

INDIAN SEAMLESS ENTERPRISES LIMITED

Annual Report
2021-22

COMPANY INFORMATION

BOARD OF DIRECTORS	:	Mr. N.V. Karbhase -Whole Time Director Mr. B.R Taneja - Managing Director (w.e.f 01.04.2022) Mr. V. Ravetkar-Director Mr. Rajesh S Shah- Director (w.e.f 30.08.2021) Mr. Dhananjay Prabhune - Director (w.e.f 30.08.2021)
CHIEF FINANCIAL OFFICER	:	Mr. Rajendra K Mangrulkar
COMPANY SECRETARY	:	Ms. Anchal Jaiswal
AUDITORS	:	M/s.V.K.Paradkar & Co. Chartered Accountants
BANKERS	:	Bank of India IDBI Bank Ltd.
SHARE TRANSFER AGENTS	:	Link Intime India Private Limited (Formerly Known as Sharex Dynamic (India) Pvt. Ltd.) C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai - 400 083
REGISTERED OFFICE	:	503, 5 th Floor, Lunkad Sky Station Co-op Premises Society Ltd, Viman Nagar, Pune - 411 014 Phone: 020 41255662, Fax: 020 26630779
CIN	:	U29000PN1995PLC090946
ISIN	:	(i) Fully Paid-up Shares INE390E01019 (ii) Partly Paid-up Shares IN9390E0107
WEBSITE	:	www.isel.co.in
E-MAIL	:	rnt.helpdesk@linkintime.co.in

Indian Seamless Enterprises Limited

BOARDS' REPORT

To,
The Members,
Indian Seamless Enterprises Limited

Your Directors present herewith the Twenty Sixth Annual Report together with the Audited Accounts for the financial year ended on March 31, 2022.

1. Financial Results:

(₹ in Lakhs)
Standalone

Particulars	As on March 31, 2021	As on March 31, 2022
Gross Income	1024.58	1252.58
Profit before Finance expenses and Depreciation	25.69	53.22
Finance Expenses	186.34	159.05
Depreciation	21.46	16.31
Profit/(Loss) before exceptional item and tax	(182.10)	(122.14)
Profit/(Loss) before tax	(182.10)	(122.14)
Profit/(Loss) after Tax	(206.44)	(122.15)

There is no amount proposed to be transferred to reserves.

2. Dividend:

Your Directors do not recommend any dividend for the year ended on March 31, 2022.

3. Directors and Key Managerial Personnel:

In accordance with the provisions of the Companies Act, 2013 ('Act') and Articles of Association of the Company, Mr. N V Karbhase retires by rotation and being eligible, offers himself for re-appointment.

Mr. N V Karbhase, Key Managerial Personnel (KMP) has been re-appointed as a Whole-Time Director of the Company for a period of one year from April 01, 2022 up to March 31, 2023 subject to the approval of members.

Mr. B. R Taneja was appointed as Managing Director w.e.f April 01, 2022.

The Company has received declarations from Independent Directors confirming that they meet the criteria of independence as prescribed under the Act. The Board is assured that the Independent Directors of the Company possess adequate proficiency, experience, expertise and integrity.

Pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent directors have confirmed that they hold valid registration certificate with the Databank of Independent Directors.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Non-Independent Directors was carried out by the

Independent Directors who also reviewed the performance of the Board as a whole. The Nomination and Remuneration Committee also reviewed the performance of the Board, its committees and of individual Directors

The annual performance evaluation has been done by the Board of its own performance and that of its committees and individual Directors which the Board found to be satisfactory.

4. Board Meetings and Independent Directors Meeting:

The Board met 5 (Five) times on June 08, 2021, August 30, 2021, November 25, 2021, February 28, 2022, March 28, 2022. The intervening gap between the Meetings is within the period prescribed under the Act.

The Independent Directors met on March 28, 2022 in conformity to the stipulations provided in Schedule IV to the Act.

5. Statutory Auditors:

Pursuant to Section 139 of the Companies Act, 2013 and the Rules framed thereunder, the Shareholders of the Company at the Annual General Meeting held on September 29, 2017, approved the appointment of M/s. V. K. Paradkar & Co, Chartered Accountants (Firm Registration No.120527W) as the Statutory Auditors of the Company to hold office for a period of 5 (Five) years i.e till the conclusion of 26th Annual General Meeting ('AGM') of the Company to be held in the current year 2022.

Subject to the approval of the members of the Company, the Audit Committee and the Board of Directors during their respective meetings held on August 25, 2022 have considered and recommended the re-appointment of M/s. V. K. Paradkar & Co, Chartered Accountants (Firm Registration No.120527W) as the Statutory Auditors of the Company, to hold office for a period of 5 (Five) years from the conclusion of the 26th Annual General Meeting until the conclusion of the 31st Annual General Meeting of the Company to be held in year 2031.

As per the provisions of Section 139 of the Act, they have given their consent for the appointment and confirmed that the appointment, if made, would be in accordance with the conditions as prescribed under the Act and applicable Rules.

In respect of the Qualification and Emphasis of the Matter by the Auditors on the Consolidated Financial Statements, it has been explained in the notes forming part of said Financial Statement which is self-explanatory and therefore do not call for further comments.

6. Particulars of Employees:

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Rules), 2014, duly amended in respect of employees of the Company will be provided upon request. In terms of Section 136 of the Act, the Annual Report excluding the aforesaid information is being sent to all the members and others entitled thereto. Any shareholder interested in obtaining

a copy of statement, may write to the Company Secretary at the Registered Office of the Company. The information is also available for inspection at corporate office during office hours upto the date of AGM.

7. **Subsidiary and Associate Company:**

As on date of this report, the Company has 2 (two) Indian subsidiaries, 1 (one) Indian Associate Company. A report in Form AOC 1 on the performance and financial position of each of the subsidiary and associate companies is provided in the Financial Statements forming part of this Annual Report.

1(one) Foreign Associate Company ceased to be Associate Company during the year.

8. **Fixed Deposits:**

The Company has not accepted any deposits from the public.

9. **Directors' Responsibility Statement:**

Pursuant to the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, your Directors make the following statement:

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates, that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that year;
- iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors have prepared the annual accounts on a going concern basis;
- v) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

10. **Extract of Annual Return:**

The extract of the Annual Return in Form MGT-7 is available on company's website viz www.isel.co.in.

11. **Conservation of Energy, Technology Absorption:**

There is no information to be provided in terms of Section 134(3)(m) of the Act and rules made thereunder.

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

There are no transactions in Foreign Exchange to report.

13. **Policy on Directors Appointment and Criteria:**

The Company's Policy on director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters is available on the website of the Company www.isel.co.in

14. **Particulars of Loans, Guarantees and Investments:**

Particulars of Loans, Guarantees and Investments covered under Section 186 of the Act has been mentioned in the Notes to the Financial Statements forming part of this Annual Report.

15. **Risk Management:**

The Board has put in place suitable risk measures to mitigate risks affecting the existence of the Company.

16. **Internal Financial Controls:**

The Company has in place adequate internal financial controls commensurate to the size of business.

17. **Audit Committee:**

Pursuant to Section 177 of the Companies Act, 2013, an Audit Committee constituted by the Board of Directors consists of 3(three) directors with independent Director forming a majority. The Audit Committee met 2 times during the period under review.

18. **Details of Frauds reported by Auditors:**

There are no frauds against the Company reported by the Auditors for the period under review.

19. **Registrar and Share Transfer Agent:**

Link Intime India Private Limited (Formerly Known as Sharex Dynamic (India) Private Limited (Sharex)) continue to act as Registrar and Share Transfer Agent (RTA) to handle queries/correspondences related to dematerialization of shares, transfer of shares as well as other share related activities of the Company.

The shareholders may contact the RTA at following address:

Link Intime India Pvt. Ltd.

C-101, 247 Park, LBS Marg,
Vikhroli West, Mumbai - 400033
T: 49186000/7506054546
F: 49186060 Web: <http://www.linkintime.co.in>

20. **Corporate Social Responsibility:**

Annual Report on Corporate Social Responsibility (CSR) Activities for the Financial Year ended March 31, 2022 forms part of this Report as Annexure B

21. **Contracts And Arrangements With Related Parties:**

The details of Related Party transactions are provided in the Notes to Financial Statements. There is no information to be provided in Form 'AOC-2'.

Indian Seamless Enterprises Limited

22. General:

- (i) There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.
- (ii) There is no change in the nature of the business of the Company.
- (iii) During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.
- (iv) During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

(v) Your Directors further state that the Company has complied with the applicable Secretarial Standards.

(vi) The Company is not required to maintain Cost records under Section 148(1) of the Companies Act, 2013.

23. Acknowledgement:

The Board of Directors of your Company places on record their gratitude and would like to thank all the stakeholders, bankers for their continued support and co-operation.

For and on behalf of Board of Directors

N. V. Karbhase
Whole Time Director

B. R. Taneja
Managing Director

Place: Pune

Date: August 25, 2022

Annexure B

Annual Report on Corporate Social Responsibility (CSR) Activities for the Financial Year ended March 31, 2022

1. Brief outline of the Company’s CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs

The Corporate Social Responsibility Policy of the Company has been developed in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014.

As per the CSR Policy, Company can undertake any of the programme or activities as mentioned in Schedule VII of the Companies Act, 2013 and which will include any modification or amendment thereof. The web-link to the CSR policy http://www.isel.co.in/CSR_Policy.pdf.

2. CSR Committee.

CSR Committee stand dissolved as on February 04, 2021 pursuant to the amendment of Section 135 of the Companies Act 2013.

Further, the expenditure and project activities shall be monitored by the Board itself.

3. Average net profit of the company for last three financial years

The Average Net Profit for the Company in the Financial Year calculated as per Section 198 of the Act read with Companies (Corporate Social Responsibility) Rules thereof accrued during the three immediately preceding financial years amounts to Rs. 41,773,263/-

4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above)

The prescribed CSR expenditure (two per cent. of the average net profit) amounts to Rs. 8,35,465/-

5. Details of CSR spent during the financial year:

a. Total amount to be spent for the financial year: Rs. 8,35,465/-

b. Amount unspent, if any: NIL

c. Manner in which the amount spent during the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs 1. Local area or other 2. Specify the state and the district where projects or programs are undertaken	Amount outlay (Budget) project or programs wise	Amount spent on the projects or program sub-heads: 1. Direct expenditure on projects or programs 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent direct/through implementing agency
1.	Donation to Prime Minister Relief Fund	Government	Others	Rs. 8,35,465/-	Rs. 8,35,465/-	Rs. 8,35,465/-	Direct

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report. N.A.

7. A responsibility statement of the Board that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

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

For and on behalf of the Board of Directors

Pune
August 25, 2022

N. V. Karbhase
Whole Time Director

B. R. Taneja
Managing Director

Indian Seamless Enterprises Limited

INDEPENDENT AUDITOR'S REPORT

To the Members of Indian Seamless Enterprises Limited

Report on the Audit of the Standalone Financial Statements

1. Opinion

We have audited the standalone financial statements of Indian Seamless Enterprises Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022 and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and the 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 (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity the accounting principles generally accepted in India including Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules as amended, of the state of affairs of the Company as at 31 March 2022, and its loss (Including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

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

3. 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 Company's Annual 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 and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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.

4. Management's Responsibility 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, total comprehensive income, changes in equity 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 standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

5. Auditor's Responsibilities for the Audit of the Standalone 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 standalone financial statements.

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

- 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 with reference to standalone financial statement in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements

regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

6. Report on Other Legal and Regulatory Requirements

- A. As required by The Companies (Auditor's Report) Order, 2016 issued by the Central Government of India (Ministry of Corporate Affairs) in terms of sub section (11) of section 143 of the Companies Act, 2013, we give in Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
- B. 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.
- C. As required by section 143 (3) of the Act, we report, to the extent applicable, 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 Company has no branch offices whose accounts are audited by branch auditors;
 - d) The Balance Sheet, the Statement of Profit and Loss (Including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
 - e) The aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act and the rules prescribed there under, as amended;
 - f) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified

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as on March 31, 2022 from being appointed as a director in terms of section 164 (2) of the Act.

- g) with respect to the adequacy of the internal financial controls with respect to standalone financial statement of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”; and
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. Refer Note 4.1 disclosing Contingent Liabilities. Further, there are no pending litigations against or instituted by the Company.
 - 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 & Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement
- v. The Company’ Board of Director has not proposed any dividend for the financial year covered under Audit. The Company had not paid dividend in respect of previous financial year.

For V.K. Paradkar & CO
Chartered Accountants
Firm’s registration No.: 120527W

V.K. Paradkar
Proprietor
Membership No.: 17151
UDIN No: 22017151APVJQV4795

Place : Pune
Date : August 25, 2022

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 7 A under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Indian Seamless Enterprises Limited on the Standalone financial statements as of and for the year ended 31st March, 2022]

- i. a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ("PPE") and relevant details of right-of-use assets.
- b) The Company does not hold any intangible assets.
- c) The Company has physically verified all the items of PPE and right-of-use at regular intervals considering the size of the company and nature of asset. As informed to us, no material discrepancies have been noticed on such verification.
- d) The Company does not have any immovable property. In respect of immovable properties of building taken on lease and disclosed as Right of Use Asset ("ROU") in the Standalone Financial Statements, the lease agreements are in the name of the Company.
- e) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- f) According to the information and explanations given to us, the records examined by us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder
- ii. a) The Company does not hold any inventory at the year end and hence reporting under clause 3(ii)(a) of the Order is not applicable.
- b) The Company has not been sanctioned working capital limits in excess of Rs 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable
- iii. During the year, the Company has not made investments in, provided any guarantee or security or granted any loans and advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships, except interest free loan of Rs. 7,75,00,000/- to ISMT Ltd., an Associate Company covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and securities.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits. Hence the provisions stated in paragraph 3 (v) of the order are not applicable to the Company.
- vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the order are not applicable to the Company.
- vii. a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Wealth Tax, Sales Tax, Value added Tax, Value Added tax, Cess and all other statutory dues with the appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts in respect of such statutory dues which have remained outstanding as at March 31, 2022 for a period of more than six months from the day they become payable.
- b) According to information and explanation given to us, there are no disputed dues with statutory authorities which have not been deposited on account of disputes.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a) In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holder, as applicable to the company.
- b) According to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) The Company has not taken any term loan during the year. Hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or associate companies and hence reporting on clause 3(ix) (f) of the Order is not applicable
- x. The Company did not raise any money by way of initial public offer, further public offer (including debt instruments), preferential allotment/ private placement of shares or

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- convertible debentures and hence reporting on clause 3 (x) of the Order is not applicable.
- xi. Based upon the audit procedures performed by us and according to the information and explanations given to us
- No fraud on or by the Company has been noticed or reported during the year.
 - No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 - We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act wherever applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.
- xiv. a) The Company has an internal audit system in place. In our opinion and based on our examination, we are of the opinion that the internal audit system is required to be strengthened in certain areas commensurate with the size and the nature of its business
- b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with Directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) and (b) of the Order is not applicable.
- b) According to the information and explanation given to us, the Company is not a Core Investment Company (CIC) and there is no CIC within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (c) and (d) of the Order is not applicable
- xvii. The Company has incurred cash loss of Rs. 1,05,83,172 during the current financial year and cash loss of Rs. 1,60,64,183 in the immediately preceding financial year. The cash losses figures have been arrived after considering the effect of the qualifications whose effect have been quantified and the effect of unquantified qualifications have not been taken into consideration for reporting under this clause.
- xviii. There has been no resignation of the statutory auditors of the Company during the year and accordingly reporting under clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanation given to us, the Company has complied with the provision of CSR Activities as specified under Section 135(5) of the Companies Act, 2013. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable for the year.

For V.K. Paradkar & CO
Chartered Accountants
Firm's registration No.: 120527W

V.K. Paradkar
Proprietor
Membership No.: 17151
UDIN No: 22017151APVJQV4795

Place : Pune
Date : August 25, 2022

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 6 (C)(i) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Indian Seamless Enterprises Limited on the Standalone financial statements for the year ended March 31, 2022)]

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the standalone financial statements of the company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to standalone financial statements of Indian Seamless Enterprises Limited as of 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 with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statement included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Company's internal financial controls system with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with the generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and Directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2022, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For V.K. Paradkar & CO
Chartered Accountants
Firm's registration No.: 120527W

V.K. Paradkar
Proprietor
Membership No.: 17151
UDIN No: 22017151APVJQV4795

Place : Pune
Date : August 25, 2022

Indian Seamless Enterprises Limited

BALANCE SHEET AS AT MARCH 31, 2022

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
NON-CURRENT ASSETS			
(a) Property, plant and Equipments	1.1	27.95	44.26
(b) Financial Assets			
i) Investments	1.2	11,938.14	11,940.39
ii) Loans	1.3	775.00	683.42
(c) Deferred Tax Assets(Net)	1.4	619.38	637.40
		13,360.47	13,305.48
CURRENT ASSETS			
(a) Financial Assets			
i) Trade Receivables	1.5	-	-
ii) Cash and Cash equivalents	1.6	53.19	50.71
iii) Other Financial Assets	1.7	169.76	139.47
b) Current Tax Assets (Net)	1.8	50.67	38.88
c) Other Current Assets	1.9	21.54	10.25
		295.16	239.31
TOTAL		13,655.63	13,544.78
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	1.10	1,128.76	1,128.76
(b) Other Equity	1.11	10,200.19	10,321.68
		11,328.95	11,450.45
LIABILITIES			
NON CURRENT LIABILITIES			
(a) Financial Liabilities			
i) Lease Liabilities	1.12	-	6.18
(b) Provisions	1.13	42.66	32.82
		42.66	39.00
CURRENT LIABILITIES			
(a) Financial Liabilities			
i) Borrowings	1.14	424.00	295.00
ii) Lease Liabilities	1.15	6.18	5.98
iii) Trade Payables	1.16		
Dues of Micro and Small Enterprises		-	-
Dues of Creditors other than Micro and Small Enterprises		1,256.72	524.65
iv) Other Financial Liabilities	1.17	44.75	727.71
(b) Current Tax Liabilities (Net)	1.18	-	-
(c) Other Current Liabilities	1.19	552.37	502.00
		2,284.02	2,055.34
TOTAL		13,655.63	13,544.78
Significant Accounting Policies	3		
Notes to Accounts	4		

As per our report of even date

For V.K.Paradkar & Co
Chartered Accountants

Firm Registration Number: 120527W

For and on behalf of the Board of Directors of
Indian Seamless Enterprises Ltd

V.K.Paradkar
PROPRIETOR
M. No.17151

B. R. Taneja
Managing Director
DIN: 00328615

N. V. Karbhase
Whole Time Director
DIN : 00228836

Anchal Jaiswal
Company Secretary
M. No. : 35538

Rajendra Mangrulkar
Chief Financial Officer

Place : PUNE
Date : August 25, 2022

Place : PUNE
Date : August 25, 2022

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs)

Particulars	Note No.	For the Year Ended March 2022	For the Year Ended March 2021
I Revenue from operations	1.20	1,088.94	935.55
II Other Income	1.21	163.65	89.04
III TOTAL INCOME (I+II)		1,252.58	1,024.59
IV EXPENSES			
Purchases of Stock in Trade		1,060.22	873.30
Employee Benefits Expense	1.22	78.07	54.85
Finance Cost	1.23	159.06	186.34
Depreciation and amortization expense	1.1	16.32	21.46
Other Expenses	1.24	52.71	54.39
CSR Expenses		8.35	16.35
TOTAL EXPENSES (IV)		1,374.73	1,206.69
V PROFIT/(LOSS) BEFORE TAX (III - IV)		(122.15)	(182.10)
VI TAX EXPENSES			
Current Year Tax			-
Previous Year Income Tax		0.01	24.34
VII PROFIT/(LOSS) FOR THE YEAR (V - VI)		(122.16)	(206.45)
VIII OTHER COMPREHENSIVE INCOME			
a) Items that will not be reclassified to profit and loss			
i) Net Gain / (Loss) on Fair Valuation of Equity Instruments through OCI		0.66	0.47
(ii) Income tax effect on above		-	-
Total Other Comprehensive Income		0.66	0.47
IX TOTAL COMPREHENSIVE INCOME (VII + VIII)		(121.49)	(205.97)
VII Earning per Equity Share(Face Value of Rs 10/- each)		(1.07)	(1.81)
Significant Accounting Policies	3		
Notes to Accounts	4		

As per our report of even date

For V.K.Paradkar & Co

Chartered Accountants

Firm Registration Number: 120527W

For and on behalf of the Board of Directors of

Indian Seamless Enterprises Ltd

V.K.Paradkar

PROPRIETOR

M. No.17151

B. R. Taneja

Managing Director

DIN: 00328615

N. V. Karbhase

Whole Time Director

DIN : 00228836

Anchal Jaiswal

Company Secretary

M. No. : 35538

Rajendra Mangrulkar

Chief Financial Officer

Place : PUNE

Date : August 25, 2022

Place : PUNE

Date : August 25, 2022

Indian Seamless Enterprises Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs)

Particulars		2021-22		2020-21	
i	CASH FLOW FROM OPERATING ACTIVITIES				
	Net Profit/ (Loss) Before Tax		(122.15)		(182.10)
	Adjustments For:				
	Depreciation of Asset	16.32		21.46	
	Investment in Subsidiary Company written off (Refer Note 4.19)	3.51		-	
	Interest Income	(100.14)		(87.98)	
	Interest Expenses	159.06		186.34	
	Dividend Income	(63.51)	15.24	(0.20)	119.62
	Operating profit / (loss) before working capital changes		(106.91)		(62.48)
	Adjustments for:				
	Trade and Other Receivables	(133.16)		(19.09)	
	Trade Payables and Other Liabilities	788.34	655.18	274.44	255.36
	Cash generated from/(used in) operations		548.28		192.87
	Direct taxes paid (Net of refunds)		6.22		(3.55)
	Net cash flow from/(used in) operating activity (A)		554.49		189.33
ii	CASH FLOW FROM INVESTING ACTIVITIES:				
	Purchase of Investment	(0.60)		(0.46)	
	Interest Received	100.14		87.98	
	Net Cash Used in Investing Activities		99.54		87.52
iii	CASH FLOW FROM FINANCING ACTIVITIES:				
	Interest Paid	(836.75)		(344.06)	
	Payment of Lease Rent	(7.32)		(7.20)	
	Dividend Income	63.51		0.20	
	Proceeds/ (Repayment) from/of borrowing (net)	129.00		(320.00)	
	Net Cash from Financing Activities		(651.56)		(671.06)
	Net Increase/ (Decrease) in Cash and Cash Equivalents		2.48		(394.22)
	Cash and Cash Equivalents at the beginning of the year (Refer Note No 1.6)		50.71		444.93
	Cash and Cash Equivalents at the end of the year (Refer Note No 1.6)		53.19		50.71
	Net Increase/(Decrease) in Cash & Cash Equivalents		2.48		(394.22)

As per our report of even date

For V.K.Paradkar & Co
Chartered Accountants
Firm Registration Number: 120527W

For and on behalf of the Board of Directors of
Indian Seamless Enterprises Ltd

V.K.Paradkar
PROPRIETOR
M. No.17151

B. R. Taneja
Managing Director
DIN: 00328615

N. V. Karbhase
Whole Time Director
DIN : 00228836

Anchal Jaiswal
Company Secretary
M. No. : 35538

Rajendra Mangrulkar
Chief Financial Officer

Place : PUNE
Date : August 25, 2022

Place : PUNE
Date : August 25, 2022

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

Note No - 1.1 - PROPERTY, PLANTS AND EQUIPMENTS

(₹ in Lakhs)

Particulars	Office Equipments	Vehicles	@ Right to Use of Assets - Office Premises	Total
Gross Block				
As at April 1, 2020	2.41	165.76	18.94	187.11
Additions	-	-	-	-
Disposals	-	-	0.29	0.29
As at March 31, 2021	2.41	165.76	18.65	186.81
Additions	-	-	-	-
Disposals	-	-	-	-
As at March 31, 2022	2.41	165.76	18.65	186.81
Accumulated Depreciation				
As at April 1, 2020	0.19	119.85	1.05	121.09
Charge for the year	1.31	13.95	6.20	21.46
Disposals	-	-	-	-
As at March 31, 2021	1.50	133.80	7.25	142.55
Charge for the year	0.52	9.58	6.22	16.32
Disposals	-	-	-	-
As at March 31, 2022	2.03	143.37	13.47	158.87
Net Block				
As at March 31, 2022	0.38	22.39	5.18	27.95
As at March 31, 2021	0.90	31.96	11.40	44.26

@ Title deeds of lease agreements for the leased premises are held in the name of the Company.

Note No. 1.2 NON CURRENT FINANCIAL ASSETS - INVESTMENTS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Investment in Equity Instruments - Unquoted		
a) In Subsidiary Companies - Unquoted (At Cost)		
i) Laurus Tradecon Private Ltd 2,80,741 (March 31, 2021 : 2,80,741) Equity shares of Rs 10 each fully paid	29.42	29.42
b) In Associate Companies - Unquoted (At Cost)		
i) Fair Growth Holding Pte Ltd Nil (March 31, 2021 :12,000) Equity Shares of SGD 1 each fully paid.	-	3.51
c) In Associate Companies - Quoted (At Cost)		
ii) ISMT Limited (Refer Note No. 4.8) 6,90,20,151 (March 31, 2021 : 6,90,20,151) Equity Shares of Rs 5 each fully paid.	9,719.37	9,719.37
iii) Taneja Aerospace & Aviation Ltd. 1,26,53,299 (March 31, 2021 :1,26,53,299) Equity Shares of Rs 5 each fully paid.	2,185.71	2,185.71
iv) TAAL Enterprises Limited 577 (March 31, 2021 : 577) Equity Shares of Rs 10 each fully paid.	0.08	0.08

Indian Seamless Enterprises Limited

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

Particulars	As at March 31, 2022	As at March 31, 2021
d) In Other Companies - Quoted (At fair value through Profit and Loss)		
i) Cosmos Co-op Bank Ltd 1,000 (March 31, 2021 : 1,000) Equity Shares of Rs 100 each fully paid.	-	-
ii) Maharashtra Seamless Ltd 10 (March 31, 2021 : 10) Equity Shares of Rs 5 each fully paid.	0.06	0.03
iii) Oil Country Tabular Ltd 5 (March 31, 2021 : 5) Equity Shares of Rs 10 each fully paid.	0.00	0.00
iv) Gandhi Special Tubes Ltd 1000 (March 31, 2021 : 850) Equity Shares of Rs 5 each fully paid.	3.49	2.26
Total	11,938.14	11,940.39
Aggregate amount of unquoted investments	29.42	32.94
Aggregate amount of quoted investments - At Cost	11,908.73	11,908.14
Aggregate amount of quoted investments - At Market Value	48,357.12	11,274.67

Note No. 1.3 NON CURRENT FINANCIAL ASSETS -LOANS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured Loans		
Associate Company - (Refer Note No.- 4.15B)	775.00	683.42
Total	775.00	683.42

Note No. 1.4 NON CURRENT FINANCIAL ASSETS - OTHERS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred expenses on Financial Assets measured at amortised cost	-	-
Total	-	-

Note No. 1.4 Deferred Tax Assets(Net)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
MAT credit entitlement	619.38	637.40
Total	619.38	637.40

NOTE NO. 1.5 CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, Considered Good	-	-
Total	-	-

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

Note No. 1.6 CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
i) Balances with Banks	53.14	50.44
ii) Cash on Hand	0.05	0.27
Total	53.19	50.71

Note No. 1.7 CURRENT FINANCIAL ASSETS - OTHERS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred expenses on Financial Assets measured at amortised cost	-	86.17
Secutiry Deposits	7.69	3.24
Other Advances recoverable	162.07	50.06
Total	169.76	139.47

Note No. 1.8 Current Tax Assets (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Taxes Paid	68.68	56.89
Less : Provision for Tax	18.01	18.01
Total	50.67	38.88

Note No. 1.9 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance with Government Authorities	0.91	1.25
Other	20.63	9.00
Total	21.54	10.25

Note No. 1.10 EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised :-		
1,20,00,000 (31 March, 2021: 1,20,00,000) Equity shares of Rs. 10/- each	1,200.00	1,200.00
	1,200.00	1,200.00
Issued , Subscribed and Paid up		
1,13,99,606 (31 March, 2021 : 1,13,99,606) Equity share of 10/- Each fully paid	1,139.96	1,139.96
Less:- Calls in arrears	11.20	11.20
	1,128.76	1,128.76

The company has only one class of issued shares having par value of Rs. 10 /- each. Holders of equity shares is entitled to one Vote per Share Calls Unpaid by Directors & Officers- NIL

Indian Seamless Enterprises Limited

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

The reconciliation of number of shares outstanding and the amount of share capital is set-out below

(₹ in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Equity Shares in Numbers	Amount in Rupees	Equity Shares in Numbers	Amount in Rupees
Shares outstanding at the beginning of the year	1,11,75,668	1,128.76	1,11,75,668	1,128.76
Amount received on unpaid call during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Calls unpaid	2,23,938	11.20	2,23,938	11.20
Shares outstanding at the end of the year	1,13,99,606	1,139.96	1,13,99,606	1,139.96

The Details of shareholders holding more than 5% Equity Shares (fully paid up) in the Company

(₹ in Lakhs)

Name of Share Holders (Equity)	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% holding	No. of Shares held	% holding
Vishkul Enterprises Pvt Ltd	74,85,725	65.67%	74,85,025	65.66%

The details of Shares held by its Holding Company

(₹ in Lakhs)

Name of Share Holders (Equity)	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% holding	No. of Shares held	% holding
Vishkul Enterprises Pvt Ltd	74,85,725	100.00%	74,85,025	100.00%

During the period of five years immediately preceding the balance sheet date, there are no shares issued without payment being received in cash, issued as bonus shares and shares bought back by the Company.

