



# 40<sup>th</sup> ANNUAL REPORT

## 2019-20



**INDO ALUSYS INDUSTRIES LIMITED**  
(Formerly Mahavir Aluminium Limited)

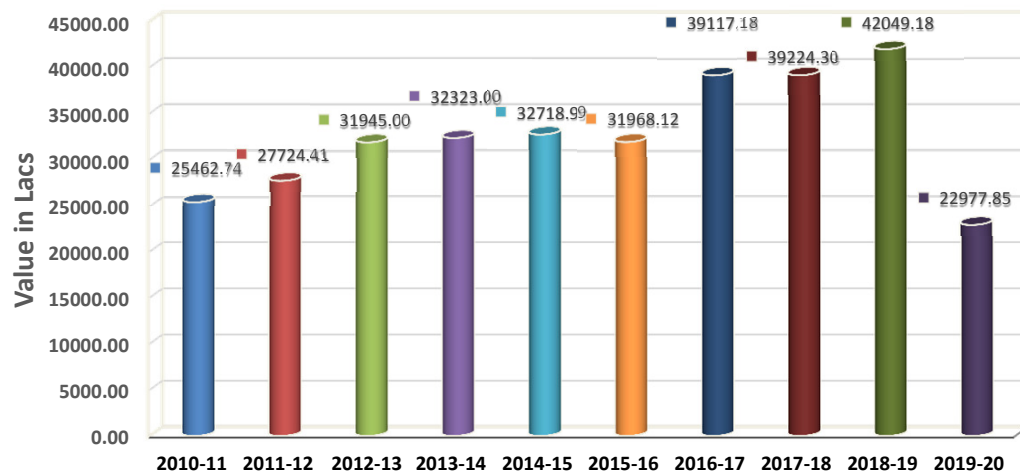
An ISO 9001:2015 and 14001:2015 Certified Company

**Financial Highlights of the Company**

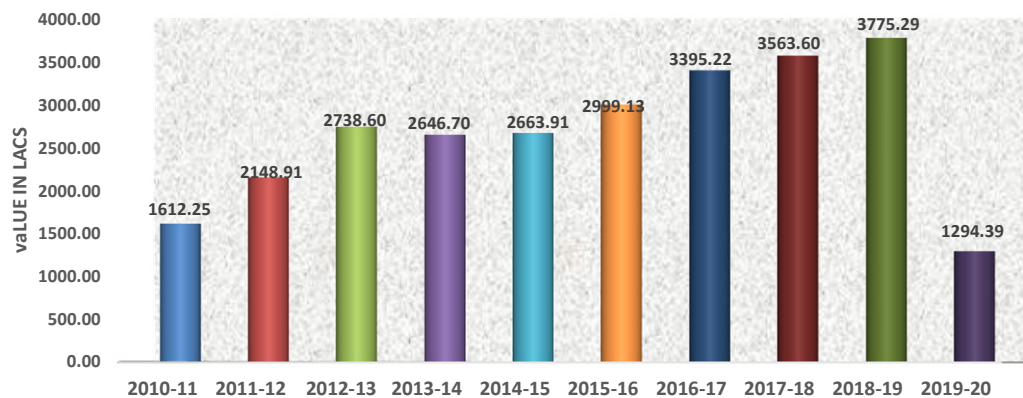
(Rs./Lacs)

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Turnover (Gross)	25462.74	27724.41	31945.00	32323.00	32718.99	31968.12	39117.18	39224.30	42049.18	22977.85
Earning Before Dep. Interest & Tax	1612.25	2148.91	2738.60	2646.70	2663.91	2999.13	3395.22	3563.60	3775.29	1294.39
Profit Before Tax	502.55	608.88	404.00	211.03	165.65	209.96	325.99	366.42	219.58	-5926.16
Profit After Tax (without Deferred Tax)	390.90	546.50	390.23	210.96	164.80	209.53	217.24	235.80	141.30	-4971.56

**Turnover (Gross)**



**EBDIT**



## CORPORATE INFORMATION

### BOARD OF DIRECTORS:

Mr. Pradeep Kumar Jain	: Managing Director
Mr. K. L. Garg	: Independent Professional Non-Executive Director
Ms. Suman Lata Saraswat	: Independent Professional Non-Executive Director upto 25.02.2020
Ms. Sanchiyta Narula	: Independent Non-Executive Women Director w.e.f. 07.07.2020

### CHIEF FINANCIAL OFFICER

: Mr. R. K. Wadhawan

### COMPANY SECRETARY

: Ms. Rashi Gupta

### STATUTORY AUDITORS

: M/s Suresh Kumar Mittal & Co., Chartered Accountants, 60, 1st Floor, Pocket H-3, Sector-18, Rohini, Delhi-110085.

### INTERNAL AUDITORS

: M/s K. N. Gutgutia & Co., Chartered Accountants, 11K, Gopala Tower, Rajendra Place, New Delhi-110008

### SECRETARIAL AUDITOR

: Janmejaya Singh Rajput & Associates, Company Secretaries, 38, Second Floor, Sant Nagar, East of Kailash, New Delhi-110065

### COST AUDITORS

: M/s Avtar Singh & Company, Cost Accountants, N-14, NDSE Part-1, Ring Road, New Delhi-110049.

### BANKERS

: State Bank of India  
DCB Bank Limited  
Axis Bank Ltd.  
IDBI Bank Limited  
Syndicate Bank  
Canbank Factors Ltd. (A Subsidiary of Canara Bank)

### SHARE TRANSFER AGENT

: M/s. Alankit Assignments Ltd., Alankit Heights, 3E/7, Jhandewalan Ext., New Delhi-110055

### DEPOSITORIES

: National Securities Depository Limited  
Central Depository Services Limited

### REGISTERED OFFICE

: B-292, Office No.303, 3<sup>rd</sup> Floor, Chandra Kanta Complex, New Ashok Nagar, Delhi-110096

### CORPORATE OFFICE

: "WASME" House, Plot No.4, Institutional Area, Sector-16A, Noida-201301

### WORKS

: SP-2/333, Bhiwadi, Industrial Estate, Bhiwadi, District Alwar, Rajasthan

### PRODUCTS LINES

: Aluminium Extrusion, Aluminium Architectural Products (AAP) & Signalling/Quad/Power Cables

### WEBSITE

: [www.indoalusys.com](http://www.indoalusys.com)

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## COMPANY PROFILE

**Indo Alusys Industries Limited (IAL)** (formerly Mahavir Aluminum Limited) is among the leading aluminum extrusion companies in the country and a pioneer in the production and innovation of Aluminum extruded products. The foundation of the company was laid in the year 1979 and today with more than 39 years of industrial experience the company has created a niche for itself in the field of manufacturing and supply of aluminum extrusions, signaling, quad and power cables for supply to Railways/State Electricity Board. From the initial days till today, the company has maintained an uncompromising stand on quality, a practice that enabled us to earn the distinction of being one of the first ISO certified business enterprise in the North India. The main objective of the company is to manufacture sophisticated quality of Aluminum Extrusions, Alloys and Power/Control Cables & Conductors in India.

The manufacturing facilities of Indo Alusys Industries Limited are located in the highly developed Industrial Area of Bhiwadi, in Alwar District of Rajasthan, which is about 50 kms from the International Airport, New Delhi.

The Plant of the company is equipped with latest and most advanced plant and machinery and other supporting/balancing equipment which are mostly imported. Further, the technologies are updated with latest know-how available in the world to give its products an edge over its competitors, to manufacture extrusions of high precision and quality compared to the best in the world.

### **ALUMINIUM EXTRUSIONS:**

The company is one of the topmost manufacturers of Aluminums Extruded Products that are valued for their high strength to weight ratio, durability and excellent thermal and electrical conductivity. This division is well equipped with latest machines for anodizing, electro coloring and power coating.

The Company has four Oil Hydraulic Extrusion Presses of 2100 UST capacity, 1650 UST capacity, 1250 UST capacity and 1100 UST capacity. The operations of all the four presses are controlled by Micro Processor based technology and Programmable Logic Control ('PLC') Systems.

### **ALUMINIUM ARCHITECTURAL DIVISION (AAP)**

Indo Alusys has specialized Architectural Products Division engaged in creating innovatively designed Architectural Door Hardware, Aluminum Doors, Windows, Partitions, Curtain Wall Systems and Structural Glazing. These products are developed by using highly advanced CAD technology. In addition to manufacturing & fabrication of finished products, the company also take care of follow up facilitates like installation, maintenance and refurbishment. The new generation aluminum Architectural Systems saves wood and thus protecting the environment, with the changing focus of customers from traditional wooden material to light metals like Aluminum.

### **SIGNALLING/POWER/QUAD/CONTROL CABLE & CONDUCTOR DIVISION:**

The Plant has been set up with ultra-modern technology and international standards of testing facilities and the company has earned the trust and confidence from the reputed Developers/Architects/Consultants. The division is integrated with hi-tech testing facilities to test FR (Flame Retardant) or Flame Retardant Low Smoke (FRLS) cables.

The Power control cables/squads are supplied mainly to Indian Railways & State Electricity Board.

### **OUR BRAND**

The Company is marketing its Product Aluminum Extrusion under the Brand Name **MAL** and it undertakes every possible effort to reinforce the brand image by practicing ethical business policies and working with a disciplined approach. The company considers consistency and quality as the building blocks of the company.

Over the years the company have geared up to be even more adaptive to the changing environment and promoting “Aluminum Stewardship” in our operations by utilizing metal in a strategic manner to facilitate the best possible use for the socio and economic development.

The company is well fortified with multi -products and multi-dimensional undertakings with world class Aluminum Extrusions, Aluminum Architectural Products, Aluminum Alloy Ingots, Aluminum and Copper Power and Control Cables.

### **OUR GLOBAL PRESENCE**

Export is one of the key areas of IAIL. The company has grown notably in the global market through increased advancements. The quality range of products has been accepted and demanded by American, European and Middle East markets for their persistent reliability and competitive edge.

## **MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT**

### **FORWARD-LOOKING STATEMENTS**

The report contains forward-looking statements, identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and so on. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results are forward looking statements.

Forward-looking statements are based on certain assumptions and expectations of future events. The company cannot guarantee that these assumptions and expectations are accurate or will be realized. The company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements.

### **INDUSTRY ANALYSIS AND BUSINESS OPPORTUNITIES**

India is one of largest producer of aluminum in the world and aluminum is the biggest non-ferrous industry in the world economy and one of the significant industries in Indian economy. The Indian industry is likely to see double digit growth over next few years owing to consistently growing demand from architectural, building, construction and automobile sectors. The per capita consumption of aluminum metal in developed countries is about 20 to 47 Kgs. However, in India, the per capita consumption of aluminum is only 2.5 Kgs. Thus there is a vast scope for the industry to develop under the current scenario.

Aluminum being lightweight, durable and anti-corrosive is the metal of choice for leading designers, architects, engineers, all of whom are looking for a material which combines functionality and cost- effectiveness with forward looking form and design potential.

With Government now considering the new incentives to be allowed, the usage of aluminium will improve in the construction. The consumer durables and packaging sectors are also showing positive growth signs with the rise in consumer income.

Your company is well positioned to capitalize on emerging opportunity due to significant competitive strength, acquired over the years.

### **BUSINESS OVERVIEW/ OUT LOOK**

On the Industrial side aluminum is heavily used in electrical power transmission, machinery and equipment and construction. Housing in particular makes heavy use of the lightweight material as a substitute for steel and wood in doors, windows and siding. On the consumer side aluminum is used in a variety for retail products, including cans, packaging, air conditioners, furniture's and vehicle's. Over 5 years, considerable progress has been made in aluminum intensive vehicles production.

During 2019-20, the Company has achieved production of 7233 MT as compared to 11896 MT during the previous year. Considering the installed capacity of 22000 MT, we have

significant spare capacity to increase production and sales level. However, since production activities were on hold for more than 2-3 months and due to after effect of the closure, there was not much production took place and hence, company has assumed to have production target of 8,500 in the next year.

In a challenging year for the global economy and our industry, we are pleased to report satisfactory results across our businesses. We have remained focused on our core strengths of aluminum. The aluminum business delivered fair results with steady growth. Business grew on the back of higher process on the LME, expanded volumes from better asset utilization and optimal load distribution, coupled with an increased share of value added products. Cost pressure on account of input price escalation was contained in some measures through cost reduction programs initiated earlier.

**Indo Alusys Industries Limited** has the distinction of being one of the first extrusion companies of India to have ISO 14001-2015 and ISO 9001-2015 certification from the world-renowned certifying agency DET NORSKE VERITAS (DNV) of Netherlands.

The Company manufactures quality aluminum Products. The Company also exports its products to various countries including U.S.A., UAE and U.K. Plant of the company is equipped with latest and most advanced plant and machinery and other supporting/ balancing equipment.

The business philosophy of the Company is to provide high quality products, timely delivery and customer satisfaction. The Company is dedicated to continual improvement of its products, services and company as a whole, through process control, employee involvement and management commitment.

## **INDUSTRY OUTLOOK**

The future for aluminum and aluminum extrusion in India looks promising with the low per capita consumption in the country coupled with high and good quality reserves of Bauxite. Awareness of the utility of aluminum in various industrial sectors is growing and it provides a lower cost option as to use of various metals in different sectors.

Aluminum consumption in transportations segment is expanding at a high rate with the increasing household income which has provided a significant lift to passenger vehicles segment. Improvement in road infrastructure and increasing economic activity bodes well for commercial vehicles demand. Export of Auto component from India has clocked a growth rate owing to a huge increase in sourcing of auto components from India by several developed countries. This has significant potential for domestic aluminum consumption.

Towards capitalizing on emerging opportunities, your company has chalked out an ambitious growth plan that is aimed at catapulting your company into the league of top Indian aluminum Manufacturing Companies.



Keeping in mind the ongoing value shift in alumina, favorable demand supply conditions in growing markets of Asia and significant advantages available for Indian producers, your Company has decided to pursue aggressive growth by strengthening our hold on domestic market and embark on value added export in future.

### **CHALLENGES IN THE INDIAN EXTRUSIONS MARKET**

In spite of economic fluctuations the world over; demand for aluminum extruded products is on the rise. Though building & construction sector proves to be the most valued consumer of aluminum, an insight into the future prospects of aluminum extrusion industry will highlight its growing demand in the solar industry and automobile industry.

In India, volatility in the raw material prices and foreign exchange fluctuations has been affecting the growth of aluminum industry to a large extent. Construction sector with a massive population and vast open spaces / areas is an ideal choice for solar energy production. Aluminum is the most preferred metal in the manufacture of solar panels. Indian aluminum extrusion manufacturers need to stress on innovation and new design options and move further down the value chain through sharing of knowledge based information with consumers. This is mainly because in U.S.A. and European countries, extrusion manufacturers went further down the value chain and supplied fabricated products to customers. This growing trend is slowly gaining momentum in India also new players are competing with the key ones.

