



"Navratna" 128-R, Khatiwala Tank Indore (M.P.) – 452014

Phone: 0731-2491393 (O) 2471910 (R)

Mob: 94250-63547 (RKG) 94253-12303 (PG)

Email : puneetgupta_2005@yahoo.co.in

Rakesh Kumar & Associates
CHARTERED ACCOUNTANTS

CA. R.K. Gupta

B.Com, LL.B (Hons.), FCA

CA. Puneet Gupta

B.Com, FCA, DISA(ICAI)

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
Kriti Auto and Engineering Plastics Private Limited

Report on Audit of the Standalone Financial Statements:

Opinion:

We have audited the accompanying standalone financial statements of KRITI AUTO AND ENGINEERING PLASTICS PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion:

We conducted our audit of the Standalone financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our Responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with the



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

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

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

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

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors 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 for accounting unless the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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



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 the 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 the users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, the auditor exercises professional judgment and maintains professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error; to design and perform audit procedures responsive to those risks; and to 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause an entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



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

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

Report on Other Legal and Regulatory Requirements:

- 1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2) As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure - B". Our report expresses an unmodified opinion on the adequacy and the operating effectiveness of the Company's internal financial controls over financial reporting.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note 25.1 to the standalone Ind AS financial statements.

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There was no amount required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March 2020.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Sec 197(16) of the Act, as amended:

No managerial remuneration has been paid by the company during the year.

FOR RAKESH KUMAR & ASSOCIATES

Chartered Accountants

Firm Reg. No. : 002150C



CA. RAKESH KUMAR GUPTA

Partner

Membership No. : 070906



Place : Indore

Date : 29th June 2020

"Annexure A" to the Auditor's Report

The Annexure referred to in paragraph 1 under "Report on other Legal and Regulatory Requirements" of our Independent Auditor's Report of even date on the Ind AS financial statements to the members of Kriti Auto and Engineering Plastics Private Limited for the year ended 31st March 2020, we further report that :

- (i) a. As informed to us, the Company has maintained proper records, on yearly basis, showing full particulars, including quantitative details and situation of fixed assets.
 - b. As informed to us, the management of the Company has done physical verification of certain fixed assets at reasonable intervals in accordance with programme of verification, which in our opinion is reasonable, having regard to the size of the company and nature of its assets and no material discrepancies were noticed on such verification.
 - c. The title deed of land is not in the name of the company, as the title deed of the land acquired pursuant to the scheme of demerger in earlier years is pending for registration in the name of the company.
- (ii) As informed to us, the inventory of the Company has been physically verified during the year by the management at reasonable intervals. Discrepancies noticed during the physical verification of stock were not material and have been properly dealt with in the books of accounts of the company.
 - (iii) As per information and explanation given to us, the Company has not granted any loan, secured or unsecured, to any party covered in the register maintained under section 189 of the Companies Act, 2013. Hence clauses (a) to (c) are not applicable to the company.
 - (iv) As per information and explanation given to us, the Company has not given any loans, investment or guarantees and hence the provisions of section 185 and section 186 of the Companies Act, 2013 is not applicable to the company. Accordingly, this clause is not applicable.
 - (v) In our opinion and according to the information and explanations given to us, the Company neither accepted nor invited any deposits from public within the provision of Section 73 to 76 of Companies Act, 2013 and rules made there under.
 - (vi) We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of the cost records under section 148 (1) of the Companies Act, 2013 and are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained. We have, however, not made detailed examinations of the records with a view to determine whether they are accurate or complete.
 - (vii) a. According to the information and explanation given to us, the Company has been generally regular in depositing undisputed dues relating to Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duties of Customs, Duties of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with appropriate authorities. There are no undisputed statutory dues payable which are outstanding as at March 31, 2020 for a period of more than 6 months from the date they became payable.
 - b. According to the information and explanations given to us, following dues of Income Tax, Sales Tax, Service Tax, duties of Customs, duties of Excise or Value Added Tax has not been deposited on account of any dispute :-



Name of the Statute (Nature of the Dues)	Forum where Matter is pending	Period to which the amounts relates	Amount (In Lacs)
MVAT	Deputy Commissioner (Sales Tax) Appeals	2010-11	11.94
MVAT	Deputy Commissioner (Sales Tax) Appeals	2012-13	1.42
MVAT	Deputy Commissioner (Sales Tax) Appeals	2013-14	1.11

- (viii) According to information and explanations given to us by the management and according to the records of the company examined by us, we are of the opinion that the Company has not defaulted in repayment of any loan from Financial Institutions, Banks or debenture holders.
- (ix) To the best of our knowledge and belief and according to the information and explanations given to us and based on documents provided to us, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. The company has also not taken any term loan during the year, hence the question of its application does not arise.
- (x) During the course of our examination of the books of accounts and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on the company by its officers/employees or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (xi) In our opinion and according to the information and explanations given to us provisions of section 197 read with schedule V to the Companies Act 2013 relating to the managerial remuneration are not applicable to the company. Hence this clause is not applicable.
- (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 explanation given to us, and based on document provided to us, all transactions with the related parties are in compliance with section 188 & section 177 of the Companies Act 2013 where applicable and details of such transactions to the extent required has been disclosed in the Ind AS financial statements as required by applicable accounting standards.
- (xiv) According to the information and explanation given to us, the Company has not made any preferential allotment/private placement of shares or fully or partly convertible debenture during the year.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with Directors or Persons connected with him.
- (xvi) In our opinion and according to explanations given to us, the company is not required to get registered under section 45-IA of the Reserve Bank of India Act, 1934.