Shareholding Pattern of Promoters :

Shareholder's Name	Shareholding at the end of the year (March 31, 2022)					Shareholding at the end of the year (March 31, 2021)				
	No. of Shares			% of total Shares of the company	% change in share holding during the year	No. of Shares			% of total Shares of the company	% change in share holding during the year
	Fully Paid Up	Partly Paid Up	Total			Fully Paid Up	Partly Paid Up	Total		
Vishkul Enterprises Private Limited	74,85,725	-	74,85,725	65.67%	0.01%	74,85,025	-	74,85,025	65.66%	0.39%
Misrilal Mines Private Limited	2,48,955	-	2,48,955	2.18%	0.00%	2,48,955	-	2,48,955	2.18%	0.00%
Savitri Devi Sureka	1,93,929	-	1,93,929	1.70%	0.00%	1,93,929	-	1,93,929	1.70%	0.00%
Ramesh Sureka	1,07,972	-	1,07,972	0.95%	0.00%	1,07,972	-	1,07,972	0.95%	0.00%
A K Jain (HUF)	-	-	-	0.00%	0.00%	-	-	-	0.00%	-0.85%
Salil Taneja	93,342	-	93,342	0.82%	0.00%	93,342	-	93,342	0.82%	0.00%
Tara Jain	91,481	-	91,481	0.80%	0.00%	91,481	-	91,481	0.80%	0.00%
Baldevraj Topanram Taneja	-	-	-	0.00%	0.00%	-	-	-	0.00%	-0.01%

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

Shareholder's Name	Shareholding at the end of the year (March 31, 2022)					Shareholding at the end of the year (March 31, 2021)				
	No. of Shares			% of total Shares of the company	% change in share holding during the year	No. of Shares			% of total Shares of the company	% change in share holding during the year
Mini Sureka	1,07,192	-	1,07,192	0.94%	0.00%	1,07,192	-	1,07,192	0.94%	0.00%
B R Taneja (HUF)	-	-	-	0.00%	0.00%	-	-	-	0.00%	-0.39%
Shiv Kumar Jain	28,834	-	28,834	0.25%	0.00%	28,834	-	28,834	0.25%	0.00%
Ashok Kumar Jain	186	-	186	0.00%	0.00%	186	-	186	0.00%	0.00%
Akshay Jain	89,510	15,809	1,05,319	0.92%	0.00%	89,510	15,809	1,05,319	0.92%	0.00%
Priti Sureka	1,07,859	-	1,07,859	0.95%	0.00%	1,07,859	-	1,07,859	0.95%	0.00%
Rohin Sureka	15,000	-	15,000	0.13%	0.00%	15,000	-	15,000	0.13%	0.00%
Avishi Sureka	15,042	-	15,042	0.13%	0.00%	15,042	-	15,042	0.13%	0.00%
Raghav Banka	5,095	-	5,095	0.04%	0.00%	5,095	-	5,095	0.04%	-0.03%
Rahul Banka	5,188	-	5,188	0.05%	0.00%	5,188	-	5,188	0.05%	-0.02%
Aayushi Jain	5,464	-	5,464	0.05%	0.00%	5,464	-	5,464	0.05%	0.00%
Shashi Taneja	46	-	46	0.00%	0.00%	46	-	46	0.00%	0.00%
Renu Jain	26,551	-	26,551	0.23%	0.00%	26,551	-	26,551	0.23%	0.00%
Siddharth Banka	5,000	-	5,000	0.04%	0.00%	5,000	-	5,000	0.04%	-0.03%
Manju Banka	10,112	-	10,112	0.09%	0.00%	10,112	-	10,112	0.09%	-0.04%
Total	86,42,483	15,809	86,58,292	75.95%	0.01%	86,41,783	15,809	86,57,592	75.95%	-0.98%

NOTE NO. 1.11 OTHER EQUITY

(₹ in Lakhs)

Particulars	Reserve and Surplus			Items of Other Comprehensive Income (OCI)	Total
	Security Premium	General Reserve	Retained Earnings	Equity Instruments through OCI	
As at April 1, 2020	5,017.12	1,869.14	3,642.55	(1.16)	10,527.66
Adjustments:					
Add : Fair Valuation of Investment through OCI	-	-	-	0.47	0.47
Add: Profit / (Loss) for the year	-	-	(206.45)	-	(206.45)
As at March 31, 2021	5,017.12	1,869.14	3,436.11	(0.68)	10,321.68
Adjustments:					
Add : Fair Valuation of Investment through OCI	-	-	-	0.66	0.66
Add: Profit / (Loss) for the year	-	-	(122.16)	-	(122.16)
As At March 31, 2022	5,017.12	1,869.14	3,313.95	(0.02)	10,200.19

NATURE AND PURPOSE OF RESERVES

A Security Premium

The amount received in excess of face value of the equity shares is recognized in Securities Premium Reserve.

B General Reserve

General Reserve represents appropriation of retained earnings and are available for distribution to shareholders.

C Retained Earnings

Retained Earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

Indian Seamless Enterprises Limited

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

Note No. 1.12 NON CURRENT FINANCIAL LIABILITIES - LEASES

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease Liability (Refer Note No 4.16(c))	-	6.18
Total	-	6.18

Note No. 1.13 NON CURRENT LIABILITIES - PROVISIONS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision For Employee Benefits		
i) Gratuity	17.71	11.18
ii) Leave Encashment	24.95	21.63
Total	42.66	32.82

Note No. 1.14 CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured Loan - Short Term Loan (Refer Note No- 4.3)	-	30.00
Unsecured- Inter Corporate Deposit	424.00	265.00
Total	424.00	295.00

Note No. 1.15 CURRENT FINANCIAL LIABILITIES - LEASES

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Lease Liabilities (Refer Note No 4.16(c))	6.18	5.98
Total	6.18	5.98

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

Note No. 1.16 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
i) Dues of Micro and Small Enterprises (Refer Note No 4.6)	-	-
ii) Dues of Creditors other than Micro and Small Enterprises	1,256.72	524.65
Total	1,256.72	524.65

Outstanding for following periods Particulars from due date of payment

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unbilled Dues	-	
Not Due	-	
Less than 1 year	1,256.72	524.65
1-2 years	-	
2-3 years	-	
More than 3 years	-	
Total	1,256.72	524.65

Note No. 1.17 CURRENT FINANCIAL LIABILITIES - OTHERS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued and due	26.92	705.95
Other Liabilities	17.83	21.76
Total	44.75	727.71

Note No. 1.18 CURRENT TAX LIABILITY

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Tax	-	-
Less: Taxes Paid	-	-
Total	-	-

Note No. 1.19 CURRENT LIABILITIES - OTHERS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance from customers	550.00	500.00
Other Liabilities	2.37	2.00
Total	552.37	502.00

Indian Seamless Enterprises Limited

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

NOTE NO. 1.20 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	For the Year Ended March 2022	For the Year Ended March 2021
Sales - Trading	1,088.94	915.55
Professional fee	-	20.00
Total	1,088.94	935.55

NOTE NO. 1.21 OTHER INCOME

(₹ in Lakhs)

Particulars	For the Year Ended March 2022	For the Year Ended March 2021
Dividend Income	63.51	0.20
Interest on other	8.36	7.03
Interest Income for financial assets measured at amortized cost	91.78	80.95
Other Income.	-	0.86
Total	163.65	89.04

Note No. 1.22 EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	For the Year Ended March 2022	For the Year Ended March 2021
i) Salaries, wages Bonus and Allowances	68.33	52.68
ii) Contribution to Provident Fund and Other Funds	9.05	1.90
iii) Staff Welfare Expenses	0.68	0.27
Total	78.07	54.85

Note No-1.23 FINANCE COST

(₹ in Lakhs)

Particulars	For the Year Ended March 2022	For the Year Ended March 2021
Interest	71.04	96.94
Interest on Lease Liability	1.34	2.09
Interest expenses for financial assets measured at amortized cost	86.17	86.17
Cash Discount	0.51	1.14
Total	159.06	186.34

Note No. 1.24 OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended March 2022	For the Year Ended March 2021
Audit Fees	2.25	2.25
Lease Rent	0.60	0.65
Rates ,Taxes and fees	0.33	1.19
Insurance	1.54	2.86
Electricity Charges	0.70	0.66
Prepaid Expenses	-	-
Travelling expense	1.27	0.81
Professional & Legal fees	20.14	23.24
Investment in Subsidiary Company written off (Refer Note 4.19)	3.51	-
Miscellaneous expense	22.38	22.73
Total	52.71	54.39

Notes to Standalone Financial Statements for the year ended March 31, 2022

2. Corporate Information

Indian Seamless Enterprises Limited (“the Company”) is a public limited company incorporated in India (CIN: U29000PN1995PLC090946) having its registered office in Pune. The Company is mainly engaged in Trading of Tubes, Investments and consultancy services.

These standalone financial statements for the year ended March 31, 2022 were approved for the issue by the Board of Directors vide their Board meeting dated August 25, 2022.

3. Significant Accounting Policies

3.1 Basis of Preparation:

The financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the of the Companies Act 2013 (“Act”) read with Companies (Indian Accounting Standards) Rules, 2016 and the other relevant provisions of the Act and Rules thereunder.

The financial statements have been prepared on a historical cost basis except for certain financial assets and financial liabilities (including financial instruments) which have been measured at fair value at the end of each reporting period as explained in the accounting policies stated below.

3.2 Functional and presentation currency and Rounding off of the amounts:

The functional and presentation currency of the company is Indian rupees. These standalone financial statements are presented in Indian rupees and all values are stated in Rupees except otherwise indicated.

3.3 Current versus non-current classification

The company has classified all its assets and liabilities under current and non-current as required by Ind AS 1- Presentation of Financial Statements. The asset is treated as current when it is:

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

All other assets are classified as non-current

All liabilities are current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

3.4 Revenue Recognition:

The Company derive revenue primarily from Trading of Tubes, Investments and consultancy services

The Company follows specific recognition criteria as described below before the revenue is recognized.

i Sales

a) Sales of Goods:

Revenue from contracts with customers is recognised when the entity satisfies a performance obligation by delivering a promised goods or service to customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment but excluding taxes or duties collected on behalf of the government and net of returns and allowances, trade discounts and volume rebates.

b) Professional fees:

Revenue from professional fees is recognized upon by reference to the stage of completion of service and the amount of revenue can be measured reliably.

ii Other Operating Revenue

Other Operating revenue comprises of following items:

- Dividend Income
- Operating Lease Income

Dividend Income are recognized on receipt basis.

Revenue from Operating Lease is recognized on a straight line basis.

Indian Seamless Enterprises Limited

Notes to Standalone Financial Statements for the year ended March 31, 2022

3.5 Property, Plant and Equipment's:

- i Property, plant and equipment are stated at their original cost of acquisition including taxes, duties, freight, other incidental expenses related to acquisition and installation of the concerned assets and excludes refundable taxes and duties.
- ii Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. When significant parts of plant and equipment are required to be replaced at intervals, the company depreciates them separately based on their specific useful lives. All other repairs and maintenance costs are recognized as expense in profit and loss statement as and when incurred.
- iii All incidental expenses incurred during project implementation, for the project as well as trial run expenses are treated as expenditure during construction and are capitalized.

3.6 Depreciation:

- i Depreciation on Plant & Machinery is provided as per the useful life specified in Part 'C' of Schedule II of the Companies Act, 2013 on Straight Line Method.
- ii Depreciation on vehicle is provided as per the useful life specified Part 'C' of Schedule II of the Companies Act, 2013 on Written Down Value Method.
- iii In case of additions to and deletion from fixed assets, depreciation is charged on a pro-rata basis from the date of addition/till the date of deletion.

3.7 Inventories:

Closing Stock of Finished Goods is valued at cost or net realisable value whichever is less.

3.8 Employee Benefits:

Provision for Gratuity and Leave Encashment has been made on the assumption that such benefits are payable to employees at the end of the accounting year

3.9 Foreign Currency Transactions:

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities at the Balance Sheet date are translated at the exchange rate prevailing on the date of Balance Sheet.

Exchange rate differences resulting from foreign currency

transactions settled during the period including year-end translation of assets and liabilities are recognized in the Statement of Profit and Loss.

Non-monetary assets, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in Other Comprehensive Income (OCI) or Statement of Profit and Loss are also recognized in OCI or Statement of Profit and Loss, respectively).

3.10 Cash and cash equivalents:

Cash and cash equivalents comprise cash on hand and at bank and demand deposits with banks which are short-term, highly liquid investments with original maturities of three months or less, that are readily convertible into a known amount of cash and which are subject to an insignificant risk of changes in value.

3.11 Leases :

As a lessee

The Company leased asset consist of leases for Office Premises. At inception of a contract, the company assesses whether a contract is, or contains, a lease. A contract is or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether: (i) the contract involves the use of an identified asset (ii) the company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and (iii) the Company has the right to direct the use of the asset

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received..

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date

Notes to Standalone Financial Statements for the year ended March 31, 2022

to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of Property, Plant and Equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

3.12 Fair Value Measurement: -

The Company measures certain financial instruments at fair value at each balance sheet date. Certain accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values and the valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

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

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

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible.

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

3.13 Financial instruments:

A Company recognizes financial assets and financial liabilities when it becomes party to the contractual provision of the instrument.

I. Financial Assets:

a) Initial recognition and measurement:

Financial assets are initially measured at its fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the concerned financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to acquisition of financial assets at fair through profit or loss are recognized immediately in profit or loss. However, trade receivable that do not contain a significant financing component are measured at transaction price.

b) Subsequent measurement:

For subsequent measurement, the company classifies financial asset in following broad categories:

i. Financial asset carried at amortized cost (net of any write down for impairment, if any):

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortized costs using Effective Interest Rate (EIR) method less impairment, if any. The losses arising from impairment are recognized in the statement of profit or loss. Cash and bank balances, trade receivables, loans and other financial asset of the company are covered under this category.

ii. Financial asset carried at FVTOCI:

Financial asset under this category are measured initially as well as at each reporting date at fair value, when asset is held with a business model whose objective is to hold asset for both collecting contractual cash flows and selling financial assets. Fair value movements are recognized in the other comprehensive income.

iii. Financial asset carried at FVTPL:

Financial asset under this category are measured initially as well as at each reporting date at fair value. Changes in fair value are recognized in the statement of profit or loss.

c) Investment in subsidiaries:

Investments in Subsidiaries are recorded at cost and reviewed for impairment at each reporting date

d) Other equity instruments:

All other equity instruments are measured as fair value, with value changes recognized in Statement of Profit and Loss, except for those equity instrument for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

e) Derecognition:

A financial asset is primarily derecognized when rights to receive cash flows from the asset have expired or the Company has transferred its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risk and reward of the ownership of the financial asset.

f) Impairment of financial asset:

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss under the head 'Other expenses'

II. Financial Liabilities:

a) Initial recognition and measurement:

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. Company classifies all financial liabilities as subsequently measured at amortised cost or FVTPL.

All financial liabilities are recognized initially at fair value and in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

b) Subsequent measurement:

Financial liabilities are carried at amortized cost using the Effective Interest Rate (EIR) method. For trade and other payable maturing within one year from balance sheet date, the carrying amount approximate fair value due to short maturity of these instruments

Notes to Standalone Financial Statements for the year ended March 31, 2022

c) Derecognition of financial liabilities:

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

III. Offsetting of Financial Instruments

Financial assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3.14 Segment accounting:

The Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the Executive Committee, the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments', in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

3.15 Earnings per share

Basic earnings per share is calculated by dividing the net profit for the year attributable to the shareholders of the Company and weighted average number of shares outstanding during the year.

Diluted earnings per share is calculated by dividing the net profit for the year attributable to the shareholders of the Company and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

3.16 Provision for Current and Deferred Tax: -

The tax expense for the period comprises current and deferred tax. Taxes are recognised in the statement of

profit and loss, except to the extent that it relates to the items recognised in the comprehensive income or in Equity. In which case, the tax is also recognised in the comprehensive income or in Equity

Current tax:

Provision for Current tax is made on the basis of relevant provision of The Income Tax Act, 1961 as applicable to the financial year.

Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary timing difference. Deferred tax assets are recognized for deductible temporary differences, to the extent that they are probable that taxable profit will be available against which the deductible temporary difference can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

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

Minimum Alternate Tax (MAT) Credit:

MAT credit is recognized as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

3.17 Impairment of non-financial Assets:

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognized in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount

is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

3.18 Provision, Contingent Liabilities and Contingent Assets:

Provisions are recognized when the company has present obligation (legal or constructive) as a result of past event and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense related to a provision is presented in the statement of profit and loss net of any reimbursement/contribution towards provision made.

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

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liability:

Contingent Liabilities are not provided and are disclosed in Notes on Accounts. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

3.19 Events occurring after the Balance Sheet Date

Events occurring after the Balance Sheet date and till the date on which the financial statements are approved, which are material in the nature and indicate the need for adjustments in the financial statements have been considered

3.20 Standards issued but not yet effective:

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

3.21 Key accounting judgments', estimates and assumptions:

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information.

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the standalone financial statements are as below:

- a. Assessment of functional currency (Refer Note No 3.2);
- b. Financial instruments (Refer Note No 3.12);
- c. Estimates of useful lives and residual value of PPE (Refer Note No 3.5);
- d. Impairment of financial and non-financial assets (Refer Note No 3.13 and 3.17);
- e. Valuation of inventories (Refer Note No 3.7);
- f. Allowances for uncollected trade receivable and advances (Refer Note No 3.13);
- h. Evaluation of recoverability of deferred tax assets (Refer Note No 3.16); and
- i. Contingencies and Provisions (Refer Note No 3.18).

Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

Notes to Standalone Financial Statements for the year ended March 31, 2022

4.1 CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Contingent Liabilities		
Corporate guarantees for Banking facilities / Term Loan granted to Subsidiary	Nil	Nil
Commitments		
Capital Commitments	Nil	Nil

4.2 Calls in arrears is on Equity Shares- 2,23,938/- (March 31 2021: 2,23,938/-).

4.3 Short Term Loan of Rs Nil (March 31, 2021 : Rs 30.00 Lakhs is secured by way of pledge of 3,39,00,000 Equity Shares held in the ISMT Ltd and Corporate Guarantee by third parties. Securities by way of pledged Shares has been released on 29-May-2022.

4.4 In the opinion of the Board of Directors the Current Assets, Loans and Advances are approximately of the value stated, if realised in ordinary course of business.

4.5 Segment Reporting :

Company's operating segments are established on the basis of those components of the Company that are evaluated regularly by the Executive Committee, the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments', in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

The Company has 4 segments-Trading, Investment, Leasing and Services

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on the reasonable basis have been disclosed as unallocable.

Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities which cannot be allocated to a segment on a reasonable basis have been included under "Unallocable Assets / Liabilities".

For the Financial Year 2021-22

(₹ in Lakhs)

Particulars	Trading	Investment	Services	Unallocable	Total
Segment Revenue	1,088.94	63.51	-	100.14	1,252.58
Segment Result before Finance Cost & Tax	28.71	63.51	-	(55.31)	36.91
Less: Finance Cost	-	-	-	-	159.06
Profit/(Loss) before Tax	-	-	-	-	(122.15)
Less: Tax expenses	-	-	-	-	0.01
Profit/ (Loss) after Tax	-	-	-	-	(122.16)
Other Information					
Segment Assets	-	11,938.14	-	-	13,655.63
Segment Liabilities	1,806.72	-	-	519.96	2,326.67

Indian Seamless Enterprises Limited

Notes to Standalone Financial Statements for the year ended March 31, 2022

For the Financial Year 2020-21

(₹ in Lakhs)

Particulars	Trading	Investment	Leasing	Unallocable	Total
Segment Revenue	915.55	0.20	20.00	88.84	1,024.59
Segment Result before Finance Cost & Tax	42.25	0.20	(3.24)	(34.97)	4.24
Less: Finance Cost					186.34
Profit/(Loss) before Tax					(182.10)
Less: Tax expenses					24.34
Profit/ (Loss) after Tax					(206.45)
<u>Other Information</u>					
Segment Assets	-	11,940.39	-	1,604.40	13,544.78
Segment Liabilities	1,024.65	-	-	1,069.69	2,094.34

Major customers

Revenue from one customer of the Company's - Trading segment amounting to Rs 1,088.94 Lakhs (March 31, 2021: revenue from One customers amounting to Rs 915.55 Lakhs) is more than 10% of Company's total revenue.

4.6 Dues to Micro and Small Enterprises

There are no Micro, Small and Medium Enterprise suppliers as defined under the provisions of "Micro, Small, Medium Enterprises Development Act, 2006". There are no dues to such suppliers as on March 31, 2022.

4.7 Related Party Transactions.

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during the reporting periods, are:

Name and Relationships of the Related Parties:

I Key Management Personnel(KMP)

Name of the Related Party	Designation	Date
B.R. Taneja	Managing Director	w.e.f. 1-April-2022
N.V.Karbhase	Whole Time Director	

II Entities where control exists

Holding Company

Vishkul Enterprises Private Limited.

Subsidiary Companies

Laurus Tradecon Private Limited (Formerly known as Lighto Technologies Private Ltd.)

Associate Companies

ISMT Ltd.

Taneja Aerospace & Aviation Ltd

TAAL Enterprises Ltd

Tridem Port and Power Company Pvt Ltd

Fair Growth Holding Pte Ltd

Sarod Realty Pvt Ltd

Notes to Standalone Financial Statements for the year ended March 31, 2022

i Details of Transaction with Key Management Personnel:

Remuneration for the year Rs. 36.00 Lakhs (Previous Year Rs. Rs. 60.94 Lakhs (including gratuity))

ii Details of transactions with Subsidiary and Associate Companies:

Nature of Transactions / Relationship	Subsidiary Company		Associate Company	
	2021-22	2020-21	2021-22	2020-21
Purchase of Finished Goods	-	-	1,060.22	873.30
Outstanding as on Balance Sheet Date				
Inter Corporate Deposit taken	-	-	424.00	265.00
Receivables				
Promoter Contribution - ISMT Ltd.	-	-	775.00	683.42

Transactions entered with Associate Company

1 ISMT Ltd

Purchase of Seamless Tubes of Rs. 1,060.22 Lakhs (Previous Year Rs. 873.30 Lakhs).

2 Sarod Realty Pvt Ltd

Inter Corporate Deposit Taken- Rs 424.00 Lakhs (Previous Year Rs 265.00 Lakhs)

- 4.8** The Company has made investment in ISMT Limited of Rs 9,719.37 Lakhs and also provided unsecured loan amounting to Rs 775.00 Lakhs. The Company has also pledged 3,50,00,000 shares held in ISMT with ISMT Consortium Banks in connection with the loans extended by them. The Lenders of the ISMT had agreed to take up assignment of debt as Resolution Plan in terms of the RBI Circular dated February 12 2018, pursuant to which bulk of Bank Debt was assigned to Asset Restructuring Companies (ARCs). The majority of lenders of the ISMT had also signed Inter Credit Agreement as per RBI guidelines for restructuring of debt. However, restructuring and assignment of further debt could not be concluded due to covid pandemic.

After considering restructuring of debt subsequent to covid pandemic, the lenders opted for One Time Settlement (OTS) of entire outstanding debt for Rs 67,000.00 Lakhs along with change in management. After due process the lenders approved OTS along with change in management by Kirloskar Ferrous Industries Ltd (KFIL) acquiring majority stake in the ISMT. After requisite approvals, the lenders executed the OTS agreement on January 31, 2022. The proceeds of the Preferential allotment to KFIL of Rs.47,663.00 Lakhs together with unsecured Loan from KFIL of Rs.19,400.00 Lakhs were utilized for the One Time Settlement with lenders. Consequent upon the payment made to lenders under (OTS), the lenders of ISMT released the pledged shares on 19-April-2022. Consequent upon the investment made by the KFIL in ISMT Ltd, on 10-March-2022, the effective share holding of the company in ISMT Ltd has been reduced from 47.11 % to 22.97%. However, the Company will continue as Co-Promoter.

Post successful debt resolution inter alia resulting into positive net worth of the ISMT and its current liabilities does not exceed its current assets as of March 31, 2022. The Company is having cash profit for the year ended March 31, 2022. considering above scenario , No provision, however, has been made as required by Ind AS 36 "Impairment of Assets" in respect of diminution in the value of investment which is considered as Strategic and Long Term.

