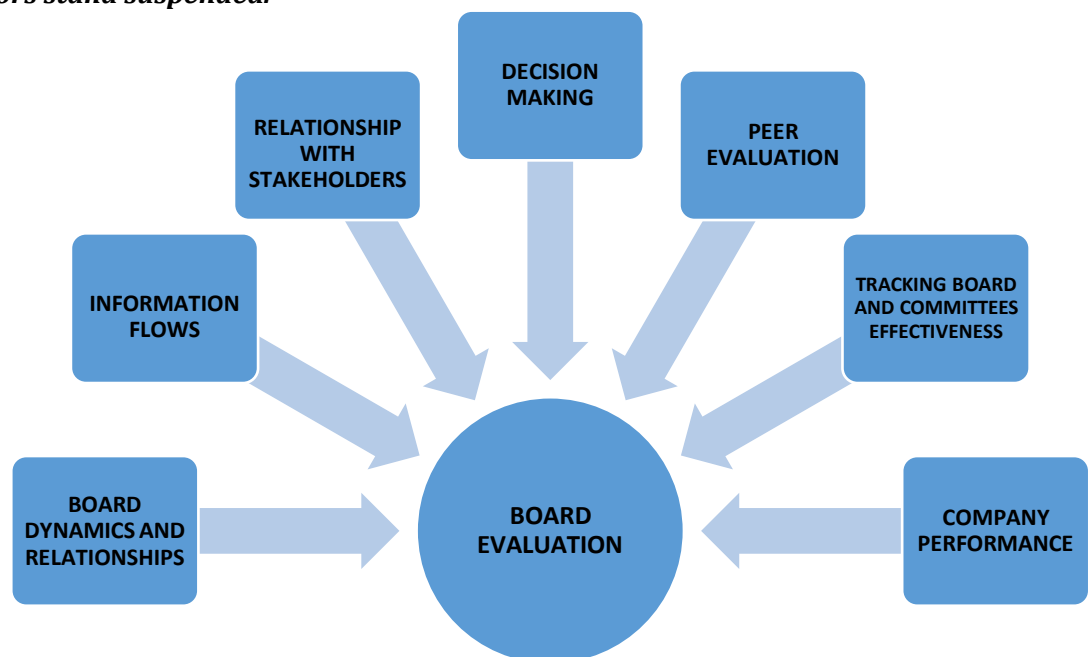
BOARD EVALUATION

Pursuant to applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has formulated

a framework containing, *inter alia*, the criteria for performance evaluation of entire Board of the Company on various parameters.

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated

In terms of SEBI (Listing Obligations and Disclosure Requirements) (Third Amendments) Regulations 2018 dated 31st May 2018, that after the Commencement of Corporate Insolvency Resolution Process (CIRP) all the powers of the Board or Committees shall be fulfilled by Resolution Professional in accordance with sections 17 and 23 of Insolvency and Bankruptcy Code 2016 and powers of the Board of Directors stand suspended.



The Board Evaluation after the Commencement of Corporate Insolvency Resolution Process (CIRP) shall be fulfilled by Resolution Professional and powers of the Board of Directors stand suspended.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

Before the commencement of CIRP, all new independent directors inducted into the Board attend an orientation program. The details of training and familiarization program are available on our website (www.amtek.com/mfl.php).

Further, at the time of the appointment of an independent director, the Company issues a formal letter of appointment outlining his / her role, function, duties and responsibilities. The format of the letter of appointment is available on our website (www.amtek.com/mfl.php).

COMMITTEES OF THE BOARD

The Company's Board has the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management Committee

However after the commencement of Corporate Insolvency Resolution Process (CIRP) the powers of the Board of Directors along with the committees of the Company stands suspended.

The details of the membership and attendance at the meetings of the above Committees of the board are provided in the Corporate Governance section of this report.

The role and responsibilities of the Committees specified in regulations 18,19,20 and 21 of **SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2018** after the Commencement of Corporate Insolvency Resolution Process (CIRP) shall be fulfilled by Resolution Professional and powers of the *Board of Directors stand suspended.*

DISCLOSURE OF AUDIT COMMITTEE & NON ACCEPTANCE OF ITS RECOMMENDATION

The composition of Audit Committee of the Company as on 31.03.2021 is as under:

Name of the Member	Category	Status
Mr. Yogesh Kapur	Independent Director	Chairman
Mr. Brajindar Mohan Singh	Independent Director	Member
Ms. Anuradha Kapur <i>(resigned w.e.f.18.10.2019)</i>	Independent Director	Member

After the Commencement of Corporate Insolvency Resolution Process (CIRP) as per regulation 17 of IBC "the Code" The management of the affairs of the company shall vested in the interim resolution professional and the power of the board of directors/ committees shall stand suspended and be exercised by the Interim Resolution Professional.

Mr. Dinkar T. Venkatasubramanian, appointed as Interim Resolution Professional by the National Company Law Tribunal by order dated 15 December 2017 and continued as Resolution Professional by the Committee of Creditors in its meeting held on 12th January 2018 under provisions of the code).

***RESOLUTION PROFESSIONAL / DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013 the Directors/Resolution Professional hereby confirm that:

- i. in preparation of Annual Accounts, the applicable Accounting Standards have been followed and there has been no material departure.
- ii. they have selected accounting policies which were applied consistently and the directors/IRP made judgments and estimates that are reasonable and prudent so

- as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021 and of the profits/losses for the year ended on that date.
- iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
 - iv. they have prepared the annual accounts on a going concern basis.
 - v. they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.
 - vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

****The role and responsibilities of the Board of Directors after the Commencement of Corporate Insolvency Resolution Process (CIRP) shall be fulfilled by Resolution Professional in accordance with sections 17 and 23 of Insolvency and Bankruptcy Code 2016 and powers of the Board of Directors/Committees stand suspended.***

STATUTORY AUDITORS

M/s Raj Gupta & Co., Chartered Accountants (Firm Registration No. 000203N) has tendered his resignation dated 14th Day of August 2020 due to other preoccupations engagements.

The **Resolution Professional** of the Company has appointed **M/s. Jayesh Sangharjka & Co. LLP. Practicing Chartered Accountants (Firm Registration Number: 104184W/W100075)** as statutory auditor of the Company w.e.f 12th September 2020 to fulfill the casual vacancy arises due to the resignation of M/s. Raj Gupta & Co. The appointment of M/s Jayesh Sangharjka & Co. LLP shall be for the Financial year 2020-21, subject to the approval of shareholders in the ensuing Annual General Meeting. Further the members ratify/approved the appointment of **M/s. Jayesh Sangharjka & Co. LLP** in there AGM dated Februrary 26, 2021.

The Board/RP has decided to re-appoint M/s. Jayesh Sangharjka & Co. LLP as statutory adutor for FY 2021-22 subject to approval shareholders in the Annual General Meeting.

Pursuant to Section 139 of the Companies Act, 2013 read with the Companies (Amendment) Act, 2017 notified by the Ministry of Corporate Affairs on 7 May 2018, the requirement for ratification of the appointment of Statutory Auditors by the members at every Annual General Meeting has been omitted.

AUDITORS' REPORT

The auditors' report contain the qualifications/observation which is self-explanatory in nature and forms part of this Annual Report. Further the Statement of Impact of Audit Qualification pursuant to SEBI regulations forms part of this Annual Report.

SECRETARIAL AUDIT

Pursuant to Section 204 of the Companies Act, 2013 the Resolution Professional of the Company has appointed M/s Muklul Dusad & Associates, Company Secretaries in

Practice, as Secretarial Auditor of the Company, to conduct Secretarial Audit for the financial year 2020-21. The Secretarial Audit Report submitted by them for the financial year 2020-21 in the prescribed form MR-3 is attached as **Annexure- I** and forms part of this Report.

COST AUDITORS

As per Section 148 of the Companies Act, 2013, the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice. In this connection, the Resolution Professional of the company, has appointed M/s Shashi Ranjan and Associates (FRN: 101139) practicing Cost Accountant, as Cost Auditor of the Company w.e.f. 25th August 2021, for conducting the audit of the cost records of the Company for the financial year 2021-22 subject to its ratification of the remuneration to be paid to Cost Auditor, by the shareholders at the ensuing Annual General Meeting.

REPORTING OF FRAUD BY AUDITORS

During the year under review, the Auditors of the Company have not reported any fraud as specified under section 143 (12) of the Companies Act, 2013 to the Audit Committee/Resolution Professional.

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

Disclosure on particulars relating to loans, guarantees or investments under section 186 of the Companies Act, 2013, form part of notes to the financial statement provided in this Annual Report.

PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts or arrangements entered into by the Company with Related Parties are at arm's length and are in ordinary course of business.

In accordance with Section 134(3) (h) of the Companies Act, 2013 read with Rule 8(2) of Companies (Accounts) Rules, 2014. All the Related Party Transactions entered into during the financial year were on an Arm's Length basis and in the Ordinary Course of Business. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel (KMP) which may have a potential conflict with the interest of the Company at large. the particulars of contracts or arrangements with related parties, referred to in Section 188(1) of the Companies Act, 2013, in the prescribed form AOC-2 is attached as **Annexure-II** which forms part of this report.

The Policy on Related Party Transactions as approved by the Board of Directors is uploaded on the website at <http://www.amtek.com/mfl.php>.

There has been no change to the policy on Related Party Transactions during the financial year ended March 31st, 2021.

CORPORATE SOCIAL RESPONSIBILITY

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure-IV** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website of the Company at www.amtek.com/mfl.php.

PARTICULARS OF EMPLOYEES AND REMUNERATION

The ratio of remuneration of each director to the median of employees' remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure-V(A)** forming part of this report.

The statement containing particulars of employees as required under section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached as **Annexure-V(B)** forming part of this report.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has designed and implemented a process driven framework for Internal Financial Controls [IFC] within the meaning of the explanation to Section 134(5) (e) of the Act. The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

CORPORATE GOVERNANCE

The Company is committed to maintain high standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Report on Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms an Integral part this Annual Report. Requisite Certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to this Annual Report.

RISK MANAGEMENT

In compliance with the provisions of Regulation 21 of SEBI Listing Regulations, the Board of Directors has constituted a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms part of the Annual report. The details of Committee are set out in the Corporate Governance Report forming part of the Board's Report.

In terms of SEBI (Listing Obligations and Disclosure Requirements) (Third Amendments) Regulations 2018 dated 31st May 2018, that after the Commencement of Corporate Insolvency Resolution Process (CIRP) all the powers of the Board or

Committees shall be fulfilled by Resolution Professional in accordance with sections 17 and 23 of Insolvency and Bankruptcy Code 2016 and powers of the Board of Directors stand suspended.

ANTI-SEXUAL HARASSMENT POLICY

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All women employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year 2020-21, no complaints were received by the committee.

PUBLIC DEPOSITS

During the period under review, the Company has neither accepted nor renewed any deposits within the meaning of Section 73 of the Companies Act, 2013 from the Shareholders/Public.

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

The detail as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies Rules, 2014 regarding conservation of energy, technology absorption, foreign exchange earnings & outgo is attached as **Annexure-VI** to this Report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

A detailed review of operations, performance and future outlook of the Company is given separately, under head "Management Discussion and Analysis Report" forming part of this Annual Report.

DISCLOSURE REQUIREMENTS

Details of the Familiarization Programme of the independent directors are available on the website of the Company (www.amtek.com/mfl.php). Policy on dealing related party transaction is available on the website of the Company (www.amtek.com/mfl.php).

VIGIL MECHANISM

The Company has formulated Whistle Blower Policy wherein Vigil Mechanism for Employees, Directors, Stakeholders of the Company are free to report any unethical or improper activity. The provisions of this policy are in line with the provisions of the Section 177(9) of the Act and the SEBI (Listing Obligation & Disclosure Requirements) Regulation 2015. (URL: www.amtek.com/mfl.php).

SIGNIFICANT AND MATERIAL ORDERS

As stated hereinbefore, the Hon'ble National Company Law Tribunal, Mumbai (NCLT, Mumbai) vide order dated 15th December, 2017 approved initiation of Corporate Insolvency Resolution Process of the Company pursuant to an application under section 7 of the Insolvency and Bankruptcy Code, 2016 filed by State Bank of India.

Pursuant to the initiation of the above proceedings, and In terms of SEBI (Listing Obligations and Disclosure Requirements) (Third Amendments) Regulations 2018 dated 31st May 2018, that after the Commencement of Corporate Insolvency Resolution Process (CIRP) all the powers of the Board or Committees shall be fulfilled by Resolution Professional in accordance with sections 17 and 23 of Insolvency and Bankruptcy Code 2016 and powers of the Board of Directors stand suspended the powers of the Board / Committees have been suspended in terms of section 17 of the said Code and the same now vest with Mr. Dinkar T. Venkatasubramanian, the Resolution Professional.

Further, the Company had received an adjudication order dated June 28th 2019 from Securities and Exchange Board of India (SEBI) in terms of the provisions of Section 15HB of the SEBI Act regarding violation of the provision of Regulation 31(1) read with Regulation 31(3) of SEBI (SAST) Regulations, and penalty has been imposed by the SEBI.

DEMATERIALIZATION AND LISTING

The equity shares of the Company are admitted to the depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31st March 2021, 4,33,56,767 Equity Shares representing 99.556% of the Equity Share Capital of the Company are in dematerialized form. The Equity Shares of the Company are compulsorily traded in dematerialized form as mandated by the Securities and Exchange Board of India (SEBI). The International Securities Identification Number (ISIN) allotted to the Company with respect to its Equity Shares is INE425A01011.

The Equity Shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited and are actively traded.

RECONCILIATION OF SHARE CAPITAL AUDIT

As per the directive of the Securities & Exchange Board of India, M/s S. Khurana & Associates, Company Secretaries, New Delhi, undertook the Reconciliation of Share Capital Audit on a quarterly basis. The purpose of the audit is to reconcile the total number of shares held in National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and in physical form with respect to admitted, issued and Paid up Share Capital of the Company.

The reconciliation of Share Capital Audit Report as submitted by M/s S. Khurana & Associates, Company Secretaries, New Delhi, on quarterly basis was forwarded to the BSE Limited and National Stock Exchange of India Limited where the Equity Shares of the Company are listed.

INDUSTRIAL RELATIONS

During the year under review, the relations between the Management and the workmen

were highly cordial. Human resources initiatives such as skill up gradation, training, appropriate reward & recognition systems and productivity improvement were the key focus areas for development of the employees of the Company.

INVESTOR RELATIONS

Your Company always endeavors to promptly respond to members' requests/grievances. Each and every issue raised by the members is taken up with utmost priority and every effort is made to resolve the same at the earliest. The Stakeholders Relationship Committee/Resolution Professional of the Company periodically reviews the status of the redressal of investors' grievances.

COMPLIANCE WITH SECRETARIAL STANDARD

The Company complies with all applicable Secretarial Standard issued by the Institute of Company Secretaries of India (ICSI).

ACKNOWLEDGEMENTS

The Resolution Professional / Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review.

The Resolution Professional / Directors also wish to place on record their deep sense of appreciation for the dedication of the employees at all levels, which has been critical for the Company's success. The Directors/Resolution Professional of the Company look forward to their continued support in future.

**By Order of the Resolution Professional
For Metalyst Forgings Limited**
(A Company under Corporate Insolvency Resolution Process)

Sd/-
Mr. Dinkar T.Venkatasubramanian
(Resolution Professional)

Date: 08/07/2022

(Metalyst Forgings Limited is under Corporate Insolvency Resolution Process of the Insolvency and Bankruptcy Code 2016. Its affairs, business and assets are being managed by the Resolution Professional, Mr. Dinkar T. Venkatasubramanian, appointed as Interim Resolution Professional by the National Company Law Tribunal by order dated 15 December 2017 and continued as Resolution Professional by the Committee of Creditors in its meeting held on 12 January 2018 under provisions of the code)

ANNEXURE TO DIRECTORS' REPORT

Form No. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 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]

Annexure I

To,
The Members, Metalyst Forgings Limited
Gate No 614 Village Kuruli Khed, Pune Mh
410501

I, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Metalyst Forgings 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.

It is further stated that Metalyst Forgings Limited is under Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code 2016 (Code) vide an order of the Hon'ble National Company Law Tribunal ("NCLT"), Mumbai dated 15.12.2017 and Mr. Dinkar T. Venkatasubramanian (IP Registration no. IBBI/IPA-001/IP-P00003/2016-17/10011), was appointed as the Insolvency Resolution Process ("IRP") with effect from 15th December 2017. Further, in terms of the provisions of the Code, the Committee of Creditors (CoC) in its meeting held on 12th January 2018 continued to Mr. Dinkar T. Venkatasubramanian as the Resolution Professional.

In terms of Section 17 of the Code, on commencement of the Corporate Insolvency Resolution Process (CIRP), the powers of the Board of Directors of MFL stands suspended and the same are being exercised by Mr. Dinkar T. Venkatasubramanian. The management of the affairs of MFL has been vested with Mr. Dinkar T. Venkatasubramanian. Further in terms of SEBI (Listing Obligations and Disclosure Requirements) (Third Amendments) Regulations 2018 dated 31st May 2018, that after the Commencement of Corporate Insolvency Resolution Process (CIRP) the roles and responsibilities shall be fulfilled by Resolution Professional in accordance with sections 17 and 23 of Insolvency and Bankruptcy Code 2016 and as per Regulation 15(2A) and 2(B) of the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendments) Regulations 2018, the provisions specified in Regulations 17, 18, 19, 20 and 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 shall not be applicable.

Based on my verification of 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 compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I, have examined the books, papers, minute books, forms and returns filed and other records maintained by for the period ended 31st March, 2021 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made here under;
- I. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- II. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;



- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 notified with effect from May 15 2015,
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; *Not Applicable as the Company has not issued any securities during the financial year.*
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - *Not Applicable as the Company has not granted any options to its employees during the financial year under review;*
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: *Not Applicable*
 - 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;- *Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review;*
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- *Not Applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review.*
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- *Not Applicable as the Company has not bought back any of its securities during the financial year under review.*
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified with effect from December 1, 2015.

I, **Mukul Dusad**, hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below under SEBI(LODR) Regulations 2015 and other SEBI Laws:-

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Regulation 33 of the SEBI (LODR) Regulation, 2015 for Financial Results along with Auditor's Report for the quarter, half year and year ending March, 2020	Delay in Submission by 42 Days	The Financial Results Submitted on 11 th September, 2020. However Statement of Impact was not Part of the Financial Results.
2.	Regulation 33 of the SEBI (LODR) Regulation, 2015 for Financial Results along with Auditor's Report for the quarter, ending June, 2020	Delay in Submission by 144 Days	The Financial Results Submitted on 06 th January, 2021. However Statement of Impact was not Part of the Financial Results.



3.	Regulation 33 of the SEBI (LODR) Regulation, 2015 for Financial Results along with Auditor's Report for the quarter and Half Year ending September, 2020	Delay in Submission by 187 days.	The Financial Results Submitted on 21 st May, 2021. However Statement of Impact was not Part of the Financial Results.
4.	Regulation 33 of the SEBI (LODR) Regulation, 2015 for Financial Results along with Auditor's Report for the quarter and Nine Months ending December, 2020	Not Filed Till the date of Submission of this Report	The matter is pending in Process.
5.	Regulation 33 of the SEBI (LODR) Regulation, 2015 for Financial Results along with Auditor's Report for the quarter, half year and year ending March, 2021	Not Filed Till the date of Submission of this Report	The matter is pending in Process.
6.	Regulation 23(9) Disclosure of the RPT with half yearly Financials for the Half year ending 31 March 2020.	Not Filed till the Date of issue of report	Pending in Process
7.	Regulation 23(9) Disclosure of the RPT with half yearly Financials for the Half year ending 30 September 2020.	Not Filed till the Date of issue of report	Pending in Process
8.	Regulation 23(9) Disclosure of the RPT with half yearly Financials for the Half year ending 31 March 2021.	Not Filed till the Date of issue of report	Pending in Process
9.	Large Entity Disclosure vide SEBI circular SEBI/HO/DDHS/CIR/P/2018/144 dated 26/11/2018	Delay in Submission of 51 Days	Submitted as on 12 th Day of August 2020.
10.	Annual General Meeting of the Company was convened after the Due Date and other allied Compliances were also made delay due to the Delay in AGM.	The AGM was held as on 26.02.2021	The AGM was held as on 26.02.2021

I further report that the E-form INC-22A i.e. ACTIVE form is not yet filed for the Company due to which the Status of the company is showing ACTIVE Non-Compliant on MCA Portal.

I further report that the DIN of Mr. Arvind Dham and Shekhar Gupta, Directors of the Company are deactivated due to non-filing of DIR-3KYC.

I further report that the E-form DIR-12 for the appointment of Mr. Yogesh Kapur is not filed and the company is not able to file the E-Form due to Non-Filing of ACTIVE form.



I further report that the Company has not filed e-form DIR-12 for Resignation of Ms. Anuradha Kapur and Mr. Shekhar Gupta from the post of the Directorship of the Company after the Commencement of CIRP process against the Company. Further, Ms. Anuradha Kapur has filed DIR-11 of her Resignation.

I further report that Company has filed the DIR-12 of Mr. John Ernest Flintham for resignation with effect from 31.03.2018 in the period under the review along with the applicable late fees.

I further report that the return of Deposit through E-form DPT-3 for the period under review and previous financial year has not been filed by the Company till the date of this report.


I further report that half-yearly return regarding their outstanding payments to the MSME through form MSME-1 for the period under the review has not been filed by the Company till the date of this report.

I further report that an extension was granted by MCA in the timeline for holding Annual General Meeting till December 31st from September 30th for the F.Y. 2019-20. However the Company was unable to convene the meeting till the extended due date and the AGM was conducted through Video Conference (VC) mode on 26/02/2021. Pursuant to that all the allied Compliances of Annual General Meeting also got delayed.

I further report that, the Company has delayed in transferring the unpaid/unclaimed dividend to IEPF within the stipulated time limited, declared at the Annual General Meeting held on 28th December 2012 thereby delayed in compliance of the provisions of Section 124(5) of the Companies Act, 2013. Similarly, the Company has not yet transferred the shares in respect of which dividend is unclaimed or unpaid for than 7 years and which were due for transfer to IEPF till the date of this report. Thus, the Company has delayed in compliance of the provisions of Section 124 of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Further the compliances under the IEPF regulation are delayed.

The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.

(b) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued there under:

Sl. No.	Action Taken by	Details of Violation	Details of action taken	Observations/ remark of the Practicing Company Secretary, if any
1.	Stock Exchange	Notice vide NSE/LIST-SOP/REG33/FINES/101662 dated 16/10/2020 for Non-Compliance of Listing Regulation 33 of the SEBI (LODR) Regulation, 2015 for March 2020	Penalty of Rs. 1,82,900	Pending Under Process.
2.	Stock Exchange	Notice vide NSE/LIST-SOP/REG6(1)/FINES/101661 dated 04/08/2020 for Non-Compliance of Listing Regulation 6(1) of the SEBI (LODR) Regulation, 2015 for Appointment of Company Secretary	Penalty of Rs. 74,340	Company Secretary Appointed. However penalty not paid. 
3.	Stock	Notice vide NSE/LIST-	Penalty of	Pending Under Process.

	Exchange	SOP/REG-34/FINES/0814 dated 08/01/2021 for Non-Compliance with Regulation 34 of the SEBI (LODR) Regulations, 2015 for March 2021	Rs. 68,440	
4.	Stock Exchange	Notice vide NSE/LIST-SOP/COMB/FINES/0815 dated 15/03/2021 for Non-Compliance of Listing Regulation 33 of the SEBI (LODR) Regulation, 2015 for December 2020	Penalty of Rs. 1,65,200	Pending Under Process
5.	Stock Exchange	Notice vide NSE/LIST-SOP/COMB/FINES/0813 dated 14/12/2020 for Non-Compliance of Listing Regulation 33 of the SEBI (LODR) Regulation, 2015 for September 2020	Penalty of Rs.1,59,300	Pending Under Process
6.	SEBI	SEBI has passed an adjudication order in terms of Regulation 31(1) read with 31(3) of SEBI (SAST) Regulation	Penalty of Rs. 10,00,000	Pending Under Process

I further report that having regard to compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

The Factories Act, 1948;

- i) The Petroleum Act, 1934 and the rules made there under;
- ii) The Environment Protection Act, 1986 and the rules made there under;
- iii) The Water (Prevention and Control of Pollution) Act, 1974 and the rules made there under; and
- iv) The Air (Prevention and Control of Pollution) Act, 1981 and the rules made there under

I further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated laws.

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

Secretarial Standards issued by The Institute of Company Secretaries of India notified with effect from July 1,

the Listing Agreements entered into by the Company with The National Stock Exchange of India & The BSE

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations,



Guidelines, Standards, etc. mentioned above.

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

For Mukul Dusad & Associates



Mukul Dusad
Practicing Company Secretary
M. No: 60067
COP No.: 22589

Place: Jaipur
Date: 06/12/2021

UDIN:A060067C001667882

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

Annexure B

To,

The Members, Metalyst Forgings Limited
Gate No 614 Village Kuruli Khed, Pune Mh
410501

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

1. Maintenance of secretarial records 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. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Mukul Dusad & Associates



Mukul Dusad
Practicing Company Secretary
M. No: 60067
COP No.: 22589

Place: Jaipur
Date: 06/12/2021

UDIN: A060067C001667882

Annexure-II**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

Metalyst Forgings Limited (the Company) has not entered in to any contract/arrangement/transaction with its related parties which is not in ordinary course of business or at arm's length during FY 2020-2021. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act, 2013 ("Act") and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts/arrangements/transactions: Not Applicable
- (c) Duration of the contracts / arrangements / transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Justification for entering in to such contracts or arrangements or transactions: Not Applicable
- (f) Date(s) of approval by the Board: Not Applicable
- (g) Amount paid as advances, if any: Not Applicable
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis:

- a. Name(s) of the related party and nature of relationship: Not Applicable
 - b. Nature of contracts / arrangements / transactions: Not Applicable
 - c. Duration of the contracts / arrangements / transactions: Not Applicable
 - d. Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
 - e. Date(s) of approval by the Board, if any: Not Applicable
 - f. Amount paid as advances, if any: None
- Note: The above disclosures on material transactions are based on the principle that transactions with wholly owned subsidiaries are exempt for purpose of section 188(1) of the Act.

**By Order of the Resolution Professional
For Metalyst Forgings Limited**
(A Company under Corporate Insolvency Resolution Process)

Sd/-
Mr. Dinkar T.Venkatasubramanian
(Resolution Professional)

Date : 08/07/2022

(Metalyst Forgings Limited is under Corporate Insolvency Resolution Process of the Insolvency and Bankruptcy Code 2016. Its affairs, business and assets are being managed by the Resolution Professional, Mr. Dinkar T. Venkatasubramanian, appointed as Interim Resolution Professional by the National Company Law Tribunal by order dated 15 December 2017 and continued as Resolution Professional by the Committee of Creditors in its meeting held on 12 January 2018 under provisions of the code

Annexure III**FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED ON 31.03.2021**

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

I. REGISTRATION & OTHER DETAILS:

i	CIN	L28910MH1977PLC019569
ii	Registration Date	21/03/1977
iii	Name of the Company	Metalyt Forgings Limited (Formerly Known as Ahmednagar Forgings Limited)
iv	Category/Sub-category of the Company	Limited by Shares, Indian Non-Government Company
v	Address of the Registered office & contact details:	Gat No. 614, Village KuruliKhed, Pune, Maharashtra-410501
vi	Whether listed company	Yes, listed on BSE Limited & National Stock Exchange of India Ltd.
vii	Name , Address & contact details of the Registrar & Transfer Agent	Beetal Financial & Computer Services Pvt. Ltd. Beetal House, 3 rd Floor, 99, Madangir Behind L.S.C. ,NewDelhi-110062. Tel : 011-29255230 Fax: 011-29252146 E-mail : beetalrta@gmail.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

S.No	Name and Description of main products / service	NIC Code of the Product / services	% to total turnover of the company
1.	DIE STEEL FORGING	2591	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

S. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1	Amtek Auto Ltd.	L27230HR1988PLC030333	Holding Company	57.18	2(46)

nt(s) President of India									
Sub-total(2):-	0	0	0	0	0	0	0	0	
3. Non Institutional									
a) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	10441099	202974	10644073	24.4409	10431301	189833	10621134	24.3883	(-0.0526)
ii) Individual shareholders holding nominal share capital in excess Rs. 2 Lakh	3834806	0	3834806	8.8055	4209181	0	4209181	9.6651	+0.8596
c) Others (specify)									
i) NRI	330365	0	330365	0.7586	268407	0	2,68,407	0.6163	(-0.1422)
iii) IEPF	415139	0	415139	0.9532	415139	0	432364	0.9927	+0.0395
iv) Hindu Undivided Families (HUF)	770454	300	770754	1.7698	743952	300	744252	1.7089	(-0.0608)
v) Bodies Corporate	652759	3000	655759	1.5058	5,32,375	3000	535375	0.9997	(-0.5060)
vi) Clearing Member	10782	0	10782	0.0247	27375	0	27375	0.0628	+0.0381
Sub-total (B)(3):-	1,64,55,404	206274	1,66,61,678	38.2585	16644955	193133	16838088	38.4338	+0.1753
Total Public Shareholding (B)= (B)(1)+ (B)(2)+ (B)(3)	1,66,38,834	206674	1,68,45,508	38.6806	1,66,52,275	206674	1,68,45,508	38.6808	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	4,33,43,326	206674	43550000	100	4,33,56,761	206674	4,35,50,000	100	0

(ii) SHAREHOLDING OF PROMOTERS

S. No.	Shareholder's Name	Shareholding at the beginning of the year	Shareholding at the End of the year
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		No. of share	% of total	% of Shares	No. of	% of total	% of Share	% change in
			Shares of	of Pledged/	shares	Shares of	Pledged/	share
			the	encumbered		the	encumbered	holding
			company	to total		company	total	during th
				shares			shares	year
1	AMTEK AUTO LIMITED	24904492	57.19	Nil	24904492	57.19	Nil	Nil
2	W.L.D. INVESTMENTS PVT. LTD	1800000	4.13	Nil	1800000	4.13	Nil	Nil

(iii) CHANGE IN PROMOTERS' SHAREHOLDING

S.No	Name of the Promoters	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 Company the
1	AMTEK AUTO LIMITED				
	At the beginning of the year	24904492	57.186	24904492	57.186
	At the end of the year	24904492	57.186	24904492	57.186
2	W.L.D. INVESTMENTS PVT. LTD.				
	At the beginning of the year	1800000	4.1332	1800000	4.1332
	At the end of the year	1800000	4.1332	1800000	4.1332

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

S. No.	Top 10 Shareholders in the beginning of the year			Top 10 Shareholders at the end of the year		
	Name of Shareholder	No. of Shares	% of Total Shares of the Company	Name of Shareholder	No. of Shares	% of Total Shares of the Company
1	NARESH KUMAR GHOGAR	301987	0.6934	NARESH KUMAR GHOGAR	473395	1.09
2	ANIL JAIN	200000	0.46	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS	432364	0.99

3	GENERAL INSURANCE CORPORATION OF INDIA	175000	0.40	SANGRAM KUMAR SAHU	222758	0.51
4	BIJENDER SINGH YADAV	126000	0.28	ANIL JAIN	200000	0.46
5	PREM PRAKASH SINGH	124540	0.28	SATISHKUMAR RAVICHANDRAN	186975	0.43
6	PAWAN KUMAR KEJRIWAL	123300	0.28	BIJENDER SINGH YADAV	126000	0.29
7	SATISHKUMAR RAVICHANDRAN	122702	0.28	PREM PRAKASH SINGH	124540	0.29
8	RATNA SINGH	111000	0.25	PAWAN KUMAR KEJRIWAL	123300	0.28
9	PATEL ASHOKBHAI DINUBHAI	106000	0.24	RATNA SINGH	111188	0.26
10	VIMAL CHAND JAIN	94992	0.22	PATEL ASHOKBHAI DINUBHAI	109000	0.25

The Shares of the company are frequently traded and hence date wise increase/decrease in shareholding is not indicated. The resulting changes in the top 10 shareholders is due to trading in securities by the shareholders.