FOR RAKESH KUMAR & ASSOCIATES

Chartered Accountants

Firm Reg. No. : 002150C

CA. RAKESH KUMAR GUPTA

Partner

Membership No. : 070906



Place : Indore

Date : 29th June 2020

"Annexure B" to the Auditor's Report

The Annexure referred to in paragraph 2(f) under "Report on other Legal and Regulatory Requirements" of our Independent Auditor's Report of even date on the Ind AS financial statements to the members of Kriti Auto and Engineering Plastics Private Limited for the year ended 31st March 2020.

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

We have audited the internal financial controls over financial reporting of **Kriti Auto and Engineering Plastics Private Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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



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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR RAKESH KUMAR & ASSOCIATES

Chartered Accountants

Firm Reg. No. : 002150C

CA. RAKESH KUMAR GUPTA

Partner

Membership No. : 070906



Place : Indore

Date : 29th June 2020

KRITI AUTO AND ENGINEERING PLASTICS PVT. LTD.
BALANCE SHEET AS AT 31.03.2020
CIN: U25206MP2007PTC019323

(Rs. in Lakhs)

Particulars	Note No	As at 31.03.2020	As at 31.03.2019
(1) ASSETS			
Non-current assets			
<i>Fixed assets</i>			
(a) Property, Plant and Equipment	3	379.24	406.87
(b) Capital work-in-progress		0.00	0.00
(c) Other Intangible assets	4	0.00	0.00
(d) Financial Assets			
(i) Long term loans and advances	5	16.26	16.26
Total Non Current Assets		395.50	423.13
(2) Current assets			
(a) Inventories	6	201.18	286.31
(b) Financial Assets			
(i) Trade receivables	7	489.78	623.34
(ii) Cash and cash equivalents	8	0.92	0.75
(iii) Bank balances other than (ii) above	9	22.48	21.15
(iv) Loans	10	5.44	7.77
(c) Current Tax Assets (Net)			
(d) Other current assets	11	4.70	5.16
Total Current Assets		724.50	944.48
Total Assets		1,120.00	1,367.61
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	12	388.50	388.50
(b) Other Equity	13	(84.72)	(10.16)
Total Equity		303.78	378.34
LIABILITIES			
(1) Non-Current Liabilities			
(a) Deferred tax liabilities (Net)	14	72.38	75.68
Total Non-Current Liabilities		72.38	75.68
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	354.35	404.63
(ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises		0.00	0.00
(b) Total outstanding dues of creditors other than micro and small enterprises	16	340.21	438.37
(b) Other current liabilities	17	44.36	65.67
(c) Provisions	18	4.92	4.92
Total Current Liabilities		743.84	913.59
Total Equity and Liabilities		1,120.00	1,367.61

Significant Accounting Policies & Notes to the Accounts 1-32
As per our report of even date attached

For Rakesh Kumar & Associates
Chartered Accountants
F.R.N. 002150C

Rakesh Kumar Gupta
(Partner)
M.No. 070906

For and on behalf of the Board of Directors

Shiv Singh Mehta
Chairman & Managing Director
DIN 00023523

Manoj Fadnis
(Director)
DIN 01087055

Place :- Indore
Date:- 29th June,2020



KRITI AUTO AND ENGINEERING PLASTICS PVT. LTD
STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31.03.2020
CIN: U25206MP2007PTC019323

(Rs. in Lakhs)

Particulars	Note No	FOR THE YEAR ENDED 31.03.2020	FOR THE YEAR ENDED 31.03.2019
INCOME			
Revenue from operations	19	1,449.87	1,864.36
Other Income	20	1.56	2.68
Total Income		1,451.43	1,867.04
EXPENSES			
Cost of materials consumed		1,037.65	1,363.42
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		37.50	(1.29)
Employee benefit expense	21	120.35	144.50
Financial costs	22	37.45	39.96
Depreciation and amortization expense	3-4	28.34	28.34
Other expenses	23	268.31	340.34
Total Expenses		1,529.60	1,915.27
Profit/(loss) before exceptional items and tax		(78.17)	(48.23)
Exceptional Items		0.00	0.00
Profit before tax		(78.17)	(48.23)
Tax expense:			
(1) Current tax		0.00	0.00
(2) Deferred tax		(3.31)	12.64
Profit (Loss) after Tax		(74.86)	(60.87)
Net Profit/(Loss) for the period from continuing operations		(74.86)	(60.87)
Profit/(Loss) for the period from discontinued operations		0.00	0.00
Tax expense:			
(i) Current tax		0.00	0.00
(ii) Deferred tax		0.00	0.00
(iii) Income Tax related earlier year		0.00	0.00
Net Profit/(Loss) for the period from discontinued operations		0.00	0.00
Net Profit/(Loss) for the period		(74.86)	(60.87)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of Defined Benefit Plan		0.29	(1.46)
Total Comprehensive Income for the period		(74.57)	(62.33)
Earning per equity share:			
(1) Basic		(1.93)	(1.57)
(2) Diluted		(1.93)	(1.57)