- 4.9** As required under section 186(4) of the Companies Act, 2013, the particulars of loans and guarantees given and investments made during the year are as follows

Name of Entity	Nature of transaction and material terms	Purpose for which loan / guarantee proposed to be utilized by the recipient	Balance as on March 31, 2022	Balance as on March 31, 2021
Associate Company - ISMT Limited	Promoters Contribution	Unsecured Loan under Corrective Action Plan (ACP)and pending restructuring, the company has not provided interest on the said loan	775.00	683.42

Indian Seamless Enterprises Limited

Notes to Standalone Financial Statements for the year ended March 31, 2022

4.10 Income tax expense

A The major components of income tax expenses for the year are as under:

(₹ in Lakhs)		
Particulars	2021-22	2020-21
I) Income Tax recognised in the statement of profit and loss		
Current tax	-	-
Previous Year tax	0.01	24.34
Total Income Tax recognised in the statement of profit and loss	0.01	24.34
II) Income Tax recognised in Other Comprehensive Income		
Deferred tax	-	-
Total Income Tax recognised in Other Comprehensive Income	-	-

B Reconciliation of tax expense and the accounting profit for the year is under:

(₹ in Lakhs)		
Particulars	2021-22	2020-21
Accounting profit before income tax expenses	(122.15)	(182.10)
Enacted tax rates in India (%)	0.26	0.26
Expected income tax expenses	(31.76)	(47.35)
Tax Effect of :		
Expenses not deductible	2.66	(2.89)
Non Taxable Capital Gain	-	-
Accelerated capital allowances	1.92	2.80
Carried forward loss	27.18	47.44
Income tax expense recognised in Statement of Profit and Loss	-	-
Adjustments recognised in current year in relation to the current tax of earlier years	0.01	24.34
Income Tax Expenses	0.01	24.34
Effective Tax Rate (%)	0.00%	0.00%

C Deferred Tax Assets / Liabilities

The Company has recognised not recognised deferred tax assets in the absence of the virtual certainty with convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Significant components of Deferred tax assets & liabilities recognized in Financial Statements

As at March 31, 2022

(₹ in Lakhs)				
Particulars	As at April 1, 2021	Charged / (credited) to Statement of income	Charged / (credited) to OCI	As at March 31, 2022
<u>Tax effect of item constituting deferred tax liabilities</u>				
i) Property, Plant and Equipment	-	-	-	-
	-	-	-	-
<u>Tax effect of item constituting deferred tax assets</u>				
i) MAT Credit Entitlement	637.40	18.02	-	619.38
	637.40	18.02	-	619.38
Net deferred tax asset/ (liability)	637.40	18.02	-	619.38

Notes to Standalone Financial Statements for the year ended March 31, 2022

As at March 31, 2021

(₹ in Lakhs)				
Particulars	As at April 1, 2020	Charged / (credited) to Statement of income	Charged / (credited) to OCI	As at March 31, 2021
<u>Tax effect of item constituting deferred tax liabilities</u>				
i) Property, Plant and Equipment	-	-	-	-
	-	-	-	-
<u>Tax effect of item constituting deferred tax assets</u>				
i) MAT Credit Entitlement	637.40	-	-	637.40
	637.40	-	-	637.40
Net deferred tax asset/ (liability)	637.40	-	-	637.40

4.11 Earnings per share

Net profit available to equity holders of the Company used in the basic and diluted earnings per share was determined as follows:

(₹ in Lakhs)		
Particulars	2021-22	2020-21
Net Profit / (Loss) for the year attributable to Equity Shareholders	(121.49)	(205.97)
Weighted Average Number of Equity Shares outstanding for basic and diluted	1,13,99,606	1,13,99,606
Nominal Value of equity Shares (Rs)	10.00	10.00
Earnings Per Share (Rs.) (Basic and Diluted)	(1.07)	(1.81)

4.12 Miscellaneous Expenses includes:

(₹ in Lakhs)		
Particulars	2021-22	2020-21
Printing & Stationery	0.29	0.79
Profession Tax	0.03	0.03
Repairs Maintenance – Others	3.47	1.74
Postage and Telephone expenses	0.39	0.41
Office and General Expenses	1.71	3.39
Subscription	0.90	0.93
Books & Periodicals	0.14	0.12
Advertisement	0.23	0.45
Brokerage	-	1.36
Supervision Charges	14.41	13.20
Processing Charges	0.80	0.30
Total	22.38	22.73

4.13 Financial risk management

The Company's financial liabilities comprise mainly of Borrowings, trade payables and other payables. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks and other receivables.

Company has exposure to following risks arising from financial instruments:

- a) Credit risk
- b) Liquidity risk
- c) Market risk

Risk management framework

Company's board of directors has overall responsibility for establishment of Company's risk management framework. Management is responsible for developing and monitoring Company's risk management policies, under the guidance of Audit Committee. Management identifies, evaluate and analyses the risks to which the company is exposed to and sets appropriate risk limits and controls to monitor risks and adherence to limits.

Management periodically reviews its risk policy and systems to assess need for changes in the policies to adapt to the changes in market conditions and align the same to the business of the Company. Management through its interaction and training to concerned employees aims to maintain a disciplined and constructive control environment in which concerned employees understand their roles and obligations.

a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Company's exposure to credit risk arises primarily from amount due from Associate company, Trade Receivable and other receivables. For other financial assets, the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

b) Liquidity risk.

Liquidity risk is the risk that Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. Company closely monitors its liquidity position and deploys a robust cash management system.

c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risks;

- a) Interest rate risk
- b) Currency risk and;

Financial instruments affected by market risk includes investments, trade payables, loans and other financial instruments.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks.

a) Interest rate risk and sensitivity

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Since the Company has insignificant interest bearing borrowings, the exposure to risk of changes in market interest rates is very low. The Company has not used any interest rate derivatives.

Foreign currency risk and sensitivity

The Company is not exposed to currency risk on account of its borrowings and other payables. The functional currency of the Company is Indian Rupees.

The Company does not use derivative financial instruments for trading or speculative purposes.

4.14 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's Capital management is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through

Notes to Standalone Financial Statements for the year ended March 31, 2022

continuing growth. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity and internal accruals and long term borrowings.

(₹ in Lakhs)			
Particulars		March 31, 2022	March 31, 2021
Total equity	(i)	11,328.95	11,450.45
Total debt	(ii)	424.00	295.00
Overall financing	(iii) = (i) + (ii)	11,752.95	11,745.45
Gearing ratio	(ii)/ (iii)	0.04	0.03

4.15 Fair value measurement

Fair valuation techniques

The fair values of the financial assets and liabilities are included at the amount at which the instrument can be exchanged in the current transaction between willing parties, other than a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.

Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

A) The carrying value and Fair value of Financial assets and liabilities by categories are as follows :

(₹ in Lakhs)				
Particulars	Carrying value of the financial assets/liabilities		Fair value of the financial assets/liabilities	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Financial Assets at Fair Value Through OCI (noncurrent)				
Investment in Equity Shares	3.55	2.29	3.55	2.29
Total	3.55	2.29	3.55	2.29
Financial Assets at amortised cost (non-current)				
Loans	775.00	683.42	775.00	683.42
Total	775.00	683.42	775.00	683.42
Financial Assets at amortised cost (current)				
Trade Receivables	-	-	-	-
Cash and Bank Balances	53.19	50.71	53.19	50.71
Other financial Assets	169.76	139.47	169.76	139.47
Total	222.95	190.18	222.95	190.18

Indian Seamless Enterprises Limited

Notes to Standalone Financial Statements for the year ended March 31, 2022

Particulars	Carrying value of the financial assets/liabilities		Fair value of the financial assets/liabilities	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Financial Liabilities at amortised cost (Non- current)				
Lease Liabilities	-	6.18	-	6.18
Total	-	6.18	-	6.18
Financial Liabilities at amortised cost (current)				
Borrowings	424.00	295.00	424.00	295.00
Lease Liabilities	6.18	5.98	6.18	5.98
Trade Payables	1,256.72	524.65	1,256.72	524.65
Other financial Liabilities	44.75	727.71	44.75	727.71
Total	1,731.65	1,553.34	1,731.65	1,553.34

B) Level wise disclosures of financial assets and liabilities by categories are as follows :

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021	Level	Valuation Techniques and key Inputs
Financial Assets at Fair Value Through OCI (noncurrent)				
Investment in Equity Shares	3.55	2.29	1	Quoted NAV in active markets
Financial Assets at amortised cost (non-current)				
Loan to Associate Company	775.00	683.42	3	Discounted cash flow method using interest rate for similar financial instrument

Fair value of cash and cash equivalents, trade payables, trade receivables and other financial assets/liabilities approximate their carrying amounts largely due to the short term maturities of these instruments. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended March 31, 2021.

During the reporting period ended March 31, 2022 and March 31, 2021 there were no transfers between level 1, level 2 and level 3 fair value measurements

Reconciliation of Level 3 fair values

The following table shows a reconciliation of the opening and closing balances for Level 3 fair values.

(₹ in Lakhs)

Particulars	Loan to Associate Company
Balance as on April 1, 2020	775.00
Less: Effect of discounting financial asses at net present value	172.34
Add: Interest Income	80.76
Closing Balance as at March 31, 2021	683.42
Add: Interest Income	91.58
Closing Balance as at March 31, 2022	775.00

A one percentage point change in the unobservable inputs used in fair valuation of level 3 assets or liabilities does not have significant input in its value.

Notes to Standalone Financial Statements for the year ended March 31, 2022

4.16 Leases

The Company has taken premises under operating lease. These leases are renewable by mutual consent on mutually agreeable terms. There are no restrictions imposed by these lease arrangements and there are no sub leases. There are no contingent rents.

A) Following are the changes in the carrying amount of Right-of-Use Assets for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Office Premises	
	2021 - 2022	2020 - 2021
Balance as on April 1,	11.40	17.89
Addition during the year	-	-
Deletion on cancellation of lease / adjustment	-	0.29
Depreciation on ROU of Assets	6.22	6.20
Depreciation on Deletion	-	-
Balance as on March 31,	5.18	11.40

B) The following is the movement in Lease Liabilities for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Office Premises	
	2021 - 2022	2020 - 2021
Balance as on April 1,	12.17	17.56
Additions during the year	-	-
Finance Cost incurred during the year	1.34	2.09
Deletion on Cancellation of lease / adjustment	-	-0.29
Payment of lease liabilities	-7.32	-7.20
Balance as on March 31,	6.18	12.17

C) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis:

(₹ in Lakhs)

Particulars	Office Premises	
	2021 - 2022	2020 - 2021
Due within one year	6.60	7.32
Due within one year to five years	-	6.60
Due for more than five years	-	-
Total Undiscounted Lease Liabilities	6.60	13.92
Lease Liabilities included in the Statement of standalone financial position		
Non- current Liabilities	-	6.18
Current Liabilities	6.18	5.98

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

Indian Seamless Enterprises Limited

Notes to Standalone Financial Statements for the year ended March 31, 2022

- D) The following amounts are recognized in the Standalone Statement of Profit and Loss for the year ended March 31, 2022:

Particulars	Office Premises	
	2021 - 2022	2020 - 2021
Interest Expenses on Financial Liabilities	1.34	2.09
Depreciation on ROU Assets	6.22	6.20
Expenses relating to Short Term Lease	-	-
Expenses relating to Leases of Low Value Assets	-	-
Total	7.55	8.29

- E) The following amounts are recognized in the Standalone Statements of Cash Flows for the year ended March 31, 2022:

Particulars	Office Premises	
	2021 - 2022	2020 - 2021
Total Cash Outflows for leases	7.32	7.20
Total	7.32	7.20

4.17 Corporate Social Responsibility expenditure (CSR)

Particulars	As at	
	March 31, 2022	March 31, 2021
a) Gross amount required to be spent by the Company during the year	8.35	16.35

- b) Details of amount spent towards CSR is as follows:

Particulars	Paid	Yet to be paid	Paid	Yet to be paid
(i) Construction / acquisition of any asset	-	-	-	-
(ii) On purposes other than (i) above	8.35	-	16.35	-

4.18 Ultimate Beneficiary : Utilisation of Borrowed funds and share premium:

No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

No funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- 4.19 The Company's - Associate company "Fair Growth Holding Pte Ltd" Board of the Directors had agreed to make application for strike off of the name of the company from the Register of the accounting and Corporate Regulatory Authority, Singapore and the said strike off process has been completed on August 10, 2021. Accordingly based on the review of statement of affairs of the said Associate as filed at the time of winding up and realisable value of equity investment in said Associate, the Company had written off its investment in said Associate amounting to Rs 3,51,162/- in the Statement of profit and Loss Account for the year ended March 31, 2022.

Notes to Standalone Financial Statements for the year ended March 31, 2022

4.20 Relationship with Struct of Companies

The Company has transactions with companies struck off under section 248 of the Companies Act,2013 or section 560 of the Companies Act, 1956 and details of the same are as per below :

Sr No	Name of the Struck off Company	Status	Nature of transactions with struck-off Company	No of Shares Held as on March, 2022	No of Shares Held as on March, 2021
1	Teejay Sugars Pvt Ltd	Amalgamated	Shareholder	106	106
2	Himani Limited	Strike off	Shareholder	97156	97156
3	Sree Nivas Estates P Ltd	Strike off	Shareholder	396	396
4	Bangalore Stock Exchange Ltd	Strike off	Shareholder	292	292
5	Taktawala Investments Pvt Ltd	Strike off	Shareholder	291	291
6	Optimates Finvest Pvt Ltd	Strike off	Shareholder	167	167
7	Aseem Leasing & Finance Pvt Ltd	Strike off	Shareholder	166	166
8	Ittefaq Investments Ltd	Strike off	Shareholder	25	25
9	Swadeshi Holdings Pvt Ltd	Strike off	Shareholder	25	25
10	Superb Holdings Pvt Ltd	Strike off	Shareholder	8	8
11	S S Kantilal Ishwarlal Sec Ltd	Strike off	Shareholder	7	7
12	Shubhi Financial Services P Ltd	Strike off	Shareholder	7	7
13	Monoplan Ind Credit Corp Ltd	Strike off	Shareholder	5	5
14	Electronica Holding Pvt Ltd	Strike off	Shareholder	74	74
15	N R I Financial Services Ltd	Strike off	Shareholder	62	62
16	Geojit Stock & Shares Ltd	Strike off	Shareholder	42	42
17	Mandvi Home Fin Pvt Ltd	Strike off	Shareholder	38	38
18	Sta-Rite Securities Trust Limited	Strike off	Shareholder	33	33
19	Pushpanjali Leasing & Finance Pvt Ltd	Strike off	Shareholder	29	29
20	Ysn Shares & Securities P Ltd	Strike off	Shareholder	2	2

4.21 Particulars	FY 2021-22	FY 2020-21	% of change
Current Ratio	12.92%	11.64%	10.99%
Debt- Equity Ratio #	3.72%	2.55%	-45.80%
Debt- Service coverage ratio #	31.99%	0.26%	12032.83%
Return on Equity ratio *	-ve	-ve	N.A
Inventory Turnover ratio @	Nil	Nil	N.A
Trade Receivbles Turnover ratio @	Nil	Nil	N.A
Trade Payables Turnover ratio	1.19	2.47	51.83%
Net Capital Turnover ratio *	-ve	-ve	N.A
Net Profit Ratio *	-ve	-ve	N.A
Return on Capital Employed **	0.32%	0.04%	779.99%

Indian Seamless Enterprises Limited

Notes to Standalone Financial Statements for the year ended March 31, 2022

Note:

- 1 *In case of any negative components in ratio working, the said ratio is considered as Not Applicable. (N.A.)
- 2 @ There are no outstanding balance of Trade Receivables and neither company hold any Inventory as at the year end and hence no ratio's were provided
- 3 # During the year, Debt of the company has increased compared to previous year and hence there is variation in ratio.
- 4 ** In Current year EBIT of the company has improved compared to that of the previous year.

4.22 The Management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2022 and has concluded that there is no significant impact which is required to be recognized in the standalone financial statements. The Company's management will continue to closely monitor any material changes to future economic conditions.

4.23 Events Occurring after the Balance sheet Date

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation.

4.24 Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

As per our report of even date

For V.K.Paradkar & Co
Chartered Accountants

Firm Registration Number: 120527W

For and on behalf of the Board of Directors of
Indian Seamless Enterprises Ltd

V.K.Paradkar
PROPRIETOR
M. No.17151

B. R. Taneja
Managing Director
DIN: 00328615

N. V. Karbhase
Whole Time Director
DIN : 00228836

Anchal Jaiswal
Company Secretary
M. No. : 35538

Rajendra Mangrulkar
Chief Financial Officer

Place : PUNE
Date : August 25, 2022

Place : PUNE
Date : August 25, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of **Indian Seamless Enterprises Limited**

Report on the Audit of the Consolidated Financial Statements

1. Qualified Opinion

We have audited the accompanying consolidated financial statements of Indian Seamless Enterprises Limited (“the Parent Company”) and its subsidiaries (the Parent Company and its subsidiaries together referred to as “the Group”) and its Associates, which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated Financial statements”).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity the accounting principles generally accepted in India including Indian Accounting Standards (“Ind AS”) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules as amended and other accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group and its associates as at March 31, 2022, the consolidated profit (financial performance including Consolidated other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

2. Basis for Qualified Opinion

As per the other Auditor’s Report on Standalone Financial Statements of Subsidiary Company: Laurus Tradecon Private Limited

The net worth of the Company is completely eroded, the Company has incurred cash loss for the year ended March 31, 2022. The Company despite of negative net worth has prepared accounts based on going concern.

We conducted our audit of the consolidated financial statements 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are

relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics.

We believe that the audit evidence we have obtained along with the consideration of audit reports of the other auditors referred to in sub-paragraph 9(a) of the “Other Matter” paragraph below, other than the unaudited financial Statement/financial information as certified by the management and referred to in subparagraph 9(b) of the “Other Matter” paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

3. Material uncertainty Related to Going Concern

As per the other Auditor’s Report on Consolidated Financial Statements of Associate Company: ISMT Limited

We draw attention to Note No 4.5 (f) in the Consolidated Financial Statements, which indicates that successful debt resolution is inter alia resulting into positive net worth of the Parent Company and its current liabilities does not exceed its current assets as of March 31, 2022. The Parent Company is having cash profit during the year ended March 31, 2022. These events and conditions and based on the other matters as set forth in Note No 4.5 (g) of the Consolidated Financial Statements, indicate that a material certainty exists on the Group’s ability to continue as a going concern and are the basis for preparation of Consolidated Financial Statements on going concern basis.

Our opinion is not modified in respect of this matter.

4. Emphasis of Matter (s)

We draw attention to:

As per the other Auditor’s Report on Standalone Financial Statements of Subsidiary Company: Laurus Tradecon Private Limited

- a) We draw your to Note No.4.3 (d) regarding claims made by the customers.

As per the other Auditor’s Report on Consolidated Financial Statements of Associate Company: ISMT Limited

- (i). Note No 4.5 (e) of the Consolidated Financial Statements, regarding remuneration to Erstwhile Managing Director and Non-Executive Director of the Parent Company amounting to Rs.261.00 Lakhs and Rs. 40.00 Lakhs respectively for the period ended March 10, 2022 (Rs. 460.00 Lakhs cumulative up to March 31, 2022) is subject to approval of appropriate authorities;
- (ii). Note No 4.5 (b) of the Consolidated Financial Statements, regarding write off of Minimum Alternate Tax (MAT)

Indian Seamless Enterprises Limited

credit (Deferred Tax Assets) of Rs 8,204.62 Lakhs on exercise of the tax rate option permitted under section 115BAA of the Income-tax Act, 1961 as of March 31, 2022 by the Parent Company;

- (iii). Note No 4.5(d) of the Consolidated Financial Statements, regarding impairment provision of carrying value of Goodwill on consolidation of Rs 3,123.44 Lakhs recognised at the time of investment made by Parent Company in Structo Hydraulics AB Sweden (SHAB);
- (iv). Note No 4.5 (h) of the Consolidated Financial Statements, regarding additional impairment provision made by the Group in respect of its investment in thermal power project and captive port (TPP) at Tamilnadu of Rs 2,989.00 Lakhs (Rs 8,826.00 Lakhs cumulative up to March 31, 2022) based on the management assessment and valuation report of an independent valuer;
- (v). Note No 4.5 (f) of the Consolidated Financial Statements, regarding writeback of outstanding principal debt and unpaid interest due to lenders amounting to Rs 2,77,596.29 Lakh by the Parent Company pursuant to the One-time settlement of dues with the lenders;
- (vi). Note No 4.5 (c) (i) of the Consolidated Financial Statements, regarding write off of Rs 3,953.11 Lakhs Government Dues from Maharashtra State Electricity Distribution Company Ltd. (MSEDCL) by the Parent Company for non-implementation of Energy Banking Agreement
- (vii). Note No 4.5 (c) (ii) of the Consolidated Financial Statements, regarding impairment provision made by the Parent Company in respect of carrying value of 40 MW Captive Power Project (CPP) at Chandrapur, Maharashtra of Rs 16,392.34 Lakhs based on the management assessment and valuation report of an independent valuer.

Our opinion is not qualified in respect of this matter.

5. Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Parent Company's Board of Directors is responsible for the preparation of the other information. The other Information comprises the information included in Company's Annual Report, but does not include the Consolidated Financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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.

6. Management's Responsibility for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates in accordance with the and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of Group's and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of the Group and of its associates.

7. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if,

individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 ISMT Group has adequate internal financial controls with reference to consolidated financial statement in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Parent Company 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.

8. Other Matters

- a) We did not audit the financial statements/ financial information of one subsidiary, whose financial statements/ financial information reflect total assets of Rs. 12,405.47 Lakhs as at March 31, 2022, total revenues of Rs. 3,198.58 Lakhs and net cash outflows amounting to Rs. 157.46 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The Consolidated Financial statements also include the Group share of net profit (Including Other Comprehensive Income) of Rs 15,412.70 Lakhs for the year ended March 31, 2022, as considered in the consolidated financial statements, in respect of two associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and associate, is based solely on the reports of the other auditors.
- b) The consolidated financial statements also include the Group's share of total net loss (Including comprehensive Income) of Rs. Nil for the year ended March 31, 2021, as considered in the consolidated financial statements, in respect of one associate, whose financial statements / financial information have not been audited by us. This financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of associate, and our report in

terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, this financial statements / financial information is not material to the Group.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

9. Report on Other Legal and Regulatory Requirements

A. Parent company, subsidiary company and Associate Company:

In our opinion and based on the consideration of reports of other statutory auditors of the subsidiary and associate incorporated in India, the remuneration paid by the Parent Company, its subsidiary Company and Its Associate, to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder except in case of one associate company, as the provisions of the aforesaid section is not applicable to private company.

B. As per the other Auditor's Report on Consolidated Financial Statements of Associate Company: ISMT Limited

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 Parent Company to its directors during the year is in accordance with the provisions of section 197 of the Act except to the extent referred in Annexure A to this report. Subsidiaries incorporated in India have not paid any remuneration to its directors.

C. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations, except for the matter described in the Basis for Qualified Opinion paragraph above, which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
- b) except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;

- c) except for the effects/possible effects of the matters described in the Basis for Qualified Opinion paragraph above, In our opinion, the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph above the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group and its associates;
- f) On the basis of the written representations received from the directors of the Parent Company as on March 31, 2022 taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors of its subsidiary and associates incorporated in India, none of the directors of the Group and its associates incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- g) The qualifications relating to maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above;
- h) With respect to the adequacy and the operating effectiveness of the internal financial controls with reference to these consolidated financial statements of the Parent Company and its subsidiaries companies and its associates incorporated in India, refer to our separate Report in "Annexure B" to this report;
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group— Refer Note No. 4.1 of consolidated financial statements.

- ii. The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts;
- iii. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Parent Company, its Subsidiaries and Associates Companies incorporated in India.
- iv. a) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company or any of such subsidiaries to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or any of such subsidiaries to (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
b) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Parent Company or any of such subsidiaries from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. Board of Directors of the Parent Company and Subsidiaries incorporated in India have not proposed any dividend for the financial year covered under Audit and have not paid dividend in respect of previous financial year.
- vi. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor’s Report) Order, 2020 (the “Order” I “CARO”) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor’s report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For V.K. Paradkar & CO
Chartered Accountants
Firm’s registration No.: 120527W

V.K. Paradkar
Proprietor
Membership No.: 17151
UDIN NO: 22017151APVPID3279

Place : Pune
Date : August 25, 2022

Indian Seamless Enterprises Limited

Annexure-A

As per the other Auditor's Report on Consolidated Financial Statements of Associate Company: ISMT Limited

Details of Managerial Remuneration paid / provided in excess of requisite approval:

Designation	Amount paid / provided	Amount paid / provided in excess of requisite approval	Amount due as recoverable from Balance Sheet	Steps taken for recovery
Managing Director Remuneration: Paid	-	-	-	-
Provided	261	261	-	-
Non-Executive Director Remuneration: Paid	-	-	-	-
Provided	40.00	40.00	-	-
Total	301.00	301.00	-	

Note: Rs. 460.00 Lakhs up to financial year 2021-22 is subject to approval of Appropriate Authorities.

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 9 (C) (h) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Indian Seamless Enterprises Limited on the Consolidated Financial statements for the year ended March 31, 2022]

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

In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of Indian Seamless Enterprises Limited ("the Parent Company"), its Subsidiary Companies and its Associates incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent Company, its Subsidiaries and its Associates which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to financial statements 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Parent Company, its Subsidiaries and its associates, which are incorporated in India, internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements 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 control system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence, we have obtained and the audit evidence obtained by other auditors in terms of their reports referred to in the other matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's and its associates internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements 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 with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With reference to consolidated financial statements

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

Opinion:

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors, as referred to in Other Matters paragraph, the Parent Company, subsidiary companies and its associates which are incorporated in India, have maintained, in all material respects an adequate internal financial controls system with reference to these consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2022 based on the internal control with reference to consolidated financial statements criteria established by the Parent Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls With reference to financial statements issued by the Institute of Chartered Accountants of India.

Other Matter:

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to consolidated financial statements in so far as it relates to two subsidiaries and two associates, incorporated in India, is based on the corresponding reports of the auditors of such of such subsidiaries and associates incorporated in India.