### **RISK & CONCERNS**

The Company identifies all type of risk at an early stage which helps it to control them better. The risks are normally perceives from Price fluctuation, government policies, market competition and retention of manpower.

### **FINANCIAL PERFORMANCE**

Company has reported a gross turnover of Rs.22977.85 Lacs during the year as compared to Rs.42049.18 Lacs during the previous year.

### **PROFIT**

Company has registered loss after Tax of (Rs.5129.11 lacs) as compared to profit of Rs 141.30 lacs in the previous year.

### **INTERNAL CONTROL SYSTEM**

The company is committed to maintain its high standards of internal control and risk management to provide the appropriate assurances to all stakeholders. The company has proper and adequate internal control system commensurate with its size and business operations to ensure that its assets are safeguarded and transactions are properly authorized, reported and recorded.

The strength of a business's internal control environment also forms a component of senior manager's performance appraisals. The Company has also a system of internal audit and management reviews to ensure compliance with the prescribed procedures and authority levels. Every quarter the Audit Committee is briefed about the internal control findings along with the remedial actions that have been suggested or have been already implemented.

### **HUMAN RESOURCES**

People are one of our key assets and we derive our ability to maintain our competitive position from them. Industrial relations remained cordial during the year. The Company places a great deal of confidence on its excellent pool of Human Resources, which it realizes is the key to its growth strategy.

**INDO ALUSYS INDUSTRIES LIMITED**  
**DIRECTORS' REPORT**

**To**  
**The Members,**

Your Directors take pleasure in presenting their 40th Annual Report and the audited Accounts of the Company for the year ended 31st March 2020.

**1. Financial Results & Appropriations**

PARTICULARS	2019-20	2018-19
	(Rs/Lacs)	(Rs/Lacs)
Gross Sales	22977.85	42049.18
Loss/Profit for the year before Taxation	<b>(7333.61)</b>	<b>219.58</b>
Less: Provision for Current Tax	0.00	45.20
Net Profit After Tax`	<b>(7333.61)</b>	<b>174.38</b>
Less: Deferred Tax	2196.44	(22.19)
Taxation adjustment for previous year	8.06	5.55
Less: MAT Credit Entitlement	0.00	49.72
Profit after Tax	<b>(5129.11)</b>	<b>141.30</b>
Add: Profit brought forward	4031.37	3890.07
Balance Carried to Balance Sheet	<b>(1097.74)</b>	<b>4031.37</b>

**2. Nature of Business**

The Company is engaged in the activities pertaining to Aluminum Extrusion, Aluminium Architectural Products(AAP) and Signalling/Quad/Power gCables etc. The company has created a niche for itself in the field of manufacturing and supply of aluminum extrusions, power control cables and railway signaling and aluminum architectural products.

There was no change in the nature of the business of the Company during the year under review.

**3. Financial Performance**

The Company achieved the turnover of Rs. 22977.85 Lacs during the current year as against Rs. 42049.18 Lacs during the previous year. The Company has registered loss after Tax of Rs 5129.11 Lacs as compared to profit of Rs 141.30 Lacs in the previous year 2018-19.

*During the year sales have declined by more than 45% due to acute financial stress faced by the company. The lead bank while renewing the working capital facilities, suo motto changed the terms of sanction and certain assets that had hereto been considered for financing were withdrawn. In addition, flexibility of 25% interchangibility from LC to CC was also withdrawn leading to CC facility becoming irregular.*

*This rendered the facilities as irregular and consequently the accounts became NPA with the lenders. Some of the lenders, in violation of the Inter Se agreement governing consortium arrangements, recovered deposits made in their accounts towards reduction of their facilities; others cancelled sanctioned limits. These short-sighted measures by some consortium lenders further aggravated the stress in the financial position of the company, leading to cancellation of orders and decline in sales.*

*The lenders have subsequently recalled the loans. The management is in discussions with the lenders for a resolution plan that will involve infusion of long-term funds and reliefs and concessions on interest and instalment on repayments of loans from the lenders. The efforts to have a resolution plan in place were hampered by the closure of offices and manufacturing facilities caused by the national lockdown due to COVID 19.*

#### **4. Dividend**

With a view to conserve resources for increasing revenue generation of the Company, your Directors consider it appropriate not to declare dividend this year.

#### **5. Reserves**

The Company proposes to transfer loss of Rs.5129.11 lakhs to the general reserve.

#### **6. Exports**

During the year, the company made Exports of Rs.1.86 Crs. against Rs.22.07 Crs. during 2018-19. The management sees large opportunities in Exports to cater the demand in U.S., Canada, UAE and Countries in Europe etc. which will be tapped in the coming years.

#### **7. Deposits**

During the year under review, your Company neither accepted any deposits nor there were any amounts outstanding at the beginning of the year which were classified as 'Deposits' in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 and hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Companies Act, 2013 is not applicable.

#### **8. Disclosures under Section 134(3)(l) of the Companies Act, 2013**

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position, have occurred between the end of the financial year of the Company and date of this report.

Ms. Suman Lata Saraswat, Independent professional Director (Non-Executive) of the company have resigned from the Directorship with effect from 25th February, 2020.

The company has proposed to appoint Ms. Sanchiyta Narula as an Additional Director with effect from 07th July, 2020 and she will be appointed as an Independent Professional Director (Non-Executive) in ensuing Annual General Meeting.

Now the shares of the company are not listed with any Stock Exchange and status of the company is now delisted. The exit offer is being closed with effect from 1<sup>st</sup> June, 2019 and all the post closure compliances have been complied by the promoters of the company.

#### **9. Internal Financial Controls**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Statutory Auditors and the Internal Auditors of the Company on the inefficiency or inadequacy of such controls.

#### **10. Disclosure of orders passed by regulators or courts or tribunal**

No significant and material orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

#### **11. Particulars of contracts or arrangements with related parties**

Except as disclosed in the financial statements, no related party transactions were entered into during the current financial year by the company. There were no other materially significant related party transactions entered into by the Company with the promoters, Directors, Key Managerial Personnel which may have a potential conflict with the interest of the Company at large. Thus Form AOC-2 is not applicable.

#### **12. Particulars of loans, guarantees, investments under Section 186**

No Loans, Corporate Guarantees and Investments made during the financial year under the provisions of Section 186 of the Companies Act, 2013.

### **MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL**

#### **13. Board of Directors and Key Managerial Personnel**

During the year under review, Mr. M K Doogar, Independent Professional Director (Non-Executive) of the company has resigned from the Directorship of the Company with effect from 17th June, 2019 because of his continuing travel.

Mr. A P Gandhi, Independent Director of the company has also resigned on 17th June, 2019 due to personal reasons.

The global outbreak of coronavirus (COVID-19) is an unprecedented event that has led to lockdowns and restrictions on the corporate sector across the world. The Ministry of

Corporate Affairs have provided certain relaxations in undertaking timely compliances of Companies Act, 2013. However, the Company have met Six times a year with full quorum, as stipulated under Companies Act, 2013.

Due to resignation of Ms. Suman Lata Saraswat from the Board of the Company as on 25.02.2020, the Board was left with two Directors and it took some time to appoint another in place of Ms. Suman lata Saraswat due to outbreak of COVID-19 pandemic.

In view of the above, on 07.07.2020, the company appointed Ms. Sanchiyta Narula as an independent, professional, non-executive Director on the Board of the Company to fulfill the Quorum.

During the Year, the company appointed Mr. K L Garg as an Additional Director with effect from 24<sup>th</sup> April, 2019 and then he was appointed as an Independent Professional Director (Non-Executive) in Annual General Meeting of the Company held on 27<sup>th</sup> September, 2019.

The Company also proposed the appointment of Ms. Sanchiyta Narula as an Additional Director with effect from 07<sup>th</sup> July, 2020 and then she will be appointed as an Independent Professional Director (Non-Executive) in ensuing Annual General Meeting of the Company in September, 2020.

In terms of Section 152 read with Section 149(13) of the Companies Act, 2013, Mr. Pradeep Kumar Jain, Managing Director was reappointed by the Company subject to approval of Shareholders of the Company in Annual General Meeting held on 27th September, 2019 for the tenure of 1st November 2019 to 31st October, 2024.

#### **14. Declarations by Independent Directors**

Pursuant to the provisions of sub-section (7) of Section 149 of the Companies Act, 2013, the Company has received individual declarations from all the Independent Directors confirming that they fulfill the criteria of independence as specified in Section 149(6) of the Companies Act, 2013.

### **DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES**

#### **15. Board Meetings**

The Board of Directors of the Company comprises of an optimum combination of Executive and Non-executive directors with at least half of board comprises of Independent Professional (Non-Executive) Directors. The independent directors do not have any pecuniary relationship or transactions with the Company, promoters, and management, which may affect their judgment in any manner.

The Board of Directors met 6 times during the financial year ended 31 March, 2020 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. All the Directors actively participated in the meetings and provided their valuable inputs on the matters brought before Board of Indo Alusys Industries Limited from time to time.

## NUMBER OF MEETINGS OF THE BOARD

The following Meetings of the Board of Directors were held during the Financial Year 2019-20:

S No.	Date of Meeting	Board Strength	No. of Directors Present
1	24.04.2019	5	4
2	16.08.2019	3	3
3	07.10.2019	3	3
4	26.11.2019	3	3
5	16.12.2019	3	3
6	20.02.2020	3	3

### 16. Director's Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended March 31, 2020, the Board of Directors hereby confirms that:

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures, wherever applicable;
- b. Such accounting policies have been selected and applied consistently and the Directors 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 March 31, 2020 and of the profit/losses of the Company for the year ended on that date;
- c. Proper and sufficient care was taken 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;
- d. The annual accounts of the Company have been prepared on a going concern basis;
- e. Internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f. Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2019-20.

## 17. Board Evaluation

The board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act. The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee (“NRC”) reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

## 18. Nomination and Remuneration Committee

The composition of the Nomination and Remuneration Committee as on March 31, 2020 is as under:

Name of the Members	Category
Mr. Kanhaiya Lal Garg	Independent Professional Director - Non-Executive
Ms. Suman Lata Saraswat upto 25.02.2020	Independent Professional Director - Non-Executive
Ms. Sanchiyta Narula w.e.f. 07.07.2020	Independent Professional Director - Non-Executive

### Brief about Remuneration Policy:

Your Company has formulated a policy on Nomination and Remuneration of Directors and Senior Managerial Personnel and the major points relating to Remuneration policy are as follows:

- To frame Company’s Policy from time to time on:-
- Compensation Policy to Directors.
- Role of Directors.
- Other matters relating to Directors and Employees.
- To review performance and recommend remuneration of Executive Directors to the Board.
- To review the role and conduct of Directors other than Members of the committees and inform the board.

## 19. Audit Committee

The composition of the Audit Committee as on March 31, 2020 is as under:



<b>Name of the Members</b>	<b>Category</b>
Mr. Kanhaiya Lal Garg	Independent Professional Director - Non-Executive
Ms. Suman Lata Saraswat upto 25.02.2020	Independent Professional Director - Non-Executive
Ms. Sanchiyta Narula w.e.f. 07.07.2020	Independent Professional Director - Non-Executive

## **TERMS OF REFERENCE**

The management is primarily responsible for Company's internal controls and the financial processes. The Statutory Auditors, Cost Auditors and Internal Auditors are responsible for performing independent audits of the Company's financial statements, cost audit of the product, internal control systems respectively and for issuing the reports on the basis of such audits.

The Audit Committee has been entrusted by the Board of directors to supervise these processes and thus ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting.

The terms of the reference of Audit Committee include inter-alia the following:

- A. To investigate any activity within its terms of reference.
- B. To seek information from any employee.
- C. To obtain outside legal or other professional advice.
- D. To secure attendance of outsiders with relevant expertise, if it considers necessary.
- E. 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.
- F. Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- G. Reviewing with management the annual financial statements before submission to the board, focusing primarily on;
  - Any changes in accounting policies and practices.
  - Major accounting entries based on exercise of judgment by management.
  - Qualifications in draft audit report.
  - Significant adjustments arising out of audit.
  - The going concern assumption.
  - Compliance with accounting standards.
  - Compliance with stock exchange and legal requirements concerning financial statements
  - Any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large.
- H. Reviewing with the management, external and internal auditors, and the adequacy of internal control systems.

- I. Reviewing the adequacy of internal audit function, 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.
- J. Discussion with internal auditors any significant findings and follow up there on.
- K. 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.
- L. Discussions with external auditors before the audits commence nature and scope of audit as well as having post-audit discussion to ascertain any area of concern.
- M. Reviewing the company's financial and risk management policies.
- N. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- O. To perform other activities consistent with the charter, company's Memorandum & Article, the Companies Act, 2013 and other Governing Laws.

## 20. Stakeholders Relationship Committee

The composition of the Stakeholders Relationship Committee as on March 31, 2020 is as under:

<b>Name of the Members</b>	<b>Category</b>
Mr. Kanhaiya Lal Garg	Independent Professional Director - Non-Executive
Ms. Suman Lata Saraswat upto 25.02.2020	Independent Professional Director - Non-Executive
Ms. Sanchiyta Narula w.e.f. 07.07.2020	Independent Professional Director - Non-Executive

Shareholders/ Investors' Grievance Committee of the Directors was constituted to specifically look into the redressal of complaints of investors such as transfer or credit of shares to demat accounts, non-receipt of dividends/ notices/ annual reports. There is no grievance received from shareholders during the year.

## 21. Vigil Mechanism for the Directors and Employees

In compliance with the provisions of Section 177(9) of the companies act, 2013, a vigil mechanism for Directors and Employees to report genuine concern and to provide adequate safeguards against victimization of any of them to use such mechanism has been established.

## 22. Fraud Reporting

During the year under review no instances of fraud were reported by the Statutory Auditors of the Company.

### **23. Risk Management Policy**

The Board takes responsibility for total process of risk management in the organization. Result of risk assessments and residual risks are presented to the senior management and the Audit Committee members. The Management is accountable for the integration of risk management practices into the day-to-day activities. The risk management approach is based on a clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

### **24. Corporate Social Responsibility**

The provisions of section 135 of the Companies Act, 2013 are not applicable on the company as the company do not fall under any of the criteria mentioned therein for composition of the CSR committee.

### **25. Particulars of Employees and Remuneration**

The information as required under the provisions of Section 197 of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in Annexure C attached herewith and which forms part of this report.

## **AUDITORS AND THEIR REPORTS**

The matters related to Auditors and their Reports are as under:

Observations of statutory auditors on financial statements for the year ended March 31, 2020:

The company continues its accounting policy of not charging the depreciation on revalued fixed assets through Profit & Loss Statement. The same is reflected in the revaluation reserve.