Significant Accounting Policies & Notes to the Accounts 1-32
As per our report of even date attached

For Rakesh Kumar & Associates
Chartered Accountants
F.R.N. 002150C

Rakesh Kumar Gupta
(Partner)
M.No. 070906

For and on behalf of the Board of Directors

Shiv Singh Mehta
Chairman & Managing Director
DIN 00023523

Manoj Fadnis
(Director)
DIN 01087055

Place :- Indore
Date:- 29th June,2020



(Rs. in Lakhs)

Particulars	Year ended 31.03.2020		Year ended 31.03.2019	
	Amount	Amount	Amount	Amount
Cash Flow From Operating Activities				
Net Profit before Tax		(78.17)		(48.23)
Adjustments for :				
Depreciation	28.34		28.34	
Other Comprehensive Income	0.29		-	
Financial Income	(1.56)		(4.13)	
Financial Expense	37.45	64.52	39.96	64.17
Cash Operating Profit before working capital changes		(13.65)		15.93
(Increase) / Decrease in Inventories	85.13		27.94	
(Increase) / Decrease in Trade Receivables	133.57		(140.64)	
(Increase) / Decrease in Deposit given	-		-	
(Increase) / Decrease in Other Current Assets	0.46		(0.40)	
(Increase) / Decrease in Loan Given	2.33		(1.62)	
(Increase) / Decrease in other Financial assets	-		-	
(Increase) / Decrease in Other Non Current Assets	-		-	
Increase / (Decrease) in Trade Payables	(98.16)		74.57	
Increase / (Decrease) in Other Financial Liabilities	-		-	
Increase / (Decrease) in Other Current Liabilities	(21.31)		22.53	
Increase / (Decrease) in Provisions	-		0.44	
Increase / (Decrease) in Other Tax Liabilities	-		-	
Tax Paid	-	102.02	-	(17.18)
Net Cash From Operating Activities (A)				(1.24)
Cash Flow From Investing Activities				
Financial Income	1.56		2.68	
Sale Proceed Of Fixed Assets (Net)	-		-	
Purchase of Fixed Assets	(0.71)		(4.18)	
Investment in Fixed Deposits having maturity of more than three months	(1.33)		(1.15)	
(Increase) / Decrease in Non Current Investment	-		-	
Net Cash Used in Investing Activities (B)		(0.48)		(2.65)
Cash Flow From Financing Activities				
Proceeds from Long Term Borrowings			-	
Repayment of Long Term Borrowings			-	
Net Increase / (Decrease) in Long Term Borrowings			-	
Increase / (Decrease) in Other Non Current Liability			-	
Increase / (Decrease) in Short Term Borrowings	(50.28)		4.63	
Dividend Paid on Equity Shares			-	
Dividend Distribution Tax Paid			-	
Financial Expenses	(37.45)		(39.96)	
Net Cash Used in Financing Activities (C)		(87.73)		(35.33)
Net Decrease in Cash and Cash Equivalents (A + B + C)		0.17		(39.22)
ADD :Cash and cash equivalents - Opening - 1st April		0.75		39.97
Cash and cash equivalents - Closing - 31st March, 2020		0.92		0.75

Footnote to Cash Flow Statement:

1. Components of Cash and Cash Equivalents are produced as under:

Particulars	2019-20	2018-19
Cash & Cash Equivalents		
Balances with Banks		
Current Account	0.53	0.44
FDRs	-	-
Cash on hand	0.39	0.31
Total of Cash & Cash Equivalent	0.92	0.75

Significant Accounting Policies & Notes to the Accounts 1-32
As per our report of even date attached

For Rakesh Kumar & Associates
Chartered Accountants
F.R.N. 002150C


Rakesh Kumar Gupta
(Partner)
M.No. 070906


Shiv Singh Mehta
Chairman & Managing Director
DIN 00023523

For and on behalf of the Board of Directors


Manoj Fadnis
(Director)
DIN 01087055

Place :- Indore
Date:- 29th June,2020



KRITI AUTO AND ENGINEERING PLASTICS PVT. LTD

CIN: U25206MP2007PTC019323

Statement of Change in Equity for the year ended 31st, March, 2020
Share capital

(Rs.in Lakhs)					
Equity Share Capital	Balances as at 1st April, 2018	Changes in equity share capital during the year	Balances as at 31st March, 2019	Changes in equity share capital during the year	Balances as at 31st March, 2020
Paid up Capital ¹	388.50	0.00	388.50	0.00	388.50