For V.K. Paradkar & CO
Chartered Accountants
Firm's registration No.: 120527W

V.K. Paradkar
Proprietor
Membership No.: 17151
UDIN NO: 22017151APVPID3279

Place : Pune
Date : August 25, 2022

Indian Seamless Enterprises Limited

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
NON-CURRENT ASSETS			
(a) Property, plant and Equipment	1.1	9,226.82	10,147.51
(b) Capital Work-in-progress	1.2	383.04	-
(c) Investment property	1.3	990.55	1,081.81
(d) Goodwill on Consolidation		392.83	392.83
(e) Financial Assets			
i) Investments	1.4	3.55	3.59
ii) Loans	1.5	775.00	-
iii) Other Financial assets	1.6	25.72	-
(f) Investments accounted for using the equity method	1.7	41,772.55	11.10
(g) Deferred Tax Assets(Net)	1.8	495.84	637.40
(h) Other non-current assets	1.9	69.76	6.98
Total non-current assets		54,135.66	12,281.23
CURRENT ASSETS			
(a) Inventories	1.10	-	7.15
(b) Financial Assets			
i) Trade Receivables	1.11	712.94	859.95
ii) Cash and Cash equivalents	1.12	355.26	522.64
iii) Bank Balance other than Cash and Cash equivalents	1.13	33.99	17.75
iv) Other Financial Assets	1.14	162.07	78.05
(c) Current Tax Assets (Net)	1.15	200.01	131.07
(d) Other Current Assets	1.16	46.48	67.39
Total current assets		1,510.76	1,684.00
Asset held for Sale	4.4 (b)	691.63	-
TOTAL ASSETS		56,338.05	13,965.23
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	1.17	1,128.76	1,128.76
(b) Other Equity	1.18	45,714.79	3,104.99
Equity attributable to equity shareholders of parent company		46,843.55	4,233.76
Non Controlling Interest		5,155.25	4,963.83
Total Equity		51,998.80	9,197.59
LIABILITIES			
NON CURRENT LIABILITIES			
(a) Financial Liabilities			
i) Borrowings	1.19	-	185.58
ia) Lease Liabilities	4.10	-	6.18
ii) Other Financial Liabilities	1.20	240.71	204.55
(b) Provisions	1.21	56.05	211.75
(c) Other non-current Liabilities	1.22	353.71	387.65
Total non-current liabilities		650.47	995.72
CURRENT LIABILITIES			
(a) Financial Liabilities			
i) Borrowings	1.23	724.00	938.46
ia) Lease Liabilities	4.10	6.18	5.98
ii) Trade Payables	1.24	-	2.43
Micro and Small Enterprises		-	2.43
Others		1,458.24	728.03
iii) Other Financial Liabilities	1.25	269.37	1,014.65
(b) Other Current Liabilities	1.26	1,222.57	1,062.80
(c) Provisions	1.27	8.43	19.58
Total current liabilities		3,688.78	3,771.93
TOTAL LIABILITIES		56,338.05	13,965.23
Significant Accounting Policies	3		
Notes to Accounts	4		

As per our report of even date

For V.K.Paradkar & Co
Chartered Accountants
Firm Registration Number: 120527W

For and on behalf of the Board of Directors of
Indian Seamless Enterprises Ltd
CIN No.: U29000PN1995PLC090946

V.K.Paradkar
PROPRIETOR
Membership Number: 17151

B. R. Taneja
Managing Director
DIN: 00328615

N. V. Karbhase
Whole Time Director
DIN : 00228836

Anchal Jaiswal
Company Secretary
M. NO.: 35538

Rajendra Mangrulkar
Chief Financial Officer

Place : PUNE
Date : August 25, 2022

Place : PUNE
Date : August 25, 2022

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
INCOME			
I Revenue from operations	1.28	4,208.65	4,600.33
II Other Income	1.29	121.09	143.83
III TOTAL INCOME (I+II)		4,329.74	4,744.16
IV EXPENSES			
Cost of Material Consumed	1.30	419.72	564.67
Purchases of Stock in Trade		1,060.22	873.30
Changes in inventories of finished goods, Stock-in-Trade and work-in progress	1.31	-	75.11
Employee Benefits Expense	1.32	725.45	956.58
Finance Cost	1.33	205.21	388.80
Depreciation and amortization expense	1.34	338.71	431.08
Other Expenses	1.35	506.41	549.20
TOTAL EXPENSES (IV)		3,255.73	3,838.74
V PROFIT BEFORE SHARE OF PROFIT OF AN ASSOCIATES, EXCEPTIONAL ITEMS AND TAX (III -IV)		1,074.01	905.42
VI Share of Profit of an Associates (Accounted for using equity method)		15,412.70	6.42
VII Exceptional Item (Refer Note no 4.4 (a))		(476.23)	-
VIII PROFIT BEFORE TAX (V - VI)		16,010.48	911.84
IX TAX EXPENSES			
Current Year Tax		132.18	138.00
Previous Year Tax		(2.81)	91.28
Deferred Tax		129.40	-
Total tax Expenses		258.77	229.29
X PROFIT FOR THE YEAR (VII - VIII)		15,751.71	682.55
XI OTHER COMPREHENSIVE INCOME (OCI)			
a) Items that will not be reclassified to profit or loss			
i) Net Gain / (Loss) on Fair Valuation of Equity Instruments through OCI		0.66	0.47
ii) Remeasurement gains/losses on defined benefit plan		(226.97)	(1.63)
(ii) Income tax effect on above		5.86	(0.02)
b) Items that will be reclassified to profit or loss			
i) Exchange differences in translating the financial statements of a foreign operation.		(19.65)	(0.05)
(ii) Income tax effect on above		-	-
TOTAL OTHER COMPREHENSIVE INCOME		(240.10)	(1.22)
XII TOTAL COMPREHENSIVE INCOME (VII + X)		15,511.61	681.33
Profit / (Loss) attributable to:			
Equity Shareholders of Parent		15,491.42	253.76
Non Controlling Interest		260.29	428.80
Other Comprehensive Income attributable to:			
Equity Shareholders of Parent		(232.62)	(0.37)
Non Controlling Interest		(7.48)	(0.85)
Total Comprehensive Income attributable to:			
Equity Shareholders of Parent		15,258.80	253.38
Non Controlling Interest		252.81	427.94
XIII Earning per Equity Share(Face Value of Rs 10/- each)	4.13		
Basic and Diluted in Rs		137.24	2.25
Significant Accounting Policies	3		
Notes to Accounts	4		

As per our report of even date

For V.K.Paradkar & Co
Chartered Accountants
 Firm Registration Number: 120527W

For and on behalf of the Board of Directors of
Indian Seamless Enterprises Ltd
CIN No.: U29000PN1995PLC090946

V.K.Paradkar
 PROPRIETOR
 Membership Number: 17151

B. R. Taneja
 Managing Director
 DIN: 00328615

N. V. Karbhase
 Whole Time Director
 DIN : 00228836

Anchal Jaiswal
 Company Secretary
 M. NO.: 35538

Rajendra Mangrulkar
 Chief Financial Officer

Place : PUNE
 Date : August 25, 2022

Place : PUNE
 Date : August 25, 2022

Indian Seamless Enterprises Limited

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

(₹ in Lakhs)

Particulars		2021 - 22		2020 - 21	
i	CASH FLOW FROM OPERATING ACTIVITIES				
	Net Profit/ (Loss) Before Tax and share of associate and after exceptional item		597.78		905.42
	Adjustments For:				
	Depreciation of Asset	338.71		431.08	
	Profit on sale of Investment	-		(0.66)	
	Profit on sale of assets	(9.10)		-	
	Interest Income	(37.24)		(28.43)	
	Interest Expenses	205.21		388.80	
	Provision for Doubtful debts	6.25		16.26	
	Foreign currency translation difference	19.75			
	Assets Discarded	-		6.42	
	Sundry Balance Written Back	(51.09)		(107.84)	
	Dividend Income	(0.24)		(1.34)	
			472.25		704.30
	Operating profit / (loss) before working capital changes		1,070.02		1,609.72
	Adjustments for:				
	Decrease /(Increase) in Inventories	7.15		111.37	
	Decrease /(Increase) in Trade Receivables	140.76		(207.46)	
	Decrease /(Increase) in Financial Assets	(109.74)		(44.22)	
	Decrease /(Increase) in Other Assets	14.84		72.05	
	Increase /(Decrease) in Trade Payables	778.87		465.05	
	Increase /(Decrease) in Financial Liabilities	(30.10)		(78.55)	
	Increase /(Decrease) in Other Liabilities	125.82		(449.58)	
	Increase /(Decrease) in Provisions	(186.00)		(26.11)	(157.45)
	Cash generated from/(used in) operations		1,811.63		1,452.27
	Direct taxes paid (Net of refunds)		(198.51)		260.80
	Net cash flow from/(used in) operating activity		1,613.12		1,713.07
ii	CASH FLOW FROM INVESTING ACTIVITIES:				
	Purchase of PPE and Capital Work in Progress	(456.91)		(111.38)	
	Purchase of Investment	(0.71)		(1.77)	
	Proceeds from sales of PPE	9.73		-	
	Decrease /(Increase) in Other Bank Balance	(16.24)		100.09	
	Interest Received	35.39		28.43	
	Proceeds from sale of Investment	-		58.20	
	Net Cash Used in Investing Activities		(428.75)		73.57
iii	CASH FLOW FROM FINANCING ACTIVITIES:				
	Interest Paid	(882.90)		(546.62)	
	Payment of Lease Liabilities	(7.32)		(7.20)	
	Dividend Income	0.24		1.34	
	Proceeds/ (Repayment) from/of borrowing (net)	(400.04)		(1,460.25)	
	Tax on Buyback of shares	(0.34)		-	
	Interim dividend paid to non controlling interest	(61.39)		-	
	Net Cash from Financing Activities		(1,351.75)		(2,012.72)
	Net Increase/ (Decrease) in Cash and Cash Equivalents (i+ii+iii)		(167.38)		(226.08)
	Cash and Cash Equivalents at the beginning of the year (Refer Note 2)		522.64		748.73
	Cash and Cash Equivalents at the end of the year (Refer Note 2)		355.26		522.64
	Net Increase/(Decrease) in Cash & Cash Equivalents		(167.38)		(226.08)

Notes:

- 1 The Consolidated Cash Flow Statement is prepared using the “Indirect method” set out in Ind AS 7 - “ Statement of Cash Flows”
- 2 The cash and cash equivalents in the cash flow statement comprise of the following Balance Sheet amounts:

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
i) Margin money deposits with banks (less than 3 months maturity)	41.76	166.27
ii) Current Accounts with Banks	313.46	356.11
iii) Cash on Hand	0.05	0.27
Total	355.26	522.64

- 3 Previous year’s figures have been restated, wherever necessary, to conform to current year’s classification.

As per our report of even date

For V.K.Paradkar & Co
Chartered Accountants
Firm Registration Number: 120527W

For and on behalf of the Board of Directors of
Indian Seamless Enterprises Ltd
CIN No.: U29000PN1995PLC090946

V.K.Paradkar
PROPRIETOR
Membership Number: 17151

B. R. Taneja
Managing Director
DIN: 00328615

N. V. Karbhase
Whole Time Director
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Anchal Jaiswal
Company Secretary
M. NO.: 35538

Rajendra Mangrulkar
Chief Financial Officer

Place : PUNE
Date : August 25, 2022

Place : PUNE
Date : August 25, 2022

Indian Seamless Enterprises Limited

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

Note No - 1.1 - PROPERTY, PLANT AND EQUIPMENTS

Financial Year - 2021 -2022

Particulars	Gross Block			Depreciation			Net Block		
	As at April 1, 2021	Addition	Deletion / Adjustment	As at March 31, 2022	As at April 1, 2021	For the year	Deletion / Adjustment	As at March 31, 2022	As at March 31, 2021
Freehold Land *	7,225.87	-	-	7,225.87	-	-	-	7,225.87	7,225.87
Buildings	464.28	-	-	464.28	106.21	18.40	-	339.67	358.07
Plant and Equipment	3,811.53	-	1,154.18	2,657.35	1,313.41	203.00	461.92	1,602.86	2,498.12
Furniture and Fixtures	5.11	-	-	5.11	2.63	0.19	-	2.29	2.48
Office Equipment	27.85	-	-	27.85	21.17	3.43	-	3.25	6.68
Computer Hardware	14.95	0.40	-	15.35	12.23	0.65	-	2.46	2.71
Vehicles	192.99	18.61	-	211.60	150.81	15.55	-	45.24	42.18
Right to Use of Assets - Office Premises (Refer Note No 4.10)	18.65	-	-	18.65	7.25	6.22	-	5.18	11.40
Total	11,761.23	19.01	1,154.18	10,626.06	1,613.72	247.45	461.92	9,226.82	10,147.51

(₹ in Lakhs)

Financial Year - 2020 -2021

Particulars	Gross Block			Depreciation			Net Block		
	As at April 1, 2020	Addition	Deletion / Adjustment	As at March 31, 2021	As at April 1, 2020	For the year	Deletion / Adjustment	As at March 31, 2021	As at March 31, 2020
Freehold Land *	7,122.23	103.64	-	7,225.87	-	-	-	7,225.87	7,122.23
Buildings	464.28	-	-	464.28	73.77	32.44	-	358.07	390.51
Plant and Equipment	3,824.71	-	13.18	3,811.53	1,003.67	322.42	12.68	2,498.12	2,821.04
Furniture and Fixtures	49.87	-	44.75	5.11	43.01	0.26	40.64	2.48	6.85
Office Equipment	36.13	-	8.28	27.85	25.35	3.98	8.16	6.68	10.78
Computer Hardware	29.01	1.49	15.56	14.95	26.62	0.99	15.37	2.71	2.40
Vehicles	186.74	6.25	-	192.99	133.62	17.19	-	42.18	53.12
Leasehold Improvements	10.03	-	10.03	-	8.53	-	8.53	-	1.50
Right to Use of Assets - Office Premises (Refer Note No 4.10)	18.94	-	0.29	18.65	1.05	6.20	-	11.40	17.89
Total	11,741.95	111.38	92.10	11,761.23	1,315.63	383.48	85.39	10,147.51	10,426.32

(₹ in Lakhs)

* The Company had paid Rs 1.98 Lakhs in FY 2016-17 for purchase of Temple Lands to Government Authority. Registration of Land documents is pending

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

Relevant line item in the Balance sheet	the Balance sheet description of item of property	Gross carrying value Rs in Lakhs	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, plant and equipment	Freehold Land	198.08 (March 31, 2021 Rs. 198.08 Lakhs)	HRCE, Arulmigu shree basaveshwara swamy, Arulmigu Bettadamma temple, Arulmigu shree palagai karagam temple, Arul Migy Uttamma Karagam Temple	No	F.Y. 2016 - 17	Pending with Tamilnadu Government Authorities to transfer title deeds

Note No - 1.2 - Capital Work in Progress

a) Capital - work - in progress aging schedule

Particulars	Capital - work - in progress aging schedule			Total
	Less than 1 year	1-2 years	2-3 years	
Projects in Progress	383.04	-	-	383.04
Projects temporarily suspended	-	-	-	-
Total	383.04	-	-	383.04

Note No - 1.3 - INVESTMENT PROPERTY

Financial Year - 2021 - 2022

Particulars	Gross Block			Depreciation			Net Block		
	As at April 1, 2021	Addition	Deletion / Adjustment	As at March 31, 2022	As at April 1, 2021	For the year	Deletion / Adjustment	As at March 31, 2022	As at March 31, 2021
Hangar Building	1,315.93	-	-	1,315.93	234.12	91.26	-	325.38	1,081.81
Total	1,315.93	-	-	1,315.93	234.12	91.26	-	325.38	1,081.81

Financial Year - 2020-2021

Particulars	Gross Block			Depreciation			Net Block		
	As at April 1, 2020	Addition	Deletion / Adjustment	As at March 31, 2021	As at April 1, 2020	For the year	Deletion / Adjustment	As at March 31, 2021	As at March 31, 2020
Hangar Building	1,315.93	-	-	1,315.93	187.29	46.83	-	234.12	1,128.64
Total	1,315.93	-	-	1,315.93	187.29	46.83	-	234.12	1,128.64

Subsidiary Company - Taneja Aerospace and Aviation Limited

During the year, the company has recognised rental income of Rs 1,509.72 Lakhs (March 31, 2021 Rs 1,424.26 Lakhs) in the Consolidated Statement of Profit and Loss for Investment Property.

Investment property is leased out under operating lease. Disclosure on future rent receivable is included in note no 4.11.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Indian Seamless Enterprises Limited

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

Note No. 1.4 NON CURRENT FINANCIAL ASSETS - INVESTMENTS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Investment in Equity Instruments - Unquoted		
a) In Other Companies (At fair value through OCI)		
i) Cosmos Co-op Bank Ltd 1,000 (31 March, 2021: 1,000) equity shares of Rs 100 each fully paid.	-	-
ii) Global Tube & Steel Solutions Private Ltd Nil (March 31, 2021: 4500) equity shares of Rs.10 each fully paid.	-	0.45
iii) Sanay Tradex Private Ltd Nil (March 31, 2021: 8550) equity shares of Rs.10 each fully paid.	-	0.86
Investment in Equity Instruments - Quoted		
b) In Other Companies (At fair value through OCI)		
i) Maharashtra Seamless Ltd 10 (31 March, 2021 : 10) Equity Shares of Rs 5 each fully paid.	0.06	0.03
ii) Oil Country Tabular Ltd 5 (31 March, 2021 : 5) Equity Shares of Rs 10 each fully paid.	0.00	0.00
iii) Gandhi Special Tubes Ltd 1000 (31 March, 2021 : 850) Equity Shares of Rs 5 each fully paid.	3.49	2.26
Total	3.55	3.59

Aggregate amount of unquoted investments - 1.31

Aggregate amount of quoted investments - At Cost 3.57 2.97

Aggregate amount of quoted investments - At Market Value 3.55 2.29

Note No. 1.5 NON CURRENT FINANCIAL ASSETS -LOANS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured Loans		
Associate Company (Refer Note No. 4.7)	775.00	-
Total	775.00	-

Note No. 1.6 NON CURRENT FINANCIAL ASSETS - OTHERS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposits	21.30	-
On unpaid dividend accounts	4.41	-
Total	25.72	-

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

Note No. 1.7 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
In Associate Companies (Equity method accounting)		
a) Investment in Equity Instruments - Unquoted		
i) Fair Growth Holding Pte Ltd (Refer Note No 4.14) Nil (31 March, 2021 : 12,000) Equity Shares of SGD 1 each fully paid).	-	-
b) Investment in Equity Instruments - Quoted		
i) ISMT Ltd 6,90,20,451 (31 March, 2021 : 6,90,20,451) equity shares of Rs 5 each fully paid. (Refer Note No. 4.6)	41,756.92	-
ii) TAAL Enterprises Limited 6,291 (31 March, 2021 : 6,291) equity shares of Rs 10 each fully paid.	15.63	11.10
Total	41,772.55	11.10

Aggregate amount of unquoted investments	-	-
Aggregate amount of quoted investments - At Cost	0.10	9,722.09
Aggregate amount of quoted investments - At Market Value	0.35	7,414.20

Note No. 1.8 DEFERRED TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liabilities		
On Property Plant and Equipments	631.79	-
Total Deferred Tax Liabilities	631.79	-
Deferred Tax Assets		
On Employee Benefit	112.84	-
On Provision for Doubtful debts	8.49	-
MAT credit entitlement	1,006.30	637.40
Total Deferred Tax Assets	1,127.63	637.40
Total Deferred Tax Assets / (Liabilities)	495.84	637.40

Note No. 1.9 OTHER NON CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Capital advance to suppliers	54.86	-
Balance with revenue authorities	5.61	5.37
Security Deposits	9.30	1.61
Total	69.76	6.98

Note No. 1.10 INVENTORIES

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw Material in Stock	-	7.15
Total	-	7.15

Indian Seamless Enterprises Limited

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

Note No. 1.11 CURRENT FINANCIAL ASSETS - TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured		
- Considered good	712.94	859.95
- Considered doubtful	30.53	24.39
Less: Allowance for bad and doubtful debts	(30.53)	(24.39)
Total	712.94	859.95

Trade Receivables ageing schedule

Outstanding for following periods from due date of payment

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Undisputed Trade receivables – considered good		
Not Due	-	-
Less than 6 months	662.86	809.83
6 months - 1 years	35.04	50.12
1 -2 years	15.04	-
2 -3 years	-	-
More than 3 years	-	-
	712.94	859.95
(ii) Disputed Trade receivables – considered good		
Less than 6 months		
6 months - 1 years	5.88	1.65
1 -2 years	1.91	22.74
2 -3 years	22.74	-
	30.53	24.39
Less: Allowance for bad and doubtful debts	(30.53)	(24.39)
Total	712.94	859.95

Note No. 1.12 CURRENT FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
i) Balances with Banks	313.46	356.11
ii) Margin money deposits with banks (less than 3 months maturity)	41.76	166.27
ii) Cash on Hand	0.05	0.27
Total	355.26	522.64

Note No. 1.13 CURRENT FINANCIAL ASSETS - BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Margin money deposits with banks (more than 3 months maturity but less than 12 months)	33.99	17.75
Total	33.99	17.75

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

Note No. 1.14 CURRENT FINANCIAL ASSETS - OTHERS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Other Advances recoverable	162.07	50.06
Security Deposits	-	27.99
Total	162.07	78.05

Note No. 1.15 CURRENT TAX ASSETS (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Taxes Paid	394.65	331.54
Less: Provision for Taxes	194.64	200.47
Total	200.01	131.07

Note No. 1.16 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Advance to suppliers	6.49	37.12
Interest Accrued but not due	1.85	-
Balance with Government Authorities	0.91	1.25
Advance to staff	1.71	2.08
Prepaid expenses	11.87	17.94
Unbilled Revenue	0.50	-
Advances to be recoverable in cash or kind	23.15	9.00
Total	46.48	67.39

Note No. 1.17 EQUITY SHARE CAPITAL

(Amount in ₹)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised :-		
1,20,00,000 (31 March, 2021: 1,20,00,000) Equity shares of Rs. 10/- each	1,200.00	1,200.00
	1,200.00	1,200.00
Issued, Subscribed and Paid up		
1,13,99,606 (31 March, 2021 : 1,13,99,606) Equity share of 10/- Each fully paid	1,139.96	1,139.96
Less:- Calls in arrears	11.20	11.20
Total	1,128.76	1,128.76

The company has only one class of issued shares having par value of Rs. 10/- each. Holders of equity shares is entitled to one Vote per Share.
Calls Unpaid by Directors & Officers- NIL

Indian Seamless Enterprises Limited

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

The reconciliation of number of shares outstanding and the amount of share capital is set-out below

(₹ in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Equity Shares in Numbers	Amount in Rupees	Equity Shares in Numbers	Amount in Rupees
Shares outstanding at the beginning of the year	1,11,75,668	1,128.76	1,11,75,668	1,128.76
Amount received on unpaid call during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Calls unpaid	2,23,938	11.20	2,23,938	11.20
Shares outstanding at the end of the year	1,13,99,606	1,139.96	1,13,99,606	1,139.96

The Details of shareholders holding more than 5% Equity Shares (fully paid up) in the Company

(₹ in Lakhs)

Name of Share Holders (Equity)	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% holding	No. of Shares held	% holding
Vishkul Enterprises Private Limited	74,85,725	65.67%	74,85,025	65.66%

The details of Shares held by its Holding Company

(₹ in Lakhs)

Name of Share Holders (Equity)	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% holding	No. of Shares held	% holding
Vishkul Enterprises Private Limited	74,85,725	65.67%	74,85,025	65.66%

During the period of five years immediately preceding the balance sheet date, there are no shares issued without payment being received in cash, issued as bonus shares and shares bought back by the Company.

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

Shareholding Pattern of Promoters :

Shareholder's Name	Shareholding at the end of the year(March 31, 2022)				Shareholding at the end of the year(March 31, 2021)					
	Fully Paid Up	Partly Paid Up	Total	% of total Shares of the company	% change in share holding during the year	Fully Paid Up	Partly Paid Up	Total	% of total Shares of the company	% change in share holding during the year
Vishkul Enterprises Private Limited	74,85,725	-	74,85,725	65.67%	0.01%	74,85,025	-	74,85,025	65.66%	0.39%
Misrilall Mines Private Limited	2,48,955	-	2,48,955	2.18%	0.00%	2,48,955	-	2,48,955	2.18%	0.00%
Savitri Devi Sureka	1,93,929	-	1,93,929	1.70%	0.00%	1,93,929	-	1,93,929	1.70%	0.00%
Ramesh Sureka	1,07,972	-	1,07,972	0.95%	0.00%	1,07,972	-	1,07,972	0.95%	0.00%
A K Jain (HUF)	-	-	-	0.00%	0.00%	-	-	-	0.00%	-0.85%
Salil Taneja	93,342	-	93,342	0.82%	0.00%	93,342	-	93,342	0.82%	0.00%
Tara Jain	91,481	-	91,481	0.80%	0.00%	91,481	-	91,481	0.80%	0.00%
Baldevraj Topanram Taneja	-	-	-	0.00%	0.00%	-	-	-	0.00%	-0.01%
Mini Sureka	1,07,192	-	1,07,192	0.94%	0.00%	1,07,192	-	1,07,192	0.94%	0.00%
B R Taneja (HUF)	-	-	-	0.00%	0.00%	-	-	-	0.00%	-0.39%
Shiv Kumar Jain	28,834	-	28,834	0.25%	0.00%	28,834	-	28,834	0.25%	0.00%
Ashok Kumar Jain	186	-	186	0.00%	0.00%	186	-	186	0.00%	0.00%
Akshay Jain	89,510	15,809	1,05,319	0.92%	0.00%	89,510	15,809	1,05,319	0.92%	0.00%
Priti Sureka	1,07,859	-	1,07,859	0.95%	0.00%	1,07,859	-	1,07,859	0.95%	0.00%
Rohini Sureka	15,000	-	15,000	0.13%	0.00%	15,000	-	15,000	0.13%	0.00%
Avishi Sureka	15,042	-	15,042	0.13%	0.00%	15,042	-	15,042	0.13%	0.00%
Raghav Banka	5,095	-	5,095	0.04%	0.00%	5,095	-	5,095	0.04%	-0.03%
Rahul Banka	5,188	-	5,188	0.05%	0.00%	5,188	-	5,188	0.05%	-0.02%
Aayushi Jain	5,464	-	5,464	0.05%	0.00%	5,464	-	5,464	0.05%	0.00%
Shashi Taneja	46	-	46	0.00%	0.00%	46	-	46	0.00%	0.00%
Renu Jain	26,551	-	26,551	0.23%	0.00%	26,551	-	26,551	0.23%	0.00%
Siddharth Banka	5,000	-	5,000	0.04%	0.00%	5,000	-	5,000	0.04%	-0.03%
Manju Banka	10,112	-	10,112	0.09%	0.00%	10,112	-	10,112	0.09%	-0.04%
Total	86,42,483	15,809	86,58,292	75.95%	0.01%	86,41,783	15,809	86,57,592	75.95%	-0.98%

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

NOTE NO. 1.18 OTHER EQUITY

Particulars	Reserve and Surplus										Items of Other Comprehensive Income (OCI)			Total
	Capital Reserve	Revaluation Reserves	Capital Redemption Reserve	Amalgamation Reserves	Reserves for Contingencies	Securities Premium	General Reserve	Hedging Reserve Accounts	Retained Earnings	Equity Instruments through OCI	Exchange differences in translating the financial statements of a foreign operation	Remeasurement Gain/ (Losses) on Defined benefit Liabilities		
As at April 1, 2020	249.11	8,063.07	2,617.28	39.68	35.40	6,793.95	16,542.49	7.00	(31,604.95)	(1.16)	68.41	42.60	2,852.87	
Adjustment :														
Addition during the year	-	-	-	-	-	-	-	-	253.76	0.47	(0.05)	(0.80)	253.38	
Less : Interim dividend by associate company	-	-	-	-	-	-	-	-	(1.26)	-	-	-	(1.26)	
Sub Total	-	-	-	-	-	-	-	-	252.50	0.47	(0.05)	(0.80)	252.13	
As at March 31, 2021	249.11	8,063.07	2,617.28	39.68	35.40	6,793.95	16,542.49	7.00	(31,352.45)	(0.68)	68.36	41.80	3,104.99	
Adjustments :														
Add: Addition during the year	-	-	-	-	-	-	-	-	15,491.42	0.66	(19.65)	(213.64)	15,258.80	
Less: Adjustment on account of reduction in control in Associate Company	83.02	2,451.73	676.89	-	-	9,179.50	4,465.46	-	-	-	-	-	16,856.61	
Add: Recouping loss of earlier years of Associate Company	(250.07)	(8,063.07)	(2,617.28)	(39.68)	(35.40)	-	(14,159.38)	(7.00)	35,766.42	(70.64)	(29.18)	(29.18)	10,494.73	
Add: Transfer between reserves		(6.34)	0.01				6.34		(0.01)				(0.00)	
Less: Tax on Buy back of Shares									(0.34)				(0.34)	
Less : Interim dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	
Sub Total	(167.05)	(5,617.67)	(1,940.38)	(39.68)	(35.40)	9,179.50	(9,687.58)	(7.00)	51,257.48	0.66	(90.28)	(242.81)	42,609.79	
As at March 31, 2022	82.06	2,445.40	676.90	-	-	15,973.45	6,854.91	-	19,905.03	(0.02)	(21.92)	(201.01)	45,714.79	

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

NATURE AND PURPOSE OF RESERVES

- A Capital Reserve**
Represents application money on Equity Share Warrants not exercised.
- B Capital Redemption Reserve**
Represents Reserve created at the time of redemption of Preference Shares.
- C Revaluation Reserve**
Associate Company - ISMT Limited - Represents revaluation of Leasehold Land located at Ahmednagar and Baramati of Parent Company, Building and Plant & Machinery of its subsidiary Company “Structo Hydraulic’s AB”.
- D Amalgamation Reserve**
Arising out of the Scheme of Arrangement between The Indian Seamless Metal Tubes Limited and the Parent Company.
- E Reserve for Contingencies**
Arising out of the Scheme of Arrangement between the Parent Company and Jejuri Steel & Alloys Limited.
- F Securities Premium**
The amount received in excess of face value of the equity shares is recognised in Securities Premium .
- G General Reserve**
Represents profit transferred from Statement of Profit and Loss Account and are available for distribution to Shareholders.
- H Retained Earnings**
Retained Earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.
- I Foreign Currency Translation Reserves (FCTR)**
Exchange differences relating to the translation of the results and net assets of the Group’s foreign operations from their functional currencies to the Group’s presentation currency (i.e. Indian Rupees) are recognised directly in the other comprehensive income and accumulated in foreign currency translation reserve..

Indian Seamless Enterprises Limited

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

Note No. 1.19 NON CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured Loan		
Term Loan from Banks	-	540.24
Other Long Term borrowings	-	2.70
Less: Current maturities	-	(357.35)
Total	-	185.58

Subsidiary Company - Taneja Aerospace and Aviation Limited

The term loan from bank outstanding as at March 31, 2021 amounting to Rs 540.24 Lakhs is closed during the current year. The loan was secured by a first charge on assignment of Hangar-2 rental / receivables from lessee and specific freehold lands to the extent of 41.40 acres of land and development thereon of the Company at Belagondapalli Village, Thally Road, Denkanikottai Taluk, Krishnagiri District, Belagondapalli – 635114, Tamil Nadu as a collateral security. The loan carried an interest rate of base rate +2.30% to base rate + 2.50% per annum.

The other non-current borrowing from banks outstanding as at March 31, 2021 amounting to Rs 2.70 Lakhs is closed during the year. The loan was secured by the respective charge on motor vehicle. During the year ended March 31, 2022, the loan amount was repaid to the bank and the securities have been discharged.

Note No. 1.20 NON CURRENT FINANCIAL LIABILITIES -OTHERS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deposit for lessee	237.21	197.55
Deposit from customers	3.50	7.00
Total	240.71	204.55

Note No. 1.21 NON CURRENT LIABILITIES - PROVISIONS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision For Employee Benefits		
Gratuity	21.54	150.59
Leave Encashment (Unfunded)	34.51	61.15
Total	56.05	211.75

Note No. 1.22 OTHER NON CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Rental Income	353.71	387.65
Total	353.71	387.65

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

Note No. 1.23 CURRENT FINANCIAL LIABILITIES - BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured Loan		
Term Loan from Others (Refer Note No a)	-	30.00
Working Capital Loan from Bank (Refer Note b (i))	-	286.11
Current maturities of non-current borrowings (Refer Note b (i))		357.35
Unsecured Loan		
Short Term Borrowing from Related Parties (Refer Note b (ii))	300.00	-
Inter Corporate Deposit	424.00	265.00
Total	724.00	938.46

Note:

a) Parent Company

Short Term Loan of Rs Nil (March 31, 2021 : Rs 30.00 Lakhs) is secured by way of pledge of 3,39,00,000 Equity Shares held in the Associate company - ISMT Ltd and Corporate Guarantee by third parties. Securities by way of pledged Shares has been released on May 29, 2022.

b) Subsidiary Company - Taneja Aerospace and Aviation Limited

- i) The working capital borrowings from bank outstanding as at March 31, 2021: Rs 286.11 Lakhs has been closed during the year. The loan was secured against hypothecation of stock and book-debts on pari-passu basis and second charge on property, plant and equipment including specific free hold lands to the extent of 26.87 acres and development thereon of the Company at Belagondapalli Village, Thally Road, Denkanikottai Taluk, Krishnagiri District, Belagondapalli – 635114, Tamil Nadu. The borrowing carried an interest rate of MCLR plus 5.30% p.a. During the year ended March 31, 2022, the loan have been repaid and securities have been discharged.
- ii) During the year, the company has obtained a short term loan from a related party to meet its working capital requirements. The loan is unsecured and repayable by July 2022 unless extended. The loan carried an interest rate of 10% per annum.

Note No. 1.24 CURRENT FINANCIAL LIABILITIES - TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues to micro enterprise and small enterprise	-	2.43
Total outstanding dues to creditors other than micro enterprise and small enterprise (Refer Note No 4.8)	1,458.24	728.03
Total	1,458.24	730.46

Outstanding for following periods from due date of payment

Particulars	As at March 31, 2022	As at March 31, 2021
a) Due to MSE		
less than One year	-	2.43
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
	-	2.43

Indian Seamless Enterprises Limited

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

Particulars	As at March 31, 2022	As at March 31, 2021
b) Due to Others		
less than One year	1,370.31	644.76
1-2 years	9.00	7.92
2-3 years	3.23	18.95
More than 3 years	75.70	56.40
	1,458.24	728.03
c) Disputed - dues to MSME	-	-
d) Disputed - dues to Others	-	-
Total	1,458.24	730.46

Note No. 1.25 CURRENT FINANCIAL LIABILITIES - OTHERS

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Interest payable	26.92	705.95
Other Liabilities	21.21	59.96
Unpaid Dividend Account	4.41	-
Employee Related Liability #	28.51	73.63
Provision for Expenses	118.28	105.08
Customer Claims Payable (Refer Note No. 4.3 (d))	70.03	70.03
Total	269.37	1,014.65

Subsidiary Company - Taneja Aerospace and Aviation Limited - Includes Rs 3.66 Lakhs (March 31, 2021 Rs 1.54 Lakhs) due to whole time Director.

Note No. 1.26 OTHER CURRENT LIABILITIES

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Advance from customers	1,059.39	919.17
Other Liabilities	2.37	2.00
Deferred Rent Income	39.21	35.74
Deferred Revenue	1.39	10.61
Statutory Dues Payable	110.21	85.28
Security Deposits	10.00	10.00
Total	1,222.57	1,062.80

Note No. 1.27 CURRENT LIABILITIES - PROVISIONS

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Provision For Employee Benefits		
i) Gratuity	5.61	13.52
ii) Leave Encashment (Unfunded)	2.82	6.06
Total	8.43	19.58

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

Note No. 1.28 REVENUE FROM OPERATIONS

	(₹ in Lakhs)	
Particulars	For the Year Ended March 2022	For the Year Ended March 2021
<u>Sales of Products</u>		
Sales - Trading	1,088.94	915.55
Sales - Aviation	45.39	306.45
<u>Sales of Services</u>		
Professional fees	-	232.77
<u>Service - Aviation</u>		
Domestic Conversion Charges	962.21	1,294.00
Rental Income	2,083.94	1,809.96
Training and Other services	28.18	41.60
Total	4,208.65	4,600.33

Subsidiary Company “Taneja Aerospace and Aviation Limited”

Performance obligations and remaining performance obligations

Aggregate amount of the transaction price allocated to long-term fixed price contracts that are partially or fully unsatisfied as on March 31, 2022 is Rs 819.70 Lakhs (March 31, 2021 : Rs 1,186.47 Lakhs) of which the Company expects to recognize 88% (Rs 711.70 Lakhs) as revenue in 2022-23 (March 31, 2021 - 89% (Rs 1,053.21 Lakhs) in subsequent year), and 12% (Rs 108.00 Lakhs) as revenue in 2023-24 (March 31, 2021 - 11% (Rs 133.26 Lakhs). All other contracts are for periods one year or less. As permitted under Ind AS 115 the transaction price allocated to these unsatisfied contracts is not disclosed.

Note No. 1.29 OTHER INCOME

	(₹ in Lakhs)	
Particulars	For the Year Ended March 2022	For the Year Ended March 2021
Dividend Income	0.24	1.34
Interest on Income Tax Refund	-	16.12
Profit on Sale of Assets	9.10	-
Profit on Sale of Investments	-	0.66
Agriculture Income	23.25	
Interest Income	37.24	12.12
Interest Income for financial assets measured at amortized cost	-	0.20
Foreign Exchange Variance Income	-	1.83
Bad Debts Recovered	1.31	-
Credit Balance - Written Back	49.78	107.84
Miscellaneous Income	0.16	3.73
Total	121.09	143.83

Note No- 1.30 COST OF MATERIAL CONSUMED

	(₹ in Lakhs)	
Particulars	For the Year Ended March 2022	For the Year Ended March 2021
Inventory at the beginning of the year	7.15	43.41
Add: Purchases and Other Direct Cost	412.58	528.41
Inventory at the end of the year	-	7.15
Total	419.72	564.67

Indian Seamless Enterprises Limited

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

Note No- 1.31 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-INPROGRESS

(₹ in Lakhs)

Particulars	For the Year Ended March 2022	For the Year Ended March 2021
<u>Inventories at the beginning of the year:</u>		
Opening Stock in Trade	-	46.67
Opening Work in Progress	-	28.44
	-	75.11
<u>Inventories at the end of the year:</u>		
Closing Stock in Trade	-	-
Closing Work in Progress	-	-
	-	-
	-	75.11

Note No. 1.32 EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	For the Year Ended March 2022	For the Year Ended March 2021
i) Salaries, wages Bonus and Allowances	639.85	848.44
ii) Contribution to Provident Fund and Other Funds	45.61	58.67
iii) Gratuity	18.79	21.89
iv) Staff Welfare Expenses	21.20	27.58
Total	725.45	956.58

Note No-1.33 FINANCE COST

(₹ in Lakhs)

Particulars	For the Year Ended March 2022	For the Year Ended March 2021
Interest expenses		
Interest	44.24	135.25
Interest on Working Capital	84.93	147.25
Interest on Lease Liabilities	1.34	2.09
Other borrowing costs		
Cash Discount	0.51	1.14
Other Finance Cost	74.19	103.07
Total	205.21	388.80

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

Note No-1.34 DEPRECIATION AND AMORTIZATION EXPENSE

(₹ in Lakhs)

Particulars	For the Year Ended March 2022	For the Year Ended March 2021
Depreciation on Property, Plant and Equipments	247.45	383.48
Depreciation on Investment Properties	91.26	46.83
Amortisation of Goodwill	-	0.78
Total	338.71	431.08

Note No. 1.35 OTHER EXPENSES

(₹ in Lakhs)

Particulars	For the Year Ended March 2021	For the Year Ended March 2020
Repair and Maintenance - Plant and Machinery	39.31	16.90
Repair and Maintenance - Buildings	0.18	0.18
Repair and Maintenance - Others	17.10	17.53
Office Expenses	0.55	0.61
Corporate Social Responsibility Expenses (Refer Note No 4.19)	22.11	24.79
Power and Fuel	52.52	71.85
Audit Fees	10.82	11.24
Advertisement and Sale Promotion	10.11	13.98
Foreign Exchange Loss	2.20	-
Rates, Taxes and fees	86.29	85.07
Insurance	24.38	20.58
VAT and CST Expenses	9.26	-
Travelling expense	29.63	26.09
Vendor Charges	42.92	39.71
Assets discarded	-	6.42
Provision for Doubtful debts	6.25	16.26
Professional & Legal fees	91.45	134.18
Miscellaneous expense	61.34	63.80
Total	506.41	549.20

The following is the break-up of Auditors remuneration (exclusive of taxes)

(₹ in Lakhs)

Particulars	For the Year Ended March 2022	For the Year Ended March 2021
As auditor:		
Statutory audit	6.10	6.50
In other capacity:		
Limited Review	4.50	4.50
GST Audit Fees	0.22	0.24
Reimbursement of expenses	-	-
Total	10.82	11.24

Indian Seamless Enterprises Limited

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

2. Corporate Information

Indian Seamless Enterprises Limited (“the Parent Company”) is a public limited company incorporated in India (CIN: U29000PN1995PLC090946) having its registered office in Pune. The Parent Company is mainly engaged in Trading of Tubes, Investments and consultancy services. The consolidated financial statement comprises financials of the parent company and its subsidiaries (referred to collectively as “the Group”) and its associates.

These consolidated financial statements for the year ended March 31, 2022 were approved for the issue by the Board of Directors vide their Board meeting dated August 25, 2022.

3. Significant Accounting Policies

3.1 Statement of compliance:

The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), including the rules notified under Section 133 of the Companies Act, 2013 (the ‘Act’) read with Companies (Indian Accounting Standard) Rules, 2015 as amended; and the other relevant provisions of the Act and Rules there under.

3.2 Principles of Consolidation

3.2.1. Subsidiaries:

The consolidated financial statements have been prepared in accordance with Ind AS 110 on “Consolidated Financial Statements” on the following principles:

- a) Subsidiaries are entities controlled by the Parent Company. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity’s returns. The financial statements of the subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which the control ceases.
- b) The consolidated financial statements comprise of the financial statement of the Parent Company and its subsidiaries referred herein in Para 3.2.5 below. The financial statements of the Parent Company and its subsidiaries have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, incomes and expenses after eliminating intra-group balances, intra, group transactions and unrealized profits resulting there from and are presented to the extent possible, in the

same manner as the Parent Company independent financial statements

- c) In case of foreign subsidiaries, revenue items are converted at the average rates prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the “Foreign Currency Translation Reserve”.
 - d) The financial statements of the Parent Company and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group’s accounting policies. The financial statements of the subsidiaries used in consolidation are drawn up to the same reporting date as that of the Parent Company i.e., year ended March 31, 2020.
 - e) Non-controlling interests in the net assets of consolidated subsidiaries consists of:
 - The amount of equity attributable to non-controlling interests at the date on which investment in a subsidiary is made; and
 - The non-controlling interests’ share of movements in equity since the date parent subsidiary relationship came into existence.
 - The profit and other comprehensive income attributable to non-controlling interests of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss and Statement of Changes in Equity.
- #### 3.2.2. Associates
- a) An associate is an entity in which the Group has significant influence, but no control or joint control over the financial and operating policies.
 - b) Interest in associates are accounted for using the equity method. They are initially recognized at cost which includes transaction cost. Subsequent to initial recognition the consolidated financial statements include the Associates share of profit or loss and Other Comprehensive Income (“OCI”) until the date on which significant influence or joint control ceases.
 - c) The difference between the cost of investment in the associates and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

- d) Unrealized gains / losses arising from transactions with such entities are eliminated against the investment to the extent of the Group’s interest in the associates.

3.2.3. Business Combination:

In accordance with Ind AS 103, the Group accounts for business combinations using the acquisition method when the control is transferred to the Group. The consideration transferred for the business combinations is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. The Parent Company determines the basis of control in line with the requirements of Ind AS 110, Consolidated Financial Statements. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is remeasured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss or OCI as appropriate.

3.2.4. Common Control:

Business combinations involving entities that are ultimately controlled by the same part(ies) before and after the business combination are considered as Common control entities and are accounted using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect the fair values, or recognise new assets or liabilities. Adjustments are made to harmonise accounting policies.

The financial information in the financial statements in respect of prior periods is restated as if the business combination has occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.

The identity of the reserves is preserved and the

reserves of the transferor become the reserves of the transferee.

The difference if any, between the amounts recorded as share capital plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

3.2.5. The consolidated Financial Statements present the consolidated accounts of Indian Seamless Enterprises Limited with its subsidiaries and associate’s companies:

Sr No		Name of Company	Country of Incorporation	Nature of Relationship	Effective Ownership Interest (%)
1	*	Laurus radecon Private Limited	India	Subsidiary	52.01%
2	*	Taneja Aerospace & Aviation Ltd	India	Subsidiary	50.75%
3	* #	ISMT Ltd	India	Associate	22.97%
4	*@	TAAL Enterprises Ltd.	India	Associate	0.20%
5	\$	Fair Growth Holding Pte. Ltd	Singapore	Associate	Nil%

Reporting dates of all Subsidiary Companies an Associate companies is March 31, 2022.

* Audited by other auditors

*@ considered as associate company by virtue of equity holding by ultimate Parent Company.

Group shareholding have been reduced from 47.11% to 22.97% as on March 10, 2022.

\$ The company is closed down during the year.

3.3 Basis of Preparation of Consolidated Ind AS Financial Statements

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (“Act”) read with Companies (Indian Accounting Standards) Rules, 2016; as amended and the other relevant provisions of the Act and Rules there under.

The consolidated financial statements have been prepared on a historical cost basis except for certain financial assets and financial liabilities (including financial instruments) which have been measured at fair value at the end of each reporting period as explained in the accounting policies stated below.

3.4 Functional and presentation currency:

The Functional and presentation currency of the Group is

Indian Seamless Enterprises Limited

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

Indian rupees. Accordingly, all amounts disclosed in the consolidated financial statements and notes have been shown in Indian rupees.

3.5 Current versus non-current classification

The Group has classified all its assets and liabilities under current and non-current as required by Ind AS 1- Presentation of Financial Statements. The asset is treated as current when it is:

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

All other assets are classified as non-current

All liabilities are current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

3.6 Revenue Recognition:

The Group derives revenue primarily from Trading of Tubes, Investments and consultancy services

The Group follows specific recognition criteria as described below before the revenue is recognized.

i Sales

a) Sales of Goods:

Revenue from contracts with customers is recognised when the entity satisfies a performance obligation by delivering a promised goods or service to customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment but excluding taxes or duties collected on behalf of the government and net of returns and allowances, trade discounts and volume rebates.

b) Professional fees:

Revenue from professional fees is recognized upon by reference to the stage of completion of service and the amount of revenue can be measured reliably.

ii Other Operating Revenue

Other Operating revenue comprises of following items:

- Dividend Income

Dividend Income are recognized on receipt basis.

- Interest Income

Interest income from financial assets is recognized using effective interest rate method.

- Operating Lease Income

Revenue from Operating Lease is recognized on a straight line basis.

iii Subsidiary Company: Taneja Aerospace and Aviation Limited and Associate Company TAAL Enterprises Limited:

a) Revenue from long-term fixed time frame price contracts where the performance obligations are satisfied over time and there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method and billed in terms of the agreement with and certification by the customer.

b) Rental income arising from operating leases (leases of hangar) is accounted for on a straight-line basis or another systematic basis over the lease term based on agreement/contract entered into with the third party on accrual basis and is included in revenue in the Consolidated Statements of Profit and Loss due to its operating nature.

c) Training fees received, being non-refundable, is accounted over the period of training period.

d) Charter income from aircraft given on charter is booked on the basis of contract with customers and on completion of actual flying hours of the aircraft.

e) Revenue from time and material service contracts is recognized pro-rata over the period of the contract as and when services are rendered and the collectability is reasonably assured.

f) The Group accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of the discounts/incentives to each of the underlying performance obligation that corresponds to the progress by the

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

customer towards earning the discount/incentive. Also, when the level of discount varies with increases in levels of revenue transactions, the Group recognises the liability based on its estimate of the customer’s future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The Group recognized changes in the estimated amount of obligations for discounts in the period in which the change occurs. The discounts are passed on to the customer either as directly payments or as a reduction of payments due from the customer.

- g) Revenue recognised in excess of billings is classified as contract assets (“Unbilled revenue”) included in other current financial assets.
- h) Billings in excess of revenue recognized is classified as contract liabilities (“Deferred revenue”) included in other current liabilities.
- i) Other Income

The Group recognises duty drawback and income from duty credit scrips only when there is reasonable assurance that the conditions attached to them will be complied with, and the duty drawback and duty credit scrips will be received. Commission income is recognized when the right to receive payment is established.

3.7 Property, Plant and Equipment:

- i) Property, plant and equipment are stated at their original cost of acquisition including taxes, duties, freight, other incidental expenses related to acquisition and installation of the concerned assets and excludes refundable taxes and duties.
- ii) Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. When significant parts of plant and equipment are required to be replaced at intervals, the group depreciates them separately based on their specific useful lives. All other repairs and maintenance costs are recognized as expense in profit and loss statement as and when incurred.
- iii) All incidental expenses incurred during project implementation, for the project as well as trial run expenses are treated as expenditure during construction and are capitalized.

- iv) Capital work in progress (CWIP) comprises of cost of acquisition of assets, duties, levies and any cost directly attributable to bringing the asset to its working condition for the intended use. Expenditure incurred on project under implementation is treated as incidental expenditure incurred during construction and is pending allocation to the assets which will be allocated / apportioned on completion of the project
- v) Subsidiary Company: Taneja Aerospace and Aviation Limited:
 - a) Considering the nature of business activity, Runway has been treated as Plant and Equipment and depreciation has been provided accordingly.
 - b) Assets received on amalgamation are recorded at its fair value.

3.8 Depreciation:

- i) Depreciation on Building, Plant & Machinery, Computer Hardware is provided as per the useful life specified in Part ‘C’ of Schedule II of the Companies Act, 2013 on Straight Line Method.
- ii) Deprecation on Vehicle, office equipment, furniture and fixtures, vehicle and leasehold improvement is provided as per the useful life specified Part ‘C’ of Schedule II of the Companies Act, 2013 on Written Down Value Method.
- iii) In case of additions to and deletion from fixed assets, depreciation is charged on a pro-rata basis from the date of addition/till the date of deletion.
- iv) Subsidiary Company: Taneja Aerospace and Aviation Limited:

Depreciation on Buildings, Plant and Machinery and Computer-Hardware is provided as per the useful life specified in Part ‘C’ of Schedule II of the Companies Act, 2013 on Straight Line Method.

Based on the technical expert’s assessment of useful life, following class of property, plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. These estimates are based on the technical evaluation which considered the nature and usage of the assets, the operating conditions of the assets, anticipated technological changes and maintenance support etc.

Property, Plant and Equipment	
Plant and Machinery	15 -48 years

Indian Seamless Enterprises Limited

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

v Associate Company: ISMT Limited

- a) Leasehold Land is amortized over lease period.
- b) Depreciation on Plant & Machinery other than Captive Power Plant is provided on its useful life estimated by the management on Written Down Value method. For these classes of assets, based on the technical evaluation carried out by the external experts, the management has estimated the useful lives in the range of 8 years to 65 years.
- c) Depreciation on Building and Plant & Machinery of Captive Power Plant is provided as per the useful life specified in Part 'C' of Schedule II of the Companies Act, 2013 on Straight Line Method.
- d) Depreciation on Furniture & Fixtures, Office Equipment and vehicle is provided as per the useful life specified in Part 'C' of Schedule II of the Companies Act, 2013 on Written Down Value Method except in case of Tridem Port and Power Company Private Limited and Nagapattinam Energy Private Limited where straight line method is followed
- e) Depreciation on property, plant and equipment of the Group's foreign subsidiaries has been provided on straight line method as per the estimated useful life of such assets. Details of estimated useful life of property, plant and equipment of these foreign subsidiaries are as follows:

Sr. No.	Class of Assets	Useful life in Years
1	Building	45 Years
2	Equipment's, Tools, Fixtures and Fittings	3 to 5 years
3	Plant & Machinery and Equipment	3 to 30 Years
4	Computer Hardware and Software	5 Years

3.9 Intangible Assets:

Intangible assets acquired separately are measured on initial recognition at cost. Cost comprises the acquisition price, development cost and any attributable / allocable incidental cost of bringing the asset to its working condition for its intended use. The useful life of intangible assets is assessed as either finite or indefinite. All finite-lived intangible assets, are accounted for using the cost model whereby intangible assets are stated at cost less accumulated amortisation and impairment losses, if any. Intangible assets are amortised on straight line basis over the estimated useful economic life. Residual values and useful lives are reviewed at each reporting date.

Intangible assets with indefinite useful lives are not amortised,

but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognized in the Consolidated Statement of profit and loss within 'other income' or 'other expenses' respectively.

3.10 Investment properties:

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment properties are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation on investment properties is provided on a pro-rata basis on straight line method over the estimated useful lives. Use-full life of assets, as assessed by the management, corresponds to those prescribed by Schedule II – Part 'C'.

Though the Group measures investment properties using cost based measurement, the fair value of investment properties is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

Investment properties are de-recognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition.

3.11 Leases :

As a lessee

The Group's leased assets consist of leases for Office Premises. At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (i) the contract involves the use of an identified asset (ii) the group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and (iii) the Group has the right to direct the use of the asset

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received..

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of Property, Plant and Equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

Leases in which Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

3.12 Inventories:

- i. Stock of raw materials, stores, spares, bought out items and certain components are valued at cost less amounts written.
- ii. **Subsidiary Company: Taneja Aerospace and Aviation Limited:**
 - a) Stock of certain aero structures, components, work-in-progress and finished goods are valued at lower of cost and net realizable value based on technical estimate of the percentage of work completed.
 - b) Work-in-progress, manufactured finished goods and traded goods are valued at the lower of cost and net realizable value. Cost of work-in-progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present and condition. Cost of traded goods is determined on a weighted average basis.
- iii. **Associate Company: ISMT Limited**
 - a) Raw Materials are valued at lower of cost or net realizable value. Cost is determined on weighted average basis.
 - b) Semi-finished and finished goods are valued at lower of cost or net realizable value. The cost includes raw material on weighted average basis, labour cost, manufacturing expenses, production overheads and depreciation.
 - c) Stores, Spares and Coal are valued at cost determined on weighted average basis except for those which have a longer usable life, which are valued on the basis of their remaining useful life.
 - d) Subsidiary Companies - ISMT Europe AB and Indian Seamless Inc. USA:

Inventory is valued at the lower of original cost on a first in first out principle and net realizable value respectively. Obsolescence risk have been considered.

3.13 Employee Benefits:

- i. Provision for Gratuity and Leave Encashment has been made on the assumption that such benefits are payable to employees at the end of the accounting year.
- ii. **Subsidiary Company: Taneja Aerospace and Aviation Limited and Associate Company : ISMT Limited and TAAL Enterprises Limited**
 - a) **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the year in which the employees render the related service are recognised in respect of employees' services upto the end of the

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Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the Balance Sheet.

b) Other long-term employee benefits obligations

• Defined contribution plan

Group makes defined contribution to Provident Fund and Superannuation Fund, which are recognised as an expense in the Consolidated Statement of Profit and Loss on accrual basis. Group has no further obligations under these plans beyond its monthly contributions.

Employee 's State Insurance Scheme: Contribution towards employees ' state insurance scheme is made to the regulatory authorities, where Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as Group does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Consolidated Statement of Profit and Loss.

• Defined benefit plans

Gratuity: Group provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death incapacitation or termination of employment, of an amount based on the respective employee 's salary. Group 's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the other comprehensive income in the year in which they arise.

Compensated Absences: Accumulated compensated absences, which are ex to be availed or encased within twelve months from the end of the year are treated as short-term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encased beyond twelve months from the end of the year are treated as other long-term employee benefits. Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the Consolidated Statement of Profit and Loss in the year in which they arise.

Leaves under defined benefit plans can be encashed only on discontinuation of service by employee.

Foreign Subsidiary Companies of Associate Company (ISMT Ltd.):

The Group makes defined contribution to the Insurance Company as a social security benefit on accrual basis.

3.14 Foreign Currency Transactions:

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities at the Balance Sheet date are translated at the exchange rate prevailing on the date of Balance Sheet.

Exchange rate differences resulting from foreign currency transactions settled during the period including year-end translation of assets and liabilities are recognized in the Consolidated Statement of Profit and Loss.

Non-monetary assets, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in Other Comprehensive Income (OCI) or Consolidated Statement of Profit and Loss are also recognized in OCI or Consolidated Statement of Profit and Loss, respectively).

3.15 Government Incentive:

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per accounting policy applicable to financial liabilities

3.16 Cash and cash equivalents:

Cash and cash equivalents comprises cash on hand and at bank and demand deposits with banks which are short-term, highly liquid investments with original maturities of three months or

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

less, that are readily convertible into a known amounts of cash and which are subject to an insignificant risk of changes in value.

3.17 Fair Value Measurement:

The Group measures certain financial instruments at fair value at each balance sheet date. Certain accounting policies and disclosures require the measurement of fair values,

for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values and the valuation team regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

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

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

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

3.18 Financial instruments:

The Group recognizes financial assets and financial liabilities when it becomes party to the contractual provision of the instrument.

I. Financial Assets:

a) Initial recognition and measurement:

Financial assets are initially measured at its fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the concerned financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to acquisition of financial assets at fair through profit or loss are recognized immediately in profit or loss. However, trade receivable that do not contain a significant financing component are measured at transaction price.

b) Subsequent measurement:

For subsequent measurement, the Group classifies financial asset in following broad categories:

i. Financial asset carried at amortized cost (net of any write down for impairment, if any):

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortized costs using Effective Interest Rate (EIR) method less impairment, if any. The losses arising from impairment are recognized in the Consolidated Statement of profit or loss. Cash and bank balances, trade receivables, loans and other financial asset of the group are covered under this category.

ii. Financial asset carried at FVTOCI:

Financial asset under this category are measured initially as well as at each reporting date at fair value, when asset is held with a business model whose objective is to hold asset for both collecting contractual cash flows and selling financial assets. Fair value movements are recognized in the other comprehensive income.

iii. Financial asset carried at FVTPL:

Financial asset under this category are measured initially as well as at each reporting date at fair value. Changes in fair value are recognized in the Consolidated Statement of profit or loss.

c) Other equity instruments:

All other equity instruments are measured as fair value, with value changes recognized in the Consolidated Statement of Profit and Loss, except for those equity instrument for which the Group has elected to present the value changes in 'Other Comprehensive Income'.

d) Derecognition:

A financial asset is primarily derecognized when rights to receive cash flows from the asset have expired or the Group has transferred its contractual rights to receive cash flows of the financial asset

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Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

and has substantially transferred all the risk and reward of the ownership of the financial asset.

e) **Impairment of financial asset:**

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

For trade receivables Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Consolidated Statement of Profit and Loss under the head 'Other expenses'

II. Financial Liabilities:

a) **Initial recognition and measurement:**

The Group recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. Group classifies all financial liabilities as subsequently measured at amortised cost or FVTPL.