(v) Shareholding of Directors & KMPS

S. No	Directors & Key Managerial Persons	Shareholding at the beginning year of the year 01.04.2020		Cumulative Shareholding during the year 31.03.2021	
		No. of shares	% of total Shares of the Company	No. of shares	% of total Shares of the company
		N.A.			

vi) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rs.in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	210953.43	805.97	0	211759.40
ii) Interest due but not paid	43739.17	0	0	43739.17
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	254692.6	805.97	0	255498.57
Change in Indebtedness during the financial year				

Addition	0	0	0	0
Reduction (net)	0	0	0	0
0	0	0	0	0
Net Change	0	0	0	0
Indebtedness at the end of the financial year				
i) Principal Amount	210953.43	805.97	0	211759.40
ii) Interest due but not paid	43739.17	0	0	43739.17
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	254692.6	805.97	0	255498.57

i. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(Rs.in Lakhs)

S. No	Particulars of Remuneration	Managing Director/Whole-time Director	Total Amount
		Mr. Shekhar Gupta (Whole-time Director)	NIL
1.	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission	NIL	NIL
	as % of Net profit	NIL	NIL
	others, specify	NIL	NIL
5.	Others, please specify	NIL	NIL
	Total (A)	NIL	NIL

	Ceiling as per the Act @ 5% of Profits Calculated under Section 198 of the Companies Act, 2013	NIL	NIL
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B. Particulars of Remuneration to Other Directors (Rs. in Lakhs)

S. No	Particulars of Remuneration Other Director	Amount (in Rs.)	Total Amount
1.	NA	NIL	NIL
	Total	NIL	NIL

C. Remuneration to Key Managerial Personnel other than Managing Director/Manager/Whole time Director

(Rs.in Lakhs)

S. No	Particulars of Remuneration	Arun Maiti (CFO)	Mr. Piyush Kumar (Company Secretary)* (Resigned w.e.f 08.03.2021)	Ms. Pratibha Chaudhary (appointed w.e.f. 31 st March 2021)	Total Amount
1.	Gross Salary	14.57	3.96	0.01	31.66
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	14.57	3.96	0.01	31.66
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section17(3)Income-taxAct,1961	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission as % of Net Profit	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total (A)	14.57	3.96	0.01	31.66

- Mr. Piyush Kumar has resigned from the post of Company Secretary cum Compliance Officer of Metalyst Forgings Limited w.e.f. 08.03.2021

D. Remuneration to other Non-Executive Directors

(Rs.in Lakhs)

S. No	Particulars of Remuneration	Mr. B.M. Singh	Mr. Yogesh Kapur	Total Amount
1.	Gross Salary	NIL	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section17(3)Income-taxAct,1961	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission as % of Net Profit	NIL	NIL	NIL
5.	Others, Sitting Fees	NIL	NIL	NIL
	Total (A)	NIL	NIL	NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended on 31st, March, 2022

**By Order of the Resolution Professional
For Metalyst Forgings Limited**
(A Company under Corporate Insolvency Resolution Process)

**Sd/-
Mr. Dinkar T.Venkatasubramanian
(Resolution Professional)**

Date: 08/07/2022

(Metalyst Forgings Limited is under Corporate Insolvency Resolution Process of the Insolvency and Bankruptcy Code 2016. Its affairs, business and assets are being managed by the Resolution Professional, Mr. Dinkar T. Venkatasubramanian, appointed as Interim Resolution Professional by the National Company Law Tribunal by order dated 15thDecember 2017 and continued as Resolution Professional by the Committee of Creditors in its meeting held on 12th January 2018 under provisions of the code)

REPORT ON CORPORATE SOCIAL RESPONSIBILITIES (CSR) ACTIVITIES**1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken**

The Corporate Social Responsibility (CSR) of the Company is aligned with its overall commitment to maintaining the highest standards of business performance. We recognize that our business activities have direct and indirect impact on the society. The Company strives to integrate its business values and operations in an ethical and transparent manner to demonstrate its commitment to sustainable development and to meet the interests of its stakeholders. In line with Company's Vision, through its CSR initiatives, The Company will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a Socially Responsible Corporate, with environmental concern.

Values & Commitment

- Ensure an increased commitment at all levels in the organisation, to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders.
- To directly or indirectly take up activities those benefit the communities in & around its Units and results in enhancing the quality of life & economic well being of the local populace.
- To generate, through its CSR initiatives, a community goodwill for Company and help reinforce a positive & socially responsible image as a corporate entity.

2. The Composition of the CSR Committee

During the period under review the composition of Corporate Social Responsibility Committee of the Company is as under:

Name of Member	Position
Mr. Brajindar Singh Mohan	Chairman
Mr. Mr. Yogesh Kapur	Member

3. Average Net profit of the Company for last three Financial Years

Financial Years	Net Profit (In Lacs)
2017-18	(1,01,330.46)
2018-19	(27,074.63)
2019-20	(30,343.17)
Total	(1,58,748.26)
Average Net Profit	(52,916.08)

3. Prescribed CSR Expenditure (2% of amount as item No. 3) : NIL

4. Details of CSR spent during the Financial Year 2019-20 :

- a) Total amount to be spent for the financial year : NIL
b) Amount unspent : NIL

Amount unspent nil was mainly on account of losses incurred by the Company during the financial year and resultant tightness of cash flow. Hence, the expenditure under this head has been temporarily deferred.

5. Responsibility Statement by the CSR Committee:

The CSR Committee confirm that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Sd/-
Mr. Dinkar T. Venkatasubramanian
(Resolution Professional)

Date:08/07/2022

Annexure - V(A)

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**a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial year 2020-21:**

Name of Director	Ratio to median remuneration
Mr. Arvind Dham	-
Mr. Shekhar Gupta*	-
Mr. Brajindar Mohan Singh	-
Mr. Yogesh Kapur	-

* Mr. Shekhar Gupta Whole Time Director of the Company has resigned from the position directorship of the company but compliance under companies act 2013 is pending.

b. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year 2020-21:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial Year
Mr. Arvind Dham	-
Mr. Shekhar Gupta*	-
Mr. Brajindar Mohan Singh	-
Mr. Yogesh Kapur	-
Mr. Arun Maiti (CFO)	-
Mr. Piyush Kumar *** (Company Secretary)	-
Ms. Pratibha Chaudhary **** (Company Secretary)	-

* Mr. Shekhar Gupta Whole Time Director of the Company has resigned from the position directorship of the company but compliance under companies act 2013 is pending

*** Mr. Piyush kumar has resigned from the post of Company Secretary cum Compliance Officer of Metalyst Forgings Limited w.e.f. 08.03.2021.

****The Resolution Professional of the Company has appointed Ms. Pratibha

Chaudhary as Company Secretary of the Company w.e.f. 31st March 2021.

c. The percentage increase in the median remuneration of employees in the financial year: Nil

d. The number of permanent employees on the rolls of Company: 477

e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Nil

f. The Company affirms remuneration is as per the remuneration policy of the Company.

Annexure VI

Information as per Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 and forming Part of the Directors' Report for the Financial year ended 31st March, 2021.

I. CONSERVATION OF ENERGY

The Company continues to take measures towards conservation of energy through optimum utilization of energy and other resources. Utilization of energy intensive machines, procurement of energy efficient technologies etc is done as part of energy conservation measures. The Company has been consistent in its efforts to conserve energy and natural resources and reduce consumption of Power, Fuel, Oil, Water and other energy sources by following strict adherence to:

1. Power saving processes and methods
2. Innovation and up-gradation of technology.
3. Installation of Auto Power Cut-Off for electrical energy consumption.
4. Energy saving in utility by proper machine planning.
5. Emphasis on non-conventional energy sources.
6. Proper training to the employees and workforce to ensure minimum wastage of energy and natural resources.

7.

I. Research and Development

a) Specific area in which (R&D) carried out by the Company	Product design and development Process design & improvement for various products	
b) Benefits derived as result	Reduction in process time Increase in productivity Cost reduction and high precision of product	
c) Future Plan of action in Manufacturing Process & operation	To achieve better yield by way of cost reduction through higher level of automation	
d) Expenditure on R & D	a Capital	The development work is carried on by the concerned department continuously. No separate record of the expenditure incurred on R&D
	b Recurring	
	c Total	
	c Total R&D Expenditure as a percentage of total turnover	

II. Technology, Absorption, Adaptation and Innovation

a) Efforts in brief made towards Technology Absorption, Adaptation and Innovation	The Company has indigenized and absorbed technological changes as advised by collaboration in the past. Metalyst Forgings Limited continuously strives to meet international standards of precision through improvisation of existing processes, innovation and adaptation of new technologies and methods. The product quality has improved significantly due to better utilization of machines, improvised processes and enhanced precision
b) Benefits derived as a result of the above efforts	Cost reduction to saving in raw material, dies, moulds, power and fuel. Operational efficiency has increased leading to reduced time-loss and rejections
c) In case of imported technology (Import) during the last 6 years reckoned from the beginning of the financial year	Nil

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

1. Activities relating to Exports, initiatives to increase exports, Development of new Export Markets for Products and Services and Export plans:
2. Total Foreign Exchange used & Earned :

(Rs. In Lakhs)

Particulars	2021	2020	2019
Foreign Exchange Used	0	0	0
Foreign Exchange Earned	0	0	1367.92

**By Order of the Resolution Professional
For Metalyst Forgings Limited**
(A Company under Corporate Insolvency Resolution Process)

Sd/-
Mr. Dinkar T. Venkatasubramanian
(Resolution Professional)

Date:08/07/2022

(Metalyst Forgings Limited is under Corporate Insolvency Resolution Process of the Insolvency and Bankruptcy Code 2016. Its affairs, business and assets are being managed by the Resolution Professional, Mr. Dinkar T. Venkatasubramanian, appointed as Interim



Resolution Professional by the National Company Law Tribunal by order dated 15th December 2017 and continued as Resolution Professional by the Committee of Creditors in its meeting held on 12th January 2018 under provisions of the code)



ANNEXURE TO DIRECTORS' REPORT

**Form No. MR-3 SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 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]

Annexure I

To,
The Members, Metalyst Forgings Limited
Gate No 614 Village Kuruli Khed, Pune Mh
410501

I, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Metalyst Forgings 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.

It is further stated that Metalyst Forgings Limited is under Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code 2016 (Code) vide an order of the Hon'ble National Company Law Tribunal ("NCLT"), Mumbai dated 15.12.2017 and Mr. Dinkar T. Venkatasubramanian (IP Registration no. IBBI/IPA-001/IP-P00003/2016-17/10011), was appointed as the Insolvency Resolution Process ("IRP") with effect from 15th December 2017. Further, in terms of the provisions of the Code, the Committee of Creditors (CoC) in its meeting held on 12th January 2018 continued to Mr. Dinkar T. Venkatasubramanian as the Resolution Professional.

In terms of Section 17 of the Code, on commencement of the Corporate Insolvency Resolution Process (CIRP), the powers of the Board of Directors of MFL stands suspended and the same are being exercised by Mr. Dinkar T. Venkatasubramanian. The management of the affairs of MFL has been vested with Mr. Dinkar T. Venkatasubramanian. Further in terms of SEBI (Listing Obligations and Disclosure Requirements) (Third Amendments) Regulations 2018 dated 31st May 2018, that after the Commencement of Corporate Insolvency Resolution Process (CIRP) the roles and responsibilities shall be fulfilled by Resolution Professional in accordance with sections 17 and 23 of Insolvency and Bankruptcy Code 2016 and as per Regulation 15(2A) and 2(B) of the SEBI (Listing Obligations and Disclosure Requirements) (Third Amendments) Regulations 2018, the provisions specified in Regulations 17, 18, 19, 20 and 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 shall not be applicable.

Based on my verification of 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 compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I, have examined the books, papers, minute books, forms and returns filed and other records maintained by for the period ended 31st March, 2021 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made here under;
- I. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- II. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;



- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 notified with effect from May 15 2015,
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; *Not Applicable as the Company has not issued any securities during the financial year.*
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - *Not Applicable as the Company has not granted any options to its employees during the financial year under review;*
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: *Not Applicable*
 - 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;- *Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review;*
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- *Not Applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review.*
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- *Not Applicable as the Company has not bought back any of its securities during the financial year under review.*
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified with effect from December 1, 2015.

I, **Mukul Dusad**, hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below under SEBI(LODR) Regulations 2015 and other SEBI Laws:-

Sr. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Regulation 33 of the SEBI (LODR) Regulation, 2015 for Financial Results along with Auditor's Report for the quarter, half year and year ending March, 2020	Delay in Submission by 42 Days	The Financial Results Submitted on 11 th September, 2020. However Statement of Impact was not Part of the Financial Results.
2.	Regulation 33 of the SEBI (LODR) Regulation, 2015 for Financial Results along with Auditor's Report for the quarter, ending June, 2020	Delay in Submission by 144 Days	The Financial Results Submitted on 06 th January, 2021. However Statement of Impact was not Part of the Financial Results.



3.	Regulation 33 of the SEBI (LODR) Regulation, 2015 for Financial Results along with Auditor's Report for the quarter and Half Year ending September, 2020	Delay in Submission by 187 days.	The Financial Results Submitted on 21 st May, 2021. However Statement of Impact was not Part of the Financial Results.
4.	Regulation 33 of the SEBI (LODR) Regulation, 2015 for Financial Results along with Auditor's Report for the quarter and Nine Months ending December, 2020	Not Filed Till the date of Submission of this Report	The matter is pending in Process.
5.	Regulation 33 of the SEBI (LODR) Regulation, 2015 for Financial Results along with Auditor's Report for the quarter, half year and year ending March, 2021	Not Filed Till the date of Submission of this Report	The matter is pending in Process.
6.	Regulation 23(9) Disclosure of the RPT with half yearly Financials for the Half year ending 31 March 2020.	Not Filed till the Date of issue of report	Pending in Process
7.	Regulation 23(9) Disclosure of the RPT with half yearly Financials for the Half year ending 30 September 2020.	Not Filed till the Date of issue of report	Pending in Process
8.	Regulation 23(9) Disclosure of the RPT with half yearly Financials for the Half year ending 31 March 2021.	Not Filed till the Date of issue of report	Pending in Process
9.	Large Entity Disclosure vide SEBI circular SEBI/HO/DDHS/CIR/P/2018/144 dated 26/11/2018	Delay in Submission of 51 Days	Submitted as on 12 th Day of August 2020.
10.	Annual General Meeting of the Company was convened after the Due Date and other allied Compliances were also made delay due to the Delay in AGM.	The AGM was held as on 26.02.2021	The AGM was held as on 26.02.2021

I further report that the E-form INC-22A i.e. ACTIVE form is not yet filed for the Company due to which the Status of the company is showing ACTIVE Non-Compliant on MCA Portal.

I further report that the DIN of Mr. Arvind Dham and Shekhar Gupta, Directors of the Company are deactivated due to non-filing of DIR-3KYC.

I further report that the E-form DIR-12 for the appointment of Mr. Yogesh Kapur is not filed and the company is not able to file the E-Form due to Non-Filing of ACTIVE form.



I further report that the Company has not filed e-form DIR-12 for Resignation of Ms. Anuradha Kapur and Mr. Shekhar Gupta from the post of the Directorship of the Company after the Commencement of CIRP process against the Company. Further, Ms. Anuradha Kapur has filed DIR-11 of her Resignation.

I further report that Company has filed the DIR-12 of Mr. John Ernest Flintham for resignation with effect from 31.03.2018 in the period under the review along with the applicable late fees.

I further report that the return of Deposit through E-form DPT-3 for the period under review and previous financial year has not been filed by the Company till the date of this report.


I further report that half-yearly return regarding their outstanding payments to the MSME through form MSME-1 for the period under the review has not been filed by the Company till the date of this report.

I further report that an extension was granted by MCA in the timeline for holding Annual General Meeting till December 31st from September 30th for the F.Y. 2019-20. However the Company was unable to convene the meeting till the extended due date and the AGM was conducted through Video Conference (VC) mode on 26/02/2021. Pursuant to that all the allied Compliances of Annual General Meeting also got delayed.

I further report that, the Company has delayed in transferring the unpaid/unclaimed dividend to IEPF within the stipulated time limited, declared at the Annual General Meeting held on 28th December 2012 thereby delayed in compliance of the provisions of Section 124(5) of the Companies Act, 2013. Similarly, the Company has not yet transferred the shares in respect of which dividend is unclaimed or unpaid for than 7 years and which were due for transfer to IEPF till the date of this report. Thus, the Company has delayed in compliance of the provisions of Section 124 of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Further the compliances under the IEPF regulation are delayed.

The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.

(b) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued there under:

Sl. No.	Action Taken by	Details of Violation	Details of action taken	Observations/ remark of the Practicing Company Secretary, if any
1.	Stock Exchange	Notice vide NSE/LIST-SOP/REG33/FINES/101662 dated 16/10/2020 for Non-Compliance of Listing Regulation 33 of the SEBI (LODR) Regulation, 2015 for March 2020	Penalty of Rs. 1,82,900	Pending Under Process.
2.	Stock Exchange	Notice vide NSE/LIST-SOP/REG6(1)/FINES/101661 dated 04/08/2020 for Non-Compliance of Listing Regulation 6(1) of the SEBI (LODR) Regulation, 2015 for Appointment of Company Secretary	Penalty of Rs. 74,340	Company Secretary Appointed. However penalty not paid. 
3.	Stock	Notice vide NSE/LIST-	Penalty of	Pending Under Process.

	Exchange	SOP/REG-34/FINES/0814 dated 08/01/2021 for Non-Compliance with Regulation 34 of the SEBI (LODR) Regulations, 2015 for March 2021	Rs. 68,440	
4.	Stock Exchange	Notice vide NSE/LIST-SOP/COMB/FINES/0815 dated 15/03/2021 for Non-Compliance of Listing Regulation 33 of the SEBI (LODR) Regulation, 2015 for December 2020	Penalty of Rs. 1,65,200	Pending Under Process
5.	Stock Exchange	Notice vide NSE/LIST-SOP/COMB/FINES/0813 dated 14/12/2020 for Non-Compliance of Listing Regulation 33 of the SEBI (LODR) Regulation, 2015 for September 2020	Penalty of Rs.1,59,300	Pending Under Process
6.	SEBI	SEBI has passed an adjudication order in terms of Regulation 31(1) read with 31(3) of SEBI (SAST) Regulation	Penalty of Rs. 10,00,000	Pending Under Process

I further report that having regard to compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

The Factories Act, 1948;

- i) The Petroleum Act, 1934 and the rules made there under;
- ii) The Environment Protection Act, 1986 and the rules made there under;
- iii) The Water (Prevention and Control of Pollution) Act, 1974 and the rules made there under; and
- iv) The Air (Prevention and Control of Pollution) Act, 1981 and the rules made there under

I further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated laws.

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

Secretarial Standards issued by The Institute of Company Secretaries of India notified with effect from July 1,

the Listing Agreements entered into by the Company with The National Stock Exchange of India & The BSE

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations,



Guidelines, Standards, etc. mentioned above.

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

For Mukul Dusad & Associates



Mukul Dusad
Practicing Company Secretary
M. No: 60067
COP No.: 22589

Place: Jaipur
Date: 06/12/2021

UDIN:A060067C001667882

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

Annexure B

To,

The Members, Metalyst Forgings Limited
Gate No 614 Village Kuruli Khed, Pune Mh
410501

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

1. Maintenance of secretarial records 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. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Mukul Dusad & Associates



Mukul Dusad
Practicing Company Secretary
M. No: 60067
COP No.: 22589

Place: Jaipur
Date: 06/12/2021

UDIN: A060067C001667882

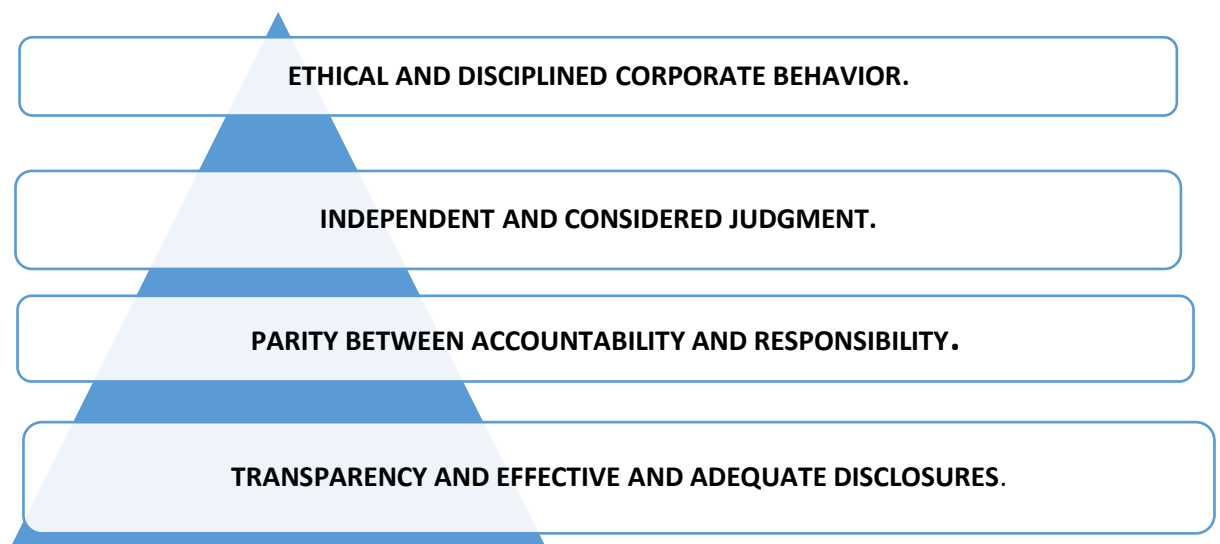
REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2020- 21

The Company has been following High standards of Corporate Governance Principles, Policies and Practices over the Period under Review.

I. METALYST'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on corporate governance is adopting best practices of corporate governance and focus on enhancement of long term stakeholder value without compromising on ethical standards and corporate social responsibilities. This includes respect for human values, individual dignity and adherence to honest, ethical and professional conduct. Our commitment to these values is articulated through the Company's Vision and policies.

At Metalyst, Corporate Governance is all about maintaining an open, fair and trustworthy relationship. The company's philosophy on corporate governance is marked by the following fundamental principles:



II. BOARD OF DIRECTORS

Before the Commencement of Corporate Insolvency Resolution Process (CIRP) against the Company, our company, the Board along with its Committees provides leadership and guidance to the Company's management as also direct, supervise and control the performance of the Company. We believe an active, well-informed board is vital to attain the highest standards of Corporate Governance. An independent and strong board is the utmost requirement of the Company so as to ensure that the best practices are adopted by the Company. At Metalyst, we have a proper blend of executive and independent directors, who have rich knowledge and experience in the industry for providing strategic guidance and direction to the Company.

The role and responsibilities of the Board of Directors after the Commencement of Corporate Insolvency Resolution Process (CIRP) shall be fulfilled by Resolution Professional in accordance with sections 17 and 23 of Insolvency and Bankruptcy Code 2016 and powers of the Board of Directors stands suspended.

➤ COMPOSITION OF BOARD

Before the Commencement of Corporate Insolvency Resolution Process (CIRP) the Board of Directors has an optimum combination of Executive and Non-Executive Directors having rich

knowledge and experience in the industry for providing strategic guidance and direction to the Company. The Chairman of the Board is a Non-Executive Independent Director. The composition of Board is in conformity with Regulation 17 of SEBI (LODR), Regulations, 2015.

The Composition of the Board as on **March 31st, 2021** along with the details of the Directors with regard to their Directorship in other Companies, Committee position as well as attendance at last Annual General Meeting and Board Meeting During the Financial Year are as follows:

Name of Director	Category	No. of Board Meetings during the Year 2020-21	Attendance at the Last AGM held on 26 February 2021	No. of Directorship held in listed entities including this listed entity*	No. of Committee Position held in listed entities including this listed entity	
					Chairman	Memberships
Mr. Arvind Dham DIN: 00047217	Non- Independent & Non-Executive Director	Company is Under IBC No Meeting of Board of Directors Held During FY 2020-21	Company is Under IBC Last AGM Conduct By Authorised Representative of Resolution Professional.	1	0	4
Mr. Yogesh Kapur DIN: 00014385	Chairman , Non- Executive & Independent Director			2	2	2
Mr. Shekhar Gupta DIN: 01744465	Whole Time Director			1	0	0
Mr. Brajindar Mohan Singh DIN: 02143830	Independent & Non- Executive Director			4	0	4

Notes:

* This excludes directorship held in Public unlisted Companies, Private Companies, Foreign Companies and Companies formed under Section 8 of the Companies Act, 2013
None of the Non Executive Directors serves as Independent Director in more than seven listed companies and none of the Executive Director serves as an Independent Director on any listed company. As required by Regulation 46 of SEBI (LODR) Regulations, 2015, the Company has issued formal letters of appointment to the Independent Directors. The terms and conditions of appointment of Independent Directors and the details of the familiarization programme of the Independent Directors are available.

As the Company is Currently under Corporate Insolvency Resolution Process (CIRP) under pursuant to the provision of Insolvency and Bankruptcy Code 2016 and the powers of the Board of Directors / committees stands suspended. Therefore no declaration is received from Director.

➤ **BOARD PROCEDURES AND MEETINGS**

The Board of Directors/Resolution Professional (RP) of your Company plays a pivotal role in ensuring good governance and functioning of the Company. The Board's/RP role, functions, responsibility, and accountability are well defined. The Board/RP reviews compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances, if any.

After the Commencement of Corporate Insolvency Resolution Process (CIRP) shall be fulfilled by Resolution Professional in accordance with sections 17 and 23 of Insolvency and Bankruptcy Code 2016 and powers of the Board of Directors/Committees stand suspended.

➤ **DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTORS INTER SE:**

None of the other directors are related to any other director on the Board.

➤ **DETAILS OF EQUITY SHARES & CONVERTIBLE INSTRUMENTS HELD BY NON EXECUTIVE DIRECTORS OF THE COMPANY AS ON MARCH 31, 2021 ARE GIVEN BELOW:**

During the Period under review, Non-Executive Director is not holding any Equity Shares or convertible instruments in the Company.

➤ **INDEPENDENT DIRECTORS MEETINGS**

During the period under review no meetings of Independent Directors was held as the Company is under Corporate Insolvency Resolution Process (CIRP) and its powers shall be fulfilled by Resolution Professional in accordance with sections 17 and 23 of Insolvency and Bankruptcy Code 2016 and powers of the Board of Directors stand suspended.

➤ **INDEPENDENT DIRECTORS**

Before the commencement of Corporate Insolvency Resolution Process (CIRP) against the Company, all the Independent Directors have confirmed that they meet the Independence Criteria as mentioned under the Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015 and Section 149(6) of the Companies Act, 2013.

Further Pursuant to regulation 17A a person shall not serve as an independent director in more than Seven Listed entities.

However after the commencement of Corporate Insolvency Resolution Process (CIRP), the Company has not received any declaration. Further the powers of Board of Directors/Committees stands suspended and its being exercised by the Resolution Profession pursuant to the provision of code 2016.

The Familiarization Program for Independent Directors has been adopted by the Board of Directors pursuant to Regulation 25(7) of SEBI Listing Regulations, 2015; the detailed policy is available at the website of the Company (www.amtek.com/mfl.php).

➤ **CRITERIA OF SELECTION OF INDEPENDENT DIRECTORS**

Before the Commencing of CIRP against the Company the Board Governance, Nomination and Compensation Committee considers the following attributes/ criteria, whilst recommending to the Board the candidature for appointment as Independent Director.

- ✓ Qualification, expertise and experience of the Directors in their respective fields.
- ✓ Personal, professional or business standing.
- ✓ Diversity of the Board.

In case of appointment of Independent Directors, the Board Governance, Nomination and Compensation Committee satisfies itself with regard to the independence of the Directors vis-à-vis the Company so as to enable the Board to discharge its functions and duties effectively.

The Board Governance, Nomination and Compensation Committee ensures that the candidates identified for appointment as Directors are not disqualified for appointment under Section 164 and other applicable provisions of the Companies Act, 2013.

In case of re-appointment of Independent Directors, the Board takes into consideration the performance evaluation of the Independent Directors and their engagement level.

III. BOARD COMMITTEES

Before the Commencement of Corporate Insolvency Resolution Process (CIRP), The Board has constituted sub-committees to focus on specific areas and make informed decisions within the authority delegated to each of the Committees. Each Committee of the Board is guided by its Charter, which defines the scope, powers and composition of the Committee. All decisions and recommendations of the Committees are placed before the Board for information or approval.

The Committees and the Senior Management functions as on March 31st, 2021 are illustrated below:-

- ❖ **AUDIT COMMITTEE**
- ❖ **HUMAN RESOURCES, NOMINATION AND REMUNERATION COMMITTEE**
- ❖ **STAKEHOLDERS RELATIONSHIP COMMITTEE**
- ❖ **CSR COMMITTEE**
- ❖ **FINANCE COMMITTEE**
- ❖ **RISK MANAGEMENT COMMITTEE**
- ❖ **SHARE TRANSFER COMMITTEE**
- ❖ **SEXUAL HARASSMENT COMMITTEE**

Further After the Commencement of Corporate Insolvency Resolution Process (CIRP) The role and responsibilities of the Committees specified in regulations 18,19,20 and 21 of **SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2018** shall be fulfilled by Resolution Professional and powers of the *Board of Directors/committees stand suspended*.

1. AUDIT COMMITTEE

A. COMPOSITION OF AUDIT COMMITTEE

Before the Commencement of Corporate Insolvency Resolution Process (CIRP) the Board of the Company has duly constituted an Audit Committee, the Audit Committee comprises of three non-executive Directors. The constitution of the Audit Committee meets the requirement of Section 177 of the Companies Act, 2013 and guidelines set out in SEBI Listing Regulations, 2015. All the members of the Committee were provided requisite information as required in the Listing Regulations.

The role and responsibilities of Audit Committee as specified under Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, after the Commencement of Corporate Insolvency Resolution Process (CIRP) shall be fulfilled by Resolution Professional in accordance with sections 17 and 23 of Insolvency and Bankruptcy Code 2016 and powers of the Board of Directors and their Committees stand suspended.

During the period under review, the Audit Committee comprises of following members:

Name of Member	Designation
Mr. Yogesh Kapur	Chairman

B. MEETING OF AUDIT COMMITTEE

During the period under review the meetings of Audit Committee was as follows:

Name Of Members	Category	Position in the Committee	No. of Meeting Attended	
			Held	Attended
Mr. Yogesh Kapur	Independent Director	Chairman	Company is Under IBC and Role & Responsibilities of Audit Committees fulfilled by Resolution Professional & powers of the Board of Directors & their Committees stand Suspended.	

C. TERM OF REFERENCE

The terms of reference of the audit committee are broadly as under:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 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
- Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 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;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;
- Discussion with internal auditors of any significant findings and follow up there on;
- 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;
- 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;
- 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;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- **To mandatorily review the following information:**
 - Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the Audit

Committee), submitted by management;

- Management letters/letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
- The audit committee invites executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings.