OTHER EQUITY	Reserves and Surplus						Total
	General Reserve	Share Premium Account	Contingency Reserve	Share Forfeiture Account	Retained Earnings	Other Comprehensive Income	
Balances as at 1st April 2018	-	387.50	-	-	(334.32)	(1.00)	53.18
Total Comprehensive Income	-	-	-	-	(60.87)	(1.46)	(62.33)
Final Dividend paid including corporate dividend tax for FY 2018-19	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	-
Balances as at 31st March, 2019	-	387.50	-	-	(395.19)	(2.46)	(10.15)
Total Comprehensive Income	-	-	-	-	(74.86)	0.29	(74.57)
Final Dividend paid including corporate dividend tax	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	-
Balances as at 31st March, 2020	-	387.50	-	-	(470.05)	(2.17)	(84.72)

General Reserve

General Reserve are the retained earnings of a company which are kept aside out of company's profits to meet future (known or unknown) obligations.

Share Premium Account

Share Premium to be used in future to pay the expenses of issuing equity, such as underwriter fees or for issuing bonus shares to shareholders.

Contingency Reserve

Contingency Reserve is created to meet any known unknown risk which may occur in future.

Share Forfeiture Account

to use Stock purchase plans to inspire employee loyalty.



[Signature]
admir

1 Corporate Information

Kriti Auto and Engineering Plastics Private Limited, a private limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 on 01.03.2007 and having its Registered office in Indore (MP) and is wholly owned (100%) subsidiary of Kriti Industries (I) Limited.

2 Significant Accounting Policies Basis of Preparation and Presentation

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

- i) Certain financial assets and liabilities (including derivative instruments),
- ii) Defined benefit plans - plan assets

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

Company's financial statements are presented in Indian Rupees (INR), which is also its functional currency.

2.2. Summary of Significant Accounting Policies

2.2.1. Property, Plant and Equipment

- a) Property, Plant and Equipment(PPE) are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.
- b) 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. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.
- c) Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.
- d) Depreciation on property, plant and equipment is provided using straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Each part of an item of Property, Plant & Equipment with a cost that is significant in relation to total cost of the Machine is depreciated separately, if its useful life is different than the life of the Machine.
- e) Based on the technical evaluation, the management believes that the useful life of Dies and Moulds is 6 years.
- f) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
- g) Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.
- h) Spare parts procured along with the Plant & Machinery or subsequently which meet the recognition criteria are capitalized and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as "stores & spares" forming part of the inventory.



2.2.2. Leases

Ind AS 116 'Leases' has been introduced effective from 1st April, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The company do not have any right of use asset and lease liability as per Ind AS 116 'Leases' as on 31.03.20.

2.2.3. Intangible assets

- a) Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization /depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.
- b) 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.
- c) Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

2.2.4. Capital Work in Progress

- a) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work in Progress. Such costs comprises purchase price of asset including import duties and non-refundable taxes after deducting trade discounts and rebates and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- b) Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under "Capital works in progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects.
- c) Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is capitalized and carried under "Capital work in progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects, keeping in view the "attributability" and the "Unit of Measure".



concepts in Ind AS 16- "Property, Plant & Equipment". Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.

2.2.5. Research and Development Expenditure

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are charged to the Statement of Profit and Loss unless a product's technological and commercial feasibility has been established, in which case such expenditure is capitalised.

2.2.6. Finance Cost

- a) Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.
- b) Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.
- c) All other borrowing costs are expensed in the period in which they occur.

2.2.7. Inventories

- a) Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads, net of recoverable taxes incurred in bringing them to their respective present location and condition.
- b) Cost of Inventory of raw materials, stores and spares, packing materials, trading and other products are determined using the First-In, First-Out (FIFO) basis on moving average prices.

2.2.8. Impairment of non-financial assets - property, plant and equipment and intangible assets

- a) The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets 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.
- b) An impairment loss is recognised 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.
- c) The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.2.9. Provisions, Contingent Liabilities and Contingent Assets and Commitments

- a) Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an 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. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.



- b) If the effect of the time value of money is material, 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 recognised as a finance cost.
- c) Contingent liabilities are disclosed on the basis of judgment of management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.
- d) Contingent assets are not recognized but are disclosed in the financial statements when inflow of economic benefits is probable.

2.2.10. Employee Benefits Expense

Short Term Employee Benefits

- a. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

- b. A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Defined Benefit Plans

- c. The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- d. The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.
- e. The gratuity liability amount is contributed to the approved gratuity fund formed exclusively for gratuity payment to the employees.
- f. The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.
- g. Re-measurement of defined benefit plans in respect of post- employment are charged to the Other Comprehensive Income.