All financial liabilities are recognized initially at fair value and in the case of loans, borrowings and payables, net of directly attributable transaction costs. Financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

b) **Subsequent measurement:**

Financial liabilities are carried at amortized cost using the Effective Interest Rate (EIR) method. For trade and other payable maturing within one year from balance sheet date, the carrying amount approximate fair value due to short maturity of these instruments

c) **Derecognition of financial liabilities:**

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

III. Offsetting of Financial Instruments

Financial assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

3.19 Segment accounting:

The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the Executive Committee, the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments', in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

3.20 Earnings per share

Basic earnings per share is calculated by dividing the net profit for the year attributable to the shareholders of the Group and weighted average number of shares outstanding during the year.

Diluted earnings per share is calculated by dividing the net profit for the year attributable to the shareholders of the Group and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

3.21 Provision for Current and Deferred Tax:

The tax expense for the period comprises current and deferred tax. Taxes are recognised in the Consolidated Statement of profit and loss, except to the extent that it relates to the items recognised in the comprehensive income or in Equity. In which case, the tax is also recognised in the comprehensive income or in Equity

Current tax:

Provision for Current tax is made on the basis of relevant provision of The Income Tax Act, 1961 as applicable to the financial year.

Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary timing difference. Deferred tax assets are recognized for deductible temporary differences. to the extent that they are probable that taxable profit will be available against which the deductible temporary difference can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

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

Minimum Alternate Tax (MAT) Credit:

MAT credit is recognized as deferred tax asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period.

Foreign Associate Company and Foreign subsidiary companies of Associate Company:

Tax expenses have been accounted for on the basis of tax laws prevailing in respective countries

3.22 Impairment of non-financial Assets:

The Group assesses at each reporting date as to whether there is any indication that any property, plant and equipment or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognized in the Consolidated Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

3.23 Assets held for sale

The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

The criteria for held for sale classification is regarded met only when the assets (or disposal group) is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal group), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset (or disposal group) to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets (or disposal group) held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities (or disposal group) classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized

3.24 Provision, Contingent Liabilities and Contingent Assets:

Provisions are recognized when the Group has present obligation (legal or constructive) as a result of past event and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable

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Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

estimate can be made of the amount of the obligation. The expense related to a provision is presented in the Consolidated Statement of profit and loss net of any reimbursement/contribution towards provision made.

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

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liability:

Contingent Liabilities are not provided and are disclosed in Notes on Accounts. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

3.25 Events occurring after the Balance Sheet Date

Events occurring after the Balance Sheet date and till the date on which the financial statements are approved, which are material in the nature and indicate the need for adjustments in the financial statements have been considered

3.26 Standards Issued but not yet Effective: -

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022 and amendments were made in Ind AS 103, Ind AS 16, Ind AS 37, Ind AS 109 and Ind AS 106. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Group has evaluated these amendments and in the opinion of the Group, the impact on these amendments, are not expected to be material..

3.27 Key accounting judgments', estimates and assumptions:

The preparation of the Group's consolidated Ind AS financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Group continually evaluates these estimates and assumptions based on the most recently available information.

In particular, information about significant areas of estimates and judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated Ind AS financial statements are as below:

- a. Assessment of functional currency (Refer Note no 3.4);
- b. Financial instruments (Refer Note no 3.19);
- c. Estimates of useful lives and residual value of PPE (Refer Note no 3.7);
- d. Impairment of financial and non-financial assets (Refer Note no 3.19 and 3.18);
- e. Valuation of inventories (Refer Note no 3.12);
- f. Allowances for uncollected trade receivable and advances (Refer Note no 3.18);
- g. Evaluation of recoverability of deferred tax assets (Refer Note no 3.21); and
- h. Contingencies and Provisions (Refer Note no 3.24).

Revisions to accounting estimates are recognized prospectively in the Consolidated Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected.

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

4.1 Contingent Liabilities and Commitments (To the extent not provided for)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Contingent Liabilities		
Subsidiary Companies:		
i) Claims against the company not acknowledged as debts :		
Service Tax	124.37	124.37
Excise Duty	168.40	168.40
City Civil Court	170.00	170.00
ii) Capital and other commitments (to the extent not provided for)		
Bank Guarantees	34.46	194.83
Indemnity issued to customers	-	514.75
Associate Company		
i) Claims against the company not acknowledged as debts:		
Sales Tax	360.00	743.00
Income Tax	143.00	332.81
Excise and Custom Duty	3,372.67	3,335.67
Claims filed by Banks / Lenders with Debt Recovery Tribunal (Refer note c)	-	11,937.00
Others	2,647.00	2,644.00
ii) Commitments		
Estimated amount of contract remaining to be executed on capital account and not provided for (net of advances)	948.00	536.00

Note:

Associate Company : ISMT Limited

- a) The lenders are in the process of withdrawing their claim before DRT, Pune, consequent to one time settlement agreement

The Group does not expect the outcome of the matters stated above to have a material adverse impact on the Group's financial condition, result of operations or cash flows. Future cash outflows in respect of liability for Income Tax, Sales Tax, Service Tax, Custom Duty and Excise Duty is dependent on decisions by relevant authorities of respective disputes and in respect of other liabilities it is dependent on terms agreed upon with the parties

4.2 Calls in arrears is on Equity Shares-2,23,938 (March 31, 2021 : 2,23,938).

4.3 Subsidiary Company - Laurus Tradecon Private Limited (Formerly Known as Lighto Technologies Pvt. Ltd.)

- (a) Balance of debtors & creditors are subject to confirmation, any adjustments for differences, if any, would be made at the time of settlement/reconciliation. The management is of the view that the impact of such adjustments, if any, is not likely to be significant.
- (b) The business environment has become extremely competitive and challenging in the short run. The Company is taking suitable corrective steps.
- (c) The Company has provided the gratuity liability and leave salary on actual basis.
- (d) As a matter of prudent accounting policy, the company has accounted Rs 70.03 Lakhs towards claims made by the customers.

4.4 Subsidiary Company - Taneja Aerospace and Aviation Limited

(a) Exceptional tem

The Board of Directors, at its meeting held on November 01, 2021 considered and approved Voluntary Retirement Scheme/ Voluntary Separation Scheme ('Scheme') for certain category of employees, Pursuant to the scheme, eligible employees have opted and availed the Scheme, the Company has incurred an expenditure of Rs 387.89 lakhs towards such aforementioned the scheme and this has been disclosed as exceptional item. and

The Board of Directors at its meeting held on March 22, 2022 considered and approved Retrenchment Scheme for workmen, Pursuant to the scheme, the Company has incurred an expenditure of Rs 88.34 lakhs towards such aforementioned the scheme and this has been disclosed as exceptional item.

Indian Seamless Enterprises Limited

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

(b) Assets Held for Sale

The Board of Directors, at its meeting held on January 21, 2022, considered and granted approval for sale / dispose off certain old machineries' and equipment's of the Company, same has been approved by shareholders of the company in their Extra ordinary general meeting through postal ballot results declared on February 24, 2022. Further these identified assets has been classified as Assets held for sale under current assets. The carrying value of such assets held for sale amounted to Rs 691.63 Lakhs as on March 31, 2022.

- (c) As per Clause 9.2 of the Scheme of Arrangement as approved / sanctioned by the Hon'ble Madras High Court, Taneja Aerospace and Aviation Limited (TAAL) will carry on the business and activities relating to the demerged charter business for and on account of and in trust for TAAL Enterprises Limited (TEL) until the time TEL obtains the requisite statutory licences required for carrying on the demerged charter business. The said licences are yet to be obtained and accordingly the demerged charter business has continued to be operated by TAAL in trust for and on behalf of TEL including banking transactions, statutory compliances and all other commercial activities. Accordingly, the accounting entries pertaining to the demerged charter business are accounted in the books of account of TEL.

4.5 Associate Company - ISMT Limited

- (a) Considering the uncertainty related to realisation, the following items are not considered to accrue till they are settled / sanctioned / received as the case may be:

- a) Insurance claims except specific claims stated separately
- b) Interest on receivables.

- (b) After considering the impact of One Time Settlement (OTS) as referred in Note No. 4.5 (f) and business scenario post change in management, The Parent Company based on the evaluation of impact of tax under normal provision of Income Tax Act and on adoption of section 115BAA of the Income Tax Act 1961, decided to exercise one time option of adopting section 115BAA as on March 31, 2022. Accordingly, on adoption of tax option under section 115BAA of the Income Tax Act 1961, The Parent Company has written off MAT Credit (Deferred Tax Asset) of Rs. 8,204.62 Lakhs in the consolidated financial statements for the year ended March 31 2022

- (c) (i) The Parent Company had entered into Energy Banking Agreement dated May 07, 2010 with MSEDCL for a period of one year with provision for annual renewals. MSEDCL did not, however, actually permit Banking of energy once the plant was commissioned resulting in significantly higher cost to the Parent Company. The same was challenged by the Parent Company before Maharashtra Electricity Regulatory Commission (MERC) which vide its Interim Order dated June 20, 2014 had allowed Banking. MERC finally disallowed Parent Company's petition regarding banking of energy facility under Energy Banking Agreement (EBA) vide its orders dated June 20, 2014 and January 12, 2015. The Parent Company filed an appeal before the Appellate Tribunal for Electricity (APTEL) against the said order which was not allowed by the APTEL vide its order dated April 1, 2016. The Parent Company's appeal, challenging the APTEL order is pending before the Hon'ble Supreme Court. The Parent Company had accrued EBA benefit aggregating to Rs. 4,997.72 Lakhs up to March 31, 2014, of which amount outstanding as on March 31, 2022 is Rs. 3,953.11 Lakhs, representing excess energy charges paid to Maharashtra State Electricity Distribution Company Limited (MSEDCL) on account of non-availability of banking of energy facility. There has been no further accrual since April 1, 2014 on account of suspension of operation of power plant.

The Parent Company has strong case for breach of contract. Consequent upon change in management, considering uncertainties and inordinate delays, The Parent Company has decided to write off the recoverable dues of Rs. 3,953.11 Lakhs while continuing to pursue the case on merits and disclosed the said write-off amount under the head "Exceptional Items" in the consolidated financial statements for the year ended March 31, 2022.

- (ii) Consequent upon change in Management, the Parent Company is evaluating afresh all the available options for Captive Power project (CPP) either operating the plant or closing it down as a whole or otherwise maximizing value. The Parent Company continues to take adequate steps for preserving the value of the plant including pursuing for wrongful denial of the Banking at the Supreme Court. There is, however, an increasing focus on clean and renewable energy being environment friendly. There has also been a surge in commodity prices including coal and the recent geo political developments have added further uncertainty to both availability and pricing of coal. Considering these major developments and the fact that the plant has not been operated for over eight years and unstable CPP policies, The Parent Company has valued the CPP on conservative basis, notwithstanding the upside potential of positive Supreme Court outcome or the surging demand for power, after considering the valuation report of the Independent Valuer provided for impairment of Rs. 16,392.34 Lakhs to

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

the carrying amount of CPP for the year ended March 31, 2022 as per Ind AS 36 “Impairment of Assets” and disclosed the same under the head “Exceptional Items” in the consolidated financial statements

- (d) The Parent Company and through its subsidiary, has invested in Structo Hydraulics AB Sweden (SHAB) and recognised Goodwill on Consolidation of Rs 3,123.44 Lakhs on acquisition in the consolidated financial statement. SHAB has been incurring losses and its net worth is also eroded due to continuing losses. COVID has impacted businesses across the globe including Europe. During the year, Parent Company has impaired the investment in SHAB for the reasons stated in Note No. 3.19 of standalone financial statement and on the basis of report of the independent valuer. Eventually the Group has impaired the carrying value of Goodwill on consolidation of Rs.3,123.44 Lakhs in the consolidated financial statements for the year ended March 31, 2022
- (e) The Company has in the past obtained Central Government approval for payment of Managerial Remuneration to Erstwhile the Managing Director. (“Managing Director”) The Company thereafter was required to approach lenders for approval, which approval was still awaited pending restructuring. Pending the same, in compliance with section 197 of the Companies Act 2013, the Managing Director has refunded Salary drawn for the period December 01, 2016 to November 30, 2019 and salary from December 01, 2019 has not been paid. As a result of One Time Settlement the lenders dues have been paid off and the lenders approval is no longer applicable. The Board and the shareholders had also approved payment of remuneration to Erstwhile Non-Executive Director effective April 01, 2021 which is still payable. Accordingly amount of Rs. 924.00 Lakhs (including Rs. 504.00 Lakhs refunded to the Company and disclosed as contingent liability) is payable to the Managing Director and Rs. 40.00 Lakhs is payable to Erstwhile Non-Executive Director. The Company is considering suitable steps including approval of appropriate authorities, if required, for discharging above obligations.
- (f) In view of the rapidly growing economy, the Parent Company had planned expansion in capacities and also envisaged setting up of Captive Power Plant. However, number of subsequent developments viz economic slow-down leading to steep fall in demand, dumping of tubes by China, regulatory changes and other adverse developments severely impacted the Parent Company. Thus the assets created by company were highly under utilized resulting in inability to service the debt. The Parent Company had since been working with lenders for resolution of debt in terms of RBI scheme prevailing from time to time.

The Banks had pursued various schemes for Debt Resolution – the Banks initially contemplated restructuring which was approved by JLM but could not be concluded at banks end. The Banks then opted for OSDR and despite successful conclusion of OSDR resulting in identification of the investor, the OSDR could not be implemented due to RBI Circular dated February 12, 2018 scrapping all their schemes for stressed assets. The Banks then agreed to take up assignment of debt as Resolution Plan in terms of the aforesaid circular, pursuant to which bulk of Bank Debt was assigned to Asset Restructuring Companies (ARCs). The majority of lenders of the Parent Company had also signed Inter Credit Agreement as per RBI guidelines for restructuring of debt. However, restructuring and assignment of further debt could not be concluded due to covid pandemic.

After considering restructuring of debt subsequent to covid pandemic, the lenders opted for One Time Settlement (OTS) of entire outstanding debt for Rs 67,000.00 Lakhs along with change in management. After due process the lenders approved OTS along with change in management by Kirloskar Ferrous Industries Ltd (KFIL) acquiring majority stake in the Parent Company. After requisite approvals, the lenders executed the OTS agreement on January 31, 2022.

In order to fund the OTS, the Board of Directors of the Parent Company proposed to make preferential allotment of 1,540.00 Lakhs equity shares at a price of Rs 30.95 per equity share (equivalent to 51.25% of the post issue equity share capital of the Parent Company) to KFIL, for a total consideration of Rs 47,663.00 Lakhs, which was duly approved by shareholders of the Parent Company at the Extra Ordinary General Meeting held on December 22, 2021. After obtaining various regulatory approvals, KFIL invested Rs.47,663.00 Lakhs towards preferential allotment of 1,540.00 Lakhs equity shares at Rs 30.95 per equity share and also extended unsecured loan of Rs 19,400.00 Lakhs. The proceeds of the Preferential Allotment together with unsecured loan from KFIL of Rs 19,400 Lakhs were utilized as per terms of Agreements towards payment of OTS amount

Accordingly, the Parent Company has written back outstanding principal debt and unpaid interest due to lenders amounting to Rs 2,77,596.29 Lakhs Crore and disclosed the said write-back amounts under the head “Exceptional Items” in the consolidated financial statements for the year ended March 31, 2022

- (g) The Group has always been operationally profitable (positive EBIDTA) despite the net losses in earlier years. The successful OTS is inter alia resulting into positive net worth of The Group. Financial stability is also achieved with support of new management (KFIL), thereby enlarging the business opportunities including the abilities to participate in Government tenders. The Group also expects benefits from Atmanirbhar policies of the Government including continuation of Anti-Dumping Duty on import of seamless tubes from China. Accordingly, The Group believes that it can continue to operate as a Going Concern in the foreseeable future and accordingly, has continued to prepare its consolidated financial statements on ‘Going Concern Basis’.

Indian Seamless Enterprises Limited

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

- (h) Tridem Port and Power Company Private Limited (TPPCL), a wholly owned subsidiary of the Parent Company, along with its subsidiaries had proposed to set up a thermal power project and captive port in Tamil Nadu. TPPCL had obtained the approvals for the projects including acquisition of land but no construction activity had commenced. However, on account of subsequent adverse developments, the TPPCL could not pursue these projects. Government is giving considerable focus to infrastructure by both higher budgetary allocation and various other initiatives. This is expected to create multiple opportunities leading to positive impact on projects like TPPCL. Consequent upon change in management, considering the above, the Parent Company is evaluating the future potential and opportunities for TPPCL

Considering inter alia present status of the project, prevailing power sector scenario, long lasting impact of Covid pandemic on the project and recoverable amount as per the current project valuation report, the Parent Company after considering the impairment provision made in previous financial year, have made additional provision for impairment of Rs.2,989.00 Lakhs of the carrying value of TPPCL Project for the year ended March 31, 2022 as per Ind AS 36 "Impairment of Assets" and disclosed under the head "Exceptional Items" in the consolidated financial statements.

- (i) The outbreak of corona virus (COVID-19) pandemic globally has caused significant disturbance and slowdown of economic activity. The Group's operations and revenue during the year has improved, yet the full impact of COVID-19 is not ascertainable. The Group, continues to closely monitor the developments and possible effects that may result from current pandemic, on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation. The full assessment of the impact of the same on the Parent Company and SHAB's operations, CPP and on Port and Power Project (TPPCL) will be only possible once the pandemic settled down and the eventual impact may be different from the estimates made as of the date of approval of these consolidated financial statements

- 4.6 The Company has made investment in ISMT Limited of Rs 9,719.37 Lakhs and also provided unsecured loan amounting to Rs 775.00 Lakhs. The Company has also pledged 3,50,00,000 shares held in ISMT with ISMT Consortium Banks in connection with the loans extended by them. The Lenders of the ISMT had agreed to take up assignment of debt as Resolution Plan in terms of the RBI Circular dated February 12, 2018 pursuant to which bulk of Bank Debt was assigned to Asset Restructuring Companies (ARCs). The majority of lenders of the ISMT had also signed Inter Credit Agreement as per RBI guidelines for restructuring of debt. However, restructuring and assignment of further debt could not be concluded due to covid pandemic.

After considering restructuring of debt subsequent to covid pandemic, the lenders opted for One Time Settlement (OTS) of entire outstanding debt for Rs 67,000.00 Lakhs along with change in management. After due process the lenders approved OTS along with change in management by Kirloskar Ferrous Industries Ltd (KFIL) acquiring majority stake in the ISMT. After requisite approvals, the lenders executed the OTS agreement on January 31, 2022. The proceeds of the Preferential allotment to KFIL of Rs.47,663.00 Lakhs together with unsecured Loan from KFIL of Rs.19,400.00 Lakhs were utilized for the One Time Settlement with lenders. Consequent upon the payment made to lenders under (OTS), the lenders of ISMT released the pledged shares on 19-April-2022. Consequent upon the investment made by the KFIL in ISMT Ltd, on 10-March-2022, the effective share holding of the company in ISMT Ltd has been reduced from 47.11 % to 22.97%. However, the Company will continue as a Co-Promoters.

Post successful debt resolution inter alia resulting into positive net worth of the ISMT and its current liabilities does not exceed its current assets as of March 31, 2022. The Company is having cash profit for the year ended March 31, 2022. considering above scenario, No provision, however, has been made as required by Ind AS 36 "Impairment of Assets" in respect of diminution in the value of investment which is considered as Strategic and Long Term.

4.7 Segment Reporting :

Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the Executive Committee, the 'Chief Operating Decision Maker' as defined in Ind AS 108 - 'Operating Segments', in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

The Group has 4 segments-Trading, Investment, Aviation and Services.

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on the reasonable basis have been disclosed as unallocable.

Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets and other assets and liabilities which cannot be allocated to a segment on a reasonable basis have been included under "Unallocable Assets / Liabilities".

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

For the Financial Year 2021 -2022

(₹ in Lakhs)

Particulars	Trading	Investment	Aviation	Services	Total
Segment Revenue					
Segment Revenue from:					
External sales and services	1,088.94	-	3,119.72	-	4,208.65
Unallocable revenue	-	-	-	-	121.09
Total Segment Revenue	1,088.94	-	3,119.72	-	4,329.74
Segment Result					
Operating Profit / (Loss)	53.46	-	1,375.96	(1.95)	1,427.47
Add: Unallocable					(148.25)
Add: Share of profit/(loss) of associates					15,412.70
Less: Finance Cost					205.21
Less: Exceptional Items					476.23
Profit/(Loss) before Tax					16,010.48
Less: Tax expenses					258.77
Profit/ (Loss) after Tax					15,751.71
<u>Other Information</u>					
Segment Assets	-	42,151.67	12,413.70	-	54,565.37
Unallocable assets	-	-	-	-	1,772.68
Total Assets	-	42,151.67	12,413.70	-	56,338.05
Segment liabilities	1,819.16	-	1,542.04	3.80	3,365.01
Unallocable liabilities	-	-	-	-	974.24
Total liabilities	1,819.16	-	1,542.04	3.80	4,339.25
Cost incurred for:					
Acquired Assets - Segment	-	-	19.01	-	19.01
Depreciation					
Segment Assets	-	-	322.36	-	322.36
Unallocable Assets	-	-	-	-	16.35
Total	-	-	322.36	-	338.71

Indian Seamless Enterprises Limited

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

For the Financial Year 2020 -2021

(₹ in Lakhs)

Particulars	Trading	Investment	Aviation	Services	Total
Segment Revenue					
Segment Revenue from:					
External sales and services	915.55	0.20	3,481.51	232.77	4,630.02
Unallocable revenue					114.13
Total Segment Revenue	915.55	0.20	3,481.51	232.77	4,744.16
Segment Result					
Operating Profit / (Loss)	35.17	0.20	1,082.81	200.39	1,318.58
Add: Unallocable					(24.36)
Add: Share of profit/(loss) of associates					6.42
Less: Finance Cost					388.80
Profit/(Loss) before Tax					911.84
Less: Tax expenses					229.29
Profit/ (Loss) after Tax					682.55
Other Information					
Segment Assets	31.90	(380.63)	12,608.90	47.09	12,307.26
Unallocable assets					1,657.97
Total Assets	31.90	(380.63)	12,608.90	47.09	13,965.23
Segment liabilities	1,035.72	-	2,187.31	4.87	3,227.90
Unallocable liabilities					1,539.75
Total liabilities	1,035.72	-	2,187.31	4.87	4,767.64
Cost incurred for:					
Acquired Assets - Segment	-	-	111.27	0.11	111.38
Depreciation					
Segment Assets	-	-	409.60	-	409.60
Unallocable Assets	-	-			21.49
Total	-	-	409.60	-	431.08

Revenue from Major customers

Revenue under the segment Aviation includes Rs 1,724.97 Lakhs from one customers (March 31, 2021 : Rs 1,504.74 Lakhs from one customers) having more than 10% revenue of total segment revenue.

Revenue from one customer of the Company's - Trading segment amounting to Rs 1,088.94 Lakhs (March 31, 2021: revenue from One customers amounting to Rs 915.55 Lakhs) is more than 10% of total segment revenue.

4.8 Dues to Micro, Small and Medium Enterprises

There are no Micro, Small and Medium Enterprise suppliers as defined under the provisions of "Micro, Small, Medium Enterprises

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

Development Act, 2006” except in case of subsidiary company “Taneja Aerospace and Aviation Limited”. There are no dues to such suppliers as on March 31, 2022.

Subsidiary Company - “Taneja Aerospace and Aviation Limited”

The identification of micro, small and medium enterprise suppliers as defined under the provisions of “The Micro, Small and Medium Enterprise Development Act, 2006” [MSMED Act] is based on confirmation received from suppliers. The Company has accrued Rs Nil (March 31, 2020 : Rs Nil) towards interest payable to the vendors under the MSMED Act.

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
i) The principal amount due thereon remaining unpaid as at the year end, interest amount due and remaining unpaid as at the year end:		
a) Principal	-	2.32
b) Interest	-	0.11
ii. The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along-with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
iv) The amount of interest accrued and remaining unpaid as the year end in respect of principal amount settled during the year	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

4.9 Related Party Transactions.

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during the reporting periods, are:

Name and Relationships of the Related Parties:

I Key Management Personnel(KMP)

Name of the Related Party	Designation
B .R. Taneja (w.e.f. April 1, 2022)	Managing Director
N.V.Karbhase	Whole Time Director
Mr. Ramesh Jaiswara (w.e.f. October 01, 2020) - Subsidiary Company	Whole Time Director
Mr Rakesh Duda (w.e.f. May 16, 2022) - Subsidiary Company	Managing Director
Mrs Rahael Shobhana Joseph (w.e.f. August 5, 2021) - Subsidiary Company	Whole Time Director

II Entities where control exists

Parent Company

Vishkul Enterprises Private Limited

Indian Seamless Enterprises Limited

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

Entities where control exists

- | | |
|--|---|
| 1) ISMT Ltd. | 5) TAAL Enterprises Ltd |
| 2) Tridem Port and Power Company Pvt Ltd | 6) Fair Growth Holding Pte Ltd |
| 3) TAAL Tech India Private Limited | 7) Knox Investment Private Limited |
| 4) First Airways Inc., USA | 8) Katra Auto Engineering Private Limited |

III Details of transactions with related parties in the ordinary course of business for the year:

Nature of Transactions / Relationship	Entities where control exist	
	2021 -2022	2020 -2021
Income		
Other Income	-	0.27
Commission received for bank guarantee	-	2.75
Expenses		
Purchase of Trading goods	1,060.22	873.30
Interest Paid	29.78	20.89
Loans taken during the year	320.00	325.00
Loans repaid during the year	20.00	325.00
<u>Outstanding as on Balance Sheet Date</u>		
Balance payable as at the year end	724.00	265.00
Balance receivable as at the year end (Promoters Contribution)	775.00	-
<u>Key Management Personnel</u>		
Managerial Remuneration #	94.50	81.15
Director Sitting fees	10.70	7.60
<u>Outstanding as on Balance Sheet Date</u>		
Balance payable as at the year end	3.66	1.54

Details of Transaction entered with related parties:

- Purchase of Trading Goods from ISMT Limited Rs. 1,060.22 Lakhs (March 31, 2021 Rs 873.30 Lakhs) .
- Commission received from TAAL Enterprises Limited of Rs Nil (March 31, 2021 Rs 2.75 Lakhs).
- Other Income received from Knox Investments Private Limited Rs Nil (March 31, 2021 Rs 0.27 Lakhs).
- Interest paid to Taal Tech India Private Limited Rs 29.78 Lakhs (March 31, 2021 Rs 20.89 Lakhs).
- Loan taken from Taal Tech India Private Limited of Rs 320.00 Lakhs (March 31, 2021 Rs 325.00 Lakhs)
- Loan repaid to Taal Tech India Private Limited of Rs 20.00 Lakhs (March 31, 2021 Rs 325.00 Lakhs)

Excludes contribution to gratuity fund and provision for leave encashment as separate figures are not ascertainable for the managerial personnel. Further, Group has not paid any commission to the managerial personnel.

4.10 Leases

I Leases where group is Lessee

The Group have taken premises under operating lease. These leases are renewable by mutual consent on mutually agreeable terms. There are no restrictions imposed by these lease arrangements and there are no sub leases. There are no contingent rents.

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

A) Following are the changes in the carrying amount of Right-of-Use Assets for the year ended March 31, 2022.

(₹ in Lakhs)

Particulars	Office Premises	
	2021 - 2022	2020 - 2021
Balance as on April 1,	11.40	17.89
Addition during the year	-	-
Deletion on cancellation of lease / adjustment	-	0.29
Depreciation on ROU of Assets	6.22	6.20
Depreciation on Deletion	-	-
Balance as on March 31,	5.18	11.40

B) The following is the movement in Lease Liabilities for the year ended March 31, 2022.