2. NOMINATION AND REMUNERATION COMMITTEE

Before the Commencement of Corporate Insolvency Resolution Process against the company, the company has constituted the Human Resources, Nomination and Remuneration Committee. The Committee inter alia reviews and approves the Annual salaries, commission, service agreement and other employment conditions for the Executive Directors and senior management. The committee has been constituted to rationalize all employees' related issues, while adhering to the requirements of the Companies Act, 2013, SEBI Listing Regulations as amended from time to time. The Nomination and Remuneration Policy is available on the Company Website at <http://www.amtek.com>.

The remuneration policy is in consonance with the existing industry practice. The Committee comprises of all non- executive and two independent Directors.

As per SEBI(Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2018, dated 31st May,2018 the role and responsibilities of the Committees, after the Commencement of Corporate Insolvency Resolution Process (CIRP) shall be fulfilled by Resolution Professional and powers of the Board of Directors stand suspended.

A. COMPOSITION AND MEETING OF THE NOINATION AND REMUNERATION COMMITTEE

During the period under review the composition and details of meetings of Nomination and Remuneration Committee as follows:

Name Of Members	Category	Position in the Committee	No Of Meeting Attended	
			Held	Attended
Mr. Brajindar Mohan Singh	Independent Director	Chairman	Company is Under IBC Role & Responsibilities of Audit Committees fulfilled by Resolution Professional & powers of the Board of Director & their Committees stand Suspended.	
Mr. Yogesh Kapur	Independent Director	Member		

B. TERMS OF REFERENCE

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

- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report;
- Carry out evaluation of every director's performance and support the board and independent directors in evaluation of the performance of the board, its committees and individual directors;
- Recommend to the board the remuneration policy for directors, executive team or key managerial personnel as well as the rest of the employees.

C. PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTOR

Before the Commencement of Corporate Insolvency Resolution Process against the company the Independent Directors comply with the definition of Independent Directors as given under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. While appointing/re-appointing any Independent Directors/Non-Executive Directors on the Board, the Nomination and Remuneration Committee considers the criteria as laid down in the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

2 REMUNERATION OF DIRECTORS

A. REMUNERATION POLICY:

- Before the Commencement of Corporate Insolvency Resolution Process against the company the remuneration of the Board members is based on the Company's size & global presence, its economic & financial position, industrial trends, compensation paid by the peer companies, etc. Compensation reflects each Board member's responsibility and performance. The level of compensation to Executive Directors is designed to be competitive in the market for highly qualified executives.
- The Company pays remuneration to Executive Directors by way of salary, perquisites & retirement benefits (fixed components) & commission (variable component), based on recommendation of the Nomination and Remuneration Committee, approval of the Board and the shareholders. The commission payable is based on the performance of the business/ function as well as qualitative factors. The commission is calculated with reference to net profits of the Company in the financial year subject to overall ceilings stipulated under Section 197 of the Companies Act, 2013.
- No sitting fees has paid to Independent Directors as the company is in Corporate Insolvency Resolution Process (CIRP) and no Board/Committees meeting was held during the period under review.
- Remuneration of employees largely consists of basic remuneration, perquisites, allowances and performance incentives. The components of the total remuneration vary for different employee grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by them, their individual performances, etc. The annual variable pay of senior managers is linked to the Company's performance in general and their individual performance for the relevant year is measured against specific major performance areas which are closely aligned to the Company's objectives.

The Company does not have any Employee Stock Option Scheme & There were no other Pecuniary relationships or transactions of the Non-Executive Directors with the Company

B. DETAILS OF THE REMUNERATION FOR THE PERIOD ENDED MARCH 31, 2021:-

➤ **Non-Executive Independent Directors:**

S. No.	Name of Non-Executive Director	Sitting Fee	Commission	Total
1	Mr. Brajindar Mohan Singh	NIL	NIL	NIL
2	Mr. Yogesh Kapur	NIL	NIL	NIL

➤ **Managing Director/Whole Time Director and Executive Director**

S. No.	Executive Director	Salary* (Rs.in Lacs)	Commission	Total
1	Mr. Shekhar Gupta	NIL	NIL	NIL

As per SEBI(Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2018, dated 31st May,2018 the role and responsibilities of the Committees, after the Commencement of Corporate Insolvency Resolution Process (CIRP) shall be fulfilled by Resolution Professional and powers of the Board of Directors stand suspended.

3. STAKEHOLDER'S RELATIONSHIP COMMITTEE

Before the Commencement of Corporate Insolvency Resolution Process (CIRP) against the company, in terms of Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations, the Board has constituted the Stakeholders' Relationship Committee. The Company has also adopted code of internal procedures and conduct for prevention of insider trading in the shares of the Company, pursuant to Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

As per SEBI(Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2018, dated 31st May,2018 the role and responsibilities of the Committees, after the Commencement of Corporate Insolvency Resolution Process (CIRP) shall be fulfilled by Resolution Professional and powers of the Board of Directors/committees stand suspended.

A. COMPOSITION AND MEETING OF COMMITTEE

The Composition of Stakeholders' Relationship Committee and its attendance was as follows:

Name Of Members	Category	Position in the Committee	No Of Meeting Attended	
			Held	Attended
Mr. Yogesh Kapur	Independent Director	Chairman	During FY 2020-21 no Meeting	

Mr. Brajinder Mohan Singh	Independent Director	Member	of Stakeholders' Relationship Committee Held as Company is Under CIRP.
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B. TERMS OF REFERENCE OF THE COMMITTEE, INTER ALIA, INCLUDES THE FOLLOWING:

- Oversee and review all matters connected with the transfer of the Company's securities.
- Monitor remedy of investors' / shareholders' / security holders' grievances.
- Oversee the performance of the Company's Registrars and Transfer Agents.
- Recommend methods to upgrade the standard of services to investors.
- Monitor implementation of the Company's Code of Conduct for Prohibition of Insider Trading.
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/amendment or modification as may be applicable.

C. STATUS OF INVESTORS COMPLAINTS

Details of investor complaints received and redressed during the Financial year 2019-20 are as follows:

Complaints Investor Complaints Received From ending at the beginning i.e 01.04.2020	Received during the Period Ended 31.03.2021	Disposed Off during Period Ended 31.03.2021	Unresolved as at 31.03.2021
SEBI	NIL	NIL	NIL
BSE/NSE	NIL	NIL	NIL
Shareholders/Investors	NIL	NIL	NIL

4. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Before the Commencement of Corporate Insolvency Resolution Process (CIRP) against the company, the Company in terms of Section 135 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 has constituted a Corporate Social Responsibility Committee which is primarily responsible for formulating and monitoring the implementation of the framework of corporate social responsibility policy, other policies under Business Responsibility Policy Manual and to look into sustainability matters and matters related to overall governance.

After the Commencement of Corporate Insolvency Resolution Process (CIRP) Role & Responsibility of Corporate Social Responsibility Committee shall be fulfilled by Resolution Professional in accordance with sections 17 and 23 of Insolvency and Bankruptcy Code 2016 and powers of the Board of Directors stand suspended.

A. COMPOSITION

During the period under review the composition is as follows:-

Name of Members	Designation
Mr. Brajindar Mohan Singh	Chairman
Mr. Yogesh Kapur	Member

B. MEETINGS

During FY 202021 no Meeting of Corporate Social Responsibility Committee held as Company is Under Corporate Insolvency Resolution Process (CIRP).

C. TERMS OF REFERENCE OF THE COMMITTEE, INTER ALIA, INCLUDES THE FOLLOWING:

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made there under;
- To recommend the amount of expenditure to be incurred on the CSR activities;
- To monitor the implementation of the framework of the CSR Policy;
- To oversee the implementation of polices.

5. FINANCE COMMITTEE

After the Commencement of Corporate Insolvency Resolution Process (CIRP) Role & Responsibility of Corporate Social Responsibility Committee shall be fulfilled by Resolution Professional in accordance with sections 17 and 23 of Insolvency and Bankruptcy Code 2016 and powers of the Board of Directors stand suspended.

During the period under review the composition is as follows:-

S. No.	Name of Directors	Category of Director
1.	Mr. Arvind Dham	Chairman
2.	Mr. Yogesh Kapur	Member

A. TERMS OF REFERENCE OF THE COMMITTEE, INTER ALIA, INCLUDES THE FOLLOWING:

- Review the Company's financial policies, risk assessment and minimization procedures, strategies and capital structure, working capital and cash flow management, and make such reports and recommendations to the Board with respect thereto, as it may deem advisable ;
- Review banking arrangements and cash management;
- Exercise all powers to borrow money (otherwise than by issue of debentures) within limits approved by the Board, and take necessary actions connected therewith, including refinancing for optimization of borrowing costs;

- Give guarantees/issue letters of comfort/providing securities within the limits approved by the Board;
- Borrow money by way of loan and/or issue and allot bonds/notes denominated in one or more foreign currencies in international markets for the purpose of refinancing the existing debt, capital expenditure, general corporate purposes, including working capital requirements and possible strategic investments within limits approved by the Board;
- Carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable;
- Other transactions or financial issues that the Board may desire to have them reviewed by the Finance Committee;
- Delegate authorities from time to time to the executives/ authorized persons to implement the Committee's Decisions;
- Review regularly and make recommendations about changes to the charter of the Committee.

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations (Third Amendments) Regulations 2018 dated 31st May 2018, that after the Commencement of Corporate Insolvency Resolution Process (CIRP) Roles & Responsibility of Committee shall be fulfilled by Resolution Professional in accordance with sections 17 and 23 of Insolvency and Bankruptcy Code 2016 and powers of the Board of Directors stand suspended.

6. RISK MANAGEMENT COMMITTEE

Before the Commencement of Corporate Insolvency Resolution Process (CIRP) against the company the risk management committee of the Company is constituted in line with the provisions of Regulation 21 of SEBI (LODR) Regulations,2015. The Risk Management Committee comprising of following directors.

The Composition of Risk Management is as follows:

S. No.	Name of Directors	Category of Director
1	Mr. Arvind Dham	Chairman
2	Mr. Brajindar Mohan Singh	Member

The purpose of the committee is to assist the board in fulfilling its corporate governance duties by overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and environmental risks. The committee has the overall responsibility of monitoring and approving the risk policies and associated practices of the Company.

The risk management committee is also responsible for reviewing and approving the risk disclosure statements in any public documents or disclosure.

However after the Commencement of Corporate Insolvency Resolution Process (CIRP) Role & Responsibility of Risk Management Committee shall be fulfilled by Resolution Professional in accordance with sections 17 and 23 of Insolvency and Bankruptcy Code 2016 and powers of the Board of Directors stand suspend.

7. SHARE TRANSFER COMMITTEE

The Board has delegated the powers to approve transfer of the Shares to share transfer Committee. During the period, committee met two times and approved transfer of the shares lodged with the Company.

The Committee deals with the following matters:-

- Transfer/transmission of shares;
- Issue of new share certificates/duplicate share certificates;
- Review of de - materialization of shares; and
- All other matters relating to shares.

8. SEXUAL HARASSMENT COMMITTEE

As per the requirement of the Provisions of the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal Act, 2013) & the Rules made there under. The Company has constituted Sexual Harassment Committee.

Company is totally committed in providing an environment that is free from discrimination and harassment. We recognize the rights of our employees and provide forums, support groups and policies to hear and address their issues, concerns and resolve them in a fair and transparent manner. Our Sexual Harassment Committee members helps employees express their grievances and address them in a fair and objective manner. The cases are patiently heard and resolved by an unbiased group. We have a whistle blower policy as well that assures complete anonymity and confidentiality of information to the reporting individual.

After the Commencement of Corporate Insolvency Resolution Process (CIRP) Role & Responsibility of Sexual Harassment Committee shall be fulfilled by Resolution Professional in accordance with sections 17 and 23 of Insolvency and Bankruptcy Code 2016

IV. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

The Company does not have any subsidiary, Joint Venture and Associate Company.

V. GENERAL BODY MEETINGS

A. Annual General Meeting

The last three Annual General Meetings were held as under:-

Year	Location	Date	Time	Special Resolutions Passed
2019-20	through Video Conferencing (VC)/ Other Audio Visual means OVAM	26.02.2021	11.00 A.M	No Special Resolution Passed

2018-19	Gat No. 614, At Village Kuruli Tal. Khed, Pune-410 501	28.09.2019	10.00 A.M.	No Special Resolution Passed
2017-18	Gat No. 614, At Village Kuruli Tal. Khed, Pune-410 501	28.09.2018	10.00 A.M.	No Special Resolution Passed

B. POSTAL BALLOT HELD DURING THE FINANCIAL YEAR 2020-21

No postal ballot was conducted during the financial year 2020-21. There is no immediate proposal for passing any resolution through postal ballot. None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a special resolution through postal ballot.

C. EXTRAORDINARY GENERAL MEETINGS

No Extraordinary General Meeting of the Members was held during the financial year under review:

VI. DISCLOSURES

● **RELATED PARTY TRANSACTIONS**

Details of related party transactions entered into by the Company are included in the Notes to Accounts. Material individual transactions with related parties are in the normal course of business on an arm's length basis and do not have potential conflict with the interests of the Company at large. Transactions with related parties entered into by the Company in the normal course of business are placed before the Audit Committee/Resolution Professional.

The Company usually enters into the transactions with its related parties. The Policy for Related Party Transactions have been adopted by the Board and the same is available at the Company's website (www.amtek.com).

● **DETAILS OF NON-COMPLIANCE BY THE COMPANY**

There were no instances of non-compliance by the Company and no penalties, or strictures were imposed on the Company by Stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years except described in Secretarial Audit Report as attached as Annexure-I.

● **DISCLOSURE OF ACCOUNTING TREATMENT**

In the preparation of financial statements for the period ended on 31st March, 2021; there was no treatment different from that prescribed in an accounting standard that had been followed.

- **MANAGEMENT**

As part of the directors' report or as an addition thereto, a Management Discussion and Analysis report should form part of the Annual Report to the shareholders. This Management Discussion & Analysis should include discussion on the following matters within the limits set by the company's competitive position:

- a. Industry structure and developments.
- b. Opportunities and Threats.
- c. Segment-wise or product-wise performance.
- d. Outlook
- e. Risks and concerns.
- f. Internal control systems and their adequacy.
- g. Discussion on financial performance with respect to operational performance.
- h. Material developments in Human Resources / Industrial Relations front, including number of People employed.

The Code of Conduct for the Board of Directors and the senior management have been disclosed on the website of the Company.

- **SHAREHOLDERS**

- Quarterly results and presentations made by the company to analysts/investors have been uploaded on Company's web-site.
- Stakeholders Relationship Committee (formerly known as Shareholders Grievances Committee) has already been constituted.
- To expedite the process of share transfers, the Board of the company has already constituted the Share Transfers Committee.

- **DISCLOSURE OF RESIGNATION OF DIRECTORS**

The Company adopts the policy to disclose and upload the letter of resignation along with the detailed reasons provided by the director on its website within one working day from the date of receipt of the letter of resignation.

- **DISCLOSURE OF FORMAL LETTER OF APPOINTMENT**

The Company adopts the policy to disclose and upload the letter of appointment of the independent Director along with the detailed profile on its website within one working day from the date of such appointment.

- **DISCLOSURE IN THE ANNUAL REPORT**

- The details of the establishment of vigil mechanism have been disclosed on its website (<http://www.amtek.com/mfl.php>).
- The Company have been disclosed the remuneration policy and evaluation criteria on its website (<http://www.amtek.com/mfl.php>).

- **PROCEEDS FROM PUBLIC ISSUES, RIGHTS ISSUES, PREFERENTIAL ISSUES**
During the year under review, no proceeds have been received through public issue, right issue and preferential issue etc.

- **DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF NON MANDATORY REQUIREMENTS**

The Company has complied with all mandatory requirements of the SEBI (LODR) Regulations, 2015 except which are exempted pursuant to the SEBI(LODR) (Third Amendment) Regulations 2018 dated 31st May 2018, for those Companies undergoing Corporate Insolvency Resolution Process (CIRP) . The Company has adopted the following non-mandatory requirements of Regulation 27 read with Part E of Schedule II of the Listing Regulations:

(a) MODIFIED OPINION(S) IN AUDIT REPORT

The Company is in the regime of financial statements with modified audit opinion. The details of the same is given in Auditor's Report which Forms Part of this Annual Report.

(b) SEPARATE POSTS OF CHAIRPERSON AND CHIEF EXECUTIVE OFFICER

The Chairman is not the Chief Executive Officer of the Company.

(c) REPORTING OF INTERNAL AUDITOR

The Internal Auditor reports directly to the Audit Committee/Resolution Professional.

- **NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) TO (10) OF PARA C TO SCHEDULE V OF THE LISTING REGULATIONS.**

The Company has complied with all the requirements in this regard, to the extent applicable, other than those which are exempted pursuant to the SEBI(LODR) (Third Amendment) Regulations 2018 dated 31st May 2018, for the Companies undergoing Corporate Insolvency Resolution Process (CIRP).

- **VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Audit Committee has established a Vigil, which provides a formal mechanism for all Directors and employees of the Company to approach the Management of the Company (Audit Committee in case where the concern involves the Senior Management) and make protective disclosures to the Management about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. The Company affirms that no director or employee of the Company has been denied access to the Audit Committee/Resolution Professional.

● **DISCLOSURES OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2)(B) TO (I) OF THE LISTING REGULATIONS:**

Sr. No.	Particulars	Regulation	Compliance Status Yes/No./N.A.	Compliance observed for the following:
1	Board of Directors	17	NA	1) Composition 2) Meetings 3) Review of Compliance reports 4) Plans for orderly succession for appointments 5) Code of Conduct 6) Employees/ compensation to Non-Executive Directors 7) Minimum information to be placed before the Board 8) Compliance Certificate 9) Risk Assessment & Management 10) Performance Evaluation of Independent Director
2	Audit Committee	18	NA	1) Composition 2) Meetings 3) Power of the Committee 4) Role of the Committee and review of information by the Committee
3	Nomination and Remuneration Committee	19	NA	1) Composition 2) Role of the Committee

4	Stakeholders' Relationship Committee	20	NA	1) Composition 2) Role of the Committee
5	Risk Management Committee	21	NA	1) Composition 2) Role of the Committee
6	Vigil Mechanism	22	Yes	1) Formulation of Vigil Mechanism for Directors and employees 2) Director access to Chairperson of Audit Committee
7	Related Party Transactions	23	Yes	1) Policy on Materiality of Materiality of Related Party Transactions 2) Approval including omnibus approval of Audit Committee/Resolution Professional 3) Approval for Material related party transactions
8	Subsidiaries of the Company	24	N.A	1)The Company does not have any subsidiary.
9	Obligations with respect to Independent Directors	25	NA	1) Maximum Directorships and Tenure 2) Meetings of Independent Director 3) Familiarization of Independent Directors
10	Obligations with respect to In Directors and Senior Management	26	NA	1) Memberships/ Chairmanships in Committee 2) Affirmation on Compliance of Code of Conduct of Directors and Senior management 3) Disclosure of shareholding by

				<p>non-executive directors</p> <p>4) Disclosure by senior management of about potential conflicts of interest</p>
11	Other Corporate Governance Requirements	27	Yes	Filing of quarterly compliance report on Corporate Governance
12	Website	46(2)	Yes	<p>1) Terms and conditions for appointment of Independent Directors</p> <p>2) Compositions of various Committees of the Board of Directors</p> <p>3) Code of Conduct of Board of Directors and Senior Management Personnel</p> <p>4) Details of establishment of Vigil Mechanism/ Whistle Blower policy</p> <p>5) Policy on dealing with Related Party Transactions</p> <p>6) Policy for determining material subsidiaries</p> <p>7) Details of familiarization programmes imparted to Independent Directors</p>

- **DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT (UNCLAIMED SHARES)**

Pursuant to Regulation 39 of the Listing Regulations, The disclosure as required under schedule V of the Listing Regulations is given below:

- a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year – **Nil**
- b) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year – **Nil**
- c) Number of shareholders to whom shares were transferred from suspense account during the year– **Nil**
- d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year – **Nil**
- e) Voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares – **NA**

VII. MEANS OF COMMUNICATION

➤ **QUARTERLY RESULTS:**

The Company's Results for quarter ended 30th June, 2020, 30th September, 2020, 31st December, 2020 and 31st March 2021 are sent to the Stock Exchanges and have been published in English and Vernacular Language newspaper (viz Financial Express and Loksatta). Simultaneously, they are also put up on the Company's website (www.amtek.com/mfl.php).

➤ **NEWS RELEASES:**

Official news releases are sent to Stock Exchanges and are displayed on its website (www.amtek.com).

WEBSITE:

The Company's website (www.amtek.com/mfl.php) contains a separate dedicated section 'Investor Relations' where shareholders' information is available.

➤ **NSE ELECTRONIC APPLICATION PROCESSING SYSTEM (NEAPS):**

The **NEAPS** is a web-based application designed by NSE for Listed Companies. All periodical compliance filings like Financial Results, Shareholding Pattern, Corporate Governance Report, Statement of Investor Complaints and Corporate Announcement are filed electronically on NEAPS.

➤ **BSE CORPORATE COMPLIANCE & LISTING CENTRE (THE 'LISTING CENTRE'):**

BSE's Listing Centre is a web-based application designed for Listed Companies. All periodical compliance filings like Financial Results, Shareholding Pattern, Corporate Governance Report, Statement of Investor Complaints and Corporate Announcement are also filed electronically on the Listing Centre.

VIII. GENERAL MEMBERS INFORMATION

● ANNUAL GENERAL MEETING

Date	Day	Time & Venue
NA	NA	NA

● FINANCIAL RESULTS FOR F.Y.- 2021-22 (tentative dates for publication)

Particular	Date
Financial year	01 st April 2021 To 31 st March, 2022
First Quarter Results	Mid of August, 2021
Second Quarter Results	Mid of November, 2021
Third Quarter Results	Mid of February, 2022
Fourth Quarter Results	End of May, 2022

● DATE OF BOOK CLOSURE

NA

● LISTING ON STOCK EXCHANGES

- The Shares of the Company are listed on The BSE Limited and National Stock Exchange of India Limited. Listing fees for the year 2020-2021 has been paid to the Stock Exchanges with- in the stipulated time.

● STOCK CODES

Particulars	Codes
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● STOCK MARKET DATA

Monthly high and low quotations of shares traded at BSE Limited and National Stock Exchange of India Limited.

Month	NSE		BSE	
	High	Low	High	Low
April' 2020	4.30	3.9	5.89	3.70
May, 2020	4.65	4.25	5.77	4.85
June, 2020	6.00	5.50	6.49	4.65

July, 2020	4.45	4.05	5.75	4.01
August, 2020	6.3	3.85	6.67	3.75
September, 2020	6	4.75	6.15	4.4
October, 2020	4.95	4.55	4.98	4.19
November, 2020	5	4.15	5.00	4.11
December, 2020	6.25	4.4	6.51	4.20
January, 2021	6.25	4.4	8.30	4.77
February, 2021	6.3	4.4	6.67	4.27
March, 2021	6.3	5	6.40	4.85

● **REGISTRAR AND SHARE TRANSFER AGENTS**

Beetal Financial & Computer Services Private Limited

BEETAL HOUSE, 3rd Floor, 99, Madangir, B/h. L.S.C New Delhi-110062

Phone No. : 011-29961281-8283 Fax No. : 011-29961284

● **DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31st, 2021**

No. of Shares held (Rs.10/- paid up)	Number of Shareholders	% of Total Shareholders	No of shares	Amount in Rs.
Up to 5000	14292	76.03	2133544	21335440
5001 10000	2131	11.33	1651993	16519930
10001 20000	1059	5.63	1609523	16095230
20001 30000	421	2.23	1079312	10793120
30001 40000	181	0.96	653697	6536970
40001 50000	175	0.93	819049	8190490
50001 100000	321	1.70	2292849	22928490
100001 Above	216	1.14	333100330	333100330
TOTAL	18796	100.00	43550000	435500000

● **THE SHAREHOLDING PATTERN AS ON MARCH, 31st 2021**

Category Code	Category of Shareholder	Total number of shareholder	Total Number of Shares	Percentage
(A)	Shareholding of Promoter and Promoter Group	2	26704492	61.319
(1)	Indian			
	(a) Individual's/Hindu Undivided Family	0	0	0
	(b) Central Government/State Government(s)	0	0	0
	(c) Bodies Corporate	2	26704492	61.319
	(d) Financial Institutions / Banks	0	0	0
	(e) Any Other (specify)	0	0	0
	Sub - Total (A) (1)	2	26704492	61.319
(2)	Foreign			
	(a) Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0
	(b) Bodies Corporate	0	0	0
	(c) Institutions	0	0	0
	(d) Any Other) Specify)	0	0	0
	Sub - Total (A) (2)	0	0	0
	Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	2	26704492	61.319
(B)	Public Shareholding			
(1)	Institutions			
	(a) Mutual Funds/UTI	1	3000	0.0069
	(b) Financial Institutions / Banks	4	3820	0.0088
	(c) Central Government / State	0	0	0

	Government(s)			
	(d) Venture Capital Funds	0	0	0
	(e) Insurance Companies	0	0	0
	(f) Foreign Venture Capital Investors	0	0	0
	(g) Foreign Portfolio Investors	0	0	0
	(h) Any Other (Specify)			
	Foreign Financial Institutions/banks	1	600	0.0014
	Sub Total (B) (1)	6	7420	0.0171
(2)	Non-Institutions			
	(a) Individuals-			
	i. Individual Shareholder holding nominal Share Capital upto Rs. 2 lakh	17306	1,06,21,134	24.39
	ii. Individual Shareholders holding nominal Share Capital in excess of Rs. 2 lakh	79	42,09,181	9.67
	(a) Any Other (specify)			
	i. Body Corporate	160	535375	1.23
	ii. Clearing Members	31	27375	0.06
	iii. Non Resident Indians (NRI)	180	268407	0.62
	iv. Other - Individual HUF	640	744252	1.71
	v. Other- IEPF authority	1	432364	0.99
	(B) = (B)(1) + (B)(2)	18403	16845508	38.67
(C)	TOTAL (A) + (B)	18405	43550000	100
	Shares held by Custodians and against which Depositor Receipts have been issued	0	0	0
	GRAND TOTAL (A)+(B)+(C)	18405	43550000	100

● **DEMATERIALIZATION OF SHARES**

The Dematerialization facility exists with both the NSDL and CDSL for the convenience of shareholders. As on 31st March, 2021. Below are the details of shares held in NSDL, CDSL and in physical form as at 31st March 2021.

MODE OF HOLDING	NUMBER OF SHARES	PERCENTAGE(%)
NSDL	36545871	83.917
CDSL	6810896	15.639
Physical	193233	0.444

- **COMMODITY PRICE RISK / FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES**

The nature of business of the Company does not involve any risks/require hedging activities.

- **SHARE TRANSFER SYSTEMS**

Pursuant to directions of SEBI, the facility to hold the Company's shares in electronic form are available to the members as the Company is registered with both the Depositories namely NSDL & CDSL. Share Transfer documents for physical transfer and requests for dematerialization of shares may be sent to Company's Registrar and Share Transfer Agents.

- **PLANT LOCATION**

Unit I - MIDC Area, Ahmednagar Unit II - Chakan, Dist. Pune
Unit III - Kuruli, Dist. Pune
Unit IV - Nalagarh, Distt. Solan, Himachal Pradesh Unit V MIDC Area, Aurangabad

- **INVESTORS CORRESPONDENCE MAY BE ADDRESSED TO :-**

3, L.S.C. Pamposh Enclave,
Greater Kailash-I, New Delhi-110048 Ph.: 011- 42344444
E-mail Id: info@metalyt.co.in

IX CODE OF CONDUCT

Before the Commencement of Corporate Insolvency and Resolution Process (CIRP) the Code of Business Conduct and Ethics for Directors/Management Personnel ('the Code'), as adopted by the Board, is a comprehensive Code applicable to Directors and Management Personnel. The Code, while laying down in detail, the standards of business conduct, ethics and governance centers around the following theme.

The Company's Board and Management Personnel are responsible for, and are committed to, setting the standards of conduct contained in this Code and for updating these standards, as appropriate, to ensure their continuing relevance, effectiveness and responsiveness to the needs of local and international investors and other stakeholders as also to reflect corporate, legal and regulatory developments. This Code should be adhered to in letter and in spirit'.

A copy of the Code has been put on the Company's website (www.amtek.com/mfl.php) The Code has been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually.

A declaration signed by the Whole Time Director is published in this Report.

X CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

Company has received the Certificate from the Secretarial auditor of the Company i.e. Mukul Dusad and associates regarding no disqualification of Directors which is forms part of this annual report.

XI COMPLIANCE CERTIFICATE OF THE AUDITORS

Certificate from the Company's Auditors, **Raj Gupta & Co.**, confirming compliance with conditions of Corporate Governance as stipulated under Regulation 34 read with Schedule V of the Listing Regulations, is annexed to the Corporate Governance Report forming part of this Annual Report.

XII CEO/CFO CERTIFICATION

The Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) read with Part B Schedule-II of the SEBI (LODR) Regulations, 2015. The Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the SEBI (LODR) Regulations, 2015. The annual certificate given by the Chief Financial Officer is published in this Report

By Order of the Board

For METALYST FORGINGS LIMITED

**Sd/-
Mr. Dinkar T. Venkatasubramanian
(Resolution Professional)**

Date:08/07/2022

MANAGEMENT DISCUSSION AND ANALYSIS REPORT 2020-21

ABOUT METALYST FORGINGS LIMITED

Metalyst Forgings Limited, (formerly known as Ahmednagar Forgings Limited), is an India-based forging axle beam and crankshaft manufacturing company. The Company operates through Automotive Components segment. Its product portfolio consists of a range of components for two/three wheelers, cars, tractors, light commercial vehicles (LCV), heavy commercial vehicles (HCV) and stationary engines. The Company has manufacturing facilities with vertical presses, hammers and upsetters. The Company has a product portfolio with a range of engineered components, including camshafts, connecting rods, crankshaft, crown wheel pinions and front axle beams. The Company's plants are located in Maharashtra Industrial Development Corporation (MIDC) Area, Ahmednagar; Chakan, Pune; Kuruli, Pune; Nalagarh, Himachal Pradesh, and MIDC Area, Aurangabad.

Further **National Company Law Tribunal, Mumbai Bench** has ordered the commencement of a corporate insolvency resolution process against Metalyst Forgings Limited on December 15th, 2017. Its affairs, business and assets are being managed by the Resolution Professional, **Mr. Dinkar T. Venkatasubramanian**, appointed as Interim Resolution Professional (IRP) by the National Company Law Tribunal by order dated 15th December, 2017 and continued as Resolution Professional (RP) by the Committee of Creditors in its meeting held on 12th January, 2018 under provisions of the Insolvency and Bankruptcy Code, 2016 & Resolution Plan Submitted By **Deccan Value Investors L.P.** has been Approved By Committee Of Creditors In Its Meeting Dated On **25th August, 2018.**

ECONOMIC OVERVIEW

Global Outlook

The global economic recovery is continuing, even as the pandemic resurges. The fault lines opened up by COVID-19 are looking more persistent—near-term divergences are expected to leave lasting imprints on medium-term performance. Vaccine access and early policy support are the principal drivers of the gaps.