2.2.11. Tax Expenses

- a. The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

- Current tax

- b. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

- Deferred tax



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

2.2.12. Foreign currencies transactions and translation

- a. Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of profit and loss account of the year.
- b. Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the closing exchange rate/ forward contract booked (if any) and the resultant exchange differences are recognized in the Statement of profit and loss account.
- c. Realized gain or loss on cancellation of forward exchange contract is recognized in the Statement of Profit and Loss for the year.

2.2.13. Revenue recognition

- a. Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, there is no continuing effective control or managerial involvement with the goods, and the amount of revenue can be measured reliably.
- b. Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.
- c. Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.
- d. Revenue from operations includes sale of goods, and adjusted for discounts (net), and gain/ loss on corresponding hedge contracts.

Interest income

- e. Interest income from a financial asset is recognised using effective interest rate (EIR) method.

Dividends

- f. Revenue is recognised when the Company's right to receive the payment has been established, which is generally when shareholders approve the dividend.

2.2.14. Insurance Claims

Insurance claims are accounted for on the basis of claims admitted/ expected to be admitted to the extent that there is no uncertainty in receiving the claims.

2.2.15. Governemnt Grants

Government grants, including non- monetary grants at fair value, are recognised when there is resonable assurance that the company will comply with the conditions attaching to them and that the grants will be received.

2.2.16. Financial instruments

I. Financial Assets

α. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.



β. Subsequent measurement

i. Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii. Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii. Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

c. Other Equity Investments

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

d. Impairment of financial assets

i. 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 Statement of profit and loss (FVTPL).

ii. Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

iii. 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.

iv. 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.

II. Financial liabilities

a. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

b. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

2.2.17. Operating Cycle

- a. The Company presents assets and liabilities in the balance sheet based on current classification based on operating cycle.



An asset is treated as current when it is:

- i. Expected to be realized or intended to be sold or consumed in normal operating cycle;
- ii. Held primarily for the purpose of trading;
- iii. Expected to be realized within twelve months after the reporting period, or
- iv. 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.

b. A liability is current when:

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

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The company has identified twelve months as its operating cycle.

2.2.18. Earnings Per Share

- a. Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a right issue to existing shareholders.
- b. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.2.19. Dividend Distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the Company's shareholders.

2.2.20. Statement of Cash Flows

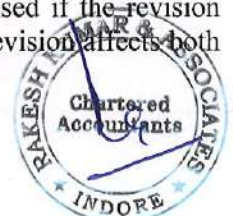
a. Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

b. Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the relevant Accounting Standard.

2.3. Critical accounting Judgment and key sources of estimation uncertainty

The preparation of the financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.



2.3.1. Depreciation / amortisation and useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

2.3.2. Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

2.3.3. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

2.3.4. Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

2.3.5. COVID-19 Impact

The impact of COVID-19 has been assessed. Refer Note No. 32.



KRITI AUTO & ENGINEERING PLASTICS PVT LTD
Schedule II Forming Part of the Balance Sheet and Profit & Loss Accounts
(AS PER COMPANIES ACT 2013)
Note No.3-4 FIXED ASSETS

NOTE	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		As at 01.04.2019	Additions	Deduction	As at 31.03.2020	As at 01.04.2019	For Year	Writtern back	As at 31.03.2020	As at 31.03.2019
	NOTE NO - 3 TANGIBLE ASSETS									
3.1	Lease hold Land *	48.90	0.00	0.00	48.90	1.77	0.59	0.00	2.36	46.54
3.2	Factory Building	132.67	0.00	0.00	132.67	19.89	6.63	0.00	26.52	106.15
3.3	Plant & Equipment	305.92	0.00	0.00	305.92	63.57	20.09	0.00	83.65	222.26
3.4	Furniture & Fixture	0.53	0.43	0.00	0.96	0.53	0.04	0.00	0.57	0.39
3.5	Vehicles	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3.6	Office Equipment	8.44	0.29	0.00	8.72	3.83	1.00	0.00	4.83	3.89
	TOTAL (3)	496.46	0.71	0.00	497.17	89.59	28.34	0.00	117.93	379.24
	Previous Year	492.29	4.18	0.00	496.46	61.25	28.34	0.00	89.59	406.87
	NOTE NO - 4 INTANGIBLE ASSETS									
4.1	Goodwill	0	0	0	0	0	0	0	0	0



* Title Deed is in the name of Holding Company i.e Kriti Industries India Ltd.

KRITI AUTO AND ENGINEERING PLASTICS PVT. LTD.