(₹ in Lakhs)

Particulars	Office Premises	
	2021 - 2022	2020 - 2021
Balance as on April 1,	12.17	17.56
Additions during the year	-	-
Finance Cost incurred during the year	1.34	2.09
Deletion on Cancellation of lease / Adjustment	-	(0.29)
Payment of lease liabilities	(7.32)	(7.20)
Balance as on March 31,	6.18	12.17

C) The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis:

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Due within one year	6.60	7.32
Due within one year to five years	-	6.60
Due for more than five years	-	-
Total Undiscounted Lease Liabilities	6.60	13.92
Lease Liabilities included in the Statement of standalone financial position		
Non- current Liabilities	-	6.18
Current Liabilities	6.18	5.98

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

D) The following amounts are recognized in the Consolidated Statement of Profit and Loss for the year ended March 31, 2022:

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Interest Expenses on Financial Liabilities	1.34	2.09
Depreciation on ROU Assets	6.22	6.20
Expenses relating to Short Term Lease	-	-
Expenses relating to Leases of Low Value Assets	-	-
Total	7.55	8.29

Indian Seamless Enterprises Limited

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

E) The following amounts are recognized in the Consolidated Statements of Cash Flows for the year ended March 31, 2022: (₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Total Cash Outflows for leases	7.32	7.20
Total	7.32	7.20

II Subsidiary Company : Taneja Aerospace and Aviation Limited

Operating Leases where Company is a lessor:

The Company has entered into lease transactions mainly for leasing of hangars for a period of 25 years. The terms of lease include terms of renewal, increase in rents in future periods, which are inline with general inflation and terms of cancellation. The operating lease payments recognised in the Statement of Profit and Loss amounts to Rs 15,09,71,000/- (March 31, 2021 - Rs 14,24,26,000/-) included in Note 1.27.

Future minimum rentals receivable under non-cancellable operating leases are as follow:

Particulars	March 31, 2022	March 31, 2021
Within one year	1,600.30	1,509.71
After one year but not more than five years	7,420.72	7,000.68
More than five years	14,113.36	16,133.71

4.11 Employee Benefits

The group has made provision for gratuity and leave encashment on the assumption that such benefits are payable to employees at the end of the accounting year except in case of subsidiary company Taneja Aerospace and Aviation Limited, in which provisions are made on actuarial basis.

Subsidiary Company - Taneja Aerospace and Aviation Limited

(A) Defined Contribution Plans

During the year, Group has recognised the following amount in the statement of Profit and Loss:

Particulars	2021 -2022	2020 -2021
Employer's Contribution to Provident Fund, family pension fund and other fund	36.56	56.77
Total	36.56	56.77

(B) Defined Benefits Plans

i) Gratuity Payable to Employees

i) Actuarial Assumption

Particulars	March 31, 2022	March 31, 2021
Discount rate (per annum)	7.20%	6.90%
Rate of increase in salary	5% - 7%	5% - 7%
Expected average remaining working lives of employees (Years)	12.41	11.44
Withdrawal Rate	4% - 5%	4% - 5%
Retirement Age	58 Years	58 Years

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

ii) Changes in present value of defined benefit obligations

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Present value of defined benefit obligation at the beginning of the Year	165.42	153.19
Interest Cost	5.08	8.39
Past Service Cost	-	-
Current Service Cost	13.70	13.50
Curtailements	-	-
Benefits paid	(182.97)	(11.39)
Actuarial (gain) / loss on obligation *	21.04	1.73
Present value of defined benefit obligation at the end of the Year	22.28	165.42

iii) Expenses recognised in the consolidated statement of Profit and Loss

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Current Service Cost	13.70	13.50
Past Service Cost	-	-
Interest Cost	5.08	8.39
Curtailements	-	-
Total expenses recognised in the consolidated statement of profit and loss	18.79	21.89

*Included in provision for employee benefits (Refer note 1.21 and 1.27) Actuarial (gain)/loss on gratuity of Rs 21.04 Lakhs for the year ended March 31, 2022 [March 31, 2021: Rs 1.73 Lakhs] is included in other comprehensive income.

iv) Assets and Liabilities recognised in the Consolidated Balance sheet

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Present value of unfunded obligation as at the end of the year	22.28	165.42
Less: Funded with Life Insurance Corporation	(13.85)	(13.50)
Unfunded net asset/(Liability) recognised in the consolidated balance sheet	8.43	151.92

v) Expected contribution to the fund in the next year

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Total Amount	8.43	151.92

vi) Quantitative sensivity analysis for significant assumption

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
1 % increase in discount rate	20.82	151.86
1% decrease in discount rate	23.99	177.92
1% increase in salary growth rate	23.81	176.43
1% decrease in salary growth rate	20.96	153.35
1% increase in employee withdrawal rate	22.43	174.78
1% decrease in employee withdrawal rate	22.11	155.00

Indian Seamless Enterprises Limited

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

vii) Maturity Profile of defined benefit obligation

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Upto one year	4.60	12.51
One to two years	1.19	21.66
Two to three years	6.01	10.52
More than three years	13.56	180.01

4.12 Income tax expense

A The major components of income tax expenses for the year are as under:

(₹ in Lakhs)

Particulars	2021 -2022	2020 -2021
I) Income Tax recognised in the statement of profit and loss		
Current Year Tax	132.18	138.00
Previous Year Tax	(2.81)	91.28
MAT credit Entitlement - written off	129.40	-
Total Income Tax recognised in the statement of profit and loss	258.77	229.29
II) Income Tax recognised in Other Comprehensive Income		
Deferred tax	5.86	(0.02)
Total Income Tax recognised in Other Comprehensive Income	5.86	(0.02)

B Reconciliation of tax expense and the accounting profit for the year is under:

(₹ in Lakhs)

Particulars	2021 -2022	2020 -2021
Accounting profit before income tax expenses	16,010.48	911.84
Enacted tax rates in India (%)	26.00%	26.00%
Expected income tax expenses	4,162.72	237.08
Tax Effect of :		
Expenses not deductible	14.74	(2.80)
Exempt Income	(3,989.93)	(3.08)
Recognition of deferred taxes of earlier years	55.06	-
MAT credit receivable	-	-
Effect of Different income tax rate	(14.81)	23.58
Accelerated capital allowances	1.15	1.92
Carried forward loss set off	32.66	(118.70)
Tax expense recognised in Consolidated Statement of Profit and Loss	261.58	138.00
Adjustments recognised in current year in relation to the current tax of earlier years	(2.81)	91.28
Income Tax Expenses	258.77	229.29
Effective Tax Rate %	1.63%	15.13%

C Deferred Tax Assets / Liabilities

The Group has not recognised deferred tax assets in the absence of the virtual certainty with convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

Significant components of Deferred tax assets & liabilities recognized in Financial Statements

As at March 31, 2022

					(₹ in Lakhs)
Particulars	As at April 1, 2021	Charged / (credited) to Statement of Profit and Loss Account	Charged / (credited) to Other Comprehensive Income	Adjustment	As at March 31, 2022
<u>Tax effect of item constituting deferred tax liabilities</u>					
i) Property, Plant and Equipment	-	631.79			631.79
	-	631.79	-	-	631.79
<u>Tax effect of item constituting deferred tax assets</u>					
i) Employee Benefit		106.98	(5.86)		112.84
ii) Provision for Doubtful debts		8.49			8.49
iii) MAT credit entitlement	637.40	386.91		(18.02)	1,006.30
	637.40	502.39	(5.86)	(18.02)	1,127.63
Net deferred tax asset/ (liability)	637.40	129.40	(5.86)	(18.02)	495.84

As at March 31, 2021

					(₹ in Lakhs)
Particulars	As at April 1, 2020	Charged / (credited) to Statement of income	Adjustment	As at March 31, 2021	
<u>Tax effect of item constituting deferred tax liabilities</u>					
i) Property, Plant and Equipment	-	-	-	-	
	-	-	-	-	
<u>Tax effect of item constituting deferred tax assets</u>					
i) MAT Credit Entitlement	637.40	-	-	637.40	
	637.40	-	-	637.40	
Net deferred tax asset/ (liability)	637.40	-	-	637.40	

- D The Group is having unused tax losses as per the Income Tax Act, 1961 in Parent Company and Subsidiary Company - Laurus Tradecon Pvt Ltd (Formerly known as Lighto Technologies Pvt Ltd). Based on the probable uncertainty regarding the set off of these losses, the Company has not recognized deferred tax asset in the Balance Sheet. Details of tax losses under the head business losses with expiry is as follows:

					(₹ in Lakhs)
Financial Year	As at March 31, 2022	Expiry Date	As at March 31, 2021	Expiry Date	
<u>Business Loss</u>					
2016-2017	508.71	March 31,2025	515.12	March 31,2025	
2017-2018	64.55	March 31,2026	64.55	March 31,2026	
2021-2022	20.32	March 31,2030	-	-	
<u>Long Term Capital Loss</u>					
2012-2013	22.35	March 31, 2022	22.35	March 31, 2022	
<u>Unabsorbed Depreciation</u>	56.27	No Expiry	54.86	No Expiry	
Total	672.20		656.89		

Indian Seamless Enterprises Limited

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

4.13 Earnings per share

Net profit available to equity holders of the Company used in the basic and diluted earnings per share was determined as follows:

(₹ in Lakhs)

Particulars	2021 -2022	2020 -2021
Net Profit / (Loss) for the year attributable to Equity Shareholders	15,491.42	253.76
Weighted Average Number of Equity Shares outstanding for basic and diluted	1,12,87,637	1,12,87,637
Nominal Value of equity Shares (Rs)	10.00	10.00
Earnings Per Share (Rs.) (Basic and Diluted)	137.24	2.25

4.14 Associates (Equity Accounted Investments)

(A) Details of Group's associates are as follows:

(₹ in Lakhs)

Name of the Associate	Place of Incorporation	Proportion of ownership interest and voting power held by the Group		Principal Activity
		March 31, 2022	March 31, 2021	
ISMT Ltd.	India	22.97%	47.11%	Manufacturing of Seamless tubes, cylinder tubes, components and Engineering steel.
Fair Growth Holding Pvt. Ltd.	Singapore	0.00%	33.33%	SPV - Investment in Seamless Tube Manufacturing Company.
TAAL Enterprises Ltd.	India	0.20%	0.20%	Providing aircraft charter services.

(B) The aggregate summarised financial information in respect of the Group's associates that are accounted for using the equity method is as below:

(₹ in Lakhs)

(i) Financial Information of	ISMT Limited		Fair Growth Holding Pte Ltd		TAAL Enterprises Ltd.	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Current Assets	80,302.00	73,565.00	-	0.76	11,843.56	10,369.67
Non- current Assets	1,15,164.00	1,57,222.00	-	-	1,991.96	696.64
Current Liabilities	51,409.00	3,68,888.00	-	0.76	3,196.72	1,630.27
Non Current Liabilities	5,400.00	7,692.00	-	-	769.58	1,810.30
Revenue	2,16,060.00	1,251.75	-	15.82	12,935.68	10,491.80
Profit / (Loss) for the Year	2,37,408.00	(342.52)	-	(11.31)	3,191.37	3,180.32
Other Comprehensive Income for the year	(621.00)	(103.00)	-	-	48.34	15.88
Total Comprehensive Income for the year	2,36,787.00	(34,355.00)	-	(11.31)	3,239.71	3,196.20
Dividend received during the year	Nil	Nil	Nil	Nil	Nil	Nil

(ii) The above amount of summarised financial information include the followings:

(₹ in Lakhs)

Particulars	ISMT Limited		Fair Growth Holding Pte Ltd		TAAL Enterprises Ltd. *	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Cash and Cash Equivalent	5,243.00	3,279.00	-	0.83	2,489.39	3,666.38
Current financial Liabilities (excluding trade payable and Other payable and provisions)	20,865.00	3,46,418.00	-	-	1,614.02	297.03
Non Current financial Liabilities (excluding trade payable and Other payable and provisions)	291.00	6,806.00	-	-	748.23	-
Depreciation and amortisation	6,243.00	6,400.00	-	-	360.10	227.92
Interest Income	436.00	694.00	-	-	257.30	199.11
Interest Expense	1,430.00	26,265.00	-	-	202.53	104.71
Income Tax Expense/ (Income)	14,283.00	10.00	-	0.01	1,443.32	633.41

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

- (iii) Reconciliation of the above summarised financial information to the carrying amount of interest in the Associates recognised in the consolidated Ind AS financial statements

(₹ in Lakhs)

Particulars	ISMT Limited (Refer Note 4.6)		Fair Growth Holding Pte Ltd@		TAAL Enterprises Ltd.*	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Movement in investment						
Interest as on 1st April	-	-	-	0.27	11.10	5.91
Add: Share of profit for the year #	15,406.26	-	-	(0.55)	6.44	6.42
Add: Share of OCI for the year #	(225.67)	-	-	0.28	0.10	0.03
Add: Recouping loss of earlier years of Associate Company	9,719.73	-	-	-	-	-
Less: Adjustment on account of reduction in control in Associate Company	16,856.61	-	-	-	-	-
Less: Interim Dividend	-	-	-	-	(1.67)	-
Less: Buyback Expenses	-	-	-	-	(0.34)	(1.26)
Balance as at 31st March	41,756.92	-	-	-	15.63	11.10
Fair Value (Market Value) of Investment in the associates	34,406.84	7,385.19	N.A	N.A	102.62	29.05

* considered as associate company by virtue of equity holding by ultimate Parent Company.

@ The Company's - Associate company "Fair Growth Holding Pte Ltd" Board of the Directors had agreed to make application for strike off of the name of the company from the Register of the accounting and Corporate Regulatory Authority, Singapore and the said strike off process has been completed on August 10, 2021. Accordingly based on the review of statement of affairs of the said Associate as filed at the time of winding up and realisable value of equity investment in said Associate, the Group had written off its investment in said Associate for the year ended March 31, 2022.

4.15 Non Controlling Interest

Summarised financial information of subsidiaries having material non- controlling interest is as follows:

(₹ in Lakhs)

Particulars	Taneja Aerospace and Aviation Limited		Laurus Tradecon Private Limited	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Assets				
Non Current Assets	10,534.68	11,190.21	19.30	20.40
Current Assets	1,870.80	1,453.70	44.12	77.16
Liabilities				
Non Current Liabilities	607.81	956.72	-	-
Current Liabilities	934.23	1,230.59	470.53	486.00
Equity	10,863.43	10,456.60	(407.12)	(388.44)
Percentage of ownership held by non-controlling interest	49.25%	49.25%	47.99%	47.99%
Accumulated non controlling interest	5,350.61	5,150.23	(195.36)	(186.39)

Indian Seamless Enterprises Limited

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

(₹ in Lakhs)

Particulars	Taneja Aerospace and Aviation Limited		Laurus Tradecon Private Limited	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Revenue	3,119.72	3,452.01	-	212.77
Net profit / (Loss) for the year	546.67	621.86	(18.68)	255.31
Other Comprehensive Income	(15.19)	(1.73)	-	-
Total Comprehensive Income	531.48	620.13	(18.68)	255.31
Profit / (Loss) allocated to Non controlling Interest	261.77	305.43	(8.96)	122.51

(₹ in Lakhs)

Particulars	Taneja Aerospace and Aviation Limited		Laurus Tradecon Private Limited	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Net cash inflow / (outflow) from operating activities	970.12	1,368.59	24.32	(97.68)
Net cash inflow/(outflow) from investing activities	(420.16)	(31.98)	1.31	(1.31)
Net cash inflow/(outflow) from financing activities	(707.42)	(1,036.89)	(38.02)	(32.61)
Net cash inflow/(outflow)	(157.46)	299.73	(12.39)	(131.60)
Dividend paid to Non-controlling interests (including tax)	(59.22)	-	-	-

4.16 Financial risk management

The Group's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Group's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks and other receivables.

Group has exposure to following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Risk management framework

Group's board of directors has overall responsibility for establishment of Group's risk management framework. Management is responsible for developing and monitoring Group's risk management policies, under the guidance of Audit Committee. Management identifies, evaluate and analyses the risks to which the group is exposed to and sets appropriate risk limits and controls to monitor risks and adherence to limits.

Management periodically reviews its risk policy and systems to assess need for changes in the policies to adapt to the changes in market conditions and align the same to the business of the Group. Management through its interaction and training to concerned employees aims to maintain a disciplined and constructive control environment in which concerned employees understand their roles and obligations.

a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's exposure to credit risk arises primarily from amount due from Associate company, Trade Receivable and other receivables. For other financial assets, the Group minimise credit risk by dealing exclusively with high credit rating counterparties.

b) Liquidity risk.

Liquidity risk is the risk that Group will not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. Group closely monitors its liquidity position and deploys a robust cash management system.

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

The table below summarises the maturity profile of Group's Financial Liabilities

(₹ in Lakhs)				
Particulars	Less than 12 months	1 to 4 Years	More than 4 Years	Total
March 31, 2022				
Short Term Borrowings	724.00	-	-	724.00
Lease Liabilities	6.18	-	-	6.18
Trade Payable	1,458.24	-	-	1,458.24
Other Financial Liabilities	269.37	240.71	-	510.08
	2,457.79	240.71	-	2,698.50
March 31, 2021				
Short Term Borrowings	581.11	-	-	581.11
Long Term Borrowings	357.35	185.58	-	542.93
Lease Liabilities	5.98	6.18	-	12.17
Trade Payable	730.46	-	-	730.46
Other Financial Liabilities	1,014.65	204.55	-	1,219.20
	2,689.54	396.32	-	3,085.86

c) **Market risk**

Market risk is the risk that the fair value of future cash flows of a financial investment will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

- a) Interest rate risk
- b) Currency risk and;
- i) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Group's exposure to the risk of changes in market interest rates relates primarily to Group's long-term debt obligations with floating interest rates.

Group manages its interest rate risk by having a balanced portfolio of fixed and floating rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ in Lakhs)		
Particulars	Increase/decrease in basis points	Effect on Profit before tax
March 31, 2022		
INR	+45	-
INR	-45	-
March 31, 2021		
INR	+45	(3.73)
INR	-45	3.73

Indian Seamless Enterprises Limited

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Group's exposure to the risk of changes in foreign exchange rates relates primarily to Group's operating activities (when revenue or expense is denominated in a different currency from Group's functional currency).

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate (or any other material currency), with all other variables held constant, of Group's profit before tax (due to changes in the fair value of monetary assets and liabilities). Group's exposure to foreign currency changes for all other currencies is not material.

Particulars	(₹ in Lakhs)	
	Change in US\$ rate	Effect on Profit before tax
March 31, 2022		
INR	+2.50%	(1.30)
INR	-2.50%	1.30
March 31, 2021		
INR	+2.50%	(1.26)
INR	-2.50%	1.26

Details of Unhedged exposure in foreign currency denominated monetary items:

Particulars	As at March 31, 2022		As at March 31, 2021	
	USD	Rupees in Lakhs	USD	Rupees in Lakhs
Trade Payables	15,072	11.44	15,072	11.08

4.17 Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's Capital management is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity and internal accruals and long term borrowings.

Particulars		March 31, 2022	March 31, 2021
Total equity	(i)	46,843.55	4,233.76
Total debt		1,240.26	2,355.40
Less: Cash and Cash Equivalents		355.26	522.64
Net Debt	(ii)	885.00	1,832.76
Overall financing	(iii) = (i) + (ii)	47,728.55	6,066.52
Gearing ratio	(ii)/ (iii)	0.02	0.30

4.18 Fair value measurement

Fair valuation techniques

The fair values of the financial assets and liabilities are included at the amount at which the instrument can be exchanged in the current transaction between willing parties, other than a forced or liquidation sale.

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

The following methods and assumptions were used to estimate the fair values:

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.

Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for the expected losses of these receivables.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or Liabilities;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly;

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

A) The carrying value and Fair value of Financial assets and liabilities by categories are as follows :

(₹ in Lakhs)

Particulars	Carrying value of the financial assets/liabilities		Fair value of the financial assets/liabilities	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Financial Assets at Fair Value Through OCI (non-current)				
Investment in Equity Shares	3.55	3.59	3.55	3.59
Financial Assets at amortised cost (non-current)				
Loans	775.00	-	775.00	-
Other financial Assets	25.72	-	25.72	-
Total	804.26	3.59	804.26	3.59
Financial Assets at amortised cost (current)				
Trade Receivables	712.94	859.95	712.94	859.95
Cash and Bank Balances	355.26	522.64	355.26	522.64
Other Bank Balances	33.99	17.75	33.99	17.75
Other financial Assets	162.07	78.05	162.07	78.05
Total	1,264.27	1,478.39	1,264.27	1,478.39
Financial Liabilities at amortised cost (non-current)				
Borrowings	-	185.58	-	185.58
Lease Liabilities	-	6.18	-	6.18
Other Current Liabilities	240.71	204.55	240.71	204.55
Total	240.71	396.32	240.71	396.32
Financial Liabilities at amortised cost (current)				
Borrowings	724.00	938.46	724.00	938.46
Lease Liabilities	6.18	5.98	6.18	5.98
Trade Payables	1,458.24	730.46	1,458.24	730.46
Other financial Liabilities	269.37	1,014.65	269.37	1,014.65
Total	2,457.79	2,689.54	2,457.79	2,689.54

Indian Seamless Enterprises Limited

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

B) Level wise disclosures of financial assets and liabilities by categories are as follows :

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021	Level	Valuation Techniques and key Inputs
Financial Assets at Fair Value Through OCI (non-current)				
Investment in Equity Shares	3.55	3.59	1	Quoted NAV in active markets

Fair value of cash and cash equivalents, trade payables, trade receivables and other financial assets/liabilities approximate their carrying amounts largely due to the short term maturities of these instruments. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended March 31, 2021.

During the reporting period ended March 31, 2022, there were no transfers between level 1, level 2 and level 3 fair value measurements.

4.19 Corporate Social Responsibility expenditure (CSR)

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Gross amount required to be spent by the Group during the year	22.11	24.79

b) Details of amount spent towards CSR is as follows:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Paid	Yet to be Paid	Paid	Yet to be Paid
(i) Construction / acquisition of any asset	-	-	-	-
(ii) On purposes other than (i) above	22.11	-	24.79	-

4.20 Ultimate Beneficiary : Utilisation of Borrowed funds and share premium:

No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

No funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

4.21 Relationship with Struct of Companies

The Group has transactions with companies struck off under section 248 of the Companies Act,2013 or section 560 of the Companies Act, 1956 and details of the same are as per below :

Sr No	Name of the Struck off Company	Status	Nature of transactions with struck-off Company	No of Shares Held as on March, 2022	No of Shares Held as on March, 2021
1	Teejay Sugars Pvt Ltd	Amalgamated	Shareholder	106	106
2	Himani Limited	Strike off	Shareholder	97156	97156
3	Sree Nivas Estates P Ltd	Strike off	Shareholder	396	396
4	Bangalore Stock Exchange Ltd	Strike off	Shareholder	292	292
5	Taktawala Investments Pvt Ltd	Strike off	Shareholder	291	291
6	Optimates Finvest Pvt Ltd	Strike off	Shareholder	167	167
7	Aseem Leasing & Finance Pvt Ltd	Strike off	Shareholder	166	166
8	Ittefaq Investments Ltd	Strike off	Shareholder	25	25
9	Swadeshi Holdings Pvt Ltd	Strike off	Shareholder	25	25
10	Superb Holdings Pvt Ltd	Strike off	Shareholder	8	8
11	S S Kantilal Ishwarlal Sec Ltd	Strike off	Shareholder	7	7
12	Shubhi Financial Services P Ltd	Strike off	Shareholder	7	7
13	Monoplan Ind Credit Corp Ltd	Strike off	Shareholder	5	5
14	Electronica Holding Pvt Ltd	Strike off	Shareholder	74	74
15	N R I Financial Services Ltd	Strike off	Shareholder	62	62
16	Geojit Stock & Shares Ltd	Strike off	Shareholder	42	42
17	Mandvi Home Fin Pvt Ltd	Strike off	Shareholder	38	38
18	Sta-Rite Securities Trust Limited	Strike off	Shareholder	33	33
19	Pushpanjali Leasing & Finance Pvt Ltd	Strike off	Shareholder	29	29
20	Ysn Shares & Securities P Ltd	Strike off	Shareholder	2	2

4.22 The Management has made an assessment of the impact of COVID-19 on the Group's operations, financial performance and position as at and for the year ended March 31, 2022 and has concluded that there is no significant impact which is required to be recognized in the consolidated financial statements. The Group management will continue to closely monitor any material changes to future economic conditions.

4.23 Events occurring after the Balance Sheet date

No adjusting or significant non - adjusting events have occurred between the reporting date and the date of authorisation.

4.24 Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

As per our report of even date

For V.K.Paradkar & Co
Chartered Accountants
 Firm Registration Number: 120527W

For and on behalf of the Board of Directors of
Indian Seamless Enterprises Ltd
CIN No.: U29000PN1995PLC090946

V.K.Paradkar
 PROPRIETOR
 Membership Number: 17151

B. R. Taneja
 Managing Director
 DIN: 00328615

N. V. Karbhase
 Whole Time Director
 DIN : 00228836

Anchal Jaiswal
 Company Secretary
 M. NO.: 35538

Rajendra Mangrulkar
 Chief Financial Officer

Place : PUNE
 Date : August 25, 2022

Place : PUNE
 Date : August 25, 2022

Salient Features of Financial Statements of Subsidiary/Associates as per Section 129(3) of Companies Act 2013

Part A - Subsidiary Companies

Sr No	Name of Subsidiary Company	Reporting Currency	Share capital	Reserves and Surplus	Total Assets	Total Liabilities #	Investments (Excluding investment in Subsidiary)	Turnover/ total Income	Profit/(Loss) Before taxation	Provision for Taxation	Profit/(loss) after Taxation	Proposed Dividend	₹ in Lakhs)	
													% of Share holding (Effective)	31-03-2022
1	Laurus Tradecon Pvt Ltd	INR	53.97	(461.09)	63.42	470.53	2.63	35.28	(18.68)	-	(18.68)	-	-	52.01%
2	Taneja Aerospace & Aviation Ltd	INR	1,246.54	9,616.89	12,405.47	1,542.04	-	3,198.58	805.43	258.76	546.67	-	-	50.75%

Excluding Share Capital and Reserves and Surplus

Part B - Associate Company

Sr no	Name of the enterprise	ISMT Ltd (Refer note No 2)	TAAL Enterprises Ltd. (Refer Note no 3)	Fair growth Holdings PTE Ltd (Refer Note no 2)
1	Latest audited Balance Sheet Date	31-03-2022	31-03-2022	31-03-2022
2	Shares of Associate held by the Company on the year end			
	a) Number	6,90,20,451	6,291	-
	b) Amounts of Investment (Rs in Lakhs)	9,719.73	2.36	-
	c) % of holding	22.97%	0.20%	0.00%
3	Net worth attributable to shareholding as per Latest audited Balance Sheet (Rs in Lakhs)	1,23,617.51	7,314.10	-
4	Profit / (Loss) for the year considered in Consolidation (Rs in Lakhs)	15,406.26	6.44	-
5	Not Considered in Consolidation	-	-	-
6	Description of how there is significant influence	Note - 1	Note - 1	N.A.
7	Reason why the Associate is not consolidated	N.A.	N.A.	Refer Note 2

Note :

- The Company directly hold investment of more than 20%.
- The Company's - Associate company "Fair Growth Holding Pte Ltd" - Board of the Directors had agreed to make application for strike off of the name of the company from the Register of the accounting and Corporate Regulatory Authority, Singapore and the said strike off process has been completed on August 10, 2021. Accordingly based on the review of statement of affairs of the said Associate as filed at the time of winding up and realisable value of equity investment in said Associate, the Group had written off its investment in said Associate for the year ended March 31, 2022.
- considered as associate company by virtue of equity holding by ultimate Parent Company.