Latest World Economic Outlook Growth Projections

(real GDP, annual percent change)	PROJECTIONS		
	2020	2021	2022
World Output	-3.1	5.9	4.9
Advanced Economies	-4.5	5.2	4.5
United States	-3.4	6.0	5.2
Euro Area	-6.3	5.0	4.3
Germany	-4.6	3.1	4.6
France	-8.0	6.3	3.9
Italy	-8.9	5.8	4.2
Spain	-10.8	5.7	6.4
Japan	-4.6	2.4	3.2
United Kingdom	-9.8	6.8	5.0
Canada	-5.3	5.7	4.9
Other Advanced Economies	-1.9	4.6	3.7
Emerging Market and Developing Economies	-2.1	6.4	5.1
Emerging and Developing Asia	-0.8	7.2	6.3
China	2.3	8.0	5.6
India	-7.3	9.5	8.5
ASEAN-5	-3.4	2.9	5.8
Emerging and Developing Europe	-2.0	6.0	3.6
Russia	-3.0	4.7	2.9
Latin America and the Caribbean	-7.0	6.3	3.0
Brazil	-4.1	5.2	1.5
Mexico	-8.3	6.2	4.0
Middle East and Central Asia	-2.8	4.1	4.1
Saudi Arabia	-4.1	2.8	4.8
Sub-Saharan Africa	-1.7	3.7	3.8
Nigeria	-1.8	2.6	2.7
South Africa	-6.4	5.0	2.2
<i>Memorandum</i>			
Emerging Market and Middle-Income Economies	-2.3	6.7	5.1
Low-Income Developing Countries	0.1	3.0	5.3

Source: IMF, World Economic Outlook, October 2021

Note: For India, data and forecasts are presented on a fiscal year basis, with FY 2020/2021 starting in April 2020. For the October 2021 WEO, India's growth projections are 8.3 percent in 2021 and 9.6 percent in 2022 based on calendar year.

The global economic recovery continues amid a resurging pandemic that poses unique policy challenges. Gaps in expected recoveries across economy groups have widened since the July forecast, for instance between advanced economies and low-income developing countries. Meanwhile, inflation has increased markedly in the United States and some emerging market economies. As restrictions are relaxed, demand has accelerated, but supply has been slower to respond. Although price pressures are expected to subside in most countries in 2022, inflation prospects are highly uncertain. These increases in inflation are occurring even as employment is below pre-pandemic levels in many economies, forcing difficult choices on policymakers. Strong policy effort at the multilateral level is needed on vaccine deployment, climate change, and international liquidity to strengthen global economic prospects. National policies to complement the multilateral effort will require much more tailoring to country-specific conditions and better targeting, as policy space constraints become more binding the longer the pandemic lasts.

IMPACT OF COVID - 19 IN WORLD ECONOMY

The COVID-19 outbreak (previously 2019-nCoV) was caused by the SARS-CoV-2 virus. This outbreak was triggered in December 2019 in Wuhan city in Hubei province of China. COVID19 continues to spread across the world. Initially the epicenter of the outbreak was China with reported cases either in China or being travellers from China

While there is no way to tell exactly what the economic damage from the global COVID-19 coronavirus pandemic will be, there is widespread agreement among economists that it will have severe negative impacts on the global economy. Early estimates predicated that, should the virus become a global pandemic, most major economies will lose at least 2.9 percent of their gross domestic product (GDP) over 2020. This forecast was already restated to a GDP loss of 3.4 percent. To put this number in perspective, global GDP was estimated at around 84.54 trillion U.S. dollars in 2020 – meaning that a 4.5 percent drop in economic growth results in almost 2.96 trillion U.S. dollars of lost economic output.

World Economic Growth Projection

The global economy is projected to grow 5.9 percent in 2021 and 4.9 percent in 2022, 0.1 percentage point lower for 2021 than in the July forecast. The downward revision for 2021 reflects a downgrade for advanced economies—in part due to supply disruptions—and for low-income developing countries, largely due to worsening pandemic dynamics. This is partially offset by stronger near-term prospects among some commodity-exporting emerging market and developing economies. Rapid spread of Delta and the threat of new variants have increased uncertainty about how quickly the pandemic can be overcome. Policy choices have become more difficult, with limited room to maneuver.

INDIAN ECONOMY

Indian economic Outlook

The International Monetary Fund (IMF) has retained its projection for India's economic growth in the current financial year at 9.5 per cent, even as it has moderately scaled down its forecast for the world economy during 2021 by 10 basis points to 5.9 per cent in view of worsening Covid dynamics and supply disruptions.

In its World Economic Outlook (WEO), the IMF has maintained India's gross domestic product (GDP) estimates for next financial year at 8.5 per cent, unchanged from its July projections.

The WEO, titled 'Recovery During a Pandemic Health Concerns, Supply Disruptions, and Price Pressures', has forecast world economic growth at 4.9 per cent for 2022, the same as earlier.

Union Minister for Finance and Corporate Affairs, Smt. Nirmala Sitharaman presented the Economic Survey 2020-21 in the Parliament today. The key highlights of Economic Survey 2020-21, which is **dedicated to the COVID Warriors**, are as follows:

Saving Lives and Livelihoods amidst a Once-in-a-Century Crisis

- India focused on saving lives and livelihoods by its willingness to take **short-term pain for long-term gain**, at the onset of the COVID-19 pandemic
- Response stemmed from the **humane principle** that:
 - **Human lives lost cannot be brought back**
 - GDP growth will recover from the temporary shock caused by the pandemic
- An **early, intense lockdown provided a win-win strategy** to save lives, and preserve livelihoods via economic recovery in the medium to long-term
- Strategy also motivated by the Nobel-Prize winning research by Hansen & Sargent (2001): a policy focused on **minimizing losses in a worst-case scenario** when uncertainty is very high
- India's strategy **flattened the curve**, pushed the peak to September, 2020
- After the September peak, India has been unique in experiencing **declining daily cases despite increasing mobility**
- **V-shaped recovery**, as seen in 7.5% decline in GDP in Q2 and recovery across all key economic indicators vis-à-vis the 23.9% GDP contraction in Q1
- COVID pandemic affected both demand and supply:
 - India was the only country to announce **structural reforms to expand supply** in the medium-long term and avoid long-term damage to productive capacities

- **Calibrated demand side policies** to ensure that the accelerator is slowly pushed down only when the brakes on economic activities are being removed
- A public investment programme centered around the **National Infrastructure Pipeline** to accelerate the demand push and further the recovery
- **Upturn in the economy, avoiding a second wave of infections** - a sui generis case in strategic policymaking amidst a once-in-a-century pandemic

State of the Economy in 2020-21: A Macro View

- COVID-19 pandemic ensued **global economic downturn**, the most severe one since the Global Financial Crisis
- The lockdowns and social distancing norms brought the already slowing **global economy to a standstill**
- Global economic output estimated to fall by 3.5% in 2020 (IMF January 2021 estimates)
- Governments and central banks across the globe deployed various policy tools to support their economies such as lowering policy rates, quantitative easing measures, etc.
- India adopted a **four-pillar strategy** of containment, fiscal, financial, and long-term structural reforms:
 - **Calibrated fiscal and monetary support** was provided, cushioning the vulnerable during the lockdown and boosting consumption and investment while unlocking
 - A **favourable monetary policy** ensured abundant liquidity and immediate relief to debtors while unclogging monetary policy transmission
- As per the advance estimates by NSO, India's GDP is estimated to grow by (-) 7.7% in FY21 - a **robust sequential growth of 23.9%** in H2: FY21 over H1: FY21

India's **real GDP** to record a **11.0% growth in FY2021-22** and **nominal GDP** to grow by **15.4%** – the **highest since independence**:

- Rebound to be led by low base and continued normalization in economic activities as the rollout of COVID-19 vaccines gathers traction
- **Government consumption** and **net exports** cushioned the growth from diving further down, whereas investment and private consumption pulled it down
- The recovery in second half of FY2020-21 is expected to be powered by **government consumption**, estimated to grow at **17% YoY**
- Exports expected to decline by 5.8% and imports by 11.3% in the second half of FY21
- India expected to have a **Current Account Surplus of 2% of GDP** in FY21, a **historic**

high after 17 years

- On supply side, Gross Value Added (GVA) growth pegged at -7.2% in FY21 as against 3.9% in FY20:

- o **Agriculture set to cushion the shock of the COVID-19 pandemic on the Indian economy in FY21 with a growth of 3.4%**

- o **Industry and services estimated to contract by 9.6% and 8.8% respectively during FY21**

Agriculture remained the silver lining while **contact-based services, manufacturing, construction were hit hardest**, and recovering steadily

- India remained a **preferred investment destination** in FY 2020-21 with FDI pouring in amidst global asset shifts towards equities and prospects of quicker recovery in emerging economies:

- o Net **FPI inflows** recorded an **all-time monthly high of US\$ 9.8 billion** in November 2020, as investors' risk appetite returned

- o **India was the only country among emerging markets to receive equity FII inflows in 2020**

- Buoyant SENSEX and NIFTY resulted in India's **market-cap to GDP ratio crossing 100% for the first time since October 2010**

- **Softening of CPI inflation** recently reflects easing of supply side constraints that affected food inflation

- Mild contraction of 0.8% in investment (as measured by Gross Fixed Capital Formation) in 2nd half of FY21, as against 29% drop in 1st half of FY21

- Reignited **inter and intra state movement** and record-high monthly **GST collections** have marked the unlocking of industrial and commercial activity.

- The **external sector** provided an effective cushion to growth with India recording a **Current Account Surplus of 3.1% of GDP** in the first half of FY21:

- o **Strong services exports** and weak demand leading to a sharper contraction in imports (merchandise imports contracted by 39.7%) than exports (merchandise exports contracted by 21.2%)

- o **Forex reserves** increased to a level so as to cover 18 months' worth of imports in December 2020

- o **External debt** as a ratio to GDP increased to 21.6% at end-September 2020 from 20.6%

at end-March 2020

o Ratio of forex reserves to total and short-term debt improved because of the sizable accretion in reserves

- **V-shaped recovery** is underway, as demonstrated by a sustained resurgence in high frequency indicators such as power demand, e-way bills, GST collection, steel consumption, etc.

- India became the **fastest country to roll-out 10 lakh vaccines** in 6 days and also emerged as a **leading supplier of the vaccine** to neighboring countries and Brazil

- **Economy's homecoming to normalcy** brought closer by the initiation of a mega vaccination drive:

Hopes of a robust recovery in services sector, consumption, and investment have been rekindled

Reforms must go on to enable India realize its potential growth and erase the adverse impact of the pandemic

- India's **mature policy response** to the 'once-in-a-century' crisis provides important lessons for democracies to avoid myopic policy-making and demonstrates benefits of focusing on **long-term gains**

Does Growth lead to Debt Sustainability? Yes, But Not Vice- Versa!

- **Growth leads to debt sustainability** in the Indian context but not necessarily vice-versa:

- o Debt sustainability depends on the 'Interest Rate Growth Rate Differential' (IRGD), i.e., the difference between the interest rate and the growth rate

o In India, **interest rate on debt is less than growth rate** - by norm, not by exception

- **Negative IRGD in India** – not due to lower interest rates but much higher growth rates – prompts a debate on fiscal policy, especially during growth slowdowns and economic crises

- Growth causes debt to become sustainable in countries with higher growth rates; such clarity about the causal direction is not witnessed in countries with lower growth rates

- Fiscal multipliers are disproportionately higher during economic crises than during economic booms

- **Active fiscal policy** can ensure that the full benefit of reforms is reaped by limiting potential damage to productive capacity
- Fiscal policy that provides an impetus to growth will lead to **lower debt-to-GDP ratio**
- Given India's growth potential, **debt sustainability is unlikely to be a problem** even in the worst scenarios
- **Desirable to use counter-cyclical fiscal policy** to enable growth during economic downturns
- Active, counter-cyclical fiscal policy - not a call for fiscal irresponsibility, but to break the intellectual anchoring that has created an **asymmetric bias against fiscal policy**

Does India's Sovereign Credit Rating Reflect Its Fundamentals? No!

- The **fifth largest economy in the world** has never been rated as the lowest rung of the investment grade (BBB-/Baa3) in sovereign credit ratings:
 - Reflecting the economic size and thereby the ability to repay debt, the fifth largest economy has been predominantly rated AAA
 - China and India are the only exceptions to this rule – China was rated A-/A2 in 2005 and now India is rated BBB-/Baa3
- **India's sovereign credit ratings do not reflect its fundamentals:**
 - A clear outlier amongst countries rated between A+/A1 and BBB-/Baa3 for S&P/Moody's, on several parameters

Rated significantly lower than mandated by the effect on the sovereign rating of the parameter

- Credit ratings map the **probability of default** and therefore reflect the willingness and ability of borrower to meet its obligations:
 - India's **willingness to pay** is unquestionably demonstrated through its **zero sovereign default history**
 - India's **ability to pay** can be gauged by low foreign currency denominated debt and **forex reserves**
- Sovereign credit rating changes for India have **no or weak correlation with macroeconomic indicators**
- India's fiscal policy should reflect Gurudev Rabindranath Tagore's sentiment of '***a mind without fear***'
- Sovereign credit ratings methodology should be made **more transparent, less**

subjective and better attuned to reflect economies' fundamentals

Inequality and Growth: Conflict or Convergence?

- The relationship between inequality and socio-economic outcomes vis-à-vis economic growth and socio-economic outcomes, is different in India from that in advanced economies.
- Both inequality and per-capita income (growth) have similar relationships with socio-economic indicators in India, unlike in advanced economies
- **Economic growth has a greater impact on poverty alleviation than inequality**
- India must continue to focus on **economic growth to lift the poor out of poverty**
- ***Expanding the overall pie*** - redistribution in a developing economy is feasible only if the size of the economic pie grows

Healthcare takes centre stage, finally!

- COVID-19 pandemic emphasized the importance of healthcare sector and its inter-linkages with other sectors - showcased how a health crisis transformed into an economic and social crisis
- India's **health infrastructure must be agile** so as to respond to pandemics - healthcare policy must not become beholden to 'saliency bias'
- **National Health Mission (NHM)** played a critical role in mitigating inequity as the access of the poorest to pre-natal/post-natal care and institutional deliveries increased significantly
- Emphasis on NHM in conjunction with **Ayushman Bharat** should continue
- An **increase in public healthcare spending from 1% to 2.5-3% of GDP** can decrease the **out-of-pocket expenditure from 65% to 35%** of overall healthcare spending
- A **regulator for the healthcare sector** must be considered given the market failures stemming from information asymmetry
 - Mitigation of information asymmetry will help **lower insurance premiums**, enable the offering of better products and **increase insurance penetration**
- Information utilities that help mitigate the information asymmetry in healthcare sector will be useful in **enhancing overall welfare**
- **Telemedicine** needs to be harnessed to the fullest by investing in **internet connectivity** and **health infrastructure**

Process Reforms

- India over-regulates the economy resulting in regulations being ineffective even with relatively good compliance with process
- The root cause of the problem of overregulation is an approach that attempts to account for every possible outcome

Increase in complexity of regulations, intended to reduce discretion, results in even more non-transparent discretion

- The solution is to **simplify regulations** and **invest in greater supervision** which, by definition, implies greater discretion
- Discretion, however, needs to be balanced with **transparency**, systems of ex-ante accountability and ex-post resolution mechanisms
- The above intellectual framework has already informed reforms ranging from labour codes to removal of onerous regulations on the BPO sector

Regulatory Forbearance an emergency medicine, not staple diet!

- During the Global Financial Crisis, regulatory **forbearance** helped borrowers tide over temporary hardship
- Forbearance continued long after the economic recovery, resulting in unintended consequences for the economy
- Banks exploited the forbearance window for window-dressing their books and misallocated credit, thereby damaging the quality of investment in the economy
- Forbearance represents emergency medicine that should be discontinued at the first opportunity when the economy exhibits recovery, not a staple diet that gets continued for years
- To promote judgement amidst uncertainty, **ex-post inquests must recognize the role of hindsight bias** and not equate unfavourable outcomes to bad judgement or malafide intent
- An **Asset Quality Review** exercise must be conducted immediately after the forbearance is withdrawn
- The **legal infrastructure** for the recovery of loans needs to be strengthened de facto

Innovation: Trending Up but Needs Thrust, Especially from the Private Sector

- **India entered the top-50 innovating countries for the first time in 2020** since the inception of the Global Innovation Index in 2007, ranking **first in Central and South Asia**, and third amongst lower middle-income group economies
- India's gross domestic expenditure on R&D (GERD) is lowest amongst top ten

economies

- **India's aspiration must be to compete on innovation with the top ten economies**
- The **government sector contributes a disproportionately large share in total GERD** at three times the average of top ten economies
- The business sector's contribution to GERD, total R&D personnel and researchers is amongst the lowest when compared to top ten economies
- This situation has prevailed despite higher tax incentives for innovation and access to equity capital
- **India's business sector needs to significantly ramp up investments in R&D**
- Indian resident's share in total patents filed in the country must rise from the current 36% which is much below the average of 62% in top ten economies
- For achieving higher improvement in innovation output, India must focus on **improving its performance on institutions and business sophistication innovation inputs**

JAY Ho! PM'JAY' Adoption and Health outcomes

- **Pradhan Mantri Jan ArogyaYojana (PM-JAY)** – the ambitious program launched by Government of India in 2018 to provide healthcare access to the most vulnerable sections demonstrates **strong positive effects on healthcare outcomes in a short time**
- PM-JAY is being used significantly for high frequency, low cost care such as dialysis and continued during the Covid pandemic and the lockdown.
- Causal impact of PM-JAY on health outcomes by undertaking a Difference-in-Difference analysis based on National Family Health Survey (NFHS)-4 (2015-16) and NFHS-5 (2019-20) is following:
 - Enhanced health insurance coverage: The proportion of households that had health insurance increased in Bihar, Assam and Sikkim from 2015-16 to 2019-20 by 89% while it decreased by 12% over the same period in West Bengal
 - Decline in Infant Mortality rate: from 2015-16 to 2019-20, infant mortality rates declined by 20% for West Bengal and by 28% for the three neighbouring states
 - Decline in under-5 mortality rate: Bengal saw a fall of 20% while, the neighbours witnessed a 27% reduction
 - Modern methods of contraception, female sterilization and pill usage went up by 36%, 22% and 28% respectively in the three neighbouring states while the respective changes for West Bengal were negligible

- While West Bengal did not witness any significant decline in unmet need for spacing between consecutive kids, the neighbouring three states recorded a 37% fall
 - Various metrics for mother and child care improved more in the three neighbouring states than in West Bengal.
- Each of these health effects manifested similarly when we compare all states that implemented PM-JAY versus the states that did not
 - Overall, the comparison reflects **significant improvements in several health outcomes in states that implemented PM-JAY versus those that did not**

Bare Necessities

- **Access to the 'bare necessities' has improved across all States in the country in 2018 as compared to 2012**

- It is highest in States such as Kerala, Punjab, Haryana and Gujarat while lowest in Odisha, Jharkhand, West Bengal and Tripura

- **Improvement in each of the five dimensions** viz., access to water, housing, sanitation, micro-environment and other facilities

- Inter-State disparities declined across rural and urban areas as the laggard states have gained relatively more between 2012 and 2018

- Improved disproportionately more for the poorest households when compared to the richest households across rural and urban areas

- Improved access to the 'bare necessities' has led to **improvements in health indicators** such as infant mortality and under-5 mortality rate and also **correlates with future improvements in education indicators**

- Thrust should be given to reduce variation in the access to bare necessities across states, between rural and urban and between income groups

- The schemes such as **Jal Jeevan Mission, SBM-G, PMAY-G**, etc. may design appropriate strategy to reduce these gaps

- A Bare Necessities Index (BNI) based on the large annual household survey data can be constructed using suitable indicators and methodology at district level for all/targeted districts to assess the progress on access to bare necessities.

Fiscal Developments

- India adopted a **calibrated approach** best suited for a resilient recovery of its economy from COVID-19 pandemic impact, in contrast with a front-loaded large stimulus package adopted by many countries

- **Expenditure policy** in 2020-21 initially aimed at supporting the vulnerable sections but was re-oriented to boost overall demand and capital spending, once the lockdown was unwound
- **Monthly GST collections** have crossed the **Rs. 1 lakh crore** mark consecutively for the last 3 months, reaching its **highest levels in December 2020 ever since the introduction of GST**
- **Reforms in tax administration** have begun a process of transparency and accountability and have incentivized tax compliance by enhancing honest tax-payers' experience
- Central Government has also taken consistent steps to impart support to the States in the challenging times of the pandemic

External Sector

- COVID-19 pandemic led to a sharp decline in global trade, lower commodity prices and tighter external financing conditions with implications for current account balances and currencies of different countries
- India's **forex reserves at an all-time high of US\$ 586.1 billion as on January 08, 2021**, covering about 18 months worth of imports
- India experiencing a Current Account Surplus along with robust capital inflows leading to a **BoP surplus since Q4 of FY2019-20**
 - Balance on the capital account is buttressed by **robust FDI and FPI inflows**:
 - o Net FDI inflows of US\$ 27.5 billion during April-October, 2020: 14.8% higher as compared to first seven months of FY2019-20
 - o Net FPI inflows of US\$ 28.5 billion during April-December, 2020 as against US\$ 12.3 billion in corresponding period of last year
 - In H1: FY21, steep contraction in merchandise imports and lower outgo for travel services led to:
 - o Sharper fall in current payments (by 30.8%) than current receipts (15.1%)
 - o Current Account Surplus of US\$ 34.7 billion (3.1% of GDP)
- **India to end with an Annual Current Account Surplus after a period of 17 years**
- India's **merchandise trade deficit was lower** at US\$ 57.5 billion in April-December, 2020 as compared to US\$ 125.9 billion in the corresponding period last year
- In April-December, 2020, **merchandise exports** contracted by 15.7% to US\$ 200.8 billion from US\$ 238.3 billion in April-December, 2019:

o Petroleum, Oil and Lubricants (POL) exports have contributed negatively to export performance during the period under review

o Non-POL exports turned positive and helped in improving export performance in Q3 of 2020-21

o Within Non-POL exports, agriculture & allied products, drugs & pharmaceutical and ores & minerals recorded expansion

• Total **merchandise imports** declined by (-) 29.1% to US\$ 258.3 billion during April-December, 2020 from US\$ 364.2 billion during the same period last year:

o Sharp decline in POL imports pulled down the overall import growth

o Imports contracted sharply in Q1 of 2020-21; the pace of contraction eased in subsequent quarters, due to the accelerated positive growth in Gold and Silver imports and narrowing contraction in non-POL, non-Gold & non-Silver imports

o Fertilizers, vegetable oil, drugs & pharmaceuticals and computer hardware & peripherals have contributed positively to the growth of non-POL, non-Gold & non-Silver imports

• **Trade balance with China and the US improved as imports slowed**

• **Net services receipts** amounting to US\$ 41.7 billion remained stable in April-September 2020 as compared with US\$ 40.5 billion in corresponding period a year ago.

• **Resilience of the services sector** was primarily driven by software services, which accounted for 49% of total services exports

• **Net private transfer receipts**, mainly representing remittances by Indians employed overseas, totaling US\$ 35.8 billion in H1: FY21 declined by 6.7% over the corresponding period of previous year

• At end-September 2020, India's **external debt** placed at US\$ 556.2 billion - a decrease of US\$ 2.0 billion (0.4%) as compared to end-March 2020.

• Improvement in **debt vulnerability indicators**:

o Ratio of forex reserves to total and short-term debt (original and residual)

o Ratio of short-term debt (original maturity) to the total stock of external debt.

o Debt service ratio (principal repayment plus interest payment) increased to 9.7% as at end-September 2020, compared to 6.5% as at end-March 2020

• **Rupee appreciation/depreciation**:

o In terms of 6-currency nominal effective exchange rate (NEER) (trade-based weights),

Rupee depreciated by 4.1% in December 2020 over March 2020; appreciated by 2.9% in terms of real effective exchange rate (REER)

o In terms of 36-currency NEER (trade-based weights), Rupee depreciated by 2.9% in December 2020 over March 2020; appreciated by 2.2% in terms of REER

• **RBI's interventions in forex markets** ensured financial stability and orderly conditions, controlling the volatility and one-sided appreciation of the Rupee

• **Initiatives undertaken to promote exports:**

o Production Linked Incentive (**PLI**) Scheme

o Remission of Duties and Taxes on Exported Products (**RoDTEP**)

o Improvement in logistics infrastructure and digital initiatives

Money Management and Financial Intermediation

• **Accommodative monetary policy** during 2020: repo rate cut by 115 bps since March 2020

• **Systemic liquidity** in FY2020-21 has remained in surplus so far. RBI undertook various conventional and unconventional measures like:

o Open Market Operations

o Long Term Repo Operations

o Targeted Long Term Repo Operations

• **Gross Non-Performing Assets** ratio of Scheduled Commercial Banks decreased from 8.21% at end-March, 2020 to 7.49% at end-September, 2020

• The monetary transmission of lower policy rates to deposit and lending rates improved during FY2020-21

• NIFTY-50 and BSE SENSEX reached **record high closing** of 14,644.7 and 49,792.12 respectively on January 20, 2021

• The recovery rate for the Scheduled Commercial Banks through IBC (since its inception) has been over 45%

Prices and Inflation

• **Headline CPI inflation:**

o Averaged 6.6% during April-December, 2020 and stood at 4.6% in December, 2020, mainly driven by rise in food inflation (from 6.7% in 2019-20 to 9.1% during April-

December, 2020, owing to build up in vegetable prices)

o CPI headline and its sub groups witnessed inflation during April-October 2020, driven by substantial increase in price momentum - due to the **initial disruptions caused by COVID-19 lockdown**

o Moderated price momentum by November 2020 for most sub groups, coupled with positive base effect helped ease inflation

• **Rural-urban difference in CPI inflation** saw a decline in 2020:

- o Since November 2019, CPI-Urban inflation has closed the gap with CPI-Rural inflation
- o Food inflation has almost converged now
- o Divergence in rural-urban inflation observed in other components of CPI like fuel and light, clothing and footwear, miscellaneous etc.

• During April-December, 2019 as well as April-December, 2020-21, the major driver of CPI-C inflation was the **food and beverages** group:

- o Contribution increased to 59% during April-December, 2020, compared to 53.7% during April-December, 2019

• **Thali cost increased** between June 2020 and November 2020, however a sharp fall in the month of December reflecting the fall in the prices of many essential food commodities

• **State-wise trend:**

- o CPI-C inflation increased in most of the states in the current year
- o Regional variation persists
- o Inflation ranged from 3.2% to 11% across States/UTs during June-December 2020 compared to (-) 0.3% to 7.6% during the same period last year.

• **Food inflation** driving overall CPI-C inflation due to the relatively more weight of food items in the index.

• Steps taken to stabilize prices of food items:

- o Banning of export of onions
- o Imposition of stock limit on onions
- o Easing of restriction on imports of pulses

• **Gold prices:**

- Sharp spike as investors turned to **gold as a safe haven investment amid COVID-19** induced economic uncertainties
- Compared to other assets, gold had considerably higher returns during FY2020-21
- Consistency in import policy warrants attention:
 - Increased dependence on imports of edible oils poses risk of fluctuations in import prices
 - Imports impacting production and prices of domestic edible oil market, coupled with frequent changes in import policy of pulses and edible oils, add to confusion among farmers/producers and delay imports

Sustainable Development and Climate Change

- India has taken several proactive steps to **mainstream the SDGs** into the policies, schemes and programmes
- **Voluntary National Review (VNR)** presented to the United Nations High-Level Political Forum (HLPF) on Sustainable Development
- **Localization of SDGs** is crucial to any strategy aimed at achieving the goals under the 2030 Agenda
 - Several States/UTs have created institutional structures for implementation of SDGs and also nodal mechanisms within every department and at the district levels for better coordination and convergence
- Sustainable development remains core to the development strategy despite the unprecedented COVID-19 pandemic crisis
- Eight National Missions under **National Action Plan on Climate Change (NAPCC)** focussed on the objectives of adaptation, mitigation and preparedness on climate risks
- **India's Nationally Determined Contributions (NDC)** states that finance is a critical enabler of climate change action
- The financing considerations will therefore remain critical especially as the country steps up the targets substantially
- The goal of jointly mobilizing US\$ 100 billion a year by 2020 for climate financing by the developed countries has remained elusive
- The postponement of COP26 to 2021 also gives less time for negotiations and other evidence-based work to inform the post-2025 goal

- Despite overall growth in the global bond markets, green bond issuance in the first half of 2020 slowed down from 2019, possibly as a result of the on-going COVID-19 pandemic
- **International Solar Alliance (ISA)** launched two new initiatives – ‘**World Solar Bank**’ and ‘**One Sun One World One Grid Initiative**’ - poised to bring about solar energy revolution globally

Agriculture and Food Management

- India’s **Agricultural (and Allied Activities) sector** has shown its resilience amid the adversities of COVID-19 induced lockdowns with a **growth of 3.4% at constant prices during 2020-21 (first advance estimate)**
 - The share of Agriculture and Allied Sectors in Gross Value Added (GVA) of the country at current prices is **17.8%** for the year 2019-20 (CSO-Provisional Estimates of National Income, 29th May, 2020)
 - **Gross Capital Formation (GCF)** relative to GVA showing a fluctuating trend from 17.7 % in 2013-14 to 16.4 % in 2018-19, with a dip to 14.7 % in 2015-16
 - **Total food grain production** in the country in the agriculture year 2019-20 (as per Fourth Advance Estimates), is **11.44 million tonnes** more than than during 2018-19
 - The **actual agricultural credit flow** was **₹13,92,469.81** crores against the target of ₹13,50,000 crores in 2019-20. The target for 2020-21 was ₹15,00,000 crores and a sum of ₹ 9,73,517.80 crores was disbursed till 30th November, 2020:
 - **1.5 crore dairy farmers** of milk cooperatives and milk producer companies’ were targeted to provide Kisan Credit Cards (KCC) as part of Prime Minister’s AatmaNirbhar Bharat Package after the budget announcement of February 2020
 - As of mid January 2021, a total of **44,673 Kisan Credit Cards (KCCs)** have been issued to fishers and fish farmers and an additional 4.04 lakh applications from fishers and fish farmers are with the banks at various stages of issuance
 - The **Pradhan MantriFasalBimaYojana** covers over **5.5 crore farmer** applications year on year
 - Claims worth **Rs. 90,000 crore** paid, as on 12th January, 2021
 - Speedy claim settlement directly into the farmer accounts through Aadhar linkage
 - **70 lakh farmers** benefitted and claims worth Rs. 8741.30 crores were transferred during COVID-19 lock down period

- An amount of **Rs. 18000 crore** have been deposited directly in the bank accounts of **9 crore farmer families** of the country in December, 2020 in the 7th installment of financial benefit under the **PM-KISAN** scheme
- **Fish production** reached an all-time high of 14.16 million metric tons during 2019-20:
 - GVA by the Fisheries sector to the national economy stood at ₹2,12,915 crores constituting 1.24% of the total national GVA and 7.28 % of the agricultural GVA
- **Food Processing Industries (FPI)** sector growing at an Average Annual Growth Rate (AAGR) of around 9.99 % as compared to around 3.12 % in Agriculture and 8.25 % in Manufacturing at 2011-12 prices during the last 5 years ending 2018-19
- **Pradhan Mantri Garib Kalyan Anna Yojana:**
 - 80.96 crore beneficiaries were provided food grains above NFSA mandated requirement free of cost till November, 2020.
 - Over 200 LMT of food grains were provided amounting to a fiscal outgo of over Rs. 75000 Crores
- **AatmaNirbhar Bharat Package:** 5 kg per person per month for four months (May to August) to approximately 8 crores migrants (excluded under NFSA or state ration card) entailing subsidy of Rs. 3109 crores approximately

Industry and Infrastructure

- A strong **V-shaped recovery** of economic activity further confirmed by IIP data
- The **IIP & eight-core index** further inched up to pre-COVID levels
- The broad-based recovery in the IIP resulted in a growth of (-) 1.9 % in Nov-2020 as compared to a growth of 2.1 % in Nov-2019 and a nadir of (-) 57.3 % in Apr-2020
- Further improvement and firming up in industrial activities are foreseen with the Government enhancing capital expenditure, the vaccination drive and the resolute push forward on long pending reform measures
- **AatmaNirbhar Bharat Abhiyan** with a stimulus package worth **15 % of India's GDP** announced
- India's rank in the **Ease of Doing Business (EoDB) Index** for 2019 has moved upwards to the **63rd position in 2020** from 77th in 2018 as per the Doing Business Report (DBR):
 - India has improved its position in 7 out of 10 indicators

- Acknowledges India as one of the top 10 improvers, the third time in a row, with an improvement of 67 ranks in three years
 - It is also the highest jump by any large country since 2011
- **FDI equity inflows were US\$49.98 billion in FY20** as compared to US\$44.37 billion during FY19:
 - It is US\$30.0 billion for FY21 (up to September-2020)
 - The bulk of FDI equity flow is in the non-manufacturing sector
 - Within the manufacturing sector, industries like automobile, telecommunication, metallurgical, non-conventional energy, chemical (other than fertilizers), food processing, petroleum & natural gas got the bulk of FDI
 - Government has announced a **Production-Linked Incentive (PLI) Scheme** in the 10 key sectors under the aegis of **AatmaNirbhar Bharat** for enhancing India's manufacturing capabilities and exports:
 - To be implemented by the concerned ministries with an overall expenditure estimated at Rs.1.46 lakh crores and with sector specific financial limits

Services Sector

- India's services sector contracted by nearly 16 % during H1: FY2020-21, during the COVID-19 pandemic mandated lockdown, owing to its **contact-intensive nature**
- **Key indicators** such as Services Purchasing Managers' Index, rail freight traffic, and port traffic, are all displaying a V-shaped recovery after a sharp decline during the lockdown
- Despite the disruptions being witnessed globally, **FDI inflows** into India's services sector grew robustly by 34% Y-o-Y during April-September 2020 to reach US\$ 23.6 billion
- The services sector accounts for over **54 % of India's GVA** and nearly **four-fifths of total FDI inflow into India**
- The sector's share in GVA exceeds 50% in 15 out of 33 States and UTs, and is particularly more pronounced (greater than 85%) in Delhi and Chandigarh
- Services sector accounts for **48% of total exports**, outperforming goods exports in the recent years
- The **shipping turnaround time** at ports has almost halved from 4.67 days in 2010-11 to **2.62 days** in 2019-20

- The Indian **start-up ecosystem** has been progressing well amidst the COVID-19 pandemic, being home to **38 unicorns** - adding a record number of 12 start-ups to the unicorn list last year
- India's **space sector** has grown exponentially in the past six decades:
 - Spent about US\$ 1.8 billion on space programmes in 2019-20
 - Space ecosystem is undergoing several policy reforms to engage private players and attract innovation and investment

Social Infrastructure, Employment and Human Development

- The combined (Centre and States) **social sector expenditure** as % of GDP has increased in 2020-21 compared to last year.
- India's rank in HDI 2019 was recorded at 131, out of a total 189 countries:
 - India's **GNI per capita** (2017 PPP \$) has increased from US\$ 6,427 in 2018 to US\$ 6,681 in 2019
 - **Life expectancy at birth** improved from 69.4 years in 2018 to 69.7 years in 2019
- The access to data network, electronic devices such as computer, laptop, smart phone etc. gained importance due to **online learning** and **remote working** during the pandemic
- Major proportion of workforce engaged as regular wage/salaried in the urban sector during the period of January 2019-March 2020 (quarterly survey of PLFS)
- Government's incentive to boost employment through **AatmaNirbhar Bharat Rozgar Yojana** and rationalization and simplification of existing labour codes into 4 codes
- Low level of female LFPR in India:
 - Females spending disproportionately more time on unpaid domestic and care giving services to household members as compared to their male counterparts (Time Use Survey, 2019)
 - Need to promote non-discriminatory practices at the workplace like pay and career progression, improve work incentives, including other medical and social security benefits for female workers
- Under **PMGKP** announced in March, 2020, **cash transfers of upto Rs.1000** to existing old aged, widowed and disabled beneficiaries under the National Social Assistance Programme (NSAP)

- An amount of Rs. 500 each was transferred for three months digitally into bank accounts of the women beneficiaries under **PM Jan DhanYojana**, totalling about **Rs. 20.64 crores**
- **Free distribution of gas cylinders** to about **8 crore** families for three months
- Limit of collateral free lending increased from Rs. 10 lakhs to Rs. 20 lakhs for **63 lakh women SHGs** which would support 6.85 crore households
- **Wages under Mahatma Gandhi NREGA** increased by Rs.20 from Rs.182 to Rs.202 w.e.f. 1st April, 2020

India's fight against COVID-19:

- Initial measures of lockdown, social distancing, travel advisories, practicing hand wash, wearing masks reduced the spread of the disease
- Country also acquired **self-reliance in essential medicines**, hand sanitizers, protective equipment including masks, PPE Kits, ventilators, COVID-19 testing and treatment facilities
- **World's largest COVID-19 vaccination drive** commenced on 16th January, 2021 using two indigenously manufactured vaccines

GLOBAL AUTOMOBILE INDUSTRY

The automotive market was on an upward trajectory throughout 2018 and had just entered a phase of stagnation in 2019 before the coronavirus crisis thrust the world into turmoil. Between March and May 2020, global automotive sales contracted by around 15 percent globally. China was the first market to recover from the crisis, with automobile sales at pre-pandemic levels throughout the months following the outbreak. It is projected that trends such as electric vehicles, autonomous driving, and mobility services will continue to fuel the market, leading to an overall recovery in the coming quarters.

It is projected that the global automotive industry will grow to just under nine trillion U.S. dollars by 2030. It is anticipated that new vehicle sales will account for about 38 percent of this value. Globally, Volkswagen Group and Toyota Motor are the leading carmakers in terms of revenue. The Japanese auto giant generated almost 250 billion U.S. dollars in revenue in 2020, while Volkswagen raked in a little more than 245 billion U.S. dollars.

INDIAN AUTOMOBILE INDUSTRY

In 2020, India was the fifth-largest auto market, with ~3.49 million units combined sold in the passenger and commercial vehicles categories. It was the seventh-largest manufacturer of commercial vehicles in 2019.

The two wheelers segment dominates the market in terms of volume owing to a growing middle class and a young population. Moreover, the growing interest of the companies in exploring the rural markets further aided the growth of the sector.

India is also a prominent auto exporter and has strong export growth expectations for the near future. In addition, several initiatives by the Government of India and major automobile players in the Indian market is expected to make India a leader in the two-wheeler and four-wheeler market in the world by 2020.

Market Size

Domestic automobiles production increased at 2.36% CAGR between FY16-20 with 26.36 million vehicles being manufactured in the country in FY20. Overall, domestic automobiles sales increased at 1.29% CAGR between FY16-FY20 with 21.55 million vehicles being sold in FY20. In FY21, the total passenger vehicles production reached 22,652,108.

In September 2021, the total production volume of passenger vehicles (except for BMW, Mercedes, Tata Motors & Volvo Auto), three wheelers, two wheelers and quadricycles reached 2,125,304 units.

Two wheelers and passenger vehicles dominate the domestic Indian auto market. Passenger car sales are dominated by small and mid-sized cars. Two wheelers and passenger cars accounted for 80.8% and 12.9% market share, respectively, accounting for a combined sale of over 20.1 million vehicles in FY20.

In July-September 2021 quarter, the luxury car market registered sales of 8,500 units. Overall, automobile export reached 4.77 million vehicles in FY20, growing at a CAGR of 6.94% during FY16-FY20. Two wheelers made up 73.9% of the vehicles exported, followed by passenger vehicles at 14.2%, three wheelers at 10.5% and commercial vehicles at 1.3%.

Indian automobile exports stood at 1,419,430 units from April 2021 to June 2021 as compared to 436,500 units in April 2020 to June 2020.

EV sales, excluding E-rickshaws, in India witnessed a growth of 20% and reached 1.56 lakh units in FY20 driven by two wheelers. According to NITI Aayog and Rocky Mountain Institute (RMI) India's EV finance industry is likely to reach Rs. 3.7 lakh crore (US\$ 50 billion) in 2030. A report by India Energy Storage Alliance estimated that EV market in India is likely to increase at a CAGR of 36% until 2026. In addition, projection for EV battery market is forecast to expand at a CAGR of 30% during the same period.

- **Premium motorbike sales in India recorded seven-fold jump in domestic sales, reaching 13,982 units during April-September 2019. The luxury car market is expected to register sales of 28,000-33,000 units in 2021, up from 20,000-21,000 units sold in 2020. The entry of new manufacturers and new launches is likely to propel this market in 2021.**

Investments

To keep up with the growing demand, several auto makers have started investing heavily in various segments of the industry during the last few months. The industry attracted Foreign Direct Investment (FDI) worth US\$ 30.51 billion between April 2000 and June 2021 accounting for ~5.5% of the total FDI during the period according to the data released by Department for Promotion of Industry and Internal Trade (DPIIT).

Some of the recent/planned investments and developments in the automobile sector in India are as follows:

- **In October 2021, Tata Motors announced that private equity group TPG along with ADQ of Abu Dhabi has agreed to invest Rs. 7,500 crore (US\$ 1 billion) in its EV division.**
- **In September 2021, Hero Electric announced plans to expand production capacity at its facility in Ludhiana, Punjab, to >5 lakh units by March 2022, up from the existing capacity of 1 lakh units per year.**
- **In September 2021, Hero Electric announced plans to expand production capacity at its facility in Ludhiana, Punjab, to >5 lakh units by March 2022, up from the existing capacity of 1 lakh units per year.**
- **In August 2021, Hindustan Zinc Ltd. announced a US\$ 1 billion investment across its eight mines to replace diesel-powered trucks and equipment with battery EVs.**
- **In July 2021, Maruti Suzuki India announced a Rs. 18,000 crore (US\$ 2.42 billion) investment in a new manufacturing facility in Haryana, with an installed capacity of 7.5-10 lakh units per annum. As it prepares to protect its market dominance, the company aims to increase capital spending by 67% to Rs. 4,500 (US\$ 605 million) crore in FY22.**
- **In July 2021, Hyundai Motor India opened its new corporate headquarters in Gurgaon, backed by a Rs. 2,000 crore (US\$ 269 million) investment.**
- **In April 2021, Mahindra & Mahindra announced a three-year investment plan in the electric vehicles segment of Rs. 3,000 crore (US\$ 403 million).**
- **Between January and July 2021, EV component makers, electric commercial vehicles and last-mile delivery companies invested a total of Rs. 25,045 crore (US\$ 3.67 billion) on electric vehicles.**
- **In FY21, passenger vehicles sales reached 27.11 lakhs units, two-wheelers reached 151.19 lakhs units, commercial vehicles sales reached 5.69 lakhs units and for three-wheelers it was 2.16 lakhs units.**
- **In 2019-20, the total passenger vehicles sales reached ~2.8 million, while ~2.7 million units were sold in FY21.**
- **In February 2021, the Delhi government started the process to set up 100 vehicle battery charging points across the state to push adoption of electric vehicles.**
- **In January 2021, Fiat Chrysler Automobiles (FCA) announced an investment of US\$ 250 million to expand its local product line-up in India.**
- **A cumulative investment of ~Rs. 12.5 trillion (US\$180 billion) in vehicle production and charging infrastructure would be required until 2030 to meet India's electric vehicle (EV) ambitions.**
- **In January 2021, Lamborghini announced it is aiming to achieve sales in India higher than the 2019-levels, after recovering from pandemic-induced disruptions.**
- **In January 2021, Tesla, the electric car maker, set up a R&D centre in Bengaluru and registered its subsidiary as Tesla India Motors and Energy Private Limited.**

Government Initiatives

The Government of India encourages foreign investment in the automobile sector and has allowed 100% foreign direct investment (FDI) under the automatic route.

Some of the recent initiatives taken by the Government of India are -

- In September 2021, the Union Minister for Road, Transport and Highways, Mr. Nitin Gadkari announced that government is planning to make it mandatory for car manufacturers to produce flex-fuel engines after getting the required permissions from the Supreme Court of India.
- In September 2021, the Indian government issued notification regarding a PLI scheme for automobile and auto components worth Rs. 25,938 crore (US\$ 3.49 billion). This scheme is expected to bring investments of over Rs. 42,500 (US\$ 5.74 billion) by 2026.
- The Indian government has planned ~US\$ 3.5 billion in incentives over a five-year period until 2026 under a revamped scheme to encourage production and export of clean technology vehicles.
- As of June 2021, Rs. 871 crore (US\$ 117 million) has been spent under the FAME-II scheme, 87,659 electric vehicles have been supported through incentives and 6,265 electric buses have been sanctioned to various state/city transportation undertakings.
- In July 2021, India inaugurated the national automotive test tracks (NATRAX), which is Asia's longest high-speed track to facilitate automotive testing.
- In Union Budget 2021-22, the government introduced the voluntary vehicle scrappage policy, which is likely to boost demand for new vehicles after removing old unfit vehicles currently plying on the Indian roads.
- In February 2021, the Delhi government started the process to set up 100 vehicle battery charging points across the state to push adoption of electric vehicles.
- The Union Cabinet outlaid Rs. 57,042 crore (US\$ 7.81 billion) for automobiles & auto components sector in production-linked incentive (PLI) scheme under the Department of Heavy Industries.
- The Government aims to develop India as a global manufacturing centre and a Research and Development (R&D) hub.
- Under NATRiP, the Government of India is planning to set up R&D centres at a total cost of US\$ 388.5 million to enable the industry to be on par with global standards.
- The Ministry of Heavy Industries, Government of India has shortlisted 11 cities in the country for introduction of EVs in their public transport systems under the FAME (Faster Adoption and Manufacturing of (Hybrid) and Electric Vehicles in India) scheme. The Government will also set up incubation centre for start-ups working in the EVs space.
- In February 2019, the Government of India approved FAME-II scheme with a fund requirement of Rs. 10,000 crore (US\$ 1.39 billion) for FY20-22.

Achievements

Following are the achievements of the Indian automotive sector:

- In H12019, automobile manufacturers invested US\$ 501 million in India's auto-tech start-ups according to Venture intelligence.
- Investment flow into EV start-ups in 2019 (till end of November) increased nearly 170% to reach US\$ 397 million.
- On 29th July 2019, Inter-ministerial panel sanctioned 5,645 electric buses for 65 cities.

- NATRiP's proposal for "Grant-In-Aid for test facility infrastructure for EV performance Certification from NATRIP Implementation Society" under the FAME Scheme was approved by Project Implementation and Sanctioning Committee (PISC) on 3rd January 2019.
- Under NATRiP, following testing and research centres have been established in the country since 2015.
 - International Centre for Automotive Technology (ICAT), Manesar
 - National Institute for Automotive Inspection, Maintenance & Training (NIAIMT), Silchar
 - National Automotive Testing Tracks (NATRAX), Indore
 - Automotive Research Association of India (ARAI), Pune
 - Global Automotive Research Centre (GARC), Chennai
- SAMARTH Udyog - Industry 4.0 centres: 'Demo cum experience' centres are being set up in the country for promoting smart and advanced manufacturing helping SMEs to implement Industry 4.0 (automation and data exchange in manufacturing technology).

Road Ahead

The automobile industry is supported by various factors such as availability of skilled labour at low cost, robust R&D centres, and low-cost steel production. The industry also provides great opportunities for investment and direct and indirect employment to skilled and unskilled labour.

Indian automotive industry (including component manufacturing) is expected to reach Rs. 16.16-18.18 trillion (US\$ 251.4-282.8 billion) by 2026.

The Indian auto industry is expected to record strong growth in 2021-22, post recovering from effects of COVID-19 pandemic. Electric vehicles, especially two-wheelers, are likely to witness positive sales in 2021-22.

Automobile Industry in India



SWOT ANALYSIS

Strengths	Weaknesses
Geographical spread of operations in India allows proximity to large and diversified customer base.	Automotive operations are directly dependent on general economic conditions across key global markets.
One of the Largest Forgings player in the country with vast capabilities	Signs of melting demand for Automotives industry.
One of the best metallurgical laboratory in India with availability of key machines such as spectrometer, microscope with image Analyser, storohlin appartus/ ferro excel lab & precision sand testing equipment.	Shortage of availability of raw materials like steel, precious metals, petroleum products and fluctuating prices are dependent on various environmental factors and any unforeseen or sudden spike in the cost of these items could impact profitability.
Proximity to all major OEM's coupled with consistent track record of deliveries manifested by their increased levels of localisation in India	The liquidity continues to remain under stress coupled with availability of fresh working capital funds being a major challenge has led to low capacity utilisations thereby impacting profitability.
State-of-the-art in-house tool design and 3D modelling/ simulation software with key machines such as CNC, VMC etc.	
Trusted partner and strategic supplier to leading OEMs. It has well established strategic relationships most OEMs across the country and abroad.	
Well positioned to cater to growing demand of automobile industry in India coupled with a large	

scale of operations allowing economies of scale.	
Dedicated R&D team focused on development & acquisition of new technologies relevant for future product portfolio.	
Skilled, experienced and diversified workforce with proven credentials.	
Threats	Opportunities
Political instability, wars, terrorism, multinational conflicts, natural disasters, fuel shortages and their prices all present business risk.	Strong economic growth in India and other growth markets like China, Southeast Asia and North Africa - resultant demand for Automobiles.
Due to global integration of automobile supply chains the industry has become highly competitive with OEM's continuously scanning the market for lower prices and better terms.	Indian Government's focus on improving ease of doing business with its "Make in India" initiative to transform India into a global manufacturing hub, an advantage for our Company
Changing technologies have led to shortening of life cycles of new vehicles.	GOI's emphasis on substitution of imported goods sectors such as railways and defense are expected to turn towards Indian Companies for procurement.
Imposition of additional taxes and levies designed to limit use of automobiles could adversely affect demand.	Diversification towards forward integration.
Presence of large number of players in the automobile industry has resulted in extensive competition thus enhancing scope for eating into share of business of other players.	Strategic alliances and partnering could be a smart strategy resulting in specialized capabilities differential offerings.

STRATEGY AND OUTLOOK

The company is able to engage with customers from the early stages of development projects which enable the company to introduce company's products into a vehicle's designs phase. This when combined with close proximity to customers, technological leadership, demonstrated reliability and financial stability results into maintaining strong track record of not only winning repeat orders but new global upcoming platforms. The company is one of the few suppliers in its product segment with a global engineering and manufacturing foot print and this strong geographical diversification enables the company to capitalize on global growth opportunities while mitigating the impact of any regional demand fluctuations. One of the Company's principal goals is to achieve international quality standards for its products and services. The quality systems have been designed to comply with the latest automotive quality system standard, TS16949.

Company has the capability to cater to the demands of its unique global customers with engineering and design support. This unmatched front-line design, engineering, dual shore manufacturing and innovation capabilities has helped in company's success. Strong

customer relationships has made us capable to cater to the demands of its unique global customers with engineering and design support. The company is proud of unmatched front-line design, engineering, dual shore manufacturing and innovation capabilities.

The rapidly global is in world is opening up newer avenues for the transportation industry, especially while it makes a shift towards electric, electronic and hybrid cars, which are deemed more efficient, safe and reliable modes of transportation. Over the next decade, this will lead to newer verticals and opportunities for auto-component manufacturers, who would need to adapt to the change via systematic research and development.

MFL monitors its financial position regularly and optimises its cash resources through a robust cash management system. However, despite this the Company is experiencing a stress on the cash flows with the result that during the financial year 2016-17, the Company has been unable to meet all its debt obligations. The Company has had various rounds of discussions with the lenders and is currently engaged in formulating a scheme for debt restructuring which will be submitted to the lenders forum. In this regard the Company is coordinating with the lead lenders for successful implementation of the proposed debt restructuring scheme, which will be submitted in due course, for approval to the lenders forum. It is envisaged, that Company, post successful implementation of the proposed debt restructuring scheme, will emerge as a much stronger Company with an improved capital structure and poised for growth. The Company would like to thank lenders for their continuous support.

MFL plans to invest in low cost automation for better efficiency, consistency and output in manual processes and coupled with value addition products by performing painting, pre-machining, full machining and assembly, as per customer requirements shall improve revenues and profitability. The Company shall endeavour to add and move towards high end, critical and high value and special products.

The Amtek Business Excellence Program, which the Company started in 2014, has facilitated a highly successful implementation of lean manufacturing processes. It remains the driving force behind MFL's cost controls and productivity initiatives, and is a key attribute of the Company's business strategy. MFL has also taken up certain other strategic initiatives such as realigning the product mix and expanding the product range to increase the share of our value added product offering. Other initiatives centre round the overall fiscal control, quality improvement, up-gradation in technology and research & development. The Company also continues to focus on cost reduction and is confident that these initiatives, in particular the new set of products that are being developed, will help MFL to remain competitive in the marketplace.

Regular product launches planned by OEMs will keep customer excitement levels up and create demand which is favourable for the overall industry growth. The Company, in spite of the challenges, is well positioned to benefit from the globalization of the sector as exports potential is harnessed to achieve the above.

Technological advancement and product innovation remain our key differentiators. The Company's in-house R&D team has been committed to work on various projects including developing technologies to minimize carbon footprint and manufacture light weight products that result in lower energy consumption. Innovation is an on-going process which has helped us explore new ideas and deliver transformative solutions.

Transformation of anationora company cannot sustain without whole hearted people participation. The capabilities of our people have brought us this far, and we will continue to invest in developing our teams to enhance their efficiency and introduce industry-leading practices. With strong focus on developing skills and capabilities of our employees.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an elaborate internal control system which monitors compliance to internal processes. It ensures that all transactions are authorised, recorded and reported correctly. The systems are routinely tested and certified by Statutory as well as Internal Auditors and cover all offices, plant facilities and key areas of business. The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms.

To further strengthen the internal control process, the Risk Management Committee has documented control procedures covering all aspects of key financial and operating functions. The Company's internal control systems provide for:

- Adherence to applicable accounting standards and policies
- Accurate recording of transactions with internal checks, prompt reporting and Timely action
- Compliance with applicable statutes, policies, listing requirements and Management policies and procedures
- Review of capital investments and longer business plans
- Periodic review meetings to guide optimum utilization of resources
- Effective use of resources and safeguarding of assets

The Audit Committee/Resolution Professional reviews the effectiveness of internal control systems, and also provides timely updates on operating effectiveness and controls to senior management team. A Certificate signed by the Whole Time Director and Chief Financial Officer of the Company, forming part of the Corporate Governance Report, confirms the existence and effectiveness of internal controls and reiterates their responsibilities store port deficiencies to the Audit Committee and rectify the same.

Our auditors carry out periodic audits as per an agreed internal audit program. They bring to the notice of management, issues which require their attention and also highlight the severity of the issue. Corrective actions are the in place. The internal auditors report is reviewed by the Audit Committee and placed before the Board of Directors for their consideration.

FINANCIAL OVERVIEW

Company's performance in the twelve-month period ending March 2021 is a reflection of the challenges faced by the automotive industry in India and in certain other regions internationally. In twelve months ending 31st March 2021 the revenues of the Company were Rs. 17,919 Lakhs. EBITDA for the twelve-month period before exceptional items stood at Rs. (32,1050) Lakhs. Management remained focused on cost optimisation and value

enhancement during this period. Loss after tax with other comprehensive income for FY2021 was Rs. (66,764) Lakhs.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

During the year, the Company delivered value to its customers and investors. This was made possible by the relentless efforts of each and every employee. The Company has developed a robust and diverse talent pipeline which enhances Metalyst Forgings organizational capabilities for future readiness, further driving greater employee engagement. Our human resource program is focused on attracting the right talent, providing excellent on the job training opportunities, and finally giving them the growth opportunities consistent with their aspirations.

CAUTION STATEMENT

The statements in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations, may be forward looking statements within the meaning of applicable laws and regulations and the actual results, performance might differ materially from those expressed or implied herein. The Company is not under any obligation to publicly amend, modify or revise any such forward looking statements on the basis of any subsequent developments, information or events.

Mukul Dusad & Associates

Company Secretaries

Reg. Office: H-5-C Todarmal Marg Banipark, Jaipur 302016 (Raj.)
Tel: 141-2200506; (m) +91-8824788108; E-mail: mukuldusad@gmail.com

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
METALYST FORGINGS LIMITED
(CIN: L28910MH1977PLC019569)
GAT NO 614 VILLAGE KURULIKHED,
PUNE MH 410501 IN

Metalyst Forgings Limited is under Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code 2016 (Code) vide an order of the Hon'ble National Company Law Tribunal ("NCLT"), Mumbai dated 15.12.2017 and Mr. Dinkar T. Venkatasubramanian (IP Registration no. IBBI/PA- 001/IP-P00003/2016-17/10011), was appointed as the Insolvency Resolution Process ("IRP") with effect from 15th December 2017. Further, in terms of the provisions of the Code, the Committee of Creditors (CoC) in its meeting held on 12th January 2018 continued to Mr. Dinkar T. Venkatasubramanian as the Resolution Professional.

After the Commencement of Corporate Insolvency Resolution Process (CIRP) The role and responsibilities of the Committees specified in regulations 17, 18,19,20 and 21 of SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2018 dated 31st May 2018 shall be fulfilled by Resolution Professional and powers of the Board of Directors/committees stand suspended and all the other regulations are complied with under the direction of Resolution Professional of the Company.

I/We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Metalyst Forgings Limited (CIN: L28910MH1977PLC019569) having registered office at Gat No 614 Village Kurulikhed Pune MH 410501 IN (hereinafter referred to as "MFL" or 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I/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 as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority except Ms. ANURADHA KAPUR (DIN: 01646928) who has been debarred/ disqualified by Registrar of Companies due to Non-Filing of DIR-3KYC and Mr. SHEKHAR GUPTA (DIN: 01744465) who has been debarred/ disqualified by Registrar of Companies u/s 164(2).

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	ARVIND DHAM	00047217	31/03/2003
2.	BRAJINDAR MOHAN SINGH	02143830	25/08/2017
3.	ANURADHA KAPUR**	01646928	25/08/2017
4.	SHEKHAR GUPTA	01744465	14/02/2017

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



Mukul Dusad & Associates

Company Secretaries

Reg. Office: H-5-C Todarmal Marg Banipark, Jaipur 302016 (Raj.)

Tel: 141-2200506; (m) +91-8824788108; E-mail: mukuldusad@gmail.com

***Ms. Anuradha Kapur has tendered her resignation from the post of the Director of the Company w.e.f., 18th October, 2019 and also filed respective DIR-11 form with the Registrar of Companies*

Place: Jaipur
Date : 28/09/2021



For Mukul Dusad and Associates

CS Mukul Dusad
(Practicing Company Secretary)

Membership No.: 60067

CP No.: 22589

UDIN: A060067C001027341

Mukul Dusad & Associates

Company Secretaries

Reg. Office: H-5-C Todarmal Marg Banipark, Jaipur 302016 (Raj.)

Tel: 141-2200506; (m) +91-8824788108; E-mail: mukuldusad@gmail.com

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER LISTING REGULATIONS, 2015

To,
Metalyst Forgings Limited
Gat No 614 Village Kurullkhed
Pune Mh 410501,

Metalyst Forgings Limited is under Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code 2016 (Code) vide an order of the Hon'ble National Company Law Tribunal ("NCLT"), Chandigarh dated 15.12.2017 and Mr. Dinkar T. Venkatasubramanian (IP Registration no. IBB/IPA-001/IP-P00003/2016-17/10011), was appointed as the Insolvency Resolution Process ("IRP") with effect from 22nd December 2017. Further, in terms of the provisions of the Code, the Committee of Creditors (COC) in its meeting held on 12th January 2018 continued to Mr. Dinkar T. Venkatasubramanian as the Resolution Professional. The powers of the Board stands suspended as per Section 17 of the Code and such powers are being exercised by Resolution Professional.

After the Commencement of Corporate Insolvency Resolution Process (CIRP) The role and responsibilities of the Committees specified in regulations 17, 18,19,20 and 21 of SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2018 dated 31st May 2018 shall be fulfilled by Resolution Professional and powers of the Board of Directors/committees stand suspended and all the other regulations are complied with under the direction of Resolution Professional of the Company.

Further, we have examined all relevant records of Metalyst Forgings Limited (the Company) for the purpose of certifying of all the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31 March 2021. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management/Resolution Professional. Our examination was limited to the procedures and implementation thereof. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management/Resolution Professional has conducted the affairs of the Company.