Interest on loans from banks and bill discounting facility have not been provided in Books of Accounts as the account of the company has been declared as Non- Performing Asset and the management is in negotiation with the lenders for a resolution plan that will involve reliefs and concessions on interest. Interest will be provided based on the mutually acceptable resolution plan.

The auditor's report state the aforesaid and explained the same in their report and qualified their opinion. No other reservation or adverse remark or disclaimer or modified opinion has been given by the Auditor.

### **Secretarial Audit report for the year ended March 31, 2020:**

As required under provisions of Section 204 of the companies Act, 2013, the report in respect of the Secretarial Audit carried out by M/s. Janmejy Singh Rajput and Associates, Company Secretaries in Form MR-3 for the FY 2019-20 forms part to this report. The said report does not contain any adverse observation or modified opinion requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

#### **26. Statutory Auditor appointment**

Pursuant to the provisions of Section 139 of Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended, M/s. Suresh Kumar Mittal & Co., Chartered Accountants, the Statutory Auditors of the Company, shall hold office upto the conclusion of Forty second (42th) Annual General Meeting. The Company has received a certificate from the said Auditors that they are eligible to hold office as the Auditors of the Company and are not disqualified for being so appointed.

#### **27. Cost Auditor appointment**

M/s Avtar Singh & Company, Cost Accountant was appointed as cost auditor to conduct the audit of the Cost Accounts of the company in respect to manufacture of 'ALUMINIUM' for the year ending 31st March, 2020.

### **OTHER DISCLOSURES**

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

#### **Shifting of Registered Office of the Company from one place to another within the Local Limits of the city.**

Pursuant to the provisions of Section 12 of Companies Act, 2013 Registered Office of the Company has been shifted from 606 Tolstoy House 15tolstoy Marg Delhi DL 110001 IN to B-292, Office No. 303, Third Floor, Chandra Kanta Complex, New Ashok Nagar, Delhi-110096 with effect from October, 2019.

#### **28. Extract of Annual Return**

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended March 31, 2020 made under the provisions of Section 92(3) of the Act is attached herewith as Annexure A and forms part of this Report.

### **29. Conservation of energy, technology absorption and foreign exchange earnings and outgo**

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption have been furnished in Annexure B considering the nature of activities undertaken by the Company during the year under review.

### **30. Internal Complaint Committee**

There exist at the company level an Internal Complaint Committee ('ICC') constituted under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The group is strongly opposed to sexual harassment and employees are made aware about the consequences of such acts and about the constitution of ICC. During the year under review, no complaints were filed with the Committee under the provisions of the said Act in relation to the workplace/s of the Company. No Complaint has been received during the year.

### **31. Cost Records**

Cost records as specified by the Central government under sub-section (1) of Section 148 of the Act is required by the company are properly made and maintained.

### **ACKNOWLEDGEMENTS AND APPRECIATION**

Your Directors take this opportunity to thank the employees, customers, suppliers, bankers, financial institutions and various regulatory authorities for their consistent support and encouragement to the Company.

Your Directors would also like to thank the Members for reposing their confidence and faith in the Company and its Management.

### **For and on behalf of the Board of Directors**

**Pradeep Kumar Jain**  
Managing Director  
(DIN- 00225927)

**K L Garg**  
Director  
(DIN: 03024319)

Place: New Delhi,  
Date: 05<sup>th</sup> October, 2020

Registered Office  
B-292, OFFICE NO. 303, CHANDRA KANTA COMPLEX NEW ASHOK NAGAR DELHI -110096 IN  
CIN: U74999DL1979PLC009937  
Telephone No: 0120- 6122300  
Email: info@indoalusys.com, cs@indoalusys.com,  
Website: www.indoalusys.com

**Annexure-A  
Form No. MGT-9**

**Extract of Annual Return as on the Financial Year ended on 31.03.2020**

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

**I. REGISTRATION AND OTHER DETAILS:**

i)	CIN	U74999DL1979PLC009937
ii)	Registered date	17th October, 1979
iii)	Name of the Company	Indo Alusys Industries Limited
iv)	Category/Sub - category of the company	Aluminum Extrusion and Alloy Ingots
v)	Address of the Registered office and Contact details	B-292, Office No.303, 3 <sup>rd</sup> Floor, Chandra Kanta Complex, New Ashok Nagar, Delhi-110096
vi)	Whether Listed Company	Unlisted
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/S. Alankit Assignments Ltd. Alankit Heights, 3E/7, Jhandewalan Extension, New Delhi-110055 Tel. No. : +91-11-4254 1234; Fax No. : + 91-11-4254 1201, +91-11-2355 2001 E-mail : rta@alankit.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:

Sl. No.	Name and Designation of main products/services	NIC code of the products/services	% to Total turnover of the Company
1	Aluminum Extruded products/Alloy Ingots	24202	71.76%
2	Insulated wires/Cables/Conductors	27320	28.24%

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as %age of Total Equity)**

(i) Category-wise share holding

Category of Shareholders	No. of Shares Held at The Beginning of The Year				No. of Shares Held at The End of The Year				% Change During The Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A) PROMOTERS</b>									
1. INDIAN									

a) Individual/HUF	34,00,275	22,05,851	56,06,626	65.89	34,00,275	22,05,851	56,06,626	65.89	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	23,80,000	70,000	24,50,000	28.80	24,50,000	70,000	24,50,000	28.80	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
<b>Sub-Total (A) (1)</b>	<b>57,80,775</b>	<b>22,75,851</b>	<b>80,56,626</b>	<b>94.69</b>	<b>57,80,275</b>	<b>22,75,851</b>	<b>80,56,626</b>	<b>94.69</b>	<b>0</b>

Category of Shareholders	No. of Shares Held at The Beginning of The Year				No. of Shares Held at The End of The Year				% Change During The Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) FOREIGN</b>									
a) NRIs-Individuals	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub-Total (A) (2)	0	0	0	0	0	0	0	0	0
<b>Total Shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>57,80,775</b>	<b>22,75,851</b>	<b>80,56,626</b>	<b>94.69</b>	<b>57,80,775</b>	<b>22,75,851</b>	<b>80,56,626</b>	<b>94.69</b>	<b>0</b>

#### B. PUBLIC SHAREHOLDING

1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0

g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (Specify)	0	0	0	0	0	0	0	0	0
<b>Sub-Total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. NON-INSTITUTIONS</b>									
a) Bodies Corporates	3,36,240	0	3,36,240	3.96	3,39,555	0	3,39,555	4.00	0.04
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individuals shareholders holding nominal share capital upto 1 Lakh	47,050	67,950	1,15,000	1.35	49,035	62,650	1,11,685	1.31	(0.04)

Category of Shareholders	No. of Shares Held at The Beginning of The Year				No. of Shares Held at The End of The Year				% Change During The Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individuals shareholders holding nominal share capital in excess of 1 Lakh	0	0	0	0	0	0	0	0	0
c) Others (Specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2)	3,83,290	67,950	4,51,240	5.30	3,88,590	62,650	4,51,240	5.31	(0.01)
<b>TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)</b>	<b>3,83,290</b>	<b>67,950</b>	<b>4,51,240</b>	<b>5.30</b>	<b>3,88,590</b>	<b>62,650</b>	<b>4,51,240</b>	<b>5.31</b>	<b>(0.01)</b>
C. SHRES HELD BY CUSTODIAN FOR ADRs and GDRs	0	0	0	0	0	0	0	0	0
<b>GRAND TOTAL (A+B+C)</b>	<b>6164065</b>	<b>23,43,801</b>	<b>85,07,866</b>	<b>100</b>	<b>61,69,365</b>	<b>23,38,501</b>	<b>85,07,866</b>	<b>100</b>	<b>0</b>



**(II) SHAREHOLDING PATTERNS OF PROMOTERS**

Sl No.	Shareholder's Name	No. of Shares Held at The Beginning of The Year			No. of Shares Held at The End of The Year			% Change During The Year
		No. of Shares	% of total shares of the company (8507866)	% of Shares Pledged/ encumbered too total shares	No. of Shares	% of total shares of the company (8507866)	% of Shares Pledged/ encumbered too total shares	% change in share holding during the year
1	Sh. Pradeep Jain	27,91,301	32.80%	12,37,600	27,91,301	32.80%	12,37,600	0
2	Sh. Pradeep Jain (HUF)	11,89,100	13.98%	5,64,100	11,89,100	13.98%	5,64,100	0
3	Mr. Ishaan Jain	9,06,275	10.65%	2,77,400	9,06,275	10.65%	2,77,400	0
4	Aseem Chits Pvt. Ltd.	11,90,000	13.99%	2,40,000	11,90,000	13.99%	9,90,000	0
5	PSJ Construction Pvt. Ltd.	11,90,000	13.99%	11,75,795	11,90,000	13.99%	11,75,795	0

**(III) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE)**

Sl No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	80,56,626	94.69	80,56,626	94.69
2	Date wise increase/decrease in promoters shareholding during the year specifying the reasons for increase/decrease	NA	NA	NA	NA
3	At the end of the year	80,56,626	94.69	80,56,626	94.69

**(IV) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):**

Sl No.	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	NA	NA	NA	NA	NA

**(V) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Sl No.	Directors	Shareholding at the beginning of the year		Date wise increase/decrease in shares - the reasons for increase/decrease	Cumulative shareholding during the year	
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
1	Pradeep Jain	27,91,301	32.80%	NA	27,91,301	32.80%
2	Kanhaiya Lal Garg	NIL	NIL	NIL	NIL	NIL
3	Suman Lata Saraswat Upto 25.02.2020	NIL	NIL	NIL	NIL	NIL
4.	Sanchiyta Narula From 07.07.2020	NIL	NIL	NIL	NIL	NIL

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

Si. No.	Particulars of Remuneration	Mr. Pradeep Kumar Jain (Managing Director)	Total Amount
1	Gross Salary  (a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961  (b) value of perquisites u/s 17(2) Income tax Act, 1961  (c) Profits in lieu of salary under section 17(30) Income tax Act, 1961	24,00,000   -	24,00,000   -
2.	Stock option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission  - as % of profit  - others, specify	NIL	NIL

5.	Others, please specify	NIL	NIL
	<b>Total (A)</b>	<b>24,00,000</b>	<b>24,00,000</b>

B. Remuneration to other directors:

Sl No.	Particulars of Remuneration	Name of Directors (Non-executive Directors)			Total Amount
		Kanhaiya Lal Garg	Suman Lata Saraswat Upto 25.02.2020	Sanchiyta Narula w.e.f. 07.07.2020	
	- Sitting fee for attending board and committee meetings	90,000	60,000	NA	1,50,000
	-Commission	NIL	Nil	NA	Nil
	-others, please specify	Nil	Nil	NA	Nil
	Sitting fees	90,000	60,000	NA	1,50,000
	<b>Total Managerial Remuneration</b>	<b>90,000</b>	<b>60,000</b>	<b>NA</b>	<b>1,50,000</b>

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

S.No.	Particulars of Remuneration			Total
		Mr. R. K. Wadhawan (Chief Financial Officer)	Ms. Rashi Gupta (Company Secretary)	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	21,20,000	3,84,000	25,04,000
	(b) value of perquisites u/s 17(2) Income tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(30) Income tax Act, 1961	NIL	NIL	NIL
2.	Stock option	NIL	NIL	NIL

3.	Sweat Equity	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL
	<b>Total (A)</b>	<b>21,20,000</b>	<b>3,84,000</b>	<b>25,04,000</b>

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NOT APPLICABLE**

Type	Section of the Companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made, if any (give details)
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. Other Officers in default</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

On behalf of the Board of Directors

Pradeep Kumar Jain  
Managing Director  
(DIN- 00225927)

K L Garg  
Director  
(DIN: 03024319)

Place: New Delhi  
Date: 05<sup>th</sup> October, 2020

## Annexure-B

Information regarding Conservation of Energy, Technology Absorption and Foreign Exchange Outgo, pursuant to provisions of Section 134(3)(m) read with Companies (Accounts) Rules, 2014.

### **A. CONSERVATION OF ENERGY**

#### **1. Energy conservation measures taken:**

- a. Extended Powder Coating Oven by 7 meters to increase conveyor speed and hence increase production capacity of powder coating.
- b. Replaced 50HP motor pump unit at Press pump house by 25HP motor pump unit to reduce power consumption.

#### **2. Additional investments & proposals, if any, being implemented for reduction of energy consumption and consequent impact on the cost of production of the goods:**

- a. Replaced 50 CFL approximately and Mercury lamp by 25 LED to reduce power consumption (energy) cost per month.
- b. Foundry-Furnace, installed newly designed burner with orifice control to regulate & reduce the gas consumption and installed energy saving motor 30HP in place of 25HP for melting furnace blower.

#### **3. Proposals**

- a. To install more LED in place of CFL.
- b. To introduce energy saving motor 25 HP in place old of 20 HP motor.
- c. To introduce energy saving motor 60 HP in place of old three motors of 50 HP, 50 HP and 25 HP motors.

**FORM A**  
**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY**

A.	POWER AND FUEL CONSUMPTION		CURRENT YEAR	PREVIOUS YEAR
1	Electricity			
	a.	Purchased		
		Units	7776738	11830252
		Total Amounts (Rs.)	65,983,753	94,069,508
		Rate/Unit (Rs.)	8.49	7.95
	b.	Own Generation		
		i	Thr. Diesel Generator	
		Units	43874	70,676
		Units/Ltr. Of Diesel Oil	2.00	2.50
		Cost/Unit (Rs.)	33.90	23.06
		ii	Thr. Steam turbine/generator	
		Units		
		Units/Ltr. Of fuel oil/gas		
		Cost/Units		
2	PNG			
		Quantity (SCM)	1774279	2723529
		Total Cost (Rs.)	61,037,110	95,909,673
		Average Rate	34.40	35.22
3	Furnace Oil			Nil
		Quantity (kgs.)		
		Total Cost (Rs.)		
		Average Rate		
4	LDO/HSD			
		Quantity (Ltrs.)	4515	6970
		Total Cost (Rs.)	2,91,555	4,75,257
		Average Rate	64.57	68.19
5	Other/Internal generation			
		Quantity (Kgs.)	Nil	Nil
		Total Cost (Rs.)		
		Average Rate		

The rate per unit has increased due to levy of fixed charges (0.22/Unit) and Fuel surcharge (0.34/Unit)

**FORM B**

**B. TECHNOLOGY ABSORPTION**

<b>B. CONSUMPTION PER UNIT OF PRODUCT</b>			
<b>Products</b>	<b>Standard</b>	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>
Aluminium extruded products		6723	11705
Production (units)/MT	Extrusion		
	Alloy Ingots		0
	Job Work (MT.)	510	192
Production (Unit)/KMs	Cable Wire Cond.		
Electricity (Units)/MT	Extrusion	1080	813
	Alloy Ingots		0
Electricity Units/KM	Cable Cond. Wire		
Furnace Oil	(Kgs)/MT		0
LDO/HSD	(Ltrs)/MT	0.62	0.34
PNG	SCM/MT (Ext.)	245	217

**C. FOREIGN EXCHANGE EARNING AND OUTGO (In Lacs)**

<b>Particulars</b>	<b>2019-20</b>	<b>2018-19</b>
(1) Earnings-FOB Value of Exports	187.60	2207.00
(2) Outgo-CIF Value of Imports	1488.72	5004.37

On behalf of the Board of Directors

Pradeep Kumar Jain  
Managing Director  
(DIN: 00225927)

K L Garg  
Director  
(DIN: 03024319)

Place: New Delhi  
Date: 05<sup>th</sup> October, 2020

**Annexure-C**  
**Particulars of Employees and Remuneration**

There was no employee whose remuneration was in excess of the limits prescribed under section 197 of the Companies Act, 2013 read with Rule 5(2) & (3) of rules The Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

- a. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year: NIL
- b. The number of permanent employees on the rolls of Company: 602
- c. The explanation on the relationship between average increase in remuneration and Company performance:

There is no increase in the salaries & remuneration of employees of the company in the year ended 2019-20 as against an increase in the year 2018-19.