**For and on behalf of the Board of Directors of
Indian Seamless Enterprises Ltd
CIN No.: U29000PN1995PLC090946**

B. R. Taneja
Managing Director
DIN: 00328615

N. V. Karbhase
Whole Time Director
DIN : 00228836

Anchal Jaiswal
Company Secretary
M. NO. : 35538

Rajendra Mangrulkar
Chief Financial Officer

Place : PUNE
Date : August 25, 2022

Notes to Consolidated Financial Statement for the Year Ended March 31, 2022

Additional Information as required under Schedule III to the Companies Act, 2013 of enterprises consolidated as subsidiary/associate

Sr. No	Name of the Enterprise	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit/(Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated Net Assets	Amount in Rs	As % of Consolidated Profit/(Loss)	Amount in Rs	As % of Consolidated Profit/(Loss)	Amount in Rs	As % of Consolidated Profit/(Loss)	Amount in Rs
Holding Company									
1	Indian Seamless Enterprise Limited	21.79%	11,328.95	-0.79%	(122.16)	-0.29%	0.66	-0.80%	(121.49)
Indian Subsidiary									
1	Laurus Tradecon Pvt Ltd	-0.78%	(407.12)	-0.12%	(18.68)	0.00%	-	-0.12%	(18.68)
2	Taneja Aerospace & Aviation Ltd	20.89%	10,863.43	3.53%	546.67	6.53%	(15.19)	3.48%	531.48
Associate (Investment as per Equity method)									
Indian Associate									
1	ISMT Ltd	80.30%	41,756.92	99.45%	15,406.26	97.01%	(225.67)	99.49%	15,180.58
2	TAAAL Enterprises Ltd.	0.03%	15.63	0.04%	6.44	-0.04%	0.10	0.04%	6.54
Foreign Associate									
1	Fair growth Holding Pvt Ltd	0.00%	-	0.00%	-	0.00%	-	0.00%	-
	Minority Interest in all subsidiaries	9.91%	5,155.25	-1.68%	(260.29)	-3.22%	7.48	-1.66%	(252.81)
	Sub total	132.14%	68,713	100.43%	15,558.24	100.00%	(232.62)	100.44%	15,325.62
	Adjustment arising on consolidation	-32.14%	(16,714.27)	-0.43%	(66.82)	-	-	-0.44%	(66.82)
	Grand Total	100.00%	51,998.80	100.00%	15,491.42	100.00%	(232.62)	100.00%	15,258.80

As per our report of even date

For V.K.Paradkar & Co
Chartered Accountants

Firm Registration Number: 120527W

For and on behalf of the Board of Directors of
Indian Seamless Enterprises Ltd
CIN No.: U29000PN195PLC090946V.K.Paradkar
PROPRIETOR
Membership Number: 17151Place : PUNE
Date : August 25, 2022B. R. Taneja
Managing Director
DIN: 00328615Place : PUNE
Date : August 25, 2022N. V. Karbhase
Whole Time Director
DIN : 00228836Anchal Jaiswal
Company Secretary
M. NO.: 35538Rajendra Mangrulkar
Chief Financial Officer

Indian Seamless Enterprises Limited

Registered Office: 503, 5th Floor, Lunkad Sky Station
Co-Op Premises Society Ltd, Viman Nagar,
Pune – 411014, Maharashtra.

Indian Seamless Enterprises Limited

Registered Office: 503, 5th Floor, Lunkad Sky Station Co-operative Premises Society Ltd,
Viman Nagar, Pune – 411014. Phone: 020-41255662; Fax: 020-26630779; Web: www.isel.co.in, Email: secretarial@isel.co.in.
CIN: U29000PN1995PLC090946

NOTICE

NOTICE IS HEREBY GIVEN THAT the Twenty Sixth Annual General Meeting of the Members of the Company will be held on Friday September 30, 2022 at 11.30 a.m. IST through Video Conferencing/ Other Audiovisual Means (VC) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a. the Audited Financial Statements of the Company for the period ended March 31, 2022 including the Audited Balance Sheet as at March 31, 2022 and the Statement of Profit and Loss for the period ended on that date and the Reports of the Board of Directors and the Auditors thereon; and
 - b. the Audited Consolidated Financial Statements of the Company for the period ended March 31, 2022 including the Audited Consolidated Balance Sheet as at March 31, 2022 and the Consolidated Statement of Profit and Loss for the period ended on that date and the Report of the Auditors thereon.
2. To appoint a director in place of Mr. N V Karbhase who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint M/s. V. K Paradkar & Co. as a Statutory Auditors and to fix their remuneration and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. V. K. Paradkar & Co (Firm Registration No. 120527W), Chartered Accountants, be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office for the term of five years beginning from the conclusion of the ensuing Annual General Meeting i.e. 26th Annual General Meeting (‘AGM’) till the conclusion of 31st AGM of the Company, on such terms and remuneration as may be mutually agreed upon between the said Auditors and Board of Directors of the Company”.

RESOLVED FURTHER THAT any Director or the Company Secretary of the Company be & are hereby authorized to do all

such acts, deeds, matters and things as deemed necessary for giving effect to this resolution.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Section 4(2) & (3), 13(2) read with rule 8 & 29 of the Companies (Incorporation) Rules, 2014 and other applicable provisions and other applicable provisions and rules if any, amended till date, subject to the approval of the shareholders of the company and the Central Government, the consent of the shareholders be and is hereby accorded, to change the name of the company from **“INDIAN SEAMLESS ENTERPRISES LIMITED”** (Old name) to **“ASSCHER ENTERPRISES LIMITED”** (New name).

RESOLVED FURTHER THAT Clause I of the Memorandum of Association of the company be substituted by the following:

‘Clause I – The name of the company is **“ASSCHER ENTERPRISES LIMITED”**’

RESOLVED FURTHER THAT in terms of section 14 of the Companies Act, 2013 the Articles of association of the company be altered by deleting the existing name of the company wherever appearing and substituting it with the new name of the company.

Clause 2 of the Articles of Association of the company be substituted by the following:

“The Company” or “This Company” means **“ASSCHER ENTERPRISES LIMITED”**’

RESOLVED FURTHER THAT for purpose of giving effect to this resolution, any Director or Company Secretary of the company be and are hereby authorized on behalf of the company to do all such acts, deeds, matters, things as deemed necessary and to sign and execute all necessary documents, applications and returns, e-forms and to take all such steps that may be required.”

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

“RESOLVED THAT pursuant to the provisions of Section 4, 13 of the Companies Act 2013 (“Act”) read with the Companies (Incorporation) Rules 2014, and any other

applicable provisions, including any statutory modification or reenactment thereof for time being in force, consent of the Members be and is hereby accorded to adopt new set of Memorandum of Association of the Company in place of the existing Memorandum of Association of the Company.

RESOLVED FURTHER THAT any Director or the Company Secretary of the Company be & are hereby authorized to do all such acts, deeds, matters and things as deemed necessary for giving effect to this resolution.”

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

“RESOLVED THAT pursuant to the provisions of Section 5, 14 of the Companies Act 2013 (“Act”) read with the Companies (Incorporation) Rules 2014 and any other applicable provisions, including any statutory modification or reenactment thereof for time being in force, consent of the Members be and is hereby accorded to adopt new set of Articles of Association of the Company in place of the existing Articles of Association of the Company.

RESOLVED FURTHER THAT any Director or the Company Secretary of the Company be & are hereby authorized to do all such acts, deeds, matters and things as deemed necessary for giving effect to this resolution.”

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and all other applicable provisions, if any of the Companies Act, 2013 (‘the Act’) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for time being in force) & based on the recommendation of the Nomination & Remuneration & approval of Board of Directors of the Company (“Board”) Mr. B R Taneja (DIN: 00328615), who was appointed as an Additional Director with effect from April 01, 2022 and who holds office up to ensuing Annual General Meeting (AGM) in terms of Sec 161(1) of the Companies Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of a Director (Non-Independent), be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and Rules made thereunder read with Schedule V of the Act (including any statutory modification(s) or re-enactment thereof, for the time being in force); Articles of Association of the Company and such other approvals, as may be required, consent of Members of the Company be and is hereby accorded to the appointment

of Mr. B.R. Taneja (DIN- 00328615) as Managing Director of the Company for a period of two years with effect from April 01, 2022 to March 31, 2024 on such terms and conditions including remuneration as set out in the explanatory statement annexed to this Notice with the liberty to the Board of Directors (herein referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary the terms and conditions and /or remuneration, subject to the provision as specified under Section 197 read with section II of Part II of Schedule V of the Companies Act 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT Mr. B R Taneja be & is hereby designated as Whole-time Key Managerial Personnel of the Company in terms of Section 203 of the Act.

RESOLVED FURTHER THAT when re-elected as Director on account of retirement by rotation, such re-election of Mr. B R Taneja as a Director shall not be deemed to constitute a break in his appointment as a Managing Director and upon re-elected, he shall continue to hold office as Managing Director as hitherto.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

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

“RESOLVED THAT pursuant to provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of Companies Act, 2013 (‘the Act’) and Rules made thereunder read with Schedule V of the Act (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to such approvals/consent, permissions, if any, consent of the Company be and is hereby accorded to the appointment of Mr. N V Karbhase (DIN 00228836) as a Whole Time Director of the Company for a period of 1 year from April 1, 2022, to March 31, 2023 on such terms and conditions including remuneration as set out in the Explanatory Statement annexed to this Notice with the liberty to the Board of Directors (herein referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary the terms and conditions and / or remuneration, subject to the provision as specified under Section 197 read with section II of Part II of Schedule V of the Companies Act 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT when re-elected as Director on account of retirement by rotation, such re-election of Mr. N V Karbhase as a Director shall not be deemed to constitute a break in his appointment as a Whole Time Director and upon re-elected, he shall continue to hold office as Whole Time Director as hitherto.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By order of the Board of Directors

Anchal Jaiswal
Company Secretary

Pune, August 25, 2022

Registered office:
503, 5th Floor, Lunkad Sky Station
Co-operative Premises Society Ltd,
Viman Nagar, Pune – 411014

NOTES:

1. In view of the situation arising out due to COVID-19 pandemic, the Ministry of Corporate Affairs vide latest General Circular dated 5th May 2022 permitted to hold AGM through VC/ OAVM without the physical presence of members at a common venue. Accordingly, the AGM is being held through VC/ OAVM facility for the same.
2. The relative Explanatory Statement and reasons for the proposed Special Business stated pursuant to Section 102 of the Companies Act, 2013 ('Act') is annexed. The Board of Directors of the company at its meeting held on August 25, 2022 considered that the special business under Item Nos. 4, 5, 6, 7, 8 & 9 being considered unavoidable, be transacted at the 26th AGM of the Company.
3. The deemed venue for the 26th AGM shall be the Registered Office of the Company.
4. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
5. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend the Annual General Meeting or vote therein in this regard.
6. The Register of Directors and Key Managerial Persons and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection in electronic mode.
7. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection in electronic mode.
8. In line with the Circulars, AGM Notice along with the Annual Report of the Company for FY 2021-22 is being sent only through electronic mode to the members whose E-Mail IDs are registered with the Company/ Depositories.
9. In case of Joint holders attending the AGM, only such joint holder whose name appears first in order of names will be entitled to vote.
10. The aforesaid Notice of the AGM and the Annual Report is available on the website of the Company at www.isel.co.in. The AGM Notice is also disseminated on the website of CDSL at www.evotingindia.com.
11. Members holding shares in single name are advised to avail the facility of nomination pursuant to Section 72 of the Act. Members holding shares physically may send their nomination in Form SH-13 to Link Intime India Pvt Ltd while Members holding shares electronically may contact their Depository in this regard.
12. In compliance with the provisions of Section 108 of the Companies Act 2013 and the rules framed thereunder and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL), either by remote e-voting prior to the AGM or remote e-voting during the AGM.
13. The Members can opt for only one mode of remote e-voting i.e. either prior to the AGM or during the AGM. The members present at the AGM who have not cast vote by remote e-voting prior to the AGM shall be able to exercise their right to cast vote by remote e-voting during the AGM. The members who have cast vote by remote e-voting prior to the AGM are eligible to attend the AGM but shall not be entitled to cast vote during the AGM.
14. The Members can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of Participation at the AGM through VC/ OAVM will be made available to at least 1000 members on first come first served basis. This will not include large shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
15. The attendance of the Members attending the AGM through VC/OAVM shall be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
16. Since the AGM shall be held through VC or OAVM, hence the requirement of providing the Route Map for the venue of the AGM in the notice does not apply to this AGM.
17. A person who is not a Member as on cut-off date should treat this Notice for information purposes only. Any person who becomes a Member after dispatch of Notice and holding shares as on cut-off date shall also follow the procedure stated herein.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) The voting period begins on **September 27, 2022 at (9:00 am) and ends on September 29, 2022 (5:00 pm)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **September 23, 2022** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

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

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

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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

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

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

-
- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and

password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; secretarial@iscl.co.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their

queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

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

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 1800 22 55 33.

18. The Board of Directors have appointed Mrs. Gautami Joshi (CP No. 18310), Practicing Company Secretary, as Scrutinizer to scrutinize the remote e-Voting process and casting vote through the e-Voting system during the meeting in a fair and transparent manner.

19. The Chairman shall, at AGM, at end of discussions on resolutions on which voting is to be held, allow voting with assistance of Scrutinizer by use of e-voting for all those members who are present at AGM but have not cast their votes by availing remote e- voting facility.
20. The Scrutinizer shall after the conclusion of voting at the general meeting, will unblock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the Company & shall make, not later than 3 days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same & declare the result of the voting forthwith.
21. The Results declared along-with the report of the Scrutinizer shall be placed on the website of the Company at viz. www.isel.co.in and on the website of CDSL viz. www.evotingindia.com.
22. The documents, if any, referred to in accompanying Notice & Explanatory Statement shall be open for inspection electronically during normal business hours (9.00 am IST to 5.00 pm IST) on all working days except Saturdays, upto and including the date of the AGM.
23. Members are further requested to:
 - Intimate changes, if any, in their registered address/ bank mandate and email address to the R&T Agent for shares held in physical form and to their respective Depository Participants for shares held in Demat form.
 - Quote Ledger folio number/ DP ID/ Client ID in all the correspondence with the Company or its R&T Agent.
 - Intimate about consolidation of folios to the R&T Agent, if your shareholding is under multiple folios.
 - Note that as per SEBI/ Stock Exchange guidelines the shares of the Company are traded compulsorily in Demat form. As per the guideline issued by SEBI there are no Demat Account opening charges. In view of this Members are requested to convert their physical share certificate into Demat form.
 - Note that as per SEBI Notification dated June 08, 2018 shares in physical form will not be transferred w.e.f. April 01, 2019 except in case of transmission or transposition of securities. Therefore, the Members who still hold share certificate(s) in physical form are advised in your interest to dematerialize your shareholding at the earliest.
 - Note that the Company has designated an exclusive e-mail id viz. "secretarial@isel.co.in" to enable investors to register their complaints, if any.

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

Item No. 4

The Board of Directors of the company in its meeting held on August 09, 2022 resolved that, the name of the company be changed from **“INDIAN SEAMLESS ENTERPRISES LIMITED”** (Old name) to **“ASSCHER ENTERPRISES LIMITED”** (New name).

As per Clause 5 (iv) of **“SHARE SUBSCRIPTION AGREEMENT”** entered & signed among the Company, the ISMT Limited and Kirloskar Ferrous Industries Limited (“KFIL”) dated November 25, 2021, the Company, being a promoter of ISMT Limited shall remove & discontinue the usage of word and/or mark **“ISMT”, “Indian Seamless”** and any similar word and/or mark for any purpose and from all mediums, making it mandatory for the Board to change the Company’s existing name.

The new name has been approved by Companies, Central Registration Centre, Haryana; vide its approval dated 20.08.2022, which is valid for 60 days and accordingly Clause I (Name Clause) in the Memorandum of Association of the Company is to be altered by substituting the same with New Clause I i.e.

Clause I – The name of the Company is **“ASSCHER ENTERPRISES LIMITED”**

In terms of section 14 of the Companies Act, 2013 the Articles of association of the company is to be altered by deleting the existing name of the company wherever appearing and substituting it with the new name of the company.

Clause 2 of the Articles of Association of the company be substituted by the following:

“The Company” or **“This Company”** means **“ASSCHER ENTERPRISES LIMITED”**

The proposed change of name will not affect any of the rights of the Company or of the Shareholders of the Company.

Pursuant to the provisions of Section 13 of the Companies Act, 2013, approval of shareholders is required for change of name and subsequent alteration in Memorandum and Articles of Association by way of passing a Special Resolution.

The Altered Memorandum and Article of Association of the Company with the proposed changes are available for inspection by the Members at the Registered Office of the Company during 11.00 a.m. to 06.00 p.m. on all working days except Sundays till the date of the meeting.

The Board recommends the resolution as set out in Item No 4 to be passed as a Special Resolution.

None of the directors are concerned or interested in the proposed resolution except to the extent that they hold any shares in the company.

Item No 5:

The existing Memorandum of Association of the Company (“MOA”) is based on the provisions of the erstwhile Companies Act, 1956.

The alteration of MOA is necessary to bring the existing MOA in line with the new Companies Act, 2013.

According to the new Act, the companies now have only 2 Main Business and Ancillary and Incidental Businesses to the attainment of Main Business, therefore it is important to alter and adopt the new set of Memorandum of Association as per the Companies Act, 2013. The new set of MOA is based on Table-A of the Companies Act, 2013.

Draft of the restated MOA is available on website of the Company at www.isel.co.in and also for inspection at the Registered Office of the Company during business hours on all working days (Except Saturday and Sunday) up to the date of the AGM.

The Board recommends the Special Resolution set out in Item No. 5 of the Notice for approval of the Members of the Company.

None of the Promoters, Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item no. 5 of the AGM Notice.

Item No 6:

The existing Articles of Association of the Company (“AOA”) is based on the provisions of the erstwhile Companies Act, 1956 and that several Articles of the AOA require alteration pursuant to the prevailing provisions under the Companies Act, 2013. Hence, it is considered expedient to replace the existing AOA with new set of AOA.

Draft of the restated AOA is available on website of the Company at www.isel.co.in and also for inspection at the Registered Office of the Company during business hours on all working days (Except Saturday and Sunday) up to the date of the AGM.

The Board recommends the Special Resolution set out in Item No. 6 of the Notice for approval of the Members of the Company.

None of the Promoters, Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item no. 6 of the AGM Notice.

Item No 7 & 8:

The Board of Directors of the Company (“Board”) at its meeting held on April 01, 2022, upon recommendation made by the Nomination and Remuneration Committee of the Board, appointed Mr. B R Taneja, aged 86 years, as Additional Director designated as Managing Director of the Company.

Pursuant to Section 161 of the Companies Act, 2013 (“Act”), Mr. B R Taneja hold office as Director upto the date of the ensuing Annual General Meeting of the Company.

The Company has, inter alia, received from Mr. B R Taneja:

- i. Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014;
- ii. Intimation in Form DIR-8 in terms of the Companies

(Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under Section 164(2) of the Act.

The Company has received a notice in writing pursuant to the provisions of Section 160 of the Act, regarding the candidature of Mr. B R Taneja for the office of Director.

Below are the details of terms & remuneration to Mr. B R Taneja as Managing Director of the Company, as approved by the Board:

1. Period of Appointment

Mr. B.R. Taneja (DIN- 00328615) will hold office as a Managing Director for a period of 2 years from April 01, 2022 up to March 31, 2024.

2. Remuneration:

In terms of Schedule V to the Act read with Sections 196, 197, 198 and other applicable provisions of the Act and the rules made thereunder and subject to the approval of Members and such other approvals/consents, as may be required, the remuneration of Managing Director shall be set as under:

(a) Basic Salary:

The Salary shall be Rs. 7,50,000/- per month w.e.f. April 01, 2022.

(b) Perquisites:

In addition to the above, Mr. B.R. Taneja, Managing Director would be paid/entitled for the following perquisites: -

- (i) Mediciclaim Insurance Policy for such amount as per the rules of the Company.
- (ii) Entitled for leave with full pay or encashment thereof as per the rules of the Company.
- (iii) Rent Free Furnished Accommodation as per rules of the Company
- (iv) Fees of Clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
- (v) Telephone at Residence for official use
- (vi) Company Car for Official use along with Chauffeur
- (vii) Reimbursement of Medical Expenses for self and Family

“Family” for the above purpose means spouse’

(c) Commission:

Commission shall be based on performance of the Company and as approved by the Committee/Board.

(d) Mr. B R Taneja shall not be paid sitting fees for attending Board or other Committee Meetings.

Remuneration in the event of loss or inadequacy of Profits:

Notwithstanding anything contained herein, in the event of any loss, absence or inadequacy of profits (as provided in Schedule V to the Companies Act, 2013) of the Company in any financial year, during the term of office of Managing Director, under this agreement, the remuneration by way of salary, perquisites, performance based incentives and other benefits shall be as prescribed under Section 197 read with section I & II of Part II of Schedule V to the Companies Act, 2013 read with Companies (Appointment and Remuneration) Rules, 2014 (including any statutory modifications or re-enactment thereof).

The aforesaid terms and conditions are subject to approval of the Members and such other approvals, if any, as may be required.

Mr. B R Taneja, aged 86 years has a B.E. (Mechanical) degree & Post Graduate Diploma in Business Management. He is a well-known technocrat in the field of seamless tube manufacturing with more than 60 years of industrial experience.

As Managing Director of the Company, he is responsible for all the operations & affairs of the Company. Taking into consideration his qualification and expertise in relevant fields, the Board is of the opinion that he is suited for the responsibilities assigned to him and his association would be of immense benefit to the Company as a director.

Accordingly, the Board recommends the resolution as set out in Item No. 7 & 8 for approval of shareholders of the Company.

Except Mr. B R Taneja, none of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested financially or otherwise in the said resolution.

Item No. 9:

The Board of Directors of the Company (“Board”) at its meeting held on April 01, 2022, upon the recommendation made by the Nomination and Remuneration Committee, approved the appointment of Mr. N V Karbhase, aged seventy-one as a Whole Time Director (‘WTD’) of the Company with effect from April 01, 2022 upto March 31, 2023 on the following terms and conditions:

1. Tenure:

Mr. N V Karbhase will hold office as a WTD for a period of 1 year from April 01, 2022 upto March 31, 2023.

2. Remuneration:

In terms of Schedule V to the Act read with Sections 196, 197, 198 and other applicable provisions of the Act and the rules made thereunder and subject to the approval of Members and such other approvals/consents, as may be required, the remuneration of WTD shall be set as under:

a) Basic Salary:

The Salary including perquisites, in any lawful combination as mutually agreed between the WTD and the Board, shall be Rs. 3,00,000/- per month w.e.f. April 01, 2022 upto March 31, 2023.

b) Perquisites:

WTD shall also be entitled to the following:

- (i) Earned Leave as per the rules of the Company.
- (ii) Company Car for official use with Chauffeur.
- (iii) Telephone at residence for official use.
- (iv) Fees of Clubs subject to a maximum of two clubs. This will not include admission and life membership fees.
- (v) Medical Insurance for such amount as per the rules of the Company
- (vi) Encashment of leave at the end of the tenure as per the rules of the Company.
- (vii) Reimbursement of Medical Expenses for self and Family

“Family” for the above purpose means spouse’

(c) Commission:

Commission shall be based on performance of the Company and as approved by the Committee/Board.

- (d)** Mr. N V Karbhase shall not be paid sitting fees for attending Board or other Committee Meetings.

Remuneration in the event of loss or inadequacy of Profits:

Notwithstanding anything contained herein, in the event of any loss, absence or inadequacy of profits (as provided in Schedule V to the Companies Act, 2013) of the Company in any financial year, during the term of office of WTD, under this agreement, the remuneration by way

of salary, perquisites, performance based incentives and other benefits shall be as prescribed under Section 197 read with section I & II of Part II of Schedule V to the Companies Act, 2013 read with Companies (Appointment and Remuneration) Rules, 2014 (including any statutory modifications or re-enactment thereof).

The aforesaid terms and conditions are subject to approval of the Members and such other approvals, if any, as may be required.

Mr. N.V Karbhase is having experience of 48 years in the areas of finance, taxation, SEBI, Corporate laws, Corporate Finance and Corporate Restructuring and has worked in various industries like sugar, heavy engineering, auto components, steel, tube industry and NBFC’s.

Considering his rich experience & expertise, the Board recommends the resolution set out at Item No.9 for approval of the Members to be passed as a Special Resolution.

Except Mr. N V Karbhase, none of the Directors and Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the said resolution.

By order of the Board of Directors

Anchal Jaiswal
Company Secretary

Pune, August 25, 2022

Registered office:
503, 5th Floor, Lunkad Sky Station
Co-operative Premises Society Ltd,
Viman Nagar, Pune – 411014

ADDITIONAL INFORMATION IN TERMS OF SUB-CLAUSE (iv) OF PROVISIO TO SUB-PARA (B) OF SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013

I. GENERAL INFORMATION

1. Nature of the Industry: The Company is in the business of Trading & Management Consultancy.
2. Date or expected date of commercial production: Not applicable.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable.
4. Financial performance as per published audited financial results for the year ended March 31, 2022.

Particulars	Rs. in Crore
Turnover	108,893,628
Net Profit/ (Loss) after Tax	(12,215,756)
Total Expenditure	137,473,037

5. Foreign investments or collaborators, if any – NIL

II. INFORMATION ABOUT THE APPOINTEE'S

Particulars	Mr. N V Karbhase		
Background details	Mr. N.V Karbhase is a Company Secretary having experience of 48 years in the areas of finance, taxation, SEBI, Corporate laws, Corporate Finance and Corporate Restructuring		
Past Remuneration:			
Financial Year	2019-2020	2020-2021	2021-2022
Salary & Perquisites (Rs.)	36,00,000	29,52,000	36,00,000
Recognition or awards	The Company has no information about it.		
Job Profile and suitability	As a Whole-time Director, Mr. N V Karbhase is responsible for all financial & legal operations & affairs of the Company. Taking into consideration his qualification & expertise in relevant fields, Board is of the opinion that he is suited for the responsibilities assigned to him.		
Remuneration proposed	The details of Remuneration to be paid are contained in the Explanatory Statement annexed to the accompanying Notice.		
Comparative remuneration profile w/r/t industry, size of company, profile of position & person (in case of expatriate's relevant details would be w.r.t country of his origin)	The remuneration to Mr. N V Karbhase as Whole Time Director of the Company is largely comparable with that of remuneration paid to other Whole Time Directors in Engineering Industry in the region		
Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any.	Mr. N V Karbhase holds 99 Equity Shares of Rs. 10/- each, amounting to 0.0005% of share capital of the Company. Apart from this, he does not have any pecuniary transactions with the Company except by way of his contract of employment with the Company. He is not related to any Director/ Key Managerial Personnel of the Company.		
Particulars	Mr. B.R Taneja		
Background details	Mr. B R Taneja has a B.E. (Mechanical) degree & Post Graduate Diploma in Business Management. He is a well- known technocrat in the field of seamless tube manufacturing with more than 60 years of industrial experience.		
Past remuneration	None		
Recognition or awards	The Company has no information about it.		

Job Profile and suitability	As Managing Director of the Company, Mr. B.R Taneja is responsible for all the operations & affairs of the Company. Taking into consideration his qualification and expertise in relevant fields, the Board is of the opinion that he is suited for the responsibilities assigned to him and his association would be of immense benefit to the Company as a director.
Remuneration proposed	The details of Remuneration to be paid are contained in the Explanatory Statement annexed to the accompanying Notice.
Comparative remuneration profile w/r/t industry, size of company, profile of position & person (in case of expatriate's relevant details would be w.r.t country of his origin)	The remuneration to Mr. B.R Taneja as Managing Director of the Company is largely comparable with that of remuneration paid to other Managing Directors in Engineering Industry in the region
Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any.	Mr. B R Taneja does not have any pecuniary transactions with the Company except by way of his contract of employment with the Company. He is not related to any Director/ Key Managerial Personnel of the Company.

III. OTHER INFORMATION:

1. Reasons of loss or inadequate profits

COVID-19 pandemic has created unique challenges in the operation and oversight of an entity which has adversely affected the Company's business. It has also led to significant profitability issues and turnover impact for our business, resulting in loss or inadequate profits thereof.

2. Steps taken or proposed to be taken for improvement

As we progress into the Recovery phase, the Board is opting for measures but not limited to:

1. Exploring exposure and potential financial, operational, and strategic impacts
2. Crisis-response roles and responsibilities

3. Expected increase in productivity and profits in measurable terms

The aforesaid measures instituted are expected to improve the Company's performance in future. However, at present, it is difficult to quantify the same.

IV. DISCLOSURES: Not Applicable