On the basis of our examination of the records produced explanations and information furnished, we certify that the Company has complied with the applicable conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Date: 28/09/2021
Place: JAIPUR



For Mukul Dusad and Associates

CS Mukul Dusad
(Practicing Company Secretary)
M. No. A60067
Cp. No. 22589
UDIN: A060067C001027517

METALYST FØRGINGS LIMITED

(formerly known as Ahmednagar Forgings Limited)

Registered Office :

Gat No.614, Village Kuruli Khed, Pune, Maharashtra - 410501

Tel.: +91- 2135-252148 Fax: +91-2135-252105

CIN No. is L28910MH1977PLC019569

CFO CERTIFICATE

(Pursuant to Regulation 17 read with Part B of Schedule II of SEBI LODR Regulations, 2015)

To:

**The Board / Resolution Professional,
Metalyst Forgings Limited**

I, **Arun Kumar Maiti, Chief Financial Officer** of the Company, responsible for the finance functions of the Company certify that:

- a) I, have reviewed the financial statements and cash flow statement for the year ended 31st March, 2021 and to the best of my knowledge and belief.
 - I. These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
 - II. These statements together, present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of my knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2021 are fraudulent, illegal or violation of the Company's code of conduct.
- c) I, accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting and deficiencies in the design or operation of such internal controls, if any, of which I am aware, have been disclosed to the auditors and the Audit Committee/Resolution Professional and steps have been taken to rectify these deficiencies.
- d) I, have indicated to the Auditors and the Audit Committee/Resolution Professional.
 - I) There has not been any significant change in internal control over financial reporting during the year under reference;
 - II) There are changes in accounting policies during the year on account of INDAS adoption and the same have been disclosed in the notes to financial statements; and
 - III) I am not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place : New Delhi

Date : 30.11.2021



Arun Maiti

(Chief Financial Officer)

METALYST FORGINGS LIMITED

(formerly known as. *Uthmaniyar Forgings Limited*)

Registered Office
Gal No.G14, Village Kuruli Khed, Pune, Maharashtra - 410501
Tel.: +91-2135-252146 Fax: +91-2135-252105
CIN No. is L28910MH1977PLC019569

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone and Consolidated separately)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2021				
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	17,919	17,919
	2.	Total Expenditure	84,721	84,721
	3.	Net Profit/(Loss)	-66,802	-66,802
	4.	Earnings Per Share	-153.31	-153.31
	5.	Total Assets	2,38,973	2,38,973
	6.	Total Liabilities	2,38,973	2,38,973
	7.	Net Worth	-1,95,760	-1,95,760
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II. Audit Qualification (each audit qualification separately):				
Audit Qualification 1:				
a. Details of Audit Qualification:				
As per "IND AS 36 Impairment of Assets", the company should assess at the end of each reporting period whether there is an indication that an asset may be impaired. If any such indication exists, the entity shall estimate the recoverable amount of asset. As per "IND AS 109 Financial Instruments" the Company should recognize a loss allowance for expected credit losses on a financial asset. Since the Company is under the CIRP process and RP and CQC are in the process of finalization of successful resolution, the Company and management has not determined value of these assets in use. Accordingly, we are unable to ascertain the possible effect of the same on the statements.				
b. Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion				
c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Repetitive as the Company is under Corporate Insolvency Resolution Process (CIRP)				
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Quantified by Auditor				
e. For Audit Qualification(s) where the Impact is not quantified by the auditor:				
(i) Management's estimation on the impact of audit qualification: Unable to Estimate				
(ii) If management is unable to estimate the impact, reasons for the same:				
The company has been under Corporate Insolvency Resolution Process (CIRP) since December 15, 2017 under the provisions of the Insolvency & Bankruptcy Code 2016 (Code). Since the company is still under the process of CIRP and Resolution Professional & Committee of Creditors are in the process of finalization of successful resolution applicant, it is not possible to determine the impact.				
(iii) Auditors' Comments on (i) or (ii) above:				
Audit report is self explanatory.				
Audit Qualification 2:				

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(formerly known as Amethnagar Forgings Limited)

Registered Office

Gat No 614, Village Kurukheda, Punc, Maharashtra - 410501

Tel.: +91-2135-252148 Fax: +91-2135-252105

CIN No. is L28910MH1977PLC019569

	<p>a. Details of Audit Qualification: As per "IND AS 36 Impairment of Assets", the company should perform Impairment testing on Property, Plant and Equipment having net book value of Rs.1,74,880.57 lakhs and Capital WIP having closing value of Rs.13821 lakhs. We are informed by the management that since the company is under CIRP process, it is not possible for them to determine value in use and hence impairment testing has not been carried out. Accordingly, we are unable to ascertain the possible effects of the same on the Standalone Financial statements.</p>
	<p>b. Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p>
	<p>c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Repetitive as the Company is under Corporate Insolvency Resolution Process (CIRP)</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Quantified by Auditor</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
	<p>i) Management's estimation on the impact of audit qualification: Unable to Estimate</p>
	<p>ii) If management is unable to estimate the impact, reasons for the same: The company has been under Corporate Insolvency Resolution Process (CIRP) since December 15, 2017 under the provisions of the Insolvency & Bankruptcy Code 2016 (Code). Since the company is still under the process of CIRP and Resolution Professional & Committee of Creditors are in the process of finalization of successful resolution applicant, it is not possible to determine the impact.</p>
	<p>iii) Auditors' Comments on (i) or (ii) above: Audit report is self explanatory.</p>
	<p>Audit Qualification 3:</p>
	<p>a. Details of Audit Qualification: The Company has not maintained Fixed Asset register. Accordingly, we cannot comment on accuracy of the value of PPE, current and accumulated depreciation and its possible impact on the Standalone Financial Statements.</p>
	<p>b. Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p>
	<p>c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Repetitive as the Company is under Corporate Insolvency Resolution Process (CIRP) from</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not Quantified by Auditor</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
	<p>i) Management's estimation on the impact of audit qualification: Unable to Estimate</p>
	<p>ii) If management is unable to estimate the impact, reasons for the same: The company has been under Corporate Insolvency Resolution Process (CIRP) since December 15, 2017 under the provisions of the Insolvency & Bankruptcy Code 2016 (Code). Since the company is still under the process of CIRP and Resolution Professional & Committee of Creditors are in the process of finalization of successful resolution applicant, it is not possible to determine the impact.</p>
	<p>iii) Auditors' Comments on (i) or (ii) above: Management should prepare fixed asset register as per prescribed format as per Companies Act, 2013</p>
	<p>Audit Qualification 4:</p>

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CIN No. is L28910MH1977PLC0019509

	<p>a. Details of Audit Qualification: Company has shown "Refund receivable under MVAT Act" under non-current assets to an extent of Rs 707.73 lakhs for FY 2014-15, FY 2015-16 and FY 2016-17. Assessments for these years have been completed by VAT department and as per the assessment orders, there is total demand of Rs 516.39 Lakhs. Till date, no appeal has been preferred against these orders. Thus, the non-current assets are overstated by 707.73 Lakhs, Liabilities towards Statutory Dues are understated by Rs. 516.39 Lakhs and expenses & accumulated losses are understated by Rs. 1,224.12 Lakhs.</p>
	<p>b. Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p>
	<p>c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
	<p>i) Management's estimation on the Impact of audit qualification:</p>
	<p>ii) If management is unable to estimate the impact, reasons for the same: The company has been under Corporate Insolvency Resolution Process (CIRP) since December 15, 2017 under the provisions of the Insolvency & Bankruptcy Code 2016 (Code). Since the company is still under the process of CIRP and Resolution Professional & Committee of Creditors are in the process of finalization of successful resolution applicant, it is not possible to determine the impact.</p>
	<p>iii) Auditors' Comments on (i) or (ii) above:</p>
	<p>Audit report is self explanatory.</p>
	<p>Audit Qualification 5:</p>
	<p>a. Details of Audit Qualification: Out of Rs 487.88 lakhs, balances of certain current accounts having aggregate balance of Rs. 44.82 Lakhs are not confirmed due to non-availability of confirmation from respective Banks. Out of the same, bank statements of current accounts having aggregate balance of Rs 7.71 lakhs was not provided to us for our verification. In absence of these details, we are unable to ascertain the possible effect on standalone financial statements.</p>
	<p>b. Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion</p>
	<p>c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Repetitive as the Company is under Corporate Insolvency Resolution Process (CIRP)</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
	<p>i) Management's estimation on the impact of audit qualification: Unable to Estimate</p>
	<p>ii) If management is unable to estimate the impact, reasons for the same: The company has been under Corporate Insolvency Resolution Process (CIRP) since December 15, 2017 under the provisions of the Insolvency & Bankruptcy Code 2016 (Code). Since the company is still under the process of CIRP and Resolution Professional & Committee of Creditors are in the process of finalization of successful resolution applicant, it is not possible to determine the impact.</p>
	<p>iii) Auditors' Comments on (i) or (ii) above:</p>
	<p>Management should approach banks to get the required details.</p>

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CIN No. is L28910MH1977PLG019569

Audit Qualification 6:	
a. Details of Audit Qualification: Balance of Trade receivables, loans and advances and Trade payables are subject to confirmations and consequent adjustments, if required. In absence of balance confirmations, financial impact on financial results is not ascertainable. As per the Insolvency and Bankruptcy code, the RP has to receive, collate and reconcile all the claims submitted by the creditors of the company. The RP has verified and admitted the claims submitted by the creditors as per the code. Pending finalisation of resolution plan, the impact of such claims if any, have also not been considered in the preparation of the financial statements.	
b. Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	
c. Frequency of qualification: Whether appeared first time / repetitive / since how long continuing Repetitive as the Company is under Corporate Insolvency Resolution Process (CIRP)	
d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	
e. For Audit Qualification(s) where the impact is not quantified by the auditor:	
i) Management's estimation on the impact of audit qualification: Unable to Estimate	
ii) If management is unable to estimate the impact, reasons for the same: The company has been under Corporate Insolvency Resolution Process (CIRP) since December 15, 2017 under the provisions of the Insolvency & Bankruptcy Code 2016 (Code). Since the company is still under the process of CIRP and Resolution Professional & Committee of Creditors are in the process of finalization of successful resolution applicant, it is not possible to determine the impact.	
iii) Auditors' Comments on (i) or (ii) above: Audit report is self explanatory.	
III.	Signatories:
	<ul style="list-style-type: none">• Chief Financial Officer (CFO) 
	<ul style="list-style-type: none">• Statutory Auditor 
	<ul style="list-style-type: none">• Resolution Professional (RP) 
	Place: Pune
Date: 30.11.2021	

Independent Auditor's Report

To,
Members,
METALYST FORGINGS LIMITED

Report on the Audit of the Standalone Financial statements

Qualified Opinion

We have audited the accompanying Standalone Financial Statements of METALYST FORGINGS LIMITED ('the Company'), which comprise the Balance sheet as at 31st March 2021, the statement of Profit and Loss including other comprehensive income, the statement of cash flows and the statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the aforesaid financial statements give a true and fair view of in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021 and loss, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

- (a) As per "IND AS 36 Impairment of Assets", the Company should assess at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the entity shall estimate the recoverable amount of the asset. As per "IND AS 109 Financial Instruments" the Company should recognize a loss allowance for expected credit losses on a financial asset. Since the Company is still under the CIRP process and RP and COC are in the process of finalization of successful resolution, the Company and the management has not determined value of these assets in use. Accordingly, we are unable to ascertain the possible effect of the same on the Statements.
- (b) As required under "IND AS 36- Impairment of Assets", the company has not done impairment testing on Property, plant and equipment having net block value of Rs 1,74,880.57 lakhs and Capital Work in Progress having closing value of Rs 13,821 Lakhs. We are informed by the management that since the company is under CIRP process, it is not possible for them to determine value in use and hence impairment testing has not been carried out. Accordingly, we are unable to ascertain the possible effects of the same on the Standalone Financial statements.

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- (c) The company has not maintained Fixed Asset register Accordingly-, we cannot comment on accuracy of the value of Property, Plant and Equipment, current & Accumulated depreciation and its possible impact on the Standalone Financial statements.
- (d) Company has shown "Refund receivable under MVAT Act" under non-current assets to an extent of Rs 707.73 lakhs for FY 2014-15, FY 2015-16 and FY 2016-17. Assessments for these years have been completed by VAT department and as per the assessment orders, there is total demand of Rs. 516.39 Lakhs. Till date, no appeal has been preferred against these orders. Thus, the non-current assets are overstated by 707.73 Lakhs, Liabilities towards Statutory Dues are understated by Rs. 516.39 Lakhs and expenses & accumulated losses are understated by Rs. 1,224.12 Lakhs.
- (e) Out of Rs 487.88 lakhs , balances of certain current accounts having aggregate balance of Rs. 44.82 Lakhs are not confirmed due to non-availability of confirmation from respective Banks. Out of the same, bank statements of current accounts having aggregate balance of Rs 7.71 lakhs was not provided to us for our verification. In absence of these details, we are unable to ascertain the possible effect on standalone financial statements.
- (f) Balance of Trade receivables, loans and advances and Trade payables are subject to confirmations and consequent adjustments, if required. In absence of balance confirmations, financial impact on financial results is not ascertainable. As per the Insolvency and Bankruptcy code, the RP has to receive, collate and reconcile all the claims submitted by the creditors of the company. The RP has verified and admitted the claims submitted by the creditors as per the code. Pending -finalisation of resolution plan, the impact of such claims if any, have also not been considered in the preparation of the financial statements.

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 responsibility under those Standards are further described in the Auditors Responsibilities for the Audit of Standalone Financial Statements section of our report. We are independent of the entity in accordance with the code of Ethics issued by ICAI together with the ethical requirements that are relevant to our audit of Standalone 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 qualified opinion on the Standalone Financial Statements.



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Emphasis of Matter

We draw attention to the following:

1. Considering the ongoing corporate insolvency resolution process, the certainty as to realization of unused tax losses and MAT credit cannot be ascertained at this stage. Consequently, adjustment to deferred tax (net) and available MAT credit have not been given effect to.
2. Considering the ongoing corporate insolvency resolution process, interest on the financial debt from the date of commencement of CIRP i.e. from Dec 15, 2017 till March 31, 2021 and interest on Preference share capital have not been provided in the books of accounts and charged to profit and loss account.

Material Uncertainty Related to Going Concern

The company has accumulated losses of Rs. 2,99,402.02 Lakhs and its net worth is fully eroded. It has incurred net loss during the year ended March 31, 2021 amounting to Rs. 66,802.12 Lakhs. It is unable to repay its debts and meet other financial obligations/commitments. The application of Financial Creditors under section 9 of the Insolvency and Bankruptcy Code (IBC) had been admitted by Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench. The company has been in the CIRP process under the code since December 15, 2017 and till date no resolution has been arrived at.

All these indicate a material uncertainty about the Company's ability to continue as a Going Concern. However, the standalone financial statements are prepared on a going concern basis.

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.

Except for the matters described in the Basis for qualified opinion we have determined that there are no other key audit matters to communicate in our report

Information other than the financial statements and Auditor's Report thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's Report, including annexure thereto, Report on Corporate Governance and Management Discussion and Analysis Report, but does not include the Standalone Financial Statements and our auditor's report thereon.

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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.

Responsibility of Management's and Those Charged with Governance's Responsibility for the Standalone Financial Statements

The Resolution Professional of the company is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015.

The company has gone into Corporate Insolvency Resolution Process ("CIRP") vide order of the National Company Law Tribunal, Mumbai Bench ("NCLT") dated December 15, 2017, under the provision of the Insolvency & Bankruptcy Code 2016 ("Code"). Pursuant to the Order, the powers of the Board of Directors stand suspended and such powers are exercisable by Mr. Dinkar T. Venkatasubramaniam, who has been appointed as Resolution Professional ("RP") by NCLT vide order dated December 15, 2017 and was consequently confirmed as Resolution Professional (RP) by the Committee of Creditors (COC) in its meeting held on January 12, 2018. The members of the COC (vide the meeting held 18 May 2018) authorized RP to file an application to NCLT for extension of CIRP period by 90 days (i.e. from 180 days to 270 days) as per the Code.

Accordingly, Mr. Dinkar T. Venkatasubramaniam took control of management and operations of the company. As the powers of the Board of Directors had been suspended, the financial statements have not been adopted by Board of Directors however, the same have been signed by Mr. Dinkar T. Venkatasubramaniam (Resolution Professional), Mr. Yogesh Kapur (Director), Mr. Arun Maiti (CFO) and Ms. Pratibha Chaudhary (CS) of Company confirming accuracy and completeness of the results. These Standalone Financial Statements have been signed by the RP.

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;

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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 financial statements, Resolution Professional 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.

Auditor's Responsibility for the audit of 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 Standards on Auditing 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 Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on

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the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the 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 Standalone 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 audit work; and (ii) to evaluate the effect of any identified misstatements in the Standalone 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The financial statements of the Company for the year ended March 31, 2020 and April 1, 2019 were audited by another auditor who expressed a qualified opinion on those statements on March 31, 2020. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in exercise of powers conferred by sub section (11) of section 143 of the act, we give in "annexure A", a statement on the matters specified in paragraph 3 & 4 of the Order, to the extent applicable.

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2. As required by section 143(3) of the Act, we report that:

- (a) Except for the matter described in Basis of Qualified opinion paragraphs, 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) Except for the matter described in Basis of Qualified Opinion paragraphs, 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) Except for the matter described in Basis of Qualified Opinion paragraphs, the Balance sheet, the statement of Profit and Loss including other comprehensive income, the cash flow statement and the statement of changes in equity dealt with by this report are in agreement with the relevant books of account;
- (d) Except for the matter described in Basis of Qualified Opinion paragraphs, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the relevant rules there under;
- (e) In our opinion the matters described in the Basis of Qualified Opinion paragraphs above may have adverse effect in the functioning of the Company.
- (f) Since the company is under CIRP under the provisions of the Insolvency and Bankruptcy Code, the powers of board are suspended and RP is managing the operations of the company. Thus, written representations of the directors are not received and taken on record by the company and
- (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above; and
- (h) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and the operating effectiveness of the company's internal financial controls over financial reporting; and internal audit has also not been taken placed by company.
- (i) 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, we report, that the managerial remuneration for the year ended 31st March, 2021 has not been paid to its directors.
- (j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements [Refer Note no. 3.26.4 of financial statements].

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- ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. The company has Rs 17.84 lakhs pending to be transferred to Investor Education and Protection Fund which is unclaimed for period 2012-13 and 2013-14.

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 104184W/W100075



Rishikesh Nasikkar

Designated Partner

Membership No. 166493

Date: November 30, 2021

Place: Mumbai

UDIN:- 21166493AAAADA5361



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ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under "Report on other legal and regulatory requirements" section of our report to the members of Metalyst Forgings Ltd.)

- i. **In respect of fixed assets:**
 - a) The Company has not maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
 - b) During the year, the management has not physically verified. Further, the company does not have any program for verification of assets. We are informed by the management that since the company is in CIRP, assets are not verified this year. In absence of physical verification of assets, we cannot comment on existence of any material discrepancies on verification.
 - c) The company has not submitted title deeds for our verification except lease deed of land at Nagar, Maharashtra having carrying value of Rs 4.94 lakhs. Hence, we are unable to comment whether immovable properties included in Property, Plant and equipment are held in the name of the company.
- ii. **In respect of Inventories:** -We have been informed by the management that the inventories were physically verified by an external agency appointed by the company at the end of each quarter and no major discrepancies were noticed except a difference of Rs. 10.31 Lakhs at one location however the difference has not been accounted in the books.
- iii. The company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Therefore, provisions of clause 3(iii) of the Order are not applicable to the company
- iv. During the year, the company has not granted loans, made investments, given guarantee or securities for loan taken by others where provision of section 185 and 186 are applicable. Therefore, provisions of clause 3(iv) of the Order are not applicable to the company.
- v. In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the public covered under Section 73 to 76 of the Companies Act, 2013. Therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. According to the information and explanations given to us, the company is required to maintain cost records specified by central government under sub-section (1) of Section 148 of the companies act 2013. However, we have not been provided these records. In absence of such records, we are unable to comment about availability of the same.



vii. As regards statutory dues,

- a. Except the matter stated in para (e) of basis for qualified opinion, according to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods & Service Tax, Custom Duty, and other material statutory dues, as applicable, with the appropriate authorities in India. As at the Balance sheet date, there have no dues which are outstanding for the period of more than 6 months from the date they become payable
- b. According to the information and explanation given to us and based on the verification of records there are no applicable statutory dues other than as specified in table below which have not been deposited on account of any disputes

Nature of Dues	Amount (In Lakhs)	Period to which amount relates	Forum where dispute is pending
VAT	38.85	2020	Tribunal, Mumbai
	63.36	2013	
Excise Duty	6.5	2002	Supreme Court, Delhi
	74.58	2008	High Court, Mumbai
	10.72	2008	CESTAT, Mumbai
	41.68	2013-2015	Commissioner, Central Excise (Appeal) Nashik
Income Tax (Appeal against demand raised under section 271(1) (c))	2.36	2006-07	ITAT, Mumbai
	18.31	2008-09	ITAT, Mumbai
	119.46	2010-11	ITAT, Mumbai
Income Tax (Appeal against demand raised under section 153A)	3.13	2005-06	ITAT, Mumbai

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	4.34	2006-07	ITAT, Mumbai
	1.86	2007-08	ITAT, Mumbai
	33.60	2008-09	ITAT, Mumbai
	0.15	2009-10	ITAT, Mumbai
	0.23	2010-11	ITAT, Mumbai
	0.73	2011-12	ITAT, Mumbai

- viii. Since the company had defaulted in repayment of loans, the financial creditors of the company had filed a case under the provisions of the Insolvency and Bankruptcy Code 2016 and the Company has been under the CIRP period since December 15, 2017 As per the provisions of the Code, all the repayments of loans are stopped and no repayments have been made during the year.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Therefore, provisions of clause 3 (ix) of the Order are not applicable to the company.
- x. According to the information and explanations given to us and based on our verification, we are of the opinion that no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. During the year, the company has paid managerial remuneration within limits as prescribed under the provisions of section 197.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, provisions of clause 3(xii) of the Order are not applicable to the company.
- xiii. As per the provisions of the Code, the powers of the board are suspended and the IP is acting as a Board and has been managing the company during CIRP period. Therefore, during the year, there was no audit committee as required u/s. 177 of the Companies Act. Further, all related party transactions have been disclosed in the Standalone Financial Statements as per the requirements of the Act and IND AS- 24. In our opinion and according to the information and explanations given to us, the same are in compliance with Section 188 of the Companies Act, 2013.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures Therefore, provisions of clause 3 (xiv) of the Order are not applicable to the Company.



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- xv. According to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 104184W/W100075



Rishikesh Nasikkar

Designated Partner

Membership No. 166493

Date: November 30, 2021

Place: Mumbai

UDIN:- 21166493AAAADA5361



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Annexure – B to Independent Auditors' Report

(Referred to in paragraph 2 (h) under "Report on other legal and regulatory requirements" section of our report to the members of Metalyst Forgings Ltd.)

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

We were engaged to audit the internal financial controls over financial reporting of METALYST FORGINGS LIMITED as of 31st March 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 Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI').

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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.

Because of the matter described in the Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system with reference to the standalone financial statements of the Company.



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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 Standalone 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 Standalone 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 Standalone 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.

Basis for Disclaimer of Opinion

The company has no documented Risk assessment and control matrix which enlists processes, sub-processes, risk faced by them and controls implemented to mitigate such risks. During the CIRP period, the power of board has been suspended and the IP is managing all the affairs of the Company. However, the revised control matrix for all the processes have not been shared with us for our verification. The company has thus not established its internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the guidance note issued by the Institute of Chartered Accountants of India. We were unable to obtain sufficient appropriate audit evidence on which to base our opinion on the effectiveness of company's internal financial controls with reference to standalone financial statements.



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Jayesh Sanghrajka & Co LLP

Chartered Accountants

Disclaimer of opinion

As described in the basis of disclaimer paragraph above, because of the significance of the matters, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion on whether the company had adequate internal financial controls with reference to standalone financial statements and whether such internal financial controls were operating effectively for the year ended March 31, 2021 based on the internal control with reference to standalone financial statements criteria established by the company considering the essential components of internal controls stated in the guidance note on audit of Internal Financial controls over financial reporting issued by the ICAI.

We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the standalone financial statements of the company for the year ended March 31, 2021, and the disclaimer has affected our opinion on the standalone financial statements of the company and we have issued a **"Qualified Opinion"** on the financial statements for the year ended on that date.

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 104184W/W100075



Rishikesh Nasikkar

Designated Partner

Membership No. 166493

Date: November 30, 2021

Place: Mumbai

UDIN:- 21166493AAAADA5361



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Independent Auditor's report on Standalone Audited Financial Results of the company pursuant to the Regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 for the year ended March 31, 2021.

To:
**Resolution Professional,
METALYST FORGINGS LIMITED**

We, the Statutory Auditors, of the Company have audited and reviewed the accompanying statement of Standalone audited financial results of M/s METALYST FORGINGS LIMITED ('the company'), for the year ended March 31, 2021 ('the statement') being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. The figures for the quarter ended March 31, 2021 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2021 and the published year to date figures up to December 31, 2020, being the date of the end of the third quarter of the current financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit.

The company has gone into Corporate Insolvency Resolution Process ("CIRP") vide order of the National Company Law Tribunal, Mumbai Bench ("NCLT") dated December 15, 2017, under the provision of the Insolvency & Bankruptcy Code 2016 ("Code"). Pursuant to the Order, the powers of the Board of Directors stand suspended and such powers are exercisable by Mr. Dinkar T. Venkatasubramaniam, who has been appointed as Resolution Professional ("RP") by NCLT vide order dated December 15, 2017 and was consequently confirmed as Resolution Professional (RP) by the Committee of Creditors (COC) in its meeting held on January 12, 2018. The members of the COC (vide the meeting held 18 May 2018) authorized RP to file an application to NCLT for extension of CIRP period by 90 days (i.e. from 180 days to 270 days) as per the Code.

As the powers of the Board of Directors have been suspended, the above results have not been adopted by the Board of Directors. However, the same have been signed by Mr. Dinkar T. Venkatasubramanian (Resolution professional) confirming, accuracy & completeness of the results.

This Statement, which is the responsibility of the company's management, which has been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 ("the Act") and published year to date figures up to the end of third quarter of the financial year prepared in accordance with recognition and measurement principles laid down in Ind AS 34, Interim Financial Reporting, specified under

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section 133 of the Act, and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016. Our responsibility is to express an opinion on the Statements based on our audit of such Standalone Ind AS financial statements made by the management and our review of Standalone financial results for the nine-months period ended December 31, 2020.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of the Chartered Accountants of India, Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the statement that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the statement.

Basis for Qualified Opinion

- a) As per "IND AS 36 Impairment of Assets", the Company should assess at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the entity shall estimate the recoverable amount of the asset. As per "IND AS 109 Financial Instruments" the Company should recognize a loss allowance for expected credit losses on a financial asset. Since the Company is still under the CIRP process and RP and COC are in the process of finalization of successful resolution, the Company and the management has not determined value of these assets in use. Accordingly, we are unable to ascertain the possible effect of the same on the Statements.
- b) As required under "IND AS 36- Impairment of Assets", the company has not done impairment testing on Property, plant and equipment having net block value of Rs 1,74,880.57 lakhs and Capital Work in Progress having closing value of Rs 13,821 Lakhs. We are informed by the management that since the company is under CIRP process, it is not possible for them to determine value in use and hence impairment

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testing has not been carried out. Accordingly, we are unable to ascertain the possible effects of the same on the Standalone Financial statements.

- c) The company has not maintained Fixed Asset register Accordingly, we cannot comment on accuracy of the value of Property, Plant and Equipment, current & Accumulated depreciation and its possible impact on the Standalone Financial statements.
- d) Company has shown "Refund receivable under MVAT Act" under non-current assets to an extent of Rs 707.73 lakhs for FY 2014-15, FY 2015-16 and FY 2016-17. Assessments for these years have been completed by VAT department and as per the assessment orders, there is total demand of Rs. 516.39 Lakhs. Till date, no appeal has been preferred against these orders. Thus, the non-current assets are overstated by 707.73 Lakhs, Liabilities towards Statutory Dues are understated by Rs. 516.39 Lakhs and expenses & accumulated losses are understated by Rs. 1,224.12 Lakhs.
- e) Out of Rs 487.88 lakhs, balances of certain current accounts having aggregate balance of Rs. 44.82 Lakhs are not confirmed due to non-availability of confirmation from respective Banks. Out of the same, bank statements of current accounts having aggregate balance of Rs 7.71 lakhs was not provided to us for our verification. In absence of these details, we are unable to ascertain the possible effect on standalone financial statements.
- f) Balance of Trade receivables, loans and advances and Trade payables are subject to confirmations and consequent adjustments, if required. In absence of balance confirmations, financial impact on financial results is not ascertainable. As per the Insolvency and Bankruptcy code, the RP has to receive, collate and reconcile all the claims submitted by the creditors of the company. The RP has verified and admitted the claims submitted by the creditors as per the code. Pending finalization of resolution plan, the impact of such claims if any, have also not been considered in the preparation of the financial statements.

Emphasis of Matter

We draw attention to the following:

1. Considering the ongoing corporate insolvency resolution process, the certainty as to realization of unused tax losses and MAT credit cannot be ascertained at this stage. Consequently, adjustment to deferred tax (net) and available MAT credit have not been given effect to.
2. Considering the ongoing corporate insolvency resolution process, interest on the financial debt from the date of commencement of CIRP i.e. from Dec 15, 2017 till March 31, 2021 and interest on Preference share capital have not been provided in the books of accounts and charged to profit and loss account.

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Material Uncertainty Related to Going Concern

The company has accumulated losses of Rs. 2,99,402.02 Lakhs and its net worth is fully eroded. It has incurred net loss during the year ended March 31, 2021 amounting to Rs. 66,802.12 Lakhs. It is unable to repay its debts and meet other financial obligations/commitments. The application of Financial Creditors under section 9 of the Insolvency and Bankruptcy Code (IBC) had been admitted by Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench. The company has been in the CIRP process under the code since December 15, 2017 and till date no resolution has been arrived at.

All these indicate a material uncertainty about the Company's ability to continue as a Going Concern. However, the standalone financial statements are prepared on a going concern basis.

For Jayesh Sanghrajka & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 104184W/W100075

Rishikesh Nasikkar

Designated Partner

Membership No. 166493

Date: November 30, 2021

Place: Mumbai

UDIN:- 21166493AAAADB1383



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METALYST FORGINGS LIMITED

CIN: L28010MH1977PLC019569

Balance Sheet as at 31st March, 2021

(Rupees in Lakhs)

Particulars	Note No	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
(A) ASSETS				
1 Non-Current Assets				
(a) Property, Plant and Equipment	3.1	1,74,880.57	2,00,509.15	2,25,806.10
(b) Capital work-in-progress	3.1	13,821.48	13,821.48	13,818.72
(c) Financial Assets				
Investments	3.2	9.60	34,706.71	34,706.71
Loans	3.3	44.72	44.97	45.01
(d) Deferred Tax Assets (net)	3.4	18,699.55	18,699.55	18,699.55
(e) Other Non-current Assets	3.5	8,405.45	8,707.08	8,675.41
Sub Total-Non-Current Assets		2,15,061.37	2,76,488.94	3,01,751.50
2 Current Assets				
(a) Inventories	3.6	9,504.89	11,155.87	11,520.88
(b) Financial Assets				
Trade Receivables	3.7	10,849.26	15,490.19	19,835.73
Cash and Cash Equivalents	3.8.1	489.07	1,098.81	912.86
Other bank balances	3.8.2	1,208.23	1,237.00	1,216.03
Other Current Financial Assets	3.9	4.30	11.13	8.18
(c) Current Tax Assets (Net)	3.10	11.02	5.54	28.31
(d) Other Current Assets	3.11	1,043.89	672.31	742.01
Sub Total-Current Assets		23,111.26	29,670.85	34,264.00
TOTAL-ASSETS		2,38,972.63	3,06,159.79	3,36,015.50
(B) EQUITY AND LIABILITIES				
1 Equity				
(a) Equity Share Capital	3.12	4,355.00	4,355.00	4,355.00
(b) Other Equity	3.13	(2,00,115.43)	(1,33,351.07)	(1,03,176.17)
Sub Total-Equity		(1,95,760.43)	(1,28,996.07)	(98,821.17)
2 Liabilities				
Non-Current Liabilities				
(a) Financial Liabilities				
Borrowings	3.14	35,301.51	35,301.51	35,210.80
(b) Provisions	3.15	256.38	1,093.24	1,142.92
(c) Deferred Tax Liabilities (Net)		-	-	-
(d) Other Non-Current Liabilities	3.16	81.75	121.56	248.70
Sub Total-Non-Current Liabilities		35,639.64	36,516.31	36,602.42
Current Liabilities				
(a) Financial Liabilities				
Borrowings	3.17	1,28,928.17	1,28,928.75	1,28,930.04
Trade Payables	3.18			
(i) Total outstanding dues of Micro enterprises & small enterprises		617.74	557.73	511.07
(ii) Total outstanding dues other than Micro enterprises & small enterprises		11,391.86	11,499.55	11,261.32
Other Financial Liabilities	3.19	2,56,777.75	2,56,595.94	2,56,659.48
(b) Other Current Liabilities	3.20	1,217.01	881.97	660.45
(c) Provisions	3.21	160.89	175.61	211.89
Sub Total-Current Liabilities		3,99,083.42	3,98,639.55	3,98,234.25
TOTAL EQUITY AND LIABILITIES		2,38,972.63	3,06,159.79	3,36,015.50

Significant Accounting Policies & Notes on Financial Statements

1 to 3.34

As per our report of even date attached
For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
ICAI Firm Regn. No. 304184W/W100075


Rishikesh Nasikkar
Designated Partner
Membership No. 106493

Place : Pune
Dated : 30/11/2021

For and on Behalf of the Board


Dinkar T.
Venkatasubramanian,
Resolution Professional


Arun Mail
Chief Financial Officer


Yogesh Kapur
Director

Pratibha Chaudhary
Company Secretary

METALYST FORGINGS LIMITED
CIN: L28910MH1977PLC019569

Statement of Profit and Loss for the Year ended 31st March, 2021

(Rupees in Lakhs)

Particulars	Note No.	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
I. Revenue			
Revenue from operations	3.22	17,417.66	18,794.70
Other Income	3.23	500.90	94.77
II. Total Revenue		17,918.56	18,889.47
III. Expenses:			
Cost of Materials Consumed	3.24	10,101.80	11,413.53
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	3.25	570.69	67.49
Employee benefit expenses	3.26	2,186.64	2,901.21
Finance costs	3.26	-	146.13
Depreciation and amortization expenses	3.26	25,215.00	25,380.79
Other Expenses	3.26	11,949.44	9,323.49
Total Expenses		50,023.57	49,232.64
IV. Profit / (Loss) before exceptional items and tax (II-III)		(32,105.01)	(30,343.17)
V. Exceptional Items [(Income)/(Expense)]	3.27	34,697.11	-
VI. Profit/(Loss) before tax (IV + V)		(66,802.12)	(30,343.17)
VII. Tax expense:			
Current tax		-	-
Deferred tax		-	-
Total Tax Expenses		-	-
VIII. Profit/(Loss) for the period from continuing operations (VI-VII)		(66,802.12)	(30,343.17)
IX. Profit/(loss) from Discontinued operations (after tax)		-	-
X. Profit/(loss) for the period (VIII+IX)		(66,802.12)	(30,343.17)
XI. Other Comprehensive Income	3.28		
A) (i) Items that will not be reclassified to profit or loss		37.76	168.28
ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B) (i) Items that will be reclassified to profit or loss		-	-
ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total of Other comprehensive Income		37.76	168.28
XII. Total Comprehensive Income/(Loss) for the period (X+XI) [Comprising Profit (Loss) and Other Comprehensive Income for the period]		(66,764.36)	(30,174.89)
XIII. Earnings per equity share [for continuing operation]:			
(1) Basic	1.29	(153.39)	(69.67)
(2) Diluted	3.29	(153.39)	(69.67)
XIV. Earning per equity share (for continuing & discontinued operation) :			
(1) Basic	1.29	(153.39)	(69.67)
(2) Diluted	3.29	(153.39)	(69.67)

Significant Accounting Policies & Notes on Financial Statements

1 to 3.34

As per our report of even date attached
For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
ICAI Firm Regn. No. 104184W/W100075


Rishikesh Nasikdar
Designated Partner
Membership No. 166493

Place : Pune
Dated : 30/11/2021

For and on Behalf of the Board


Dinkar T.
Venkatasubramanian
Resolution Professional


Yogesh Kapur
Director


Arun Maiti
Chief Financial Officer


Pratibha Chaudhary
Company Secretary

METALYST FORGING LIMITED

CIN: L28910MH1977PLC019569

Cash Flow Statement for the year ended 31st March, 2021

(Rupees in Lakhs)

Particulars	For the Year ended 31.03.2021	For the Year Ended 31.03.2020
A CASH FLOW FROM OPERATING ACTIVITIES:		
Profit as per Profit & Loss Account (PBT)	(66,802.12)	(30,343.05)
Depreciation & Amortisation	25,215.00	25,380.79
Sundry balance write off	5,566.82	3,289.52
Reversal of Provision for dismantling of PPE	(402.06)	-
Provision for Diminution of Investments	34,697.11	-
Financial Costs	-	207.18
Loss on sale of Property Plant & Equipments	1.29	2.39
Interest Received	(95.80)	(54.77)
	(1,818.76)	(1,557.95)
Change in Current / Non Current Liabilities:		
(Increase)/Decrease in Inventories	1,650.98	365.01
(Increase)/Decrease in Trade Receivables	(926.49)	1,056.01
(Increase)/Decrease in Other Non- Current Assets	301.88	(31.64)
(Increase)/Decrease in Other Current Assets	(170.23)	89.52
(Increase)/Decrease in Trade Payable	(47.68)	284.90
Increase/(Decrease) in Current Liabilities	539.89	121.09
Increase/(Decrease) in Non Current Liabilities & Provisions	(75.84)	(293.29)
Cash generation from operations activities	(746.25)	34.25
Direct Tax Paid	-	-
Cash flow before extraordinary items	(746.25)	34.25
Cashflow from extraordinary items	-	-
Net cash from operating activities	(746.25)	34.25
B CASH FLOW FROM INVESTING ACTIVITIES		
Addition to Fixed Assets	(13.85)	79.10
Capital Investment subsidy	14.33	-
Interest Received & Other Income	95.80	94.77
Proceed from sale of fixed assets	11.04	-
(Increase)/Decrease in Other Bank Balances	28.77	(20.97)
(Purchase) / Sales of Investments (Net)	-	-
Net Cash from investing activities	157.69	152.99
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from new borrowings	-	-
Disbursement / Repayment of Short Term borrowings	(0.58)	(1.29)
Disbursement / Repayment of Long Term borrowings	-	-
Repayment of Long Term borrowings	-	-
Finance Charges Paid	-	-
Net Cash from financing activities	(0.58)	(1.29)
Net cash flows during the year (A+B+C)	(609.74)	185.95
Cash & cash equivalents (opening balance)	1,098.81	912.86
Cash & cash equivalents (closing balance)	489.07	1,098.81


Cash & Cash Equivalents comprises of:

Particulars	For the Year ended 31.03.2021	For the Year Ended 31.03.2020
Cash On Hand	1.19	1.81
Balance with Schedule Banks:		
Current Accounts	487.88	1,097.00
TOTAL	489.07	1,098.81

NOTES TO CASH FLOW STATEMENT


- Cash & Cash Equivalents include cash & bank balances only.
- Previous period figures have been regrouped/ recast wherever considered necessary.