- d. Comparison of the remuneration of the key managerial personnel against the performance of the Company:

Aggregate remuneration of key managerial personnel (KMP) in FY19-20 (`crores)	0.49
Revenue (`crores)	229.78
Remuneration of KMPs (as % of revenue)	0.21%
Loss/Profit before Tax (PBT) (`crores)	-73.33
Remuneration of KMP (as % of PBT)	0.66%

- 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:
- f. There was no increase in the salaries of employees in the last year (2018-19) and during the year also (2019-20) there is no increase. There is neither any significant increase in salaries of employees nor in the managerial remuneration. However the increase is marginal as per the inflation index.
- g. Comparison of remuneration of the key managerial personnel against the performance of the Company:

	Managing Director	Chief Financial officer	Company Secretary
Remuneration in FY19-20	0.2400	0.2120	0.0384
Revenue (`)	229.78	229.78	229.78
Remuneration as % of revenue	0.104%	0.092%	0.016%
Profit before tax (PBT)	-73.33	-73.33	-73.33
Remuneration (as % of PBT)	0.32%	0.29%	0.05%



- h. The key parameters for any variable component of remuneration availed by the directors:  
The members at the AGM of the Company held on 23rd September, 2014 has approved the payment of commission to the non- executive directors within the ceiling of 1% of the net profits of the Company as computed under the applicable provisions of the Act. No commission has been paid to the non-executive directors till date.
- i. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:  
None
- j. It is hereby affirmed that the remuneration paid is as per the Remuneration policy of the Company.

On behalf of the Board of Directors

Pradeep Kumar Jain  
Managing Director  
(DIN: 00225927)

K L Garg  
Director  
(DIN: 03024319)

Place: New Delhi  
Date: 05<sup>th</sup> October, 2020

## CEO & CFO CERTIFICATION

To,  
The Board of Directors  
Indo Alusys Industries Limited,  
Delhi.

- (a) We have reviewed financial statements and the cash flow statement of Indo Alusys Industries Limited for the year ended 31st March, 2020 and that to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement 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) There are to the best of our knowledge and belief, no transactions entered into by the Company during the year 2019-20 which are fraudulent, illegal or violate the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee.
- (i) significant changes in internal control over financial reporting during the year 2019-20;
  - (ii) significant changes in accounting policies during the year 2019-20 and that the same have been disclosed in the notes to the financial statements; and
  - (iii) There are no instances of fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place : New Delhi  
Date : 05.10.2020

(Pradeep Kumar Jain)  
Managing Director

(R. K. Wadhawan)  
Chief Financial officer

### **CORPORATE SOCIAL RESPONSIBILITY**

Indo Alusys is a responsible corporate entity never losing sight of its accountability towards environment and society. We are certified for ISO 14001 by DNV, Netherland.

- ▶ Ensuring Safety of the Workforce
  - ✓ Helmets to all workforce.
  - ✓ Ear plugs for workforce working on machines creating heavy noise.
  - ✓ Safety goggles for workforce working on cutting machines.
  - ✓ Heat resistance aprons and face shields for workforce working at foundry.
  - ✓ Safety shoes to all workforce.
  - ✓ Face masks for workforce working at Metal Finishing.
  - ✓ Working gloves to all workforce according to their needs.
- ▶ Ensuring Environment Sustainability
  - ✓ No air pollution due to high rise chimney.
  - ✓ No discharge of any effluent and hazardous wastes
  - ✓ Plantation of trees.
  - ✓ Recycle of discharge water by STP and ETP.
- ▶ Governance of Ethics and Management
  - ✓ Company is following all statutory requirements like ESI, PF, Minimum Wages etc.
  - ✓ No employment to child labour.
  - ✓ Management workers welfare committee to support welfare of workers.
  - ✓ No union and no agitation by workforce.
  - ✓ Management workers relationship – sports day, celebration of festivals, celebration of national days etc.
  - ✓ Free medical treatment and medicines.
  - ✓ Education support to employees children.
  - ✓ Accommodation to workers, staff and executives.
  - ✓ Free water, electricity, house maintenance and security.
  - ✓ Retention policy for workforce.
  - ✓ Assuring Future Development and Responsibility

### **CSR- environment Sustainability**



**DM Water Plant**

**Effluent Treatment Plant**

**Natural Gas Plant**

On behalf of the Board of Directors

Pradeep Kumar Jain  
Managing Director  
(DIN: 00225927)

K L Garg  
Director  
(DIN: 03024319)

Place: New Delhi  
Date: 05<sup>th</sup> October, 2020

## SECRETARIAL AUDIT REPORT

**For The Financial Year Ended 31<sup>st</sup> March, 2020**  
(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9  
of the Companies (Appointment and Remuneration Personnel) Rules, 2014)

To,

The Members,

**INDO ALUSYS INDUSTRIES LIMITED**  
**B-292, OFFICE NO. 303, CHANDRA KANTA COMPLEX**  
**NEW ASHOK NAGAR NEW DELHI 110096**

**CIN: U74999DL1979PLC009937**  
**Authorized Capital: Rs. 15,00,00,000/-**  
**Paid up Capital: Rs. 8,50,79,000**

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **INDO ALUSYS INDUSTRIES LIMITED** having CIN: **U74999DL1979PLC009937** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

The 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.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that, in our opinion, the company has, during the audit period covering the Financial Year ended 31<sup>st</sup> March, 2020 (Audit Period), company has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

### **A. THE COMPANIES ACT**

1. The books, papers, minute books, forms and other records as required to be maintained under the provisions of the Companies Act, 2013 and according to the requirement of Secretarial Standard have been maintained by the Company for the Financial Year ended on 31<sup>st</sup> March, 2020;

2. We report that the Company has, in our opinion, subject to the observations/qualifications reported hereunder, properly complied with the provisions of The Companies Act, 2013 read with Companies Act 1956 (hereinafter singly and collective referred to as 'Act'), to the extent Sections and Schedules notified and the Rules made there under including amendment, circulars, notifications and removal of difficulties Order issued by the Ministry of Corporate Affairs from time to time with regard to the following:

a) **Minutes Book and Registers:**

Sr. No	Particulars	Remarks
1.	Board Meeting Minutes Books	<i>As per our observances, Company has maintained the Notices and Minutes Books of Board and General Meetings of the Company and has complied with the applicable Secretarial Standards.</i>
2.	Annual General Minutes Book	
3.	Statutory Registers as per Companies Act, 2013	

b) **Composition of Board of Directors:**

*With respect to the Composition of Board of Directors, the Company has fully complied with the requirements of Section 149 of the Companies Act, 2013 and the rules made there-under. The requirement of Independent Directors with proper balance of Executive & Non- Executive Directors and Women Director has been duly complied.*

- c) Adequate notice, agenda and detailed notes on agenda is given to all the directors of the board Meetings, were sent at least 7 days in advance and there is a system exist for seeking and obtaining further information's and clarifications on agenda items before the meeting and for meaningful participations at the meeting.

**Based on the representation given by the management of the company, I further report compliances by the company in respect of the following matters:**

- a) Maintenance of various statutory registers and documents and making necessary entries therein
- b) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- c) Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- d) Notice of Board meetings and Committee meetings of Directors;
- e) The meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- f) Minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- g) Payment of remuneration to Directors including the Managing Director and Whole-time Directors,
- h) Appointment and remuneration of Auditors and Cost Auditors;
- i) Declaration and payment of dividends;
- j) Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs
- k) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- l) Directors' report;

**d) Constitution of Committee:-**

**I further report that** as per Section 177 & 178 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Board was required to constitute Audit Committee, the Nomination and Remuneration Committee, Shareholders/Investors' Grievance Committee which have been duly constituted by the company.

**e) Secretarial Audit:-**

As per section 204(1) of Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company was required to obtain Secretarial Audit Report for the Financial Year 2019-20.

**Observation:-***The Company has duly complied with the requirement of Secretarial Audit Report for the Financial Year 2019-20.*

**B. SECURITIES LAWS**

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended

31<sup>st</sup> March, 2020 according to the provisions of:

- (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;
- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

### **C. SECRETARIAL STANDARDS**

In view of the Secretarial Standards issued by ICSI with regard to the Meeting of Board of Directors (SS-1) and General Meeting (SS-2) which became effective from 01<sup>st</sup> July, 2015, *we hereby report that the aforesaid Secretarial Standards have been properly complied by the Company.*

#### **Auditor Observations / Qualifications:-**

In respect of Appointment of Company Secretary as Key Managerial Person, e-form DIR-12 for Appointment of Company Secretary duly filed. However, No MGT-14 is filed with the Registrar of Companies for Appointment of Ms Rashi Gupta as Company Secretary.

Note: As per the Section 117(3)(g) of the companies Act 2013, MGT-14 for the Appointment of Company Secretary i.e Key Managerial Person (KMP) is mandatory required to be filed.

### **D. OTHER LAWS INCLUDING SECTOR SPECIFIC LAWS**

- We further report that based on the information received, explanations given, process explained and records maintained 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, including Sector Specific laws, rules, regulations and guidelines.

- We further report that the Compliance by the Company of applicable financial laws like direct and indirect tax laws have not been reviewed in this audit since the same has been subject to review by statutory financial auditor and other designated professionals and for the same we have relied on Reports given by the Internal as well as the Statutory Auditors of the Company.

**Place: New Delhi**  
**Date: 05.10.2020**

**For Janmejy Singh Rajput & Associates**  
**Company Secretaries**

**Janmejy Singh Rajput**  
**(Proprietor)**  
**Membership No.-F9348**  
**PCS No.- 15012**  
**UDIN: F009348B000857063**

Note: This report is to be read with our letter of even date which is annexed as **ANNEXURE I** and forms an integral part of this report.



**ANNEXURE -I**

**To,  
The Members,  
M/s. INDO ALUSYS INDUSTRIES LIMITED  
B-292, Office No. 303, Chandra Kanta Complex  
New Ashok Nagar Delhi 110096**

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.

**Place: New Delhi  
Date: 05.10.2020**

**For Janmejy Singh Rajput & Associates  
Company Secretaries**

**Janmejy Singh Rajput  
(Proprietor)  
FCS No.-9348  
PCS No.- 15012  
UDIN: F009348B000857063**

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of **Indo Alusys Industries limited**

### **Report on the Audit of the Standalone Financial Statements**

#### **Qualified Opinion**

We have audited the standalone financial statements of Indo Alusys Industries limited ("the Company"), which comprise the balance sheet as at 31st March 2020, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us *except for the effects of the matter described in the Basis for Qualified Opinion section of our report*, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and loss and its cash flows for the year ended on that date.

#### **Basis for Qualified Opinion**

*Additional depreciation on revalued amount of assets has not been charged in the Statement of Profit and Loss as required by the revised accounting standards which has resulted in loss for the year to be lower by Rs.270.96 lacs (Previous year Rs. 330.55 lacs). (refer note 37 to the financial statements).*

*The credit facilities provided by the financial creditors to the company were classified as Non- Performing Asset (NPA). The financial creditors have subsequently recalled the loans. The management is in discussions with the lenders for a resolution plan which will involve grant of reliefs and concessions from the lenders on interest. Consequently, interest on credit facilities from banks, loan from a company and bill discounting facility estimated at Rs.1265.13 lacs have not been provided in these accounts As a result, loss for the year and current liabilities are lower by Rs.1265.13 lacs. Certain lenders have also not confirmed their dues as on 31<sup>st</sup> March,2020. (refer note 39 to the financial statements).*

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Emphasis of Matter**

We draw attention to:

Note 38 to the standalone financial statements, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management.

Note 40 to the standalone financial statements, which states that the outstanding debtors after provision of Rs.1391.75 Lacs are good and recoverable, in the opinion of the management.

Our opinion is not modified in these regards.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available 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.