NOTES Forming Part of The Balance Sheet and Statement of Profit & Loss

NOTE	31.03.2020	31.03.2019
<u>NOTE-5 LONG-TERM LOANS AND ADVANCES</u>		
5.1 Security Deposits	16.26	16.26
Total	16.26	16.26
<u>NOTE- 6 INVENTORIES</u>		
6.1 Raw Material	80.43	121.40
6.2 Finished Goods	64.95	102.45
6.3 Stores and Spares & others	55.80	62.45
(Mode of valuation of above stocks are as per point no.1.5 notes on account)		
Total	201.18	286.31
<u>NOTE-7 TRADE RECEIVABLES</u>		
7.1 Trade Receivables		
Secured, considered good	0.00	0.00
Unsecured Considered good	489.78	623.34
Trade Receivables which have significant increase in Credit Risk		
Less: Impairment for trade receivable		
Trade Receivables - credit impaired - -		
Current trade receivables	489.78	623.34
No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firm or private companies respectively in which any director is a partner, a director or a member other than stated above.		
<u>NOTE-8 CASH AND CASH EQUIVALENTS</u>		
8.1 Balances with Banks	0.53	0.44
8.2 Fixed deposit with banks against margin money (Maturity less than 3 months)	0.00	0.00
8.3 Cash on hand	0.39	0.31
Total	0.92	0.75
<u>NOTE-9 Other Bank Balance :</u>		
9.1 Fixed deposit with banks held as Margin Money	22.48	21.15
(None of the above fixed deposit has maturity of more than twelve months)		
Total	22.48	21.15
<u>NOTE-10 SHORT-TERM LOANS AND ADVANCES</u>		
10.1 UnSecured, Considered good		
Advances recoverable in cash or kind or for value to be recieved	5.44	7.77
Total	5.44	7.77
<u>NOTE-11 OTHER CURRENT ASSETS</u>		
11.1 Advance Tax/ Tax Deducted at source	0.55	1.05
11.2 Sundry Deposits	3.73	3.73
11.3 Accrued Interest/ Income	0.42	0.38
Total	4.70	5.16
<u>NOTE NO -12 SHARE CAPITAL</u>		
12.1 AUTHORIZED		
12.1.1 5000000 Equity Shares of Re. 10/- each	500.00	500.00
12.2 ISSUED, SUBSCRIBED AND PAID UP		
12.2.1 3885000 equity shares of Rs 10/- each fully paid up		
12.2.2 Reconciliation of shares		
12.2.2.1 Opening Balance of 3885000 shares of Rs. 10/- each Total	388.50	388.50
12.2.2.2 issued during the year NIL	0.00	0.00
12.2.2.3 Closing Balance 3885000 shares of Rs. 10/- each	388.50	388.50
The company has issued only one class of equity shares having a per value of Rs, 10/- per share. Each shareholder is eligible for one vote per share. During the year Board of Directors of the company did not recommend any Dividend.		



	388.50	388.50
12.3 SHAREHOLDER HOLDING MORE THAN 5 % OF EQUITY SHARES OF THE COMPANY AND ITS PERCENTAGE		
10.3.1 KRITI INDUSTRIES (INDIA) LIMITED (HOLDING COMPANY)		
No. of Shares :	3,885,000	3,885,000
% of Shares :	100%	100%
<u>NOTE NO -13 OTHER EQUITY</u>		
13.1 RESERVES		
13.1.1 Share premium Account- opening Balance b/f	387.50	387.50
13.2 SURPLUS		
13.2.1 Profit & Loss Account	(395.18)	(334.32)
13.2.2 Add: Transfer from P & L	(74.87)	(60.86)
Less:		
13.2.3 Amortization of Leasehold Land	(470.05)	(395.18)
13.2.4 Other Comprehensive Income	(2.17)	(2.46)
Balance in Surplus	(84.72)	(10.15)
<u>NOTE NO -14 DEFERED TAX LIABILITIES</u>		
14.1 Deferred Tax liabilities (Net)	72.38	75.68
	72.38	75.68
	31.03.2020	31.03.2019
<u>NOTE NO -15 SHORT TERM BORROWINGS (SECURED & UNSECURED)</u>		
15.1 SECURED		
From banks	1.35	5.13
15.2 UNSECURED		
15.2.1 Inter Corporate Deposit	353.00	399.50
	354.35	404.63
<u>NOTE NO -16 TRADE PAYABLES</u>		
16.1 Trade Payables		
(a) Total outstanding dues of micro enterprises and small enterprises	-	-
(b) Total outstanding dues of creditors other than micro and small enterprises	340.21	438.37
Total	340.21	438.37
<u>NOTE NO -17 OTHER CURRENT LIABILITIES</u>		
17.1 Outstanding Expenses	38.80	48.22
17.2 Statutory Liabilities	5.56	17.45
Total	44.36	65.67
<u>NOTE NO -18 SHORT TERM PROVISIONS</u>		
18.1 Provision for employees benefits (Bonus)	3.47	3.47
18.2 Provision for Doubtful Debts	1.45	1.45
Total	4.92	4.92
<u>NOTE- 19 REVENUE FROM OPERATIONS</u>		
19.1 Sale of Products	1,448.05	1,861.50
19.2 Other operating revenues	1.82	2.86
Total	1,449.87	1,864.36
<u>NOTE- 20 OTHER INCOME</u>		
20.1 Interest Income	1.56	2.68
20.2 Other Non-operating Income	-	-
Total	1.56	2.68



NOTE- 21 EMPLOYEE BENEFITS EXPENSES		
21.1 Salaries & Wages	99.40	125.24
21.2 Contribution to provident and other fund	10.30	6.40
21.3 Staff Welfare Expenses	10.65	12.86
Total	120.35	144.50
NOTE- 22 FINANCIAL COST		
22.1 Interest Expenses	0.45	0.33
22.2 Other Borrowing Cost	37.00	39.63
Total	37.45	39.96
NOTE-23 OTHER EXPENSES		
	31.03.2020	31.03.2019
(I)		
23.1 Stores and Spares Consumed	26.28	36.81
23.2 Power Charges	111.24	134.37
23.3 Job Work Charges	1.84	3.71
23.4 Freight & Cartage	57.93	89.76
23.5 Repairs & Maintenance	12.58	4.20
23.6 Insurance Charges	3.66	0.77
23.7 Water Charges	2.35	2.82
23.8 Miscellaneous Manufacturing Expenses	8.51	10.03
Total (I)	224.39	282.47
(II)		
23.9 Stationery & Printing	2.78	3.54
23.10 Rent, Rates and Taxes	2.62	1.90
23.11 Postage, Telegram and Telephones	1.84	1.92
23.12 Auditor's Fees	0.50	0.50
23.13 Conveyance Expenses	2.16	2.73
23.14 Legal & Professional Charges	2.47	5.81
23.15 Miscellaneous Expenses	1.09	0.54
Total (II)	13.46	16.94
(III)		
23.16 Sales Promotion Expenses	1.66	1.89
23.17 Freight Outward	27.91	37.88
23.18 Sales Tax & Octroi	-	0.17
23.19 Sundry Balances Written off	0.11	0.22
23.20 Travelling Expenses	0.78	0.78
23.21 Expected Credit Loss	-	-
Total (III)	30.46	40.94
Total (I+II+III)	268.31	340.34



24. In the opinion of the Board of Directors of the Company, the Current Assets, Loans and Advances have a value realizable in the ordinary course of business at least equal to the amount at which they are stated and provisions for all known liabilities are adequate and not in excess of the amount reasonably necessary.

25. Contingent liabilities

25.1 Vat / CST/Service Tax liabilities (in appeal) not provided for Rs. 0.53 Lakhs (Previous Year Rs. 5.58 Lakhs)

26. Unpaid overdue amount due on March 31, 2020 to Micro Small and Medium Enterprises and/or ancillary industrial suppliers on account of principal together with interest aggregate to Rs. Nil.

This disclosure is on the basis of the information available with the company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

27. The disclosure required as per Indian Accounting Standard (IndAS) 19 "Employees Benefit" issued by the Institute of Chartered Accountants of India (ICAI) and as specified under section 133 of the Companies Act, 2013 (The Act) read with rule 7 of the Companies (Accounts) Rules, 2014., and based on the report generated by Life Insurance Corporation of India (LIC) is as under

(a) The company has taken Group Gratuity and Cash Accumulation Policy issued by the LIC, which is a defined benefit plan.

(b) Table showing changes in present value of obligations as on	31/03/2020 (Rs in Lakhs)	31/03/2019 (Rs in Lakhs)
Present value of obligations as at beginning of the year	13.39	12.08
Interest Cost	1.00	0.97
Current Service Cost	1.70	1.95
Benefit Paid	0.00	(3.07)
Actuarial (gain)/loss on obligations	(0.29)	1.46
Present value of obligations as at end of the year	15.79	13.39

(c) Table showing changes in the fair value of plan assets as on	31/03/2020	31/03/2019
Fair value of the plan assets at the beginning of the year	13.04	14.52
Expected return on plan assets	1.16	1.11
Contribution	1.70	0.49
Benefit Paid	0.00	(3.07)
Actuarial gain/ (loss) on plan assets	NIL	NIL
Fair value of the plan assets at the end of the year	15.90	13.04

(d) Table showing fair value of plan assets as on	31/03/2020	31/03/2019
Fair value of plan assets at beginning of the year	13.04	14.52
Actual return on plan assets	1.16	1.11
Contribution	1.70	0.49
Benefit Paid	0.00	(3.07)
Fair value of the plan assets at the end of the year	15.90	13.04
Funded status	0.10	(0.35)
Excess of actual over estimated return on plan assets	NIL	NIL
(Actual Rate of return= estimated rate of return as ARD falls on 31/03/2020)		

(e) Actuarial Gain/Loss recognized as on	31/03/2020	31/03/2019
Actuarial (Gain)/Loss for the year-obligation	0.29	1.46
Actuarial (Gain)/Loss for the year-plan assets	NIL	NIL
Total (Gain)/Loss for the year	(0.29)	1.46
Actuarial (Gain)/Loss recognized for the year	(0.29)	1.46