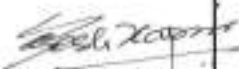
As per our report of even date attached
For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
ICAI Firm Regn. No. 104184W/W100075



Bhikesh Nasikar
Designated Partner
Membership No. 166493

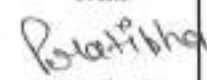
Place : Pune
Dated : 30/11/2021

For and on Behalf of the Board


Venkatesubramaniam
Resolution Professional


Yogesh Kapur
Director


Arun Mehta
Chief Financial Officer


Pratibha Chaudhary
Company Secretary

OTHER EQUITY

A. Equity Share Capital

Balance as at 01.04.2019	Changes during the Period	Balance as at 31.03.2020
4200.00	0.00	4200.00
Balance as at 01.04.2020	Changes during the Period	Balance as at 31.03.2021
4200.00	0.00	4200.00

(Report in Lakhs)

B. Other Equity

Particulars	Reserves and Surplus					Other Comprehensive Income (OCI)			Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Reserve for Contingencies	Equity Component of Compound Financial Instruments (Preference Share)	Measurement of Net Defined Employee Benefits Obligation	Investments through OCI	Debt Instruments through OCI	
As at 01.04.2019	993.87	24,629.20	48,614.64	(2,11,189.66)	5,329.90	133.17	-	-	-
Total Comprehensive Income for the year Transfer to retained earnings	-	-	-	(86,862.11)	-	37.76	-	-	-
Provision on Equity Shares issued during the year	-	-	-	-	-	-	-	-	-
Share Warrants Converted into equity during the year	884.40	24,429.20	58,916.64	(2,09,402.02)	1,149.06	129.93	-	-	-
As at 31.03.2021	-	-	-	-	-	-	-	-	-

(Report in Lakhs)

Particulars	Reserves and Surplus					Other Comprehensive Income (OCI)			Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Reserve for Contingencies	Equity Component of Compound Financial Instruments (Preference Share)	Measurement of Net defined Employee Benefits Obligation	Investments through OCI	Debt Instruments through OCI	
As at 01.04.2019	993.87	24,629.20	48,614.64	(2,11,189.66)	5,329.90	(46.11)	-	-	-
Total Comprehensive Income for the year Transfer to retained earnings	-	-	-	(86,862.11)	-	168.28	-	-	-
Provision on Equity Shares issued during the year	-	-	-	-	-	-	-	-	-
Share Warrants issued during the year	993.87	24,629.20	63,574.64	(2,31,549.26)	5,329.90	122.17	-	-	-
As at 31.03.2020	-	-	-	-	-	-	-	-	-

As per our report of audit date attached For Jyoti Singhania & Co. LLP

Chartered Accountants

ICAI Firm Regn. No. 1041394/W-1000075

Rishabh Kapoor
 Designated Partner
 Membership No. 156693

Dr. G. L. Vyas
 Chartered Accountant
 (Firm Regn. No. 1041394/W-1000075)

Togesh Kapur
 Director

Place : Pune
 Dated : 30/11/2021

Arun Mehta
 Chief Financial Officer

Rishabhina
 Prachi Chaudhary
 Company Secretary

For and on behalf of the Board

Note No: 3.1

PROPERTY, PLANT AND EQUIPMENT

(Rupees in Lakhs)

Particulars	Land-Freehold	Building	Plant and Equipment	Furnitures & Fixtures	Vehicles	Office Equipment	Data Processing Units	Total
Carrying Value								
As at 01.04.2019 (A)	5,043.30	20,237.75	3,17,694.83	1,197.52	62.94	4,297.59	164.06	3,48,693.01
Additions	-	13.47	71.21	-	0.62	1.31	1.98	88.59
Disposals	-	-	-	-	(15.88)	29.72	-	13.84
Adjustments	-	-	-	-	-	-	-	-
As at 31.03.2020 (B)	5,043.30	20,251.22	3,17,766.04	1,197.52	79.44	4,264.18	166.06	3,48,767.76
Additions	-	-	12.49	0.47	-	0.39	0.50	13.85
Receipt of capital subsidy	-	-	14.33	-	-	-	-	14.33
Disposals*	-	-	530.58	-	-	-	-	530.58
As at 31.03.2021 (C)	5,043.30	20,251.22	3,17,733.62	1,197.99	79.44	4,264.57	166.56	3,48,236.70
Depreciation	9.50	-	-	-	-	-	-	-
As at 01.04.2019 (D)	6.33	2,358.55	1,15,968.93	533.57	25.65	3,858.57	141.66	1,22,886.93
Additions	-	635.91	24,515.29	146.42	2.85	65.12	15.21	25,380.80
Deductions	16.21	-	-	-	9.12	(29.72)	-	9.12
Adjustments	-	-	-	-	29.72	-	-	-
As at 31.03.2020 (E)	-	2,994.46	1,40,484.22	679.99	49.10	3,893.97	156.87	1,48,258.61
Additions	-	635.62	24,454.65	53.65	3.95	62.88	4.25	25,215.00
Deductions#	-	-	117.48	-	-	-	-	117.48
Adjustments	-	-	-	-	-	-	-	-
As at 31.03.2021 (F)	-	3,630.08	1,64,884.39	733.64	53.05	3,956.85	161.12	1,73,356.13
Net Carrying Value								
As at 31.03.2021 (C-F)	5,043.30	16,621.14	1,52,412.23	464.35	26.39	307.72	5.44	1,74,880.57
As at 31.03.2020 (B-E)	5,043.30	17,256.76	1,77,281.82	517.53	30.34	370.21	9.19	2,00,509.15
CWIP								
Net Carrying Value								
As at 31.03.2021								13,821.48
As at 31.03.2020								13,821.48

*Note:

* Disposal of Plant and Equipments includes S14.44 lacs reversal of Dismantling Provision on Plant and Equipments.

Note No: 3.2 INVESTMENTS		(Rupees in Lakhs)		
Particulars	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019	
(i) Investment in Equity Instrument				
Quoted-Long Term Trade at cost				
3500 (3,500 in FY 2019-20) Equity shares of Rs. 2/- each of Singhvi Movers Ltd	0.60	0.60	0.60	
6,15,00,000 (6,15,00,000 in FY 2019-20) Equity shares of Rs. 2/- each of Castex Technologies Ltd	34,347.75	34,347.75	34,347.75	
Unquoted - Long Term Trade at Cost				
50,000 (50,000 in FY 19-20) Equity shares of Rs.10/- each of Photon Biotech Ltd	12.00	12.00	12.00	
1,00,000 (1,00,000 in FY 19-20) Equity shares of Rs.10/- each of Grapco Mining & Co.Ltd	13.00	13.00	13.00	
1,03,100 (1,03,100 in FY 19-20) Equity shares of Rs.10/- each of Global Infrastructure Technologies Ltd	54.86	54.86	54.86	
5,000 (5000 in FY 19-20) Equity shares of Rs.10/- each of Good Value Marketing Ltd.	2.00	2.00	2.00	
10,000 (10,000 in FY 19-20) Equity shares of Rs. 10/- each of SICOM Ltd	8.00	8.00	8.00	
5,000 (5000 in FY 19-20) Equity shares of Rs. 10/- each of Alliance Hydro Power Ltd.	0.50	0.50	0.50	
1000 (1000 in FY 19-20) Equity shares of Rs. 10 /- each of COSMOS bank	1.00	1.00	1.00	
45,000 (45,000 in FY 19-20) Equity Shares of Rs.10/- each of Blaze Spare Parts (P) Ltd.	45.00	45.00	45.00	
45,000 (45,000 in FY 19-20) Equity Shares of Rs.10/- each of Gagandeep Steel & Alloys (P) Ltd.	45.00	45.00	45.00	
45,000 (45,000 in FY 19-20) Equity Shares of Rs.10/- each of Aaron Steel & Alloys (P) Ltd.	45.00	45.00	45.00	
45,000 (45,000 in FY 19-20) Equity Shares of Rs.10/- each of Neelmani Engine Components (P) Ltd.	45.00	45.00	45.00	
53,571 (53,571 in FY 19-20) Equity Shares of Rs. 10/- each of Asta Motorcycles & Scooter India Ltd.	45.00	45.00	45.00	
42,000 (42,000 in FY 19-20) Equity Shares of of Rs.10/- each Domain Steel & Alloys (P) Ltd.	42.00	42.00	42.00	
Gross Total	34,706.71	34,706.71	34,706.71	
Less:Provision for diminution of Quoted Investments	(34,697.11)	-	-	
Total	9.60	34,706.71	34,706.71	

Particulars	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
Aggregate Value of Quoted Investment	348.76	34,348.35	34,348.35
Aggregate Value of Unquoted Investment	358.36	358.36	358.36
*Market Value Of Quoted Investment	231.04	229.36	520.65

Note:- Out of the above Shares of Castex Technologies Ltd. 5,71,43,000 Equity Shares have been pledged to Banks as additional security.

Note No: 3.3 LOANS

Particulars	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
Security Deposits	44.72	44.97	45.01
Total	44.72	44.97	45.01

*Above deposits are unsecured but considered good.

Note No: 3.4 DEFERRED TAX ASSETS (NET)

Particulars	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
Deferred Tax Assets			
On account of depreciation of Property,Plant and Equipment	18,699.55	18,699.55	18,699.55
Deferred Tax Liabilities			
	-	-	-
	-	-	-
Total Deferred Tax Assets/(Liabilities)	18,699.55	18,699.55	18,699.55

Deferred Tax Assets and Deferred Tax Liabilities have been offset wherever the company has legally enforceable right to set off current tax Assets against current tax liabilities and wherever the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority. However considering the ongoing Corporate Insolvency Resolution Process, the uncertainty as to the realisation of unsecured

Note No: 3.5 OTHER NON-CURRENT ASSETS

Particulars	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
Deposits	185.30	197.89	192.83
Balance with Revenue Authorities	856.72	856.72	855.55
TDS Receivable	105.33	394.17	368.73
MAT Credit Entitlement	7,258.30	7,258.30	7,258.30
Total	8,405.45	8,707.08	8,675.41

Note No: 3.6 INVENTORIES

Particulars	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
Raw Materials	299.44	442.68	706.92
Work in Progress	1,878.41	2,448.73	2,495.45
Stores, Spares & Dies	7,308.80	8,245.85	8,279.13
Scrap	18.24	38.61	39.37
Total	9,504.89	11,155.87	11,520.88

* Refer Point No. 2.14 of Significant Accounting Policies for Mode of valuation of inventories.

Note No: 3.7 TRADE RECEIVABLES

Particulars	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
Unsecured, considered good			
Outstanding for more than six months	8,324.53	13,359.56	17,669.88
Outstanding for less than six months	2,575.33	2,130.63	2,165.85
Credit Impaired	10,642.34	5,306.43	2,619.51
Less: Provision for Doubtful Debts	(10,642.34)	(5,306.43)	(2,619.51)
Total	10,849.86	15,490.19	19,835.73

Note No: 3.8.1 CASH AND CASH EQUIVALENTS*

Particulars	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
Cash On Hand	1.19	1.81	1.57
Balance with Schedule Banks: -			
Current Accounts	487.88	1,097.00	911.29
Total	489.07	1,098.81	912.86

Note No: 3.8.2 OTHER BANK BALANCES

Particulars	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
Fixed Deposits (Maturing within 12 Months)	893.15	935.58	930.57
Fixed Deposits (held as margin money against Bank Guarantees)	293.57	279.61	264.57
Earmarked Balances			
Balance in unpaid dividend Account	17.84	17.84	17.84
Gratuity	3.67	3.97	3.05
Total	1,208.23	1,237.00	1,216.03

* Other Bank Balances, as on 31st March 2021 and 31st March 2020 includes restricted bank balances of Rs. 315.08 lakhs, Rs. 301.42 lakhs respectively. The restriction is primarily on account of margin money given for guarantee issued by bank and other earmarked balances.

Note No: 3.9 OTHER CURRENT FINANCIAL ASSETS

Particulars	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
Staff Advance	4.30	1.31	8.18
Interest Accrued on Deposits	-	9.82	-
Total	4.30	11.13	8.18

Note No: 3.10 CURRENT TAX ASSETS (NET)		(Rupees in Lakhs)		
Particulars	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019	
Tax on Dividend on Equity Shares				
TDS Receivable	11.02	5.54		28.31
MAT Credit Entitlement	-	-		-
Total	11.02	5.54		28.31

Note No: 3.11 OTHER CURRENT ASSETS		(Rupees in Lakhs)		
Particulars	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019	
Advance to Suppliers	914.22	602.65		535.80
Advance to Others	0.18	0.55		0.17
Prepaid Expenses	105.20	52.48		40.94
Balance with Revenue Authorities	24.29	16.63		165.10
Total	1,043.89	672.31		742.01

Note No: 3.12 SHARE CAPITAL

AUTHORISED SHARE CAPITAL		(Rupees in Lakhs)		
Particulars	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019	
5,00,00,000 (5,00,00,000 in FY 20) Equity Shares, Rs. 10/- Par Value	5,000.00	5,000.00		5,000.00
20,00,000 (20,00,000 in FY 20) Preference Shares, Rs. 10/- Par Value	200.00	200.00		200.00
Total	5,200.00	5,200.00		5,200.00

ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL

Particulars	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019	
4,35,50,000 (4,35,50,000 in FY 2019-20) Equity Shares, fully paid-up of Rs. 10/- Par Value	4,355.00	4,355.00		4,355.00
Total	4,355.00	4,355.00		4,355.00

Note No: 3.12.1 The reconciliation of the number of shares outstanding and the amount of share capital as at 31.03.2021 and 31.03.2020 is set out below:

EQUITY SHARES

Particulars	As At 31.03.2021		As At 31.03.2020	
	Number of Shares	Amount	Number of Shares	Amount
Number of shares at the beginning	4,35,50,000	4,355.00	4,35,50,000	4,355.00
Add:				
Number of Shares at the end	4,35,50,000	4,355.00	4,35,50,000	4,355.00

PREFERENCE SHARES*

Particulars	As at 31.03.2021		As at 31.03.2020	
	Number of Shares	Amount	Number of Shares	Amount
Number of shares at the beginning	13,42,280	134.23	13,42,280	134.23
Add: Shares issued during the year	-	-	-	-
Number of Shares at the end	13,42,280	134.23	13,42,280	134.23

* Shown under the head Borrowings in note no 3.14 in terms of IND AS

Note No: 3.12.2 Rights, preferences and restrictions attached to Shares

Equity Shares:

The Company has issued equity shares having a par value of Rs 10/- per share. Each shareholder is eligible to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend, if proposed by the Board of Directors, is subjected to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Preference Shares:

The Company currently has issued 0.1% non cumulative redeemable preference shares of Rs 10/- each. Preference shares will be redeemed after 18 years from the date of allotment at such premium as may be decided by the board of directors, subject to minimum equivalent to issue price.

Note : 3.12.3 Details of Shareholders Holding more than 5% Share Capital (Rupees in Lakhs)

Particulars	As at 31.03.2021		As at 31.03.2020	
	Number of Shares	% of Holding	Number of Shares	% of Holding
Equity Shares				
Amttek Auto Ltd.	2,49,04,492.00	57.18	2,49,04,492.00	57.18
Preference Shares				
Amttek Auto Ltd.	1342280	100.00	1342280	100.00

Note No: 3.13 OTHER EQUITY

Particulars	(Rupees in Lakhs)			
	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019	
(A) Capital Reserve				
Opening Balance as on 01.04.2020	993.67	993.67	993.67	
Addition/(deduction) during the period (net)	-	-	-	
Closing Balance as on 31.03.2021	993.67	993.67	993.67	
(B) Securities Premium Reserve				
Opening Balance as on 01.04.2020	24,629.30	24,629.30	24,629.30	
Addition/(deduction) during the period (net)	-	-	-	
Closing Balance as on 31.03.2021	24,629.30	24,629.30	24,629.30	
(C) General Reserve				
Opening Balance as on 01.04.2020	69,974.64	69,974.64	69,974.64	
Addition/(deduction) during the period (net)	-	-	-	
Closing Balance as on 31.03.2021	69,974.64	69,974.64	69,974.64	
(D) Retained Earnings				
Opening Balance as on 01.04.2020	(2,32,599.90)	(2,02,256.73)	(2,02,256.73)	
(i) Restated balance at the beginning of the reporting period	-	-	-	
(ii) Profit/(Loss) for the period	(66,802.12)	(30,343.17)	-	
Closing Balance as on 31.03.2021	(2,99,402.02)	(2,32,599.90)	(2,02,256.73)	
(E) Other Comprehensive Income (OCI)				
(i) Remeasurement of Net Defined Employee Benefits Obligation	159.92	122.16	(46.11)	
(iv) Equity Component of Compound Financial Instruments (Preference Shares)	3,529.06	3,529.06	3,529.06	
Closing Balance as on 31.03.2021	3,688.98	3,651.22	3,482.95	
Closing Balance as on 31.03.2020	Grand Total (A+B+C+D+E+F)	(2,00,115.48)	(1,33,351.07)	(1,03,176.17)

NON-CURRENT FINANCIAL LIABILITIES

Note No: 3.14 BORROWINGS

Particulars	(Rupees in Lakhs)		
	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
UNSECURED LOANS			
Liability component of Preference Share Capital			
0.1% Non Cumulative Redeemable Preference Shares, Rs. 10/- Par Value			
13,42,280 (13,42,280 in FY 2019-20) Preference Shares, Fully paid up	805.97	805.97	715.26
Loan from Related Parties			
Amttek Auto Ltd	34,495.54	34,495.54	34,495.54
Total	35,301.51	35,301.51	35,210.80

* In view of default in payment of interest/repayment of instalments, all term loans have become payable on demand and therefore, have been disclosed under "Other Current Financial Liabilities"

Note No: 3.15 PROVISIONS		(Rupees in Lakhs)		
Particulars	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019	
(I) Provision for Employee Benefits				
Gratuity	162.21	196.75		263.63
Leave Encashment	94.17	95.66		133.88
(II) Provision - Others				
Dismantling of assets	-	800.83		745.41
Total	256.38	1,093.24		1,142.92

*The management has reviewed the provision for dismantling of assets and has decided to write back completely.

Note No: 3.16 OTHER NON-CURRENT LAIBILITIES		(Rupees in Lakhs)		
Particulars	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019	
(In terms of Corrective Action Plan approved by Joint lender's forum(JLF))				
Sales Tax Deferment Obligations	81.75	121.56		248.70
Total	81.75	121.56		248.70

Note No: 3.17 BORROWINGS		(Rupees in Lakhs)		
Particulars	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019	
(I) Bank Borrowings for Working Capital - From Banks*	1,28,928.17	1,28,928.75		1,28,930.04
Total	1,28,928.17	1,28,928.75		1,28,930.04

Particulars of Security

*[a] Working Capital facilities are secured by hypothecation of raw material, semi-finished goods/stock-in-process, consumable stores and bank debt of the company.

[b]The accounts of the company in respective Banks has been declared as Non Performing Assets & the company has gone into Corporate Insolvency Resolution Process ("CIRP") vide order of the National Company Law Tribunal, Mumbai Bench ("NCLT") dated 15th December, 2017 under the provisions of the Insolvency & Bankruptcy Code 2016 ("Code"), Interest on Bank borrowing for Working Capital not provided from the date of CIRP (15/12/2017).

Note No: 3.18 TRADE PAYABLES		(Rupees in Lakhs)		
Particulars	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019	
(A) Total outstanding dues of micro and small enterprises (as per intimation received from vendors)				
(a) The principle amount relating to micro and small enterprises	617.74	557.73		513.07
(b) The interest amount due but not paid	-	-		-
(c) The amount of the interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-		-
(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-		-
(e) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-		-
(f) the amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure u/s 23 of Micro, Small and Medium Enterprises Development Act, 2006.	-	-		-
(B) Total outstanding dues of creditor other than micro and small enterprises	11,391.86	11,499.55		11,361.32
Total	12,009.60	12,057.28		11,774.39

*Trade Payable includes Bills Payable

*Since the company has gone into Corporate Insolvency Resolution Process ("CIRP") vide order of the National Company Law Tribunal, Mumbai Bench ("NCLT") dated 15th December, 2017 under the provisions of the Insolvency & Bankruptcy Code 2016 ("Code"), interest under MSME Act is not provided.

Note No: 3.19 OTHER FINANCIAL LIABILITIES

(Rupees in Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
Term Debt/ECB From Banks & Financial Institutions*	2,10,953.43	2,10,953.43	2,10,953.43
Interest Accrued and due on borrowings**	43,739.16	43,739.16	43,739.16
Unpaid Dividends	17.84	17.84	17.84
Expenses Payable	783.00	605.24	647.77
Creditors for Capital Goods	1,239.11	1,239.11	1,239.11
Other Liabilities	19.44	23.20	44.52
Accrued Salaries and Benefits	25.77	17.96	17.65
Total	2,56,777.75	2,56,595.94	2,56,659.48

The accounts of the company in respective Banks has been declared as Non Performing Assets & the company has gone into Corporate Insolvency Resolution Process ("CIRP") vide order of the National Company Law Tribunal, Mumbai Bench ("NCLT") dated 15th December, 2017 under the provisions of the Insolvency & Bankruptcy Code 2016 ("Code").

*Interest on Term Debts from bank and financial institutions were not provided from 15/12/2017 (commencement of CIRP period)

Note No: 3.20 OTHER CURRENT LIABILITIES

(Rupees in Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
Current maturities of Sales Tax Deferment obligations	601.26	561.44	434.31
Statutory Dues	257.27	92.16	335.72
Advance from customers	358.48	228.37	-109.58
Total	1,217.01	881.97	660.45

Note No: 3.21 PROVISIONS

(Rupees in Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020	As at 01.04.2019
Provision for Employee Benefits			
-Gratuity	84.58	70.71	90.84
-Leave Encashment	27.95	24.44	31.82
-Bonus & Ex-gratia	48.35	80.46	89.23
Total	160.89	175.61	211.89

Note No: 3.22 REVENUE FROM OPERATIONS		(Rupees in Lakhs)	
Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020	
Sales of Products	15,889.15	17,129.86	
Other Sales and Services	20.97	120.74	
Other Operating Revenues	1,507.54	1,544.10	
Total	17,417.66	18,794.70	

Note:- Sales include component bought & sold, direct export.

Note No: 3.22.1 OTHER OPERATING REVENUES		(Rupees in Lakhs)	
Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020	
Exchange Fluctuation	-	-0.25	
Export Incentive	0.58	0.27	
Engineering Charges	-	10.00	
Other Sales/Scrap Sales	1,506.96	1,534.08	
Total	1,507.54	1,544.10	

Note No: 3.23 OTHER INCOME		(Rupees in Lakhs)	
Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020	
Interest	96.80	94.77	
Reversal of Provision for Dismantling of PPE	402.07	-	
Others	2.03	-	
Total	500.90	94.77	

Note No: 3.24 COST OF MATERIALS CONSUMED		(Rupees in Lakhs)	
Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020	
Opening Stock of Raw Material	442.68	706.93	
Add : Purchase of Raw Material	9,958.56	11,149.29	
	10,401.24	11,856.21	
Less : Closing Stock of Raw Material	299.44	442.68	
Total	10,101.80	11,413.53	

Note:- Raw material mainly include steel bars/billets, forgings & other boughtout items.

Note No: 3.24.1 IMPORTED AND INDIGENOUS RAW MATERIAL		(Rupees in Lakhs)	
Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020	
	Rupees [% of Total Consumption of Raw Material]	Rupees [% of Total Consumption of Raw Material]	
Raw material			
Consumption of imported Raw material (Percentage of Consumption of Raw Material)	- 0.00%	- 0.00%	
Consumption of similar domestic Raw material (Percentage of Consumption of Raw Material)	10,101.80 100%	11,413.53 100%	
Total Consumption of Raw material	10,101.80	11,413.53	

Note No: 3.25 CHANGE IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS & STOCK IN TRADE (Rupees in Lakhs)

Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Opening Stock as on 01-04-2020		
- Work in Progress	2,448.73	2,495.46
- Scrap	18.61	39.37
Total Opening stock	2,467.34	2,534.83
Less : Closing Stock as on 31-03-2021		
- Work in Progress	1,878.41	2,448.73
- Scrap	18.24	18.61
Total Closing stock	1,896.65	2,467.34
Net (Increase)/ Decrease in Inventories	570.69	67.49

Note No: 3.26 EXPENSES

Employee Benefits Expenses

Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Salaries & Wages	1,820.43	2,545.79
Contribution to provident and other funds	148.82	184.77
Staff Welfare Expenses	172.44	172.54
Gratuity	23.72	(31.57)
Leave Encashment	21.23	28.68
Total	2,186.64	2,901.21

Finance Costs

Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Interest on Redeemable Preference Shares	-	90.71
Interest cost on Dismantling	-	55.42
Total	-	146.13

*Interest on borrowings upto the date of 15th December 2017, the date on which IRP was appointed.

Depreciation and Amortisation Expenses

Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Depreciation	25,215.00	25,380.79
Amortisation	-	-
Total	25,215.00	25,380.79

refer note no 3.1

Other Expenses

(Rupees in Lakhs)

Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
A) Manufacturing Expenses		
Consumption of Stores & Spare Parts	1,756.45	1,091.11
Power & Fuel	1,925.94	2,271.41
Testing Fees & Inspection Charges	15.32	18.69
Job Work	1,156.07	952.60
Freight Inwards	31.74	82.19
Repairs to Plant & Machinery	38.64	81.73
Total Manufacturing Expenses (A)	4,924.16	4,497.73
B) Administrative & Selling Expenses		
Advertisement & Publicity	1.74	9.25
Auditor's Remuneration	13.06	20.55
Provision for Bad Debts	3,170.66	2,486.92
Bad Debts	2,396.16	802.60
Bank Charges	11.37	17.47
Books & Periodicals	-	0.03
Customer Relation Expenses	-	0.05
Charity & Donation	-	0.54
Insurance Charges	52.51	78.57
ISO/QS Expenses	1.12	0.41
Profession Tax	0.03	0.03
Legal & Professional	419.08	665.77
Loss on sale of Fixed Assets	3.29	2.09
Office and Factory Expenses	43.52	50.77
Printing & Stationery	6.04	8.86
Rate, Fee & Taxes	308.74	19.48
Rent	32.29	19.02
Service Charge/Watch and ward	134.72	127.91
Repairs & Maintenance	79.89	69.18
Running & Maintenance of Vehicle	7.28	9.97
Subscription & Membership Fees	1.89	3.75
Telephone, Communication and Postage	6.09	8.82
Travelling & Conveyance	22.33	56.20
Selling & Distribution Expenses		
Packing, Forwarding, discounts, Warranty Claims, freight outwards & Other selling expenses	313.46	367.52
Total Administrative & Selling Expenses (B)	7,025.28	4,825.76
Total (A + B)	11,949.44	9,323.49

Note No: 3.26.1 OTHER EXPENSES

(Rupees in Lakhs)

Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Auditors Remuneration		
For Audit	11.85	18.00
For taxation matters	0.90	1.50
For reimbursement of expenses	0.31	1.05
Total	13.06	20.55

Note No: 3.26.5 IMPORTED AND INDIGENOUS SPARE PARTS AND COMPONENTS

(Rupees in Lakhs)

Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Spares parts and components		
Consumption of imported spares parts and components (Percentage of Consumption of Spare Parts and Components)	- 0%	- 0%
Consumption of similar domestic spares parts and components (Percentage of Consumption of Spare Parts and Components)	1,756.45 100.00%	1,091.11 100.00%
Total Consumption of Spares and components	1,756.45	1,091.11

Note No: 3.26.4 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	(Rupees in Lakhs)	
	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Export Obligation under EPCG Licence	3,204.69	3,204.69
Disputed Sales tax/VAT (Including interest and penalty)	102.21	102.21
Disputed Excise Duty/Service Tax (Including interest and penalty)	133.49	133.49
Disputed Income Tax & Others (Including interest and penalty)	184.15	184.15
Total	3,624.54	3,624.54

Note No: 3.27 Exceptional Items [(Income)/Expense]

Particulars	(Rupees in Lakhs)	
	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Provision for Diminution in value of Investment	34,697.11	-
Total	34,697.11	-

Note No: 3.28 OTHER COMPREHENSIVE INCOME (OCI)

Particulars	(Rupees in Lakhs)	
	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
A (i) Items that will not be reclassified to Profit or loss		
i) Reclassification of actuarial gains/(losses), arising in respect of Earned Leave	(37.76)	(168.28)
ii) Deferred Tax effect	-	-
iii) Reclassification of actuarial gains/(losses), arising in respect of Gratuity	-	-
iv) Deferred Tax effect	-	-
v) Revaluation of Short Term Investments	-	-
vi) Deferred Tax effect	-	-
B (i) Items that will be reclassified to profit or loss		
i) Change in fair value of FVTOCI debt instrument	-	-
ii) Deferred Tax effect	-	-
Total	(37.76)	(168.28)

Note No : 3.29 EARNINGS PER EQUITY SHARE

	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Calculation of EPS (Basic and Diluted)		
Basic		
Opening number of Shares	4,35,50,000	4,35,50,000
Total Shares outstanding	4,35,50,000	4,35,50,000
Weighted Average No of Shares	4,35,50,000	4,35,50,000
Profit/(Loss) after tax for the period from continuing operations (Rs. in Lakhs)	(66,802.12)	(30,343.17)
EPS for continuing operations (Rs. Per Share)	(153.39)	(69.67)
Profit/(Loss) after tax for the period from discontinued operations (Rs. in Lakhs)	-	-
EPS for discontinued operations (Rs. Per Share)	-	-
Profit/(Loss) after tax for the period from continuing & discontinued operations (Rs. in Lakhs)	(66,802.12)	(30,343.17)
EPS for continuing & discontinued operations (Rs. Per Share)	(153.39)	(69.67)
Diluted		
Number of shares considered as basic weighted average shares outstanding	4,35,50,000	4,35,50,000
Add: Weighted Average of Dilutive Equity	-	-
Number of shares considered as diluted for calculating of Earning per share Weighted Average	4,35,50,000	4,35,50,000
Profit/(Loss) after Tax for the period from continuing operations (Rs. in Lakhs)	(66,802.12)	(30,343.17)
Add: Effective Cost of Dilutive Equity	-	-
Profit/(Loss) after Tax for the period from continuing operations (Rs. in Lakhs) for Dilution	(66,802.12)	(30,343.17)
Diluted EPS for continuing operations (Rs. Per Share)	(153.39)	(69.67)
Profit/(Loss) after tax for the period from discontinued operations (Rs. in Lakhs) for Dilution	-	-
Diluted EPS for discontinued operations (Rs. Per Share)	-	-
Profit/(Loss) after tax for the period from continuing & discontinued operations (Rs. in Lakhs) for Dilution	(66,802.12)	(30,343.17)
Diluted EPS for continuing & discontinued operations (Rs. Per Share)	(153.39)	(69.67)

Note No : 3.30 EMPLOYEE BENEFITS (Ind AS-19)

The following data are based on the report of the actuary

The principal assumptions used in the actuarial valuations are as below:-

Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Discount rate	6.60%	6.70%
Future Salary Escalation Rate	6.00%	6.00%
Average Remaining working life (Years)	7.25	7.63
Retirement Age	58	58

GRATUITY (FUNDED)**i. Change in Net Defined Benefit obligations:***(Rupees in Lakhs)*

Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Net Defined Benefit liability as at the start of the period	566.96	732.44
Service Cost	53.66	65.87
Net Interest Cost (Income)	36.13	49.54
Actuarial (Gain)/Loss on obligation	(45.78)	(119.58)
Benefits Paid	(55.33)	(161.31)
Present Value of Obligations as at the end of the period	555.64	566.96

ii. Change in Fair Value of Plan Assets*(Rupees in Lakhs)*

Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Fair value of plan assets at the beginning of the period	298.84	377.96
Expected Return on plan assets	21.40	24.42
Contributions	23.81	31.67
Mortality Charges and Taxes	(1.96)	(1.76)
Actuarial (Gain)/ Loss on Plan Assets	1.11	(2.98)
Benefits paid	(31.13)	(136.43)
Fair value of plan assets at the end of the period	309.85	298.84

iii. The Amount Recognised in the Income Statement.*(Rupees in Lakhs)*

Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Service Cost	53.66	65.87
Net Interest Cost	36.13	49.54
Expected Return on plan assets	(21.40)	(24.42)
Net Actuarial (Gain)/ Loss recognized in the period	(44.67)	(122.56)
Expenses recognised in the Income Statement	23.72	-31.57

iv. Other Comprehensive Income (OCI)*(Rupees in Lakhs)*

Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Net cumulative unrecognized actuarial gain/(loss) opening	44.67	122.56
Actuarial gain / (loss) for the year on PBO	-	-
Actuarial gain / (loss) for the year on Asset	-	-
Net Actuarial (Gain)/ Loss recognized in the year	-	-
Unrecognized actuarial gain/(loss) at the end of the year	44.67	122.56

v. Balance Sheet and related analyses*(Rupees in Lakhs)*

Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Present Value of Obligation at the end of the year	555.64	566.96
Fair Value of Plan Assets	(309.85)	(298.84)
Surplus/(Deficit)	245.80	268.12
Unrecognised Actuarial (Gain) / Losses	-	-
Unfunded Liability Recognised in the Balance Sheet	245.80	354.49

vi. Bifurcation of PBO at the end of year in current and non current.

(Rupees in Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
Current Liability (Amount due within one year)	71.51	70.71
Non Current Liability (Amount due over one year)	174.29	197.41
Total PBO at the end of year	245.80	268.12

LEAVE ENCASHMENT (UNFUNDED)

I. Table Showing Change in Benefit obligations:

(Rupees in Lakhs)

Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Present value of obligation as at the start of the period	120.09	165.70
Current Service Cost	14.06	17.17
Interest Cost	7.17	11.51
Actuarial (Gain) /Loss on obligation	6.91	(45.72)
Benefits Paid	(26.10)	(28.57)
Present Value of Obligations as at the end of the period	122.13	120.09

II. The Amount Recognised in the Income Statement.

(Rupees in Lakhs)

Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Service Cost	14.06	17.17
Net Interest Cost	7.17	11.51
Expected Return on plan assets	-	-
Net Actuarial (Gain)/ Loss recognized in the period	-	-
Expenses (Income) recognised in the Income Statement	21.23	28.68

III. Other Comprehensive Income (OCI)

(Rupees in Lakhs)

Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2019
Net cumulative unrecognized actuarial gain/(loss) opening	(6.91)	45.72
Actuarial gain / (loss) for the year on PBO	-	-
Actuarial gain / (loss) for the year on Asset	-	-
Net Actuarial (Gain)/ Loss recognized in the year	-	-
Unrecognized actuarial gain/(loss) at the end of the year	(6.91)	45.72

iv. Balance Sheet and related analyses

(Rupees in Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
Present Value of Obligation at the end of the year	122.13	120.09
Fair Value of Plan Assets	-	-
Unfunded Liability/Provision in Balance Sheet	(122.13)	(120.09)
Unrecognised Actuarial (Gain) / Losses	-	-
Unfunded Liability Recognised in the Balance Sheet	(122.13)	(120.09)

v. Bifurcation of PBO at the end of year in current and non current.

(Rupees in Lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
Current Liability (Amount due within one year)	27.96	24.44
Non Current Liability (Amount due over one year)	94.17	95.65
Total PBO at the end of year	122.13	120.09

(a) Financial instruments by category & hierarchy

For amortised cost instruments, carrying value represents the best estimates of fair value

Particulars	As at 31st March, 2021			As at 31st March, 2020		
	Rs. in Lacs			Rs. in Lacs		
Financial Assets	FVTPL	FVTOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Investments	-	0.60	9.00	-	0.60	34,706.11
Security deposits	-	-	44.72	-	-	44.97
Trade Receivable	-	-	10,849.86	-	-	15,490.19
Cash & Cash Equivalent	-	-	489.07	-	-	1,098.81
Other bank balances	-	-	1,208.23	-	-	1,237.00
Other Financial assets	-	-	4.30	-	-	11.13
Total	-	0.60	12,605.18	-	0.60	52,588.21

Particulars	As at 31st March, 2021			As at 31st March, 2020		
	Rs. in Lacs			Rs. in Lacs		
Financial Liabilities	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Non-Current Borrowings	-	-	35,301.51	-	-	35,301.51
Current Borrowings	-	-	1,28,928.17	-	-	1,28,928.75
Trade Payable	-	-	12,009.60	-	-	12,057.28
Other financial liabilities	-	-	2,56,777.75	-	-	2,56,595.94
Total	-	-	4,33,017.03	-	-	4,32,883.48

(b) Fair Value hierarchy

The Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standards. An Explanation of each level follows under the table:

Financial assets & liabilities measured at fair value - recurring fair value measurements

Particulars	As at 31st March, 2021			As at 31st March, 2020		
	Rs. in Lacs			Rs. in Lacs		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Investments	0.60	-	9.00	0.60	-	34,706.11
Security deposits	-	-	44.72	-	-	44.97
Trade Receivable	-	-	10,849.86	-	-	15,490.19
Cash & Cash Equivalent	-	-	489.07	-	-	1,098.81
Other bank balances	-	-	1,208.23	-	-	1,237.00
Other Financial assets	-	-	4.30	-	-	11.13
Total Financial assets	0.60	-	12,605.18	0.60	-	52,588.21
Financial liabilities						
Non-Current Borrowings	-	-	35,301.51	-	-	35,301.51
Current Borrowings	-	-	1,28,928.17	-	-	1,28,928.75
Trade Payable	-	-	12,009.60	-	-	12,057.28
Other financial liabilities	-	-	2,56,777.75	-	-	2,56,595.94
Total Financial liabilities	-	-	4,33,017.03	-	-	4,32,883.48

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level

(c) Fair Value of Financial liabilities measured at amortised cost

Particulars	As at 31st March, 2021 Rs. In Lacs		As at 31st March, 2020 Rs. In Lacs	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial liabilities				
Non-Current Borrowings	35,301.51	35,301.51	35,301.51	35,301.51
Current Borrowings	1,28,928.17	1,28,928.17	1,28,928.17	1,28,928.17
Total Financial liabilities	1,64,229.68	1,64,229.68	1,64,229.68	1,64,229.68

The carrying amounts of trade receivables, trade payables and cash and cash equivalents are considered to be the same as their fair values, due to short term nature. The fair values for loans, investments in preference shares were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk. The fair values of non-current borrowings are based on discounted cash flows using a current borrowings rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Note No. 3.32 Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include investment, loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. Considering an going CIRP, quantum of these risk is not ascertainable.

Part 20 - 4.43 (b)(3) (i) Party Disclosures & Transactions

For each of the parties listed in the table below, specify the nature of the assets of the party (noted above) that are the subject of, or that are otherwise held for, the party's participation in the investment of the party's funds and identify the party with whom the party

is having a relationship, and describe the nature of

relationship.

1. State Bank of Texas - Dallas (Bank of TX)

2) Name of each of the Parties involved

- 2) AmeriChoice Bank
- 3) AmeriChoice Bank
- 4) AmeriChoice Bank
- 5) AmeriChoice Bank
- 6) AmeriChoice Bank
- 7) AmeriChoice Bank
- 8) AmeriChoice Bank
- 9) AmeriChoice Bank
- 10) AmeriChoice Bank
- 11) AmeriChoice Bank
- 12) AmeriChoice Bank

3) Name of each of the Parties involved

- 13) AmeriChoice Bank
- 14) AmeriChoice Bank
- 15) AmeriChoice Bank
- 16) AmeriChoice Bank
- 17) AmeriChoice Bank
- 18) AmeriChoice Bank
- 19) AmeriChoice Bank
- 20) AmeriChoice Bank
- 21) AmeriChoice Bank
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- 51) AmeriChoice Bank
- 52) AmeriChoice Bank
- 53) AmeriChoice Bank
- 54) AmeriChoice Bank
- 55) AmeriChoice Bank
- 56) AmeriChoice Bank
- 57) AmeriChoice Bank

4) Name of each of the Parties involved

1. AmeriChoice Bank

5) Name of each of the Parties involved

- 1) AmeriChoice Bank
- 2) AmeriChoice Bank
- 3) AmeriChoice Bank
- 4) AmeriChoice Bank
- 5) AmeriChoice Bank
- 6) AmeriChoice Bank
- 7) AmeriChoice Bank
- 8) AmeriChoice Bank
- 9) AmeriChoice Bank
- 10) AmeriChoice Bank

6) Name of each of the Parties involved

1) AmeriChoice Bank

7) Name of each of the Parties involved

1) AmeriChoice Bank

B) Key Management Personnel

- 1) Mr. Anus Mathi (C.F.O.)
- 2) Mr. Piyush Kumar (Company Secretary resigned w.e.f 08.03.2021)
- 3) Ms. Pratibha Chaudhary (Company Secretary appointed w.e.f 31.03.2021)

Rs. in Lacs

B. Transactions

Particulars	Associate/Holding/Subsidiaries or Associate of Holding Company	Key Management Personnel	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
Purchase of Goods ANITEK AUTO LTD.	4.4		4.40	266.81
Sale of Goods ANITEK AUTO LTD. ACIL IRE. Anitek Transportation Systems Ltd. ANIL LIMITED	2,070.57 727.39 95.87		2,070.57 727.39 96.07	6,166.33 4,054.00 1,953.81 8.31 153.51
Services Received ANITEK AUTO LTD.	41.84		41.84	52.80
Key Management Personnel Remuneration Mr. Anus Mathi (C.F.O.) Mr. Pawan Kumar Mishra (Company Secretary resigned w.e.f 10.06.2020) Mr. Piyush Kumar (Company Secretary resigned w.e.f 08.03.2021) Ms. Pratibha Chaudhary (Company Secretary appointed w.e.f 31.03.2021)		14.57 - 3.56 0.01	14.57 - 3.56 0.01	55.97 - 8.82 - 0.28

C. Credit Balances

Name of Company	Receivables as on 31.03.2021	Payables as on 31.03.2021	Receivables as on 31.03.2020	Payables as on 31.03.2020
ANITEK AUTO LTD. TOTAL	1,377.42	(10,955.05)	603.64	(39,580.81)
ACIL	3,541.83	(106.00)	2,465.23	
Cortex Technologies Ltd./Anitek	325.33	(190.81)	239.45	(190.81)
ANITEK TRANSPORTATION SYSTEMS LTD	23.07	-	11.99	
ITAT Auto Ltd	35.79	(0.00)	38.51	(0.00)
ANIL LIMITED	518.57	-	558.57	
TOTAL	4,882.01	(11,251.86)	3,217.79	(39,781.62)

(All figures in lakhs unless stated otherwise)

As per our report of even date attached
For Jayesh Singhrao & Co. LLP
Chartered Accountants
ICAI Firm Regn. No. 104104-W/100375


Rajesh Kumar
Designated Partner
Membership No. 155462

Place : Pune
Dated : 30/11/2021

Approved on Behalf of the Board


Director T. Venkateswaramangar
Resolution Professional


Tugresh Kumar
Director


Anus Mathi
Chief Financial Officer


Pratibha Chaudhary
Company Secretary

Classified to	Sub-heading	As at 31.03.2020	As at 01.04.2019	Reclassified from	Sub-heading	As at 31.03.2020	As at 01.04.2019	Reason for reclassification
Non-Current Assets								
	Deposits	197.83	192.83	OTHER FINANCIAL ASSETS	Security Deposits	197.85	132.83	Security deposits are with government authorities with no specific timeline for recovery. Further, they can be adjusted against expenses and hence are not classified as financial assets.
	Balance with Revenue Authorities	856.72	855.55	OTHER CURRENT ASSETS	Unsecured, Considered Good	856.72	855.55	Such tax assets should be classified as non-current till the time assessment is completed.
	MAT Credit Entitlement	7,258.30	7,258.30	CURRENT TAX ASSETS (NET)	MAT Credit Entitlement	7,258.30	7,258.30	In case of MAT Credit, there seems to be no probability in 1 year for recovery.
Other Non-current Assets	TDS Receivable	814.17	368.74	CURRENT TAX ASSETS (NET)	Advance Tax & TDS (MAT)	398.18	397.06	Such tax assets should be classified as non-current till the time assessment is completed.
CURRENT TAX ASSETS (NET)	TDS Receivable	5.54	28.31	OTHER CURRENT ASSETS	Unsecured, Considered Good	1.57	-	Such tax assets should be classified as non-current till the time assessment is completed.
	Fixed Deposits (maturing within 12 Months)	935.58	930.37	Cash and Cash Equivalents	Fixed Deposits (maturing within 12 Months)	935.58	930.37	
	Fixed Deposits (held as margin money against Bank Guarantees)	279.62	264.57		Fixed Deposits (held as margin money against Bank Guarantees)	279.62	264.57	
OTHER BANK BALANCES	Balance in unpaid dividend Account	17.84	17.84		Balance in unpaid dividend Account	17.84	17.84	Such assets are to be classified under other bank balances as per requirements of Schedule III
NON-CURRENT FINANCIAL LIABILITIES- BORROWINGS		34,495.54	34,495.54	OTHER NON-CURRENT LIABILITIES	Other long term liabilities	34,495.54	34,495.54	Since the same is borrowings from related party, they are reclassified in the same.
	OTHER FINANCIAL LIABILITIES	23.20	44.52	OTHER CURRENT LIABILITIES	Other liabilities	23.20	44.52	
	Cruditors for Capital Goods Expenses Payable	1,239.11	1,239.11		Cruditors for Capital Goods Expenses Payable	1,239.11	1,239.11	Since the said items are financial in nature, they are been reclassified as such.
Trade Payables		226.72	1,458.22	OTHER CURRENT ASSETS		226.72	1,458.22	Advances in trade payables were adjusted with trade payables.
Trade Receivables		17.36	861.62	OTHER CURRENT LIABILITIES		17.36	861.62	Advances in trade receivables were adjusted with trade receivables.
OTHER CURRENT FINANCIAL ASSETS	Staff Advance	0.66	4.43	OTHER CURRENT LIABILITIES		0.66	4.43	Staff advances were adjusted with payable to employees.

Note No: 3.35

The Previous period figures have been regrouped / reclassified, wherever considered necessary to conform to the current year presentation

As per our report of even date attached
For Jayesh Sanghrajka & Co. LLP
Chartered Accountants
ICAI Firm Regn. No. 104184W/W100075



Rishikesh Nasikkar
Designated Partner
Membership No. 166493

Place : Pune
Dated : 30/11/2021

For and on Behalf of the Board



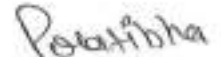
**Dinkar T.
Venkatasubramanian**
Resolution Professional



Yogesh Kapur
Director



Arun Maiti
Chief Financial Officer



Pratibha Chaudhary
Company Secretary

Notes to the Financial Statements

1. Company Overview and Significant Accounting Policies

M/S Metalyst Forgings Limited (hereinafter referred to as MFL) was previously known as Ahmednagar Forging Limited. The change in the name of the company took on 07.05.2015. Ahmednagar Forging Limited started its operations in 1977 and it was primarily engaged in the manufacturing of high precision closed die steel forgings and auto components for the automotive, defence and railway, non-auto and tractor sectors. During the year 2002-03, the company was acquired by Amtek Auto Ltd, which is the largest manufacturer of connecting rod assemblies in the country since 1987. Their manufacturing facilities are located at Ahmednagar, Chakan, Kuruli, Aurangabad in Maharashtra and Baddi in Himachal Pradesh. Currently, MFL is the second largest manufacturer of forged automotive component in India. Its product portfolio consists of a range of components for 2/3 Wheelers, passenger Cars, Tractors, Light Commercial Vehicles (LCV), Heavy Commercial Vehicles (HCV) and Stationary Engines. The major customers of the Company are John Deere, Mahindra, Daimler India, Greaves Cotton, Isuzu Motor India, Mahindra & Mahindra, Ashok Layland, Tata Motors, ACIL, Cummins India, Sandvik Asia, BEML, and Kirloskar.

Company has its Registered Office at Gat No,- 614, Village Kuruli Tal. Khed Dist. Pune-410501 (Maharashtra) Their manufacturing facilities are located at Ahmednagar, Chakan, Kuruli, Aurangabad in Maharashtra and Baddi in Himachal Pradesh.

2. Significant Accounting Policies

2.1 Statement of Compliance

The Financial Statements have been prepared in accordance with IND ASs notified under the Companies (Indian Accounting Standard) Rules, 2015. The company has adopted Indian Accounting Standards from April 1, 2016 and accordingly these standalone financial statements have been prepared in accordance with IND ASs notified by section 133 of the Companies Act, 2013 read with relevant rules issued thereunder from time to time, to the extent applicable to the company. The company has adopted change of year to coincide with 31st March, in terms of section 2(41) of the Companies Act, 2013 from financial year 2015-16 and accordingly, the said financial year of the company was of a six months period beginning 01st October 2015 to 31st March 2016. Accordingly, the date transition to IND AS for the company is October 1, 2015.

A Corporate Insolvency Resolution Process ("CIRP") has been initiated against Metalyst Forgings Limited ('the Company') vide an order of Mumbai bench of the National Company Law Tribunal (NCLT) dated December 15, 2017 under the provisions of the Insolvency and Bankruptcy code 2016 (Code). Pursuant to the order, the power of the Board of directors stands suspended and are exercisable by Mr. Dinker T. Venkatasubramanian, who was appointed as Interim Resolution Professional (IRP) by the NCLT vide order dated December 20, 2017 and was consequently confirmed as Resolution Professional (RP) by the Committee of Creditors (CoC) in its meeting held on January 12, 2018.

As the powers of the Board of Directors have been suspended, the above result have not been adopted by the Board of Directors. However, the same have been signed by Mr Dinkar T. Venkatasubramanian (IRP), Mr. Yogesh Kapur Director, Mr Arun Kumar Maiti, Chief Financial Officer and Ms Prathiba Chaudhary, Company Secretary of the Company, confirming, accuracy & completeness of the results.

As the Company is under CIRP, the financial statements have been presented on a 'going concern basis'. Under CIRP, Resolution Plan submitted by the prospective Resolution Applicants needs to be presented to and approved by the CoC. Thereafter, the Resolution Plan approved by the CoC will need to be approved by

NCLT to keep the company as a going concern. Pursuant to the provisions of the Code, the Committee of Creditors has approved the resolution plan submitted by Deccan Value Investors L.P. through e - voting process (held from 10 am on August 24, 2018 till 10 am on August 25, 2018) which was conducted subsequent to the meeting of Committee of Creditors held on August 21, 2018 and the same is subject to approval by the Hon'ble NCLT.

However DVI withdrew their application while the same was pending for approval from the Hon'ble NCLT. The matter was litigated in NCLT and NCLAT and is currently sub judice in Hon'ble Supreme Court of India.

In the mean while the Company is presently undergoing CIRP and the Resolution Process is underway in line with the provisions of IBC. Accordingly, financial statements for the year ended March 31st, 2021 have been prepared on a going concern basis.

As per the Code the RP has to receive, collate and all the claims submitted by the creditors of the Company. Such claims can be admitted to the RP during the CIRP, till the approval of a resolution plan by the CoC. The RP has verified and admitted the claims submitted by the creditors against the company as per the Code. Pending finalisation of resolution plan, the impact of such claims if any that may also not been considered in the preparation of the financial statements.

The Standalone Financial Statements are presented in Indian Rupees and all values are rounded to the nearest lakhs, except when otherwise indicated.

2.2 Use of Estimates

The preparation of the financial statements in conformity with IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.2.1 Useful lives of property, plant and equipment

Considering the current operating levels of the Company, and the ongoing CIRP it is not possible to determine Impairment, if any, in the economic value of the fixed assets & capital work in progress.

2.2.2 Valuation of deferred tax assets / liabilities

The Company reviews the carrying amount of deferred tax assets / liabilities at the end of each reporting period. The policy for the same has been explained under Note no. 2.9.

2.2.3 Provisions and contingent liabilities

A provision is recognised when the company has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date adjusted to reflect the current

best estimates. Contingent Liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements, however, the detail of existing contingencies as on 31st March, 2021 is provided in Note No 3.26.4

2.3 Revenue Recognition

Revenue is measured at fair value of the consideration received or receivable. Amounts disclosed as revenue are exclusive of GST and net of returns, trade allowances, rebates, value added taxes.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured regardless of when the payment is being made. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Sale of goods

Sales are recognised when substantial risk and rewards of ownership are transferred to customer as per the terms of the contract, there is no continuing managerial involvement with the goods. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods, in case of domestic customer, sales take place when goods are dispatched or delivery is handed over to transporter, in case of export customers, sales takes place when goods are shipped on board based on bill of lading.

Revenue from Services

Revenue from services is recognised in the accounting period in which the services are rendered.

Other operating revenue - Export incentives

Revenue in respect of export incentives is recognised when such incentives accrue upon export of goods.

2.4 Recent Accounting Pronouncements

Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration : On March 28, 2018, the Ministry of Corporate Affairs ('the MCA') notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material.

Ind AS 115, Revenue from Contract with Customers: On March 28, 2018, the MCA notified the Ind AS 115. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The effective date for adoption of Ind AS 115 is financial period beginning on or after April 1, 2018.

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly, comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The effect on adoption of Ind AS 115 is expected to be insignificant

2.5 Employee benefits

• **Long - Term Employee Benefits**

The liability for gratuity & leave encashment is determined using Projected Unit Credit (PUC) Method and is accounted for on the basis of actuarial valuation in Accordance with IND AS - 19. The company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Actuarial Gains and Losses through re-measurements of the net defined benefit liability/(asset) are recognized in Other Comprehensive Income. The current service cost is included in the employee benefit expense in the statement of Profit & Loss account. The interest cost calculated by applying the discount rate to the net balance of defined benefit obligation, is included in the finance cost in the statement of Profit & Loss Account.

• **Short-Term Employee Benefits**

Short - term employee benefits include performance incentive, salaries & wages, bonus and leave travel allowance. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the services.

2.6 Borrowing Costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset.

Processing fee paid for borrowings is amortised over the term of long term loan through statement of Profit & Loss. All other borrowing costs are expensed in the period in which they occur.

Preference Shares are separated into equity and liability components based on the terms of the issue / contract. Interest on liability component of Preference Shares is determined using amortised cost method and is charged to the statement of profit & loss and from 1st April, 2020 the interest on Liability component of Preference Share is not provided considering the ongoing CIRP Process.

Considering the ongoing Corporate Insolvency Resolution Process, Company has not provided for interest of term loans and cash credits after the initiation of CIRP process i.e. 15th Dec 2017.

2.7 Depreciation & Amortization:

The company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. Depreciation on additions/deductions to property, plant and equipment is provided on pro-rata basis from the date of actual installation or up to the date of such sale or disposal, as the case may be.

Considering the current operating levels of the company, and the ongoing CIRP it is not possible to determine impairment, if any, in the economic value of the fixed assets & capital work in progress.

2.8 Impairment of Assets

i) Financial Assets (other than at fair value)

The company assesses at each Balance Sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The company recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction.

Considering the current operating levels of the Company, and the ongoing CIRP it is not possible to determine Diminution, if any, in the value of investments.

(i) Non-financial assets

a) Property, Plant & equipment and Intangible Assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is an indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Profit or Loss. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit or Loss.

Considering the current operating levels of the Company, and the ongoing CIRP it is not possible to determine Impairment, if any, in the economic value of the fixed assets, capital work in progress.

2.9 Income Taxes

Income Tax expense comprises Current and Deferred Income Tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in Other Comprehensive Income.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the company will pay normal income tax in future periods. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefits associated with it flow to the company and the asset can be measured reliably.

Considering the ongoing Corporate Insolvency Resolution Process, the uncertainty as to the realisation of unused tax losses and MAT credit available cannot be ascertained at this stage. Consequently, adjustment to Deferred Tax (Net) and MAT Credit available have not been given effect to.

2.10 Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation /amortization and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. The cost of property, plant & equipment also includes initial estimates of dismantling cost and restoring the site to its original position, on which the site is located.

2.11 Financial Instruments

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets (Except Net Investments) and Financial liabilities (Except Borrowings) are recognized at fair value on initial recognition, except for trade receivables and security deposits, which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through Profit or Loss are added to the fair value on initial recognition.

Trade receivables as on March 31st, 2019, which also includes balances from group entities, are subject to confirmation/reconciliation and recoverability assessment thereof is under process.

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination, which is subsequently measured at fair value through Profit and Loss.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts are approximately at fair value due to the short maturity of these instruments.

De-recognition of Financial Instruments

The company de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for de-recognition under IND AS 109.

A financial liability (or a part of a financial liability) is de-recognised from the company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.12 Borrowings

Borrowings are initially measured at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Profit or Loss over the period of the borrowings using the effective interest method.

Preference Shares are separated into liability and equity components based on the terms of the issue / contract. On issuance of the Preference Shares, the fair value of the liability component is determined using a market rate for an equivalent instrument. This amount is classified as financial liability and is measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The remainder of the proceeds is recognised and included in equity. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the equity component is not re-measured in subsequent years. In view of default in payment of interest/repayment of instalments, all term loans/NCD's and FCBS have become payable on demand and therefore, have been taken to the head "Other Current Financial Liability"

2.13 Investments

a) Investment - Others

Current Investments

Quoted financial assets have been classified as FVTOCI and unquoted financial assets have been classified as Fair Value Through Profit & Loss (FVTPL).

Non-Current Investments

Quoted long term investments have been classified as FVTOCI and unquoted long term investments have been classified as FVTPL.

2.14 Inventories

- Raw Materials and Goods under process and finished goods are valued at cost (Net of provision for diminution) or *Net Realizable value, whichever is lower.
- Waste and Scrap is valued at Net Realizable Value.
- Cost of inventories of Raw Materials and stores and Spares is ascertained on FIFO basis.
- Cost of inventories also included all other costs incurred in bringing the inventories to their present location and condition.
- Cost of goods under process comprise of cost of materials and proportionate production overhead. Cost of material for this purpose is ascertained on FIFO basis.
- Provision for obsolescence in inventories is made, whenever required.
- Considering the current operating levels of the Company, and the ongoing CIRP it is not possible to determine, Impairment, fairly, in the economic value of the tools, dies and moulds.
*Net Realizable Value is the estimated selling price in the ordinary course of business less any applicable selling expenses

2.15 Earnings per Equity Share

Basic earnings per equity share is computed by dividing the Net Profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the Net Profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.16 Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

Furthermore, unpaid/ unclaimed dividend are transferred to unpaid dividend account and on expiration of 7 years period, same are deposited in Investor Education and Protection Fund.

2.17 Leases

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 the lease, whichever is lower.

Lease payments under operating leases are recognized as an expense on a straight line basis in Net Profit in the Statement of Profit and Loss over the lease term.

2.18 Offsetting Financial Instruments

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

2.19 Foreign Currency Translation

Foreign Currency Translations are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in Profit or Loss.

2.20 Fair Value Measurement

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

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

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the Consolidated Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the Consolidated Financial Statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- * Disclosures for valuation methods, significant estimates and assumptions
- * Quantitative disclosures of fair value measurement hierarchy
- * Investment in unquoted equity shares
- * Financial instruments

2.21 Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per company's normal operating cycle and other criteria set out in the Schedule III to the Act. Current and non-current financial liabilities are reclassified during the current period and corresponding reclassification in previous years.