### **Responsibilities of Management and Those Charged With Governance for the Standalone Financial Statements**

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

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 *except for the effect of the matter described in the basis for qualified opinion paragraph above.*
- e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls 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 operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 19 to the financial statements.
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Suresh Kumar Mittal & Co.  
Chartered Accountants  
Firm Reg. No. : 500063N

( **ANKUR BAGLA** )  
Partner

Membership Number : 521915

Place: New Delhi  
Date : 05.10.2020  
UDIN: 20521915AAAAEH8856

**Annexure A referred to in paragraph (1) under the heading of “Report on Other Legal and Regulatory requirements” of our report of even date**

<p>(i) (a)</p> <p>(b)</p> <p>(c)</p>	<p>The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets records of the company which were destroyed in fire on 7<sup>th</sup>/ 8<sup>th</sup> April ,1992 have been recompiled on the basis of information and records to the extent available.</p> <p>All the fixed assets have been physically verified by the management according to a regular program, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies with respect to book records were noticed on such verification. Discrepancies noticed have been properly dealt with in the books of account. Physical verification at year end could not be conducted due to lockdown because of COVID-19.</p> <p>The title deeds of immovable properties are held in the name of the company.</p>
<p>(ii)</p>	<p>Physical verification of inventory (except material lying with third parties and in transit) has been conducted by the management along with independent persons at reasonable intervals. In our opinion, the frequency of verification is reasonable. No material discrepancies with respect to book records were noticed on such verification. Discrepancies noticed have been properly dealt with in the books of account. Physical verification at year end could not be conducted due to lockdown because of COVID-19.</p>
<p>(iii)</p>	<p>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 and as such clauses (iii) (a), (b) and (c) of the order are not applicable to the company.</p>
<p>(iv)</p>	<p>In our opinion and according to the information and explanation given to us the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, guarantees and security given and investment made.</p>
<p>(v)</p>	<p>According to the information and explanation given to us, the company has not accepted any deposit from the public. Therefore, the provisions of clause (v) of the order are not applicable to the company.</p>
<p>(vi)</p>	<p>We have broadly reviewed the books of account maintained by the company pursuant to the order made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of such accounts and records.</p>

(vii) (a)	The company is <i>generally</i> regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect thereof were outstanding as at 31st March,2020 for a period of more than six months from the date they became payable																									
(b)	<p>According to the records of the company, dues of income-tax or Sales tax or service tax or duty of custom or duty of excise or value added tax which have not been deposited on account of any dispute are as under:-</p> <table border="1" data-bbox="293 653 1497 1094"> <thead> <tr> <th data-bbox="293 653 391 747">S.No.</th> <th data-bbox="391 653 743 747">Name of the statute</th> <th data-bbox="743 653 979 747">Nature of the dues</th> <th data-bbox="979 653 1170 747">Amount (Rs. In lacs)</th> <th data-bbox="1170 653 1497 747">FORUM WHERE DISPUTE IS PENDING</th> </tr> </thead> <tbody> <tr> <td data-bbox="293 747 391 814">1</td> <td data-bbox="391 747 743 814">CENTRAL EXCISE ACT</td> <td data-bbox="743 747 979 814">EXCISE DUTY</td> <td data-bbox="979 747 1170 814">3.90</td> <td data-bbox="1170 747 1497 814">HIGH COURT</td> </tr> <tr> <td data-bbox="293 814 391 900">2</td> <td data-bbox="391 814 743 900">CENTRAL EXCISE ACT</td> <td data-bbox="743 814 979 900">EXCISE DUTY</td> <td data-bbox="979 814 1170 900">81.37</td> <td data-bbox="1170 814 1497 900">TRIBUNAL</td> </tr> <tr> <td data-bbox="293 900 391 1003">3</td> <td data-bbox="391 900 743 1003">CENTRAL EXCISE ACT</td> <td data-bbox="743 900 979 1003">EXCISE DUTY</td> <td data-bbox="979 900 1170 1003">1.63</td> <td data-bbox="1170 900 1497 1003">COMMISSIONER (APPEALS)</td> </tr> <tr> <td data-bbox="293 1003 391 1094">4</td> <td data-bbox="391 1003 743 1094">RAJASTHAN VALUE ADDED TAX ACT</td> <td data-bbox="743 1003 979 1094">VAT</td> <td data-bbox="979 1003 1170 1094">8.03</td> <td data-bbox="1170 1003 1497 1094">COMMISSIONER (APPEALS)</td> </tr> </tbody> </table>	S.No.	Name of the statute	Nature of the dues	Amount (Rs. In lacs)	FORUM WHERE DISPUTE IS PENDING	1	CENTRAL EXCISE ACT	EXCISE DUTY	3.90	HIGH COURT	2	CENTRAL EXCISE ACT	EXCISE DUTY	81.37	TRIBUNAL	3	CENTRAL EXCISE ACT	EXCISE DUTY	1.63	COMMISSIONER (APPEALS)	4	RAJASTHAN VALUE ADDED TAX ACT	VAT	8.03	COMMISSIONER (APPEALS)
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3	CENTRAL EXCISE ACT	EXCISE DUTY	1.63	COMMISSIONER (APPEALS)																						
4	RAJASTHAN VALUE ADDED TAX ACT	VAT	8.03	COMMISSIONER (APPEALS)																						
(viii)	In our opinion and according to the information and explanations given to us, the company has not availed any loan or borrowing from financial institution, Government and debenture holders. <i>We draw attention to note no. 39 to the financial statements, stating that the borrowings from banks were declared as non-performing assets w.e.f. 23.09.2020 and recall notices from the lender banks have been received due to non-payment of interest and principal. The entire loan outstanding in books of Rs.695.67 lacs has been classified as current liability.</i>																									
(ix)	In our opinion, moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans have been applied for the purposes for which they were obtained.																									
(x)	According to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the year																									
(xi)	In our opinion, and according to the information and explanation given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the Companies Act, 2013																									

(xii)	The company is not a nidhi company and hence provisions of clause (xii) of the order are not applicable to the company.
(xiii)	In our opinion all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc. as required by the applicable accounting standards.
(xiv)	During the year under review the company has not made any preferential allotment on private placement of shares or fully or partly convertible debentures.
(xv)	The company has not entered into any non cash transactions with directors or persons connected with them.
(xvi)	The company is not required to be registered under section 45-1A of the Reserve Bank of India Act , 1934.

For SURESH KUMAR MITTAL & CO.  
Chartered Accountants  
Firm Reg. No. : 500063N

Place: New Delhi  
Date : 05.10.2020  
UDIN: 20521915AAAAEH8856

**(ANKUR BAGLA)**  
Partner  
Membership Number : 521915



**Annexure B referred to in paragraph (2)(f) under the heading of “Report on Other Legal and Regulatory requirements” of our report of even date**

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

We have audited the internal financial controls over financial reporting of Limited of Indo Alusys Industries limited (“the Company”) as of March 31, 2020 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 (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (ICAI)”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

## **Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI".

For SURESH KUMAR MITTAL & CO.  
Chartered Accountants  
Firm Reg. No. : 500063N

**(ANKUR BAGLA)**

Partner

Membership Number : 521915

Place: New Delhi  
Date : 05.10.2020  
UDIN: 20521915AAAAEH8856

**INDO ALUSYS INDUSTRIES LIMITED**  
**BALANCE SHEET AS ON 31.03.2020**

Particulars	Schedule No.	As at 31.03.2020		As at 31.03.2019
			Rs. Lacs	Rs. Lacs
<b>I. EQUITY AND LIABILITIES</b>				
<b>(1) Shareholders' Funds</b>				
(a) Share Capital	1	850.79	850.79	
(b) Reserves and Surplus	2	12,387.14	17,787.22	18,638.01
			13,237.93	
<b>(2) Non current liabilities</b>				
(a) Long term borrowings	3	2,204.37	5,168.19	
(b) Deferred tax liabilities (Net)	4	-	946.54	
(c) Other long term liabilities	5	133.17	1,023.12	
(d) Long term provisions	6	199.64	343.22	7,481.07
			2,537.18	
<b>(3) Current Liabilities</b>				
(a) Short term borrowings	7	13,352.69	6,059.42	
(b) Trade payables	8			
- Dues to micro,small & medium enterprises		15.07	204.66	
- Dues to others		4,743.03	7,405.24	
(c) Other current liabilities	9	4,001.33	1,824.38	
(d) Short term provisions	10	14.94	55.74	
			22,127.06	15,549.44
<b>TOTAL</b>			<b>37,902.17</b>	<b>41,668.52</b>
<b>II. ASSETS</b>				
<b>(1) Non - current assets</b>				
(a) Property,Plant & Equipments	11			
Tangible assets				
Gross Block		31,916.85	31,861.80	
Less : Depreciation		13,870.48	13,147.76	
		18,046.37	18,714.04	
(b) Non - current investments	12	11.04	11.04	
(c) Deferred tax assets (Net)	4	1,249.90	-	
(d) Long term loans and advances	13	86.63	78.43	
			19,393.94	18,803.51
<b>(2) Current Assets</b>				
(a) Inventories	14	11,650.31	14,372.62	
(b) Trade receivables	15	5,089.49	5,996.26	
(c) Cash and cash equivalents	16	213.89	840.45	
(d) Short term loans and advances	17	1,242.24	1,235.47	
(e) Other current assets	18	312.32	420.21	
			18,508.24	22,865.01
<b>TOTAL</b>			<b>37,902.17</b>	<b>41,668.52</b>

See accompanying notes to the financial statement

As per our report of even date annexed  
For Suresh Kumar Mittal & Co.  
Chartered Accountants  
Firm Reg. No. 500063N

Place : NEW DELHI	<b>Ankur Bagla</b> Partner M.No.521915	<b>Pradeep Kumar Jain</b> Managing Director DIN No.00225927	K.L.Garg Director DIN No.	<b>R.K.Wadhawan</b> Chief Financial Officer	<b>Rashi Gupta</b> Company Secretary
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**INDO ALUSYS INDUSTRIES LIMITED**  
**PROFIT AND LOSS STATEMENT FOR THE PERIOD ENDED 31.03.2020**

Particulars	Schedule No.	For the period from 01.04.2019 to 31.03.2020 Rs. Lacs	For the period from 01.04.2018 to 31.03.2019 Rs. Lacs
I. Revenue from Operations			
Gross		22,977.85	42,049.18
Less: GST		3,501.84	6,031.71
Net	21	19,476.01	36,017.47
II Other Income	22	136.46	138.51
III <b>Total revenue (I + II)</b>		<u>19,612.48</u>	<u>36,155.98</u>
IV Expenses			
Cost of materials consumed	23	16,994.50	26,324.13
Purchase of Stock in trade	24	84.61	1,140.33
Changes in inventories of finished goods, work in progress and stock in trade	25	913.26	(834.38)
Employee benefits expense	26	1,468.57	1,832.68
Finance costs	27	1,877.13	2,924.32
Depreciation and amortization expense	28	501.25	631.39
Other expenses	29	5,106.77	3,917.93
V <b>Total Expenses</b>		<u>26,946.09</u>	<u>35,936.39</u>
VI Profit/(Loss) before tax (III - V)		(7,333.61)	219.59
VII Tax expense:			
(1) Current tax		-	45.20
(2) MAT credit entitlement		-	49.72
(3) Deferred tax		2,196.44	(22.19)
(4) Earlier year's tax		8.06	5.55
VIII Profit/(Loss) for the year (VI-VII)		<u>(5,129.11)</u>	<u>141.30</u>
IX Earning per equity share:			
(1) Basic	41	(60.29)	1.66
(2) Diluted		(60.29)	1.66

See accompanying notes to the financial statement

As per our report of even date annexed  
For Suresh Kumar Mittal & Co.  
Chartered Accountants  
Firm Reg. No. 500063N

	<b>Ankur Bagla</b>	<b>Pradeep Kumar Jain</b>	K.L.Garg	<b>R.K.Wadhawan</b>	<b>Rashi Gupta</b>
Place :	New Delhi	Partner	Managing Director	Director	Chief Financial Officer
Date:	05.10.2020	M.No.521915	DIN No.00225927	DIN No.	Company Secretary

**INDO ALUSYS INDUSTRIES LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MAR,2020**

Particulars	As at 31.03.2020 Rs. Lacs	As at 31.03.2019 Rs. Lacs
<b>Cash flows from operating activities</b>		
Profit before taxation	(7,333.61)	219.58
Adjustments for:		
Depreciation and amortization expense	501.25	631.39
Interest expenses	<u>1,877.13</u>	<u>2,924.32</u>
	<u>2,377.37</u>	<u>3,555.33</u>
	(4,956.24)	3,774.91
(Increase)/ decrease in trade and other receivables	(999.70)	18.08
(Increase)/ decrease in inventories	(2,722.30)	(555.68)
Increase/ (decrease) in trade and other payables	<u>5,465.68</u>	<u>2,145.46</u>
	<u>1,743.68</u>	<u>1,607.86</u>
	(3,212.56)	5,382.77
Income taxes paid	<u>2,204.50</u>	<u>(78.26)</u>
<i>Net cash from operating activities</i>	<u>(1,008.06)</u>	<u>5,304.50</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant & equipments	107.13	(496.84)
Proceeds from sale of property, plant & equipments	<u>(1.01)</u>	<u>(0.38)</u>
<i>Net cash from investing activities</i>	106.13	(497.22)
<b>Cash flows from financing activities</b>		
Proceeds from long term borrowings	(5,140.77)	-
Proceeds from short term borrowings	7,293.27	(1,039.35)
Repayment of long term borrowings	-	(959.82)
Interest paid	<u>(1,877.13)</u>	<u>(2,919.47)</u>
<i>Net cash from financing activities</i>	275.38	(4,918.63)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<u>(626.56)</u>	<u>(111.36)</u>
<b>Cash and cash equivalents at beginning of reporting period</b>	<u>840.45</u>	<u>951.81</u>
<b>Cash and cash equivalents at end of reporting period</b>	<u><u>213.89</u></u>	<u><u>840.45</u></u>

Notes : Brackets represent cash out flow.

As per our report of even date annexed  
For Suresh Kumar Mittal & Co.  
Chartered Accountants  
Firm Reg. No. 500063N

Place : NEW DELHI  
Date: 05.10.2020

**Ankur Bagla** Pradeep Kumar Jain K.L.Garg  
Partner Managing Director Director  
M.No.521915 DIN No.00225927 DIN No.

**R.K.Wadhawan** Rashi Gupta  
Chief Financial Officer Company Secretary

## ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

## 1 Share Capital:

Particulars	As at 31.03.2020		As at 31.03.2019	
	Number	Rs Lacs	Number	Rs Lacs
<b>I Authorized:</b>				
Equity shares of Rs. 10/- each				
At the beginning of the year	1,50,00,000	1,500.00	1,50,00,000	1,500.00
Addition during the year	-	-	-	-
Reduction during the year	-	-	-	-
At the close of the year	1,50,00,000	1,500.00	1,50,00,000	1,500.00
<b>II Issued, subscribed and fully paid up:</b>				
Equity shares of Rs. 10/- each				
At the beginning of the year	85,07,866	850.79	85,07,866	850.79
Addition during the year	-	-	-	-
Reduction during the year	-	-	-	-
At the close of the year	85,07,866	850.79	85,07,866	850.79
<b>III Particulars of equity share holders holding more than 5% of the total number of equity share capital:</b>				
<b>Name of Shareholder</b>	<b>As at 31.03.2020</b>		<b>As at 31.03.2019</b>	
	<b>Number</b>	<b>% of Holding</b>	<b>Number</b>	<b>% of Holding</b>
a. Aseem Chits Pvt Ltd	1190000	13.99%	1190000	13.99%
b. PSJ Construction Pvt Ltd	1190000	13.99%	1190000	13.99%
c. Pradeep Jain HUF	1189100	13.98%	1189100	13.98%
d. Pradeep Jain	2789501	32.79%	2789501	32.79%
e. Ishaan Jain	906275	10.65%	906275	10.65%
f. Shreya Jain	457050	5.37%	457050	5.37%

## 2 Reserves and Surplus:

## a) As at 31.03.2020(Rs. Lacs)

Particulars	Capital Reserve	Revaluation Reserve	Surplus i.e. balance in Statement of Profit & Loss	Total
At the beginning of the year	15.00	13,740.85	4,031.37	17,787.22
Additions during the year	-	-	(5,129.12)	(5,129.12)
Transferred to Depreciation*	-	270.96	-	270.96
At the close of the year	15.00	13,469.89	(1,097.75)	12,387.14

## b) As at 31.03.2019(Rs. Lacs)

Particulars	Capital Reserve	Revaluation Reserve	Surplus i.e. balance in Statement of Profit & Loss	Total
At the beginning of the year	15.00	14,071.40	3,890.07	17,976.47
Additions during the year	-	-	141.30	141.30
Transferred to Depreciation*	-	330.55	-	330.55
At the close of the year	15.00	13,740.85	4,031.37	17,787.22

\* Refer note no.37

3 Long term Borrowings

Particulars	As at 31.03.2020 Rs. Lacs	As at 31.03.2019 Rs. Lacs
<b>1) Secured Loans:</b>		
a. Term/Corporate Loans		
- from Banks	771.07	988.77
- Others	2,806.53	3,000.00
	3,577.60	3,988.77
<b>2) Unsecured Loans:</b>		
Other Loans & Advances		
- from Companies		
free of interest	2,139.24	2,139.24
	2,139.24	2,139.24
	5,716.84	6,128.01
Less : current maturity*	3,512.47	959.82
	2,204.37	5,168.19

\* Refer note no.39

- a) Term Loans of Rs. 2806.53 lacs (previous year Rs.3000.00 lacs) are secured/to be secured by first pari passu charge by way of equitable mortgage of land and building of the company and hypothecation of all movable and immovable assets of the company, present and future, except assets charged to the hirer and second pari passu charge on entire current assets of the company. The loans are additionally secured against personal guarantee of the managing director and pledge of part of the promoter shares of the company.
- b) Corporate Loans of Rs.695.67 lacs (previous year Rs.881.99 lacs ) are secured/to be secured by first pari passu charge by way of hypothecation over entire present and future current assets (alongwith working capital lenders) and entire present and future fixed assets (alongwith term lenders).
- c) Vehicle loans of Rs. 75.40 lacs (previous year Rs.106.78 lacs) are secured against hypothecation of assets financed out of the loan amount received for purchase of that asset.

- d) The above loans are repayable as follows :

- Payable after 1 year	35.68	1,124.14
- Payable after 2 year	29.45	981.45
- Payable after 3 year	905.00	923.36
- Payable after 4 year	885.00	905.00
- Payable after 5 year	349.24	885.00
- Payable after 6 year	-	349.24
	2,204.37	5,168.19

- e) The management has certified that the unsecured loans from companies are repayable after repayment of other loans.

Particulars	As at 31.03.2020 Rs. Lacs	As at 31.03.2019 Rs. Lacs
<b>4 Deferred tax liability (Net):</b>		
<b>i) Deferred tax liability :</b>		
a) On account of depreciation on property, plant & equipments	916.21	1,068.28
b) others	-	0.16
Total	916.21	1,068.44
<b>ii) Deferred tax assets:</b>		
a) On account of disallowance under section 43B	83.00	121.90
b) on account of loss carried forward	1,695.93	-
c) on account of provision for doubtful debts	387.18	-
Total	2,166.11	121.90
<b>Net Deferred tax (liability)/asset</b>	1,249.90	(946.54)
<b>5 Other Long term liabilities</b>		
Trade deposits	100.00	989.95
Other Deposits	33.17	33.17
	133.17	1,023.12
<b>6 Long term Provisions</b>		
Provisions for employee benefits	199.64	343.22
	199.64	343.22
<b>7 Short term Borrowings</b>		
<b>Secured Loans:</b>		
Loans repayable on demand		
- working capital limits from Banks*	13,352.69	6,059.42
Total	13,352.69	6,059.42

\* Refer note No.39

Above loans are secured/to be secured by first pari passu charge by way of hypothecation of entire current assets of the company and second pari-passu charge on the entire property, plant & equipments of the company except assets charged to the hirer. The loans are additionally secured against pledge of part of promoters' shareholding and personal guarantee of the managing director.



**INDO ALUSYS INDUSTRIES LIMITED**

Particulars	As at 31.03.2020 Rs. Lacs	As at 31.03.2019 Rs. Lacs
<b>8 Trade Payables</b>		
a) Total outstanding dues to Micro, Small and Medium Enterprises*	15.07	204.66
b) Others	4,743.03	7,405.24
	<b>4,758.10</b>	<b>7,609.90</b>

\* Refer note no.43

The information regarding suppliers covered under the Micro, Small and Medium Enterprises Development Act, 2006 has been provided to the extent suppliers have been identified as registered under the said Act on the basis of information received from them.

**9 Other current liabilities:**

a) Current maturities of long term Debts	3512.47	959.82
b) Interest on borrowings	-	45.49
c) Advances from Customers	104.91	119.94
d) Others Payables	383.95	699.13
	<b>4,001.33</b>	<b>1,824.38</b>

No amount was due for credit to Investor Education and Protection Fund as at 31.03.2020

**10 Short term provisions:**

a) For Income Tax	-	45.20
b) Provision for employee's benefits	14.94	10.54
	<b>14.94</b>	<b>55.74</b>

## 11 Property, Plant &amp; Equipments- Tangible Assets (Rs. Lacs)

Particulars	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As at 01.04.2019	Additions for the year	Additions on Revaluation	Deductions during the year	Total	upto 31.03.2019	For the year*	Depreciation on revalued amount	Deductions	Total	As at 31.03.2020	As at 31.03.2019
Land - lease hold	15,921.71				15,921.71	2,211.44	0.17	230.25		2,441.86	13,479.86	13,710.27
Buildings	2,859.13				2,859.13	1,732.66	47.38			1,780.04	1,079.09	1,126.47
Plant & Machinery	12,353.94	99.99			12,453.93	8,650.78	418.96	40.71		9,110.45	3,343.49	3,703.16
Furniture & Fixtures	51.19				51.19	48.89	0.33			49.22	1.97	2.30
Vehicles	441.97	6.02		52.08	395.91	301.60	23.27		49.47	275.39	120.52	140.37
Office equipment	233.86	1.12			234.99	202.39	11.15			213.54	21.45	31.47
<b>TOTAL</b>	<b>31,861.80</b>	<b>107.13</b>	<b>-</b>	<b>52.08</b>	<b>31,916.85</b>	<b>13,147.76</b>	<b>501.25</b>	<b>270.96</b>	<b>49.47</b>	<b>13,870.48</b>	<b>18,046.37</b>	<b>18,714.04</b>
<b>Previous Year</b>	<b>31,377.86</b>	<b>496.85</b>	<b>-</b>	<b>12.91</b>	<b>31,861.80</b>	<b>12,198.26</b>	<b>631.39</b>	<b>330.55</b>	<b>12.44</b>	<b>13,147.76</b>	<b>18,714.04</b>	

\*Refer note no.37

**INDO ALUSYS INDUSTRIES LIMITED**

Particulars	As at 31.03.2020 Rs. Lacs	As at 31.03.2019 Rs. Lacs
<b>12 Non Current Investments:</b>		
( at cost)		
In Government Securities ( unquoted - Non Trade) National Saving Certificate *	0.05	0.05
In equity Shares of Rs. 10/ each fully paid up ( Quoted - Non Trade)		
115000 ( previous year 115000) shares of Kquality Builders & Developers Ltd	10.99	10.99
	11.04	11.04
Aggregate value of quoted investments	10.99	10.99
Aggregate value of unquoted investments	0.05	0.05
	11.04	11.04
Aggregate market value of quoted investments**	20.13	20.13

\* lodged with Govt. Department

\*\*Last available quoted rates have been considered to determine the market value of investments

Particulars	As at 31.03.2020 Rs. Lacs	As at 31.03.2019 Rs. Lacs
<b>13 Long term loans and advances:</b>		
( unsecured - considered good)		
i) Capital advances	1.00	1.33
ii) Security Deposits	85.63	77.10
	86.63	78.43

**14 Inventories:**

( As taken, valued and certified by the mangement)

i) Raw materials	1,000.82	3,279.48
ii) Work in progress	4,354.35	4,067.15
iii) Finished goods	2,252.13	3,463.31
iv) Scrap	17.44	6.72
v) Stores and spares	1,374.02	1,013.46
vi) Loose tools	10.62	12.06
vii) Dies & Moulds *	2,599.50	2,452.44
viii) Goods in transit: Raw materials	41.43	78.00
	11,650.31	14,372.62

\* The Stock of Dies & Moulds have been valued as on 31.03.2020 at Rs.2599.50 lacs (Previous Year Rs.2452.44 lacs) by an approved valuer considering their value in books of accounts, residual useful life, present value and amount received from customers. Consequently an amount of Rs.96.50 lacs (Previous Year Rs.217.51 lacs) only has been charged to the Profit and Loss account.

Particulars	As at 31.03.2020 Rs. Lacs	As at 31.03.2019 Rs. Lacs
<b>15 Trade receivables:</b>		
( unsecured - considered good other then provided for)		
i) Trade receivables exceeding six months	4,091.36	833.77
ii) others	2,389.88	5,162.49
	6,481.24	5,996.26
Less : provision for bad & doubtful debts	1,391.75	-
	5,089.49	5,996.26
a) A sum of Rs.845.25 lacs ( previous year Rs. 806.43 lacs) retained by the customers, from amount payable against sales, as per terms of the contract has been included under other short term loans & advances.		
b) Trade receivables exceeding six months are from due date of receipt of payments as per the records of the company		
<b>16 Cash and cash equivalents:</b>		
i) Balances with banks		
- in margin money, security for borrowings, guarantees and other commitments	160.66	774.14
- in other accounts	52.69	65.41
ii) Balance in Post office Saving Bank Account		
- passbook pledged with excise department	0.43	0.41
iii) Cash on hand	0.10	0.49
	213.89	840.45
(Bank deposits with more than 12 months maturity Rs.Nil Lacs ( previous year Rs.97.97Lacs)		
<b>17 Short term loans and advances:</b>		
( unsecured - considered good)		
i) Income tax refundable	49.60	119.93
ii) Commercial Tax Recoverable	41.07	14.14
iii) Others	1,151.57	1,101.40
	1,242.24	1,235.47
<b>18 Other Current Assets</b>		
(unsecured - considered good)		
i) Interest receivable	6.65	41.47
ii) MAT Credit Entitlement	248.35	255.03
iii) other receivables	72.25	123.71
	327.26	420.21
<b>19 Contingent liabilities and Commitments:</b>		
(to the extent not provided for)		
a) Contingent Liabilities:		
i) Claims against the Company not acknowledged as debts	9.04	9.04
ii) Bank Guarantees	404.23	910.07
iii) Guarantees given on behalf of an outsider	1.00	1.00
iv) Tax demands under disputes	94.93	132.55
v) Bills Discounted	389.54	2,056.20
vi) Bonds Issued In favour of Govt Authority	14.60	14.60
b) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	11.27	16.39

**20** In the opinion of the board the assets other the property, plant and equipments have a value on realisation in the ordinary course of business at least equal to the amount at which they have been stated.

**INDO ALUSYS INDUSTRIES LIMITED**

Particulars	For the year 01.04.2019 to 31.03.2020 Rs.Lacs	For the year 01.04.2018 to 31.03.2019 Rs.Lacs
<b>21 Revenue from operations:</b>		
i) Sale of products		
Aluminium extruded Products/ Alloy ingots	17,915.23	31,655.18
Insulated wires/ cables/ conductors	4,990.38	10,170.17
	22,905.61	41,825.35
ii) Sale of services - Job work	67.03	114.96
iii) Export Incentive	5.21	108.86
	22,977.85	42,049.18
Less : GST	3,501.84	6,031.71
	19,476.01	36,017.47
<b>22 Other Income:</b>		
i) Interest income		
- from Banks	41.34	57.95
- from others	32.27	41.47
ii) Rent	0.32	0.44
iii) Liability no longer required written back	47.44	8.00
iv) Profit on sale of property, plant & equipments	1.01	0.38
v) Misc. Receipts	14.09	30.27
	136.46	138.51
<b>23 Cost of materials consumed:</b>		
a) i) Consumption of raw materials	16,305.91	24,884.30
ii) Consumption of stores and spare parts	688.59	1,439.83
	16,994.50	26,324.13
b) Consumption of major raw materials		
Stock at the begning of the year		
i) Aluminium	1,911.06	2,287.28
ii) Others	1,368.42	731.27
Total	3,279.48	3,018.55
Purchases during the year		
i) Aluminium	10,084.53	21,222.99
ii) Others	3,942.72	3,922.24
Total	14,027.25	25,145.23
Consumption during the year		
i) Aluminium	11,276.89	21,212.38
ii) Others	5,029.02	3,671.92
Total	16,305.91	24,884.30
Stock at the end of the year		
i) Aluminium	718.70	1,911.06
ii) Others	282.12	1,368.42
Total	1,000.82	3,279.48
<b>24 Purchase of Stock in trade</b>		
Aluminium	84.61	1,140.33
Total	84.61	1,140.33

**INDO ALUSYS INDUSTRIES LIMITED**

Particulars	For the year 01.04.2019 to 31.03.2020 Rs.Lacs	For the year 01.04.2018 to 31.03.2019 Rs.Lacs
<b>25 Changes in inventories of finished goods, work in progress and stock in trade:</b>		
Stocks at the end of the year		
i) Work in progress		
Aluminium extruded Products/ Alloy ingots	2,777.26	2,565.32
Insulated wires/ cables/ conductors	1,577.09	1,501.83
Sub -Total	4,354.35	4,067.15
iii) Finished goods		
Aluminium extruded Products/ Alloy ingots	326.30	1,846.63
Insulated wires/ cables/ conductors	1,925.83	1,616.68
Sub -Total	2,252.13	3,463.31
iii) Scrap	17.44	6.72
Total	6,623.91	7,537.18
Stocks at the beginning of the year		
i) Work in progress		
Aluminium extruded Products/ Alloy ingots	2,565.32	2,371.10
Insulated wires/ cables/ conductors	1,501.83	1,460.17
Sub -Total	4,067.15	3,831.27
iii) Finished goods		
Aluminium extruded Products/ Alloy ingots	1,846.63	1,181.42
Insulated wires/ cables/ conductors	1,616.68	1,681.48
Sub -Total	3,463.31	2,862.90
iv) Scrap	6.72	8.63
Total	7,537.18	6,702.80
Change in Stock	913.26	(834.38)
<b>26 Employee Benefit Expenses:</b>		
Salaries and wages	1,377.48	1,599.33
Contribution to provident and other funds	78.41	99.67
Gratuity *	(20.59)	85.73
Staff welfare expenses	33.29	47.95
	1,468.57	1,832.68

(i) includes premium payment of Rs.37.45 lacs ( previous year Rs.13.50).

(ii) Due to considerable reduction in number of employees, the gratuity liability is a negative figure.

**INDO ALUSYS INDUSTRIES LIMITED**

Particulars	For the year 01.04.2019 to 31.03.2020		For the year 01.04.2018 to 31.03.2019	
		Rs.Lacs		Rs.Lacs
<b>27 Finance cost</b>				
i) Interest*		1,508.88		2,391.25
ii) Other Financial Charges		368.25		533.06
		1,877.13		2,924.32
* Refer note no.39				
<b>28 Depreciation and amortization:</b>				
Depreciation		772.20		961.94
Less : Transferred from Revaluation Reserve *		270.96		330.55
* Refer note no.37		501.25		631.39
<b>29 Other expenses:</b>				
i) Power and fuel		1,254.89		1,809.97
ii) Rent		60.15		75.98
iii) Repairs to buildings		5.29		0.05
iv) Repairs to machinery		4.46		25.64
v) Insurance		9.74		20.43
vi) Rates and taxes		9.50		6.26
vii) Payment to the auditors				
- as audit fee	6.00		6.00	
- for other services	-	6.00	0.25	6.25
viii) Packing & forwarding		391.60		667.75
ix) Other selling expenses		92.49		123.43
x) Jobwork		363.73		628.63
xi) Dies & Moulds written off		96.50		217.51
xii) Miscellaneous expenses		255.49		241.83
xiii) Bad trade receivables provided/ written off		1,415.03		0.47
xiv) Directors sitting fees		1.50		2.10
xv) Travelling & Conveyance		40.41		91.53
xvi) Claims paid		1,100.00		-
		5,106.77		3,917.93



**INDO ALUSYS INDUSTRIES LIMITED**

Particulars	For the year	For the year
	01.04.2019 to 31.03.2020 Rs.Lacs	01.04.2018 to 31.03.2019 Rs.Lacs

**30 Prior period items:**

i) Income	-	-
ii) Expenses	<b>0.14</b>	<b>0.12</b>

**31** Previous year's figures have been regrouped and/or rearranged wherever considered necessary.

**32 a)** Net foreign currency exposure that are not hedged by derivative instruments as on 31.03.2020 are for USD 1803878.16 (credit) ( previous year USD 1177521.65 (credit)).

b) Raw material purchases are inclusive of loss due to fluctuation in exchange rates Rs.69.34 lacs (Previous year Rs.22.43 lacs (Gain) ).

**33** Balances of Sundry Debtors, Loans & Advances and Sundry Creditors have been taken as per balances appearing in the books of accounts.

**34** As per Accounting standard 18, issued by the Institute of Chartered Accountants of India, the disclosure of transactions with the related parties as defined in the Accounting Standard are given below :-

**i)** List of related parties with whom transactions have taken place and relationships :

S.no.	Name of the related party	Relationship
1)	Sh.Pradeep Jain, Managing Director	Key Managerial Personnel
2)	Aseem Chits Pvt Ltd.	Associate
3)	Indo Alusys Industries Ltd. Employees Group Gratuity Fund	Others
4)	Jain Tube Co. Ltd. (upto 25.06.2019)	Associate
5)	Sh.R.K.Wadhawan, Chief Financial Officer	Key Managerial Personnel
6)	Mrs. Payal Saxena, Co. Secretary (upto 31.08.2019)	Key Managerial Personnel
7)	Ms. Rashi Gupta, Co. Secretary (w.e.f. 01.09.2019)	Key Managerial Personnel

**ii)** Transactions during the year with related parties :

S.No	Nature of Transaction	Key Managerial Personnel & Relative (Rs. Lacs)	Associate (Rs. lacs)	Others (Rs. lacs)	Total (Rs. lacs)
1-a)	Remuneration**	49.72	-	-	49.72
		(50.00)	(--)	(--)	(50.00)
b)	Outstanding against above	4.11	-	-	4.11
		(4.19)	(--)	(--)	(4.19)
2-a)	Loan Received/repaid	-	-	-	-
		(--)	(--)	(--)	(--)
b)	Outstanding against above	-	15.00	-	15.00
		(--)	(15.00)	(--)	(15.00)
3-a)	Trade deposit received/repaid	-	-	-	-
		(--)	(--)	(--)	(--)
b)	Outstanding against above	-	100.00	-	100.00
		(--)	(100.00)	(--)	(100.00)
4-a)	Contribution to Gratuity Fund	-	-	37.44	37.44
		(--)	(--)	(13.50)	(13.50)
b)	Outstanding against above	-	-	183.37	183.37
		(--)	(--)	(316.57)	(316.57)

Note:

- Related parties relationship is as indentified by the company and relied upon by the auditors.
- Previous year's figures are given in brackets.

35 Employee Benefit Obligations :

The various benefits provided to employees have been classified as under :-

a. State Plans

Contribution made by the company to the various state plans which have been recognized as on expense in the profit & loss account are

Employer's contribution to employees state insurance Rs.19.90 lacs (previous year 33.38 lacs)

Employers's contribution to employees provident fund scheme Rs.53.99 lacs ( previous yearRs. 60.90 lacs)

b. Defined Benefit Plan

The employees' gratuity fund scheme is managed by a trust. The present value of obligation is determined based on actuarial valuation. The obligation for leave encashment is recognized in the same manner as gratuity.

As on 31.03.2020		As on 31.03.2019	
Gratuity	Leave Encashment	Gratuity	Leave Encashment
(Funded)	(Unfunded)	(Funded)	(Unfunded)
7.25%	6.92%	7.50%	7.66%
6.00%	6.00%	6.00%	6.00%

i) Assumptions

Discount rate

Salary escalation

ii) Table showing changes in present value of obligations

Present value of obligations as at beginning of year	316.57	37.20	244.81	32.34
Interest cost	23.74	2.85	18.36	2.50
Current service cost	17.83	4.54	17.22	6.46
Benefit paid	(45.42)	(11.63)	(14.71)	(0.53)
Actuarial (gain)/loss on obligations	(129.35)	(1.75)	50.89	(3.57)
Present value of obligations as at end of year	183.37	31.22	316.57	37.20

iii) Table showing changes in the fair value of plan assets

Fair value of plan assets at beginning of year	10.46		13.10	
Expected return on plan assets	0.28		0.87	
Contributions	38.60		11.00	
Benefits paid	(45.42)		(14.71)	
Actuarial gain/(loss) on plan assets	(0.00)		(0.00)	
Fair value of plan assets at end of year	3.92		10.46	

iv) Table showing fair value of plan assets

Fair value of plan assets at beginning of year	10.46		13.10	
Actual return on plan assets	0.28		0.87	
Contributions	38.60		11.00	
Benefits paid	(45.42)		(14.71)	
Fair value of plan assets at end of year	3.92		10.26	
Funded status	(179.44)		(306.31)	
Excess of actual over estimated return on plan assets (Actual rate of return=Estimated rate of return as ARD Falls on 31st March	NIL		NIL	

v) Actual gain/loss recognized

Actuarial (gain)/loss for the year – obligation	129.35	1.75	(50.89)	3.57
Actuarial (gain)/loss for the year - plan assets	-	-	-	-
Total (gain)/loss for the year	(129.35)	(1.75)	50.89	3.57
Actuarial (gain)/loss recognized in the year	(129.35)	(1.75)	50.89	(3.57)

vi) The amount to be recognized in the balance sheet and statements of profit and loss

Present value of obligations as at the end of the year	183.36	31.22	316.57	37.20
Fair value of plan assets as at the end of the year	3.92	-	10.26	-
Funded status	(179.44)	(31.22)	(306.31)	(37.20)
Net asset/(liability) recognized in balance sheet	(179.44)	(31.22)	(306.31)	(37.20)

vii) Expenses recognised in statement of profit & loss

Current service cost	17.83	4.54	17.22	6.46
Interest cost	23.74	2.85	18.36	2.50
Expected return on plan assets	(0.28)	--	(0.87)	--
Net actuarial (gain)/loss recognised in the year	(129.35)	(1.75)	50.89	(3.57)
Expenses recognised in statement of profit & loss	(88.06)	5.64	85.60	5.39

Note : the above information is certified by the actuary

36 a) Primary Segment

Segment Information as per Accounting Standard 17 on Segment Reporting for the year ended 31.03.2020 is as under :

	Aluminium Extruded Products(Rs. Lacs)	Cable/Conductor (Rs. Lacs)	Unallocated (Rs. Lacs)	Consolidated Total (Rs. Lacs)
REVENUE	15294.11	4181.90	--	19476.01
Segment Wise	(27436.68)	(8580.79)	(-)	(36017.47)
Less : Inter Segment Sales	-	-	-	-
	(-)	(-)	(-)	(-)
Total Sales	15294.11	4181.90	(-)	19476.01
	(27436.68)	(8580.79)	(-)	(36017.47)
RESULT	900.65	81.73	-	982.39
Segment result	(8027.49)	(728.50)	(-)	(8755.99)
Corporate expenses	6108.26	467.08	-	6575.34
	(5307.65)	(442.97)	(-)	(5750.59)
Operating Profit	(5207.61)	(385.34)	-	(5592.95)
	(2719.84)	(285.53)	(-)	(3005.37)
Interest expenses	1668.54	208.59	-	1877.13
	(2669.16)	(255.16)	(-)	(2924.32)
Other Income	136.46	-	-	136.46
	(138.51)	(-)	(-)	(138.51)
Income Taxes	-	-	2204.50	2204.50
	(--)	(--)	(78.28)	(78.28)
Net Profit	(6739.69)	(593.93)	(68.98)	(5129.11)
	(189.19)	(30.37)	(-)(68.98)	(141.30)
OTHER INFORMATIONS				
Segment Assets	27406.72	10197.50	297.95	37902.17
	(31127.63)	(10202.90)	(337.99)	(41668.52)
Segment Liabilities	23418.93	2495.21	(1249.90)	24664.24
	(19633.96)	(2495.21)	(901.34)	(23030.51)
Capital expenditure	107.13	24.64	--	107.13
	(102.94)	(393.91)	(--)	(496.85)
Depreciation	396.75	104.50	--	501.25
	(526.89)	(104.50)	(--)	(631.39)
Non-Cash expenses	--	--	--	--
Other than depreciation	(--)	(--)	(--)	(--)

Notes :

- (i) Segments have been identified in line with the Accounting Standard on Segment Reporting (AS-17) taking into account the organization structure as well as the different risks and return of these segments.
  - (ii) Segment information has been prepared in conformity with the accounting policies for preparing and presenting the financial statement of the company.
  - (iii) All segment assets and liabilities as well as revenue and expenses are directly attributable to the segment except for Income Taxes.
  - (iv) Previous year figures are given in brackets.
- b) Secondary Segment (Segments Revenue as per geographical market)

The company has considered geographical segment as per secondary reporting segment for disclosure. For this purpose, revenue are bifurcated based on sales in India and outside India.

	Outside India		In India	
	For the year 01.04.2019 to 31.03.2020 Rs.Lacs	For the year 01.04.2018 to 31.03.2019 Rs.Lacs	For the year 01.04.2019 to 31.03.2020 Rs.Lacs	For the year 01.04.2018 to 31.03.2019 Rs.Lacs
Sales revenue by geographical market	187.60	2207.00	19288.41	33810.47
Carrying of Segment Debtors	1.03	504.29	5088.45	5491.97
Cost to acquire property, plant & equipments	-	-	107.13	496.85

- 37** Additional depreciation on revalued amount of property, plant & equipments which was credited to the statement of profit & loss account, with schedule II of the companies Act, 2013 becoming applicable is to be credited to revenue reserve. However, the Company has continued its earlier policy resulting profit for the year to be higher by Rs.270.96 lacs (previous year Rs.330.55 lacs). This does not change the cash profit of the company.
- 38** The outbreak of Coronavirus (COVID-19) pandemic is causing significant disturbance and slowdown of economic activity. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services have triggered significant disruptions to businesses countrywide and worldwide, resulting in an economic slowdown. The Company has made initial assessment of likely adverse impact on economic environment in general and financial risks on account of COVID-19. COVID-19 has impacted the normal business operations of the Company by way of interruption in production, supply chain disruption, unavailability of personnel, closure/lock down of production facilities etc. during the lock-down period. After resumption of operations, the management has made detailed assessment of its liquidity position and has prepared future cash flow projections and also assessed the recoverability of its assets and factored assumptions used in the annual impairment assessment of its cash generating units, using various internal and external information Further, in assessing the recoverability of Company's assets such as Investments, advances, fixed assets, Trade receivable, Inventories etc. the Company has considered internal and external information available upto the date of approval of these financial statements and expects to recover the carrying amount of the assets. However, due to lockdown at the year end detailed assessment and verification of fixed assets and inventories on that date could not be carried out. The Company will continue to closely monitor any material changes arising of future economic conditions and impact on its business.
- 39(a)** The lead bank while renewing the working capital facilities suo motto changed the terms of sanction and certain assets that had hereto been considered for financing were withdrawn. This rendered the facilities as irregular and consequently the accounts became NPA with the lenders. The lenders have subsequently recalled the loans. The management is in discussions with the lenders for a resolution plan that will involve infusion of long term funds and reliefs and concessions on interest and instalment on repayments of loans from the lenders. The efforts to have a resolution plan in place were hampered by the closure of offices and manufacturing facilities caused by the national lockdown due to COVID 19. Consequently,
- (i) the amount of long-term loans outstanding in the books have been classified as current liabilities.
  - (ii) Confirmation/statement could not be obtained from all lender banks and adjustment required, if any, shall be made on receipt of information.
  - (iii) The management is expecting that substantial relief and concessions will be granted by the lender banks. Consequently, interest levied or to be levied after the declaration of the account as NPA estimated at Rs. 953.57 lacs have not been provided in these accounts resulting in the loss for the year and current liabilities to be lower by the said amount.
- (b)** Similarly, a company which has advanced a loan of Rs. 30 Crores (outstanding amount Rs. 28.07 lacs) has also recalled the loan amount. Consequently, the Term loan has been classified as current liability and pending finalization of settlement interest estimated at Rs. 274.62 lacs have not been provided in these accounts resulting in the loss for the year and current liabilities to be lower by the said amount.
- (c)** Similarly, interest on discounting facility estimated at Rs. 36.94 lacs have not been provided in these accounts resulting in the loss for the year and current liabilities to be lower by the said amount. The amount as per past practice, has been reduced from Sundry Debtors and is subject to confirmation.
- 40** Due to liquidity stress, sales to certain ongoing customers were disrupted resulting in the customers delaying the payments to the company. The management is taking outstanding steps to resolve these issues and is confident of affecting the recoveries. A provision of Rs.1391.75 lacs has been made in these accounts and the balance debtors are good and recoverable, in the opinion of the management.

Particulars	For the year 01.04.2019 to 31.03.2020 Rs.Lacs	For the year 01.04.2018 to 31.03.2019 Rs.Lacs
<b>41 Basic &amp; Diluted Earnings per share:</b>		
Profit after tax as per profit & loss account	(5,129.11)	141.30
No. of equity shares (Nos.'000)	8,508	8,508
Basic & Diluted Earning per shares (Rs.)	(60.29)	1.66
<b>42 Additional Information :</b>		
a) Value of Imports calculated on CIF basis:		
i) Raw Materials	1,426.06	4,760.62
ii) Components and spare parts	46.50	136.60
b) Expenditure in foreign currency:		
i) Travelling	-	3.90
c) Earnings in foreign exchange		
FOB Value of Exports	187.60	2,207.00
Note : Does not include export to rupee trade countries /deemed exports.		
d) Particulars of consumption of imported and indigenous materials and percentage thereof		

Class of Goods	IMPORTED		INDIGENOUS		TOTAL	
	%	Value (Rs. Lacs)	%	Value (Rs. Lacs)	%	Value (Rs. Lacs)
Raw Material	8.83	1440.07	91.17	14,865.84	100.00	16,305.91
	(19.55)	(4,865.62)	(80.45)	(20,018.68)	(100.00)	(24,884.30)
Stores & Spares	7.07	48.65	92.93	639.94	100.00	688.59
	(9.64)	(138.75)	(90.36)	(1,301.08)	(100.00)	(1,439.83)

43 *Additional information regarding Micro, Small and Medium Enterprises:-*

a) <i>Principal amount due outstanding as at end of the year</i>	15.07	204.66
b) <i>Interest due on above and unpaid as at end of year</i>	0.24	2.98
c) <i>Interest paid to the suppliers</i>	2.98	-
d) <i>Payments made to the suppliers beyond the appointed day during the year</i>	-	-
e) <i>Interest due and payable for the period of delay</i>	0.24	2.98
f) <i>Interest accrued and remaining unpaid as at end of period</i>	0.24	2.98
g) <i>Amount of further interest remaining due and payable even in the succeeding years</i>	-	-

**44 SIGNIFICANT ACCOUNTING POLICIES**

a) **Basis of Preparation of Financial statements**

The financial statement has been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, subject to what is stated herein below, as adopted consistently by the company.

The company follows mercantile system of accounting and recognises significant items of Income and Expenditure on accrual basis.

b) **Property, plant & equipments**

property, plant & equipments (other than revalued assets) are stated at cost of acquisition inclusive of inward freight, duties, taxes and incidental expenses relating to acquisition and installation and are net of modvat credit. Revalued assets are stated at the revalued figures. In respect of major projects involving construction, related pre-operational expenses form part of the value of the assets capitalised.

As per practice, expenses incurred on modernisation/debottlenecking/relining of plant & equipment are capitalised.

c) **Depreciation**

a) Assets carried at historical cost :

Depreciation on assets carried at historical cost is provided on the written down value basis on assets acquired upto 31st March,2006 (in accordance with useful life prescribed under schedule II of the Companies Act,2013) and on straight line basis on Plant & Machinery acquired subsequently (in accordance with useful life prescribed under Schedule II of the Companies Act, 2013). Leasehold land is being written off over the lease period.

b) Revalued assets :

In respect of revalued assets, an amount equivalent to the additional charge of depreciation arising due to revaluation is transferred from the revaluation reserve to the Profit & Loss Account.

d) **Investments**

Long term investment are stated at cost of acquisition. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary, in the opinion of the management. Current investments are carried at the lower of cost or quoted/fair value.

e) **Foreign Currency Transactions**

Assets and Liabilities are translated at the year end rate. The difference between the rate prevailing on the date of transaction and on the date of settlement as also on translation of assets and liabilities at the end of the year is recognised as income or expense, as the case may be, for the year. However, liability on translation of fluctuation on account of aquisition of property, plant & equipments is added to the cost of property, plant & equipments. Wherever forward contracts have been taken the exchange conversion is made at the contracted rate.

f) **Inventories**

Valuation of inventories are made as under :

Stores & Spares	- at cost
Tools & Implements	- at cost
Dies & Moulds	- at cost/revalued amount less yearly write off
Raw-Materials	- at cost or market price whichever is lower
Finished goods	- at cost or realisable value whichever is lower
Semi Finished Goods	- at cost or realisable value whichever is lower
Scrap	- at realisable value

Cost comprise all costs of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Cost formula used are either first in first out (FIFO) or weighted average as applicable.

Valuation of finished goods includes provision of excise duty made for goods manufactured, but not cleared.

g) **Sales**

Sales are inclusive of recovery of GST and net of returns.

h) **Claims & Benefits**

Claims & Benefits have been accounted for to the extent considered recoverable and are recognised on acceptance basis.

i) **Employees Retirement Benefits**

Company's contribution to state plans are charged to revenue every year. Liability to defined benefit plans is determined on the basis of an actuarial valuation at the end of the year. The actuarial valuation is recognized as an expense. Actuarial gains and losses comprise adjustments and the effects of changes in actuarial assumptions and are recognized immediately in the profit and loss account as income or expense.

j) **Research and Development Expenses**

Expenditure relating to capital item is debited to property, plant & equipments and depreciated at applicable rates. Revenue expenditure is charged to Profit and Loss Account of the year in which they are incurred.

k) **Borrowing Cost**

Interest and other costs in connection with the borrowing of the funds to the extent related/attribution to the acquisition/construction of qualifying property, plant & equipments are capitalized upto the date when such assets are ready for its intended use and other borrowing costs are charged to profit & loss account.

l) **Taxation**

Income-tax expense comprises Current tax, and Deferred tax charge or credit. Provision for the current tax is made on the assessable income at the tax rate applicable to the relevant assessment year.

m) **Deferred Taxation**

Deferred taxation is provided using the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income and expenditure which are expected with reasonable probability to crystallize in the foreseeable future.

Deferred tax benefits are recognized in the financial statements only to the extent of any deferred tax liability or when such benefits are reasonably expected to be realisable in the near future.

n) **Earning Per Share**

Basic earning per share is calculated by dividing the net profit for the year attributable to equity shareholders (after deducting dividends on preference shares) by the weighted average number of equity shares outstanding during the year.

Diluted earning per share is calculated by dividing the net profit for the year attributable to equity shareholders (after deducting dividends on preference shares) by the weighted average number of equity shares outstanding during the year (adjusted for the effects of dilutive options).

o) **Impairment of Assets**

Impairment loss is provided to the extent the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

p) **Events occurring after Balance Sheet Date**

Events occurring after the Balance Sheet date have been considered appropriately in the preparation of financial statements.

q) **Contingent Liabilities**

Unprovided contingent liabilities are disclosed in the accounts by way of notes giving nature and quantum of such liability.

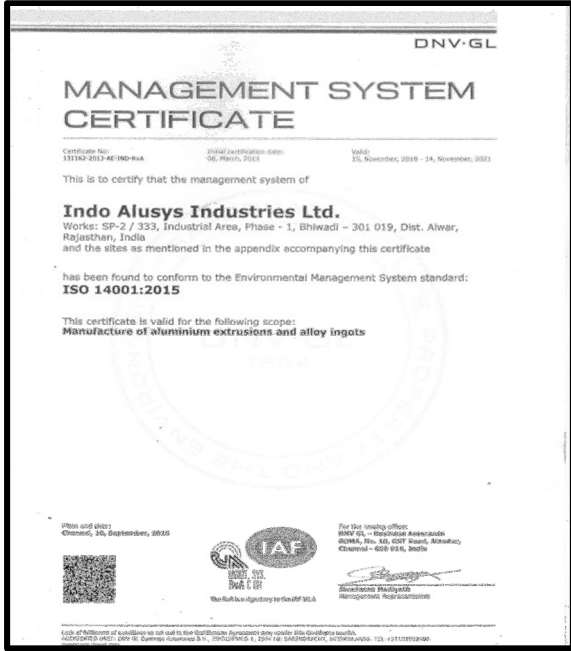
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As per our report of even date annexed  
For Suresh Kumar Mittal & Co.  
Chartered Accountants  
Firm Reg. No. 500063M

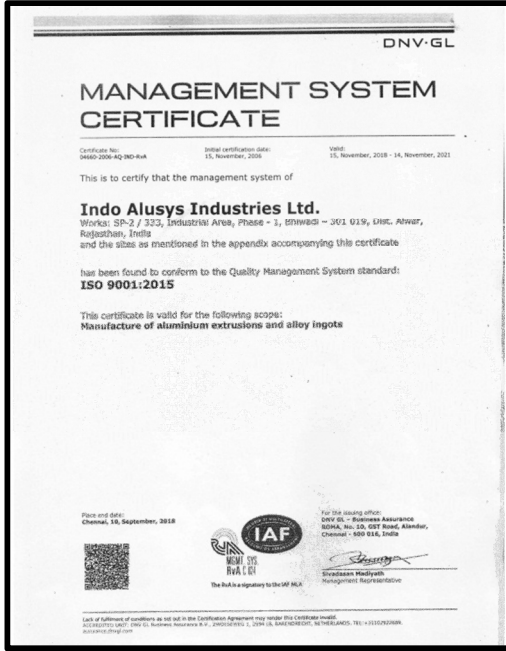
Place :	New Delhi	<b>Ankur Bagla</b>	<b>Pradeep Kumar Jain</b>	K.L.Garg	<b>R.K.Wadhawan</b>	<b>Rashi Gupta</b>
Date:	05.10.2020	Partne	Managing Director	Directc	Chief Financial Officer	Company Secretary
		M.No.521915	DIN No.00225927	DIN Ni		

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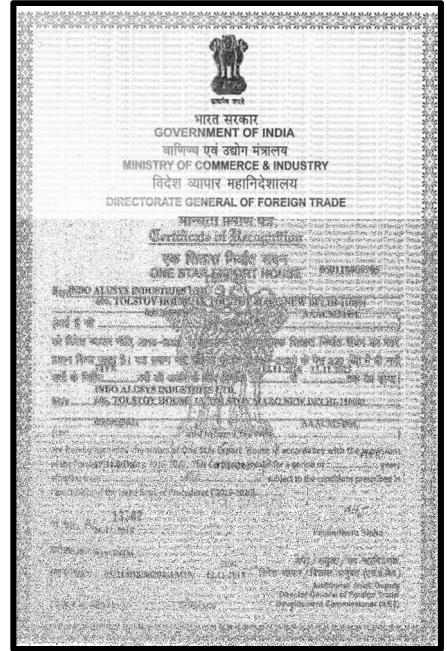




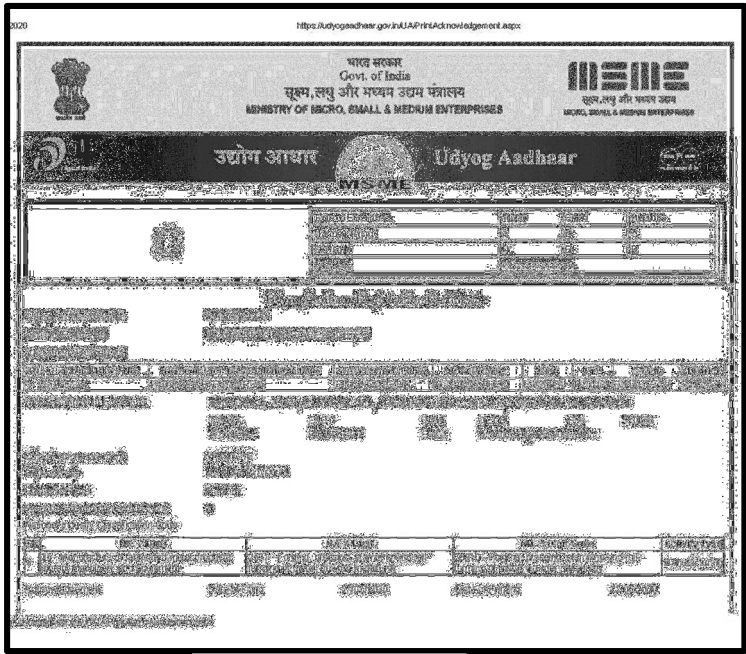
ISO-Extrusion Div.



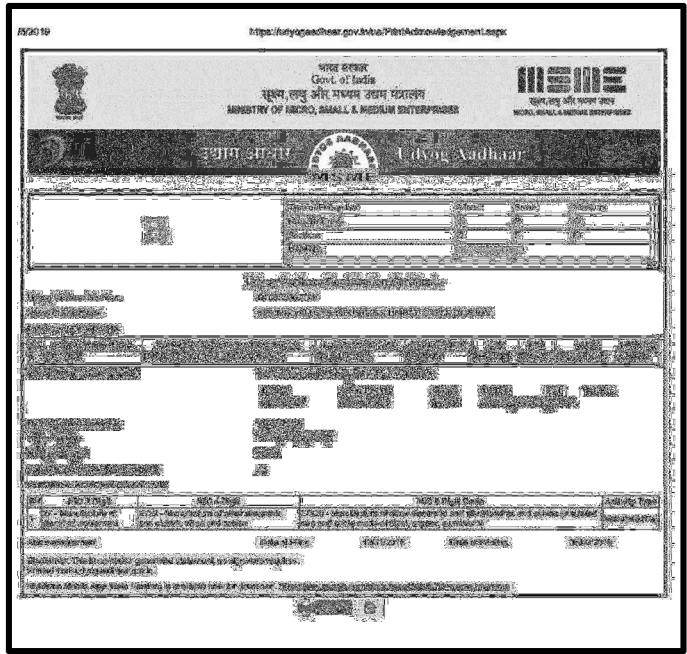
ISO-Cable Div.



Star-1 Export House



MSME- Ext Div.



MSME- Cable Div.

## BIS LICENSE STATUS FOR OUR MANUFACTURING RANGE OF PRODUCTS

S. No.	Our Manufacturing Range of the Products	Product Details	Required Indian Standard Licences for the Product	License Detail / Status
1	LT PVC/XLPE Cables	PVC Power/ Control Cables	BIS:1554(Pt-1)/1988	CM/ L-3135543
		XLPE Power Cable	BIS:7098(Pt-I)/1988	CM/ L - 3135442
		Aerial Bunched Cable	BIS:14255/1995	CM/ L- 3133640
2	Railway Signaling & Quad Cables	UG Railway JF Quad (1.4mm) Cables for Signalling & Telecom Installation	RDSO/SPN/TC/72/07 Rev. 0 with amend no. - 1 or latest	RDSO/TC/1.4 mm Quad Cable/2011/02
		Railway Signalling Cables	IRS:S-63/07 with amend no. - 3 or latest	RDSO/2011/QS/1589
		Railway Signalling Power Cables	IRS:S-63/07 with amend no. - 3 or latest & IS:1554 (Pt-1):1988 with latest amend	RDSO/2011/QS/1590
		UG Railway JF Quad Cables for Signalling & Telecom Installation	IRS:TC-30/05 Ver.-1 with amend no. - 4 or latest	RDSO/2012/QS/0004



**Superior Technology Superior Solutions**

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