(f) Expenses recognized during the year	31/03/2020
In statement of profit and loss	
Current Service Cost	1.70



Interest cost	1.00	0.97
Expected return on Plan Asset	(1.16)	(1.11)
Net Cost	1.54	1.81
In other Comprehensive Income		
Actuarial (Gain)/Loss on obligation for the period	(0.29)	1.46
Net (Income)/Expense for the period recognised in OCI	(0.29)	1.46

(g) **Assumption**

Discount rate	7.25%	7.50%
Salary Escalation	7.00%	7.00%

28. DEFERRED TAX CALCULATIONS

(Rs. In Lakhs)			
Sr. No.	DEFERRED TAX LIABILITY/ (ASSETS)	Current Year	Previous Year
a.	DEFERRED TAX LIABILITY (NET) FOR THE YEAR	(3.31)	12.64
b.	OPENING BAL. OF DEFERRED TAX LIABILITY	75.68	63.05
c.	CLOSING BAL. OF DEFERRED TAX LIABILITY	72.38	75.68

29. EARNING PER SHARE

The Company's share capital consists of equity share. The basic and diluted earnings per share is calculated as under:

Sr No.	Nature of Transaction	Current Year	Previous Year
1.	Number of Shares	3885000	3885000
2.	Profit contribution for Basic EPS (Rs in Lakhs)	-74.86	-60.86
3.	Basic Earning Per Share	-1.93	-1.57
4.	Diluted Earning Per Share	-1.93	-1.57
5.	Nominal Value Per Share	10.00	10.00

30. In accordance with the Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures" issued by The Institute of Chartered Accountants of India (ICAI) and as specified under section 133 of the Companies Act, 2013 (The Act) read with rule 7 of the Companies (Accounts) Rules, 2014. The names of the related parties and the relevant disclosure is as under:-

(a) Name of the related party and description of relationship:

- i. **Key Management Personnel:**
Shri Shiv Singh Mehta, Director
Shri Saurabh Singh Mehta
- ii. **Relatives of Key Management Personnel**
Smt. Purnima Mehta (Wife of Shri Shiv Singh Mehta)
Smt. Devki Hirawat (Daughter of Shri Shiv Singh Mehta)
Smt. Nidhi Mehta -(Daughter-in-law of Shri Shiv Singh Mehta)
- iii. **Holding Company**
1) Kriti Industries (India) Limited
- iv. **Companies/entities under the control of Key Management Personnel**
1) Sakam Trading Pvt. Ltd. (Holding Company)
2) Kriti Nutrients Ltd. (Fellow Subsidiary)
3) Chetak Builders Pvt. Ltd. (Fellow Subsidiary)
4) Sakam Charitable Trust, Indore



The following transaction were carried out with the related parties in the ordinary course of business

(Rs. In Lakhs)

Sr. No.	Nature of Transaction	Holding Company	Key Management Personnel	Relatives of Key Management Personnel	Companies/entities under the control of Key Management Personnel
1.	Rent Paid	NIL (NIL)	0.04 (NIL)	NIL (NIL)	NIL (NIL)
2	Purchase of Consumable Items	3.78 (Nil)	NIL (NIL)	NIL (NIL)	NIL (NIL)
3	Unsecured Loan Taken	197.00 (86)	NIL (NIL)	NIL (NIL)	66.50 (27.00)
4	Unsecured Loan Given	NIL (102)	NIL (NIL)	NIL (NIL)	NIL (11.50)
5	Interest Given	18.42 (18.91)	NIL (NIL)	NIL (NIL)	18.41 (20.04)
6	Sale of Finished Goods	18.57 (6.56)	NIL (NIL)	NIL (NIL)	NIL (NIL)

*The figures mentioned in the brackets are previous year figures.

31. Auditor's Remuneration

(Rs in Lakhs)

Sr. No.	Auditor's Remuneration	31/03/20	31/03/19
a.	Statutory Audit/ Tax Audit Fees	0.50	0.50

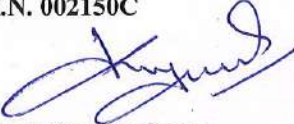
32. Estimation of uncertainties relating to global health pandemic COVID-19

Due to COVID-19 automobile industry in India is passing through deep recession and there is no Clarity of revival as on date. Our business has been severely impacted over the last two months (i.e. April and May,20) and June,20 as well. Further, the company does not carry any risk in the recoverability and carrying values of its assets including Property, Plant and Equipment, trade receivables, inventories and investments (except Revenues). Necessary impact has been considered by the Parent Company.

However the company will closely monitor any material changes to future economic conditions impacting its business.

As per our report of even date attached

For Rakesh Kumar & Associates
Chartered Accountants
F.R.N. 002150C


Rakesh Kumar Gupta
(Partner)
M.No. 070906

For and on behalf of the Board of Directors


Shiv Singh Mehta
(Director)
DIN 00023523


Manoj Fadnis
(Director)
DIN 01087055

Place: Indore
Date: 29th June, 2020

