

## **Independent Auditor's Report**

### **To the Members of**

### **Kabra Mecanor Belling Technik Private Limited**

### **Report on the Audit of the Ind AS Financial Statements**

#### **Opinion**

We have audited the Ind AS financial statements of Kabra Mecanor Belling Technik Private Limited (the "Company"), which comprise the balance sheet as at March 31, 2022, 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 the 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 financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its loss (including other comprehensive income) changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

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

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 Ind AS Financial Statements**

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss and other 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 (Ind AS) 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management and Board of Directors are 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.

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

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

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 the 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.

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
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, 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 financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards) Second Amendment Rules, 2019.
- e) 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 are disqualified as on that date 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- 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 does not have any pending litigations as at March 31, 2022.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds 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, 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 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, 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; and  
  
(c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has

**Anil Ashok & Associates  
Chartered Accountants**

caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

- v. The Company has not paid nor declared any dividend during the year under audit.
3. In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors during the year.

**For Anil Ashok & Associates  
Chartered Accountants  
Firm's Registration No.005177N**

**Viral Kothari**  
**Partner**  
Membership No. 128012  
UDIN:  
Mumbai | May 06, 2022

**Kabra Mecanor Belling Technik Private Limited**

**Annexure – ‘A’ to the Independent Auditors’ Report – March 31, 2022**

The Annexure referred to in Independent Auditor’s Report to the members of the Company on the Ind AS financial statements for the year ended March 31, 2022, we report that:

- (i) (a) (A) The Company does not have any Property, plant and equipment.
  - (B) The Company does not have any intangible assets.
  - (b) As the company does not have Property, plant, equipment and intangible assets, accordingly reporting under paragraphs 3(i)(b), (c) and (d) of the Order are not applicable to the Company.
  - (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The company does not hold any inventories during the year. Accordingly reporting under paragraph 3(ii)(a) of the Order is not applicable to the Company.
  - (b) The company has not been sanctioned working capital limits from banks or financial institutions. Accordingly reporting under paragraphs 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties except for investment made in Mutual Fund and the investment made is not prejudicial to the company’s interest. Accordingly reporting under paragraphs 3(iii) (a), (c), (d), (e) and (f) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable. Accordingly reporting under paragraph 3(iv) of the Order are not applicable to the Company.
- (v) In our opinion, and according to information and explanation given to us, the Company has neither accepted deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and rules made thereunder, to the extent applicable. Accordingly reporting under paragraph 3(v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products/services rendered by the Company. Accordingly reporting under paragraph 3(vi) of the Order is not applicable to the Company.

- (vii)(a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has been regular in depositing the undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, goods and service tax, duty of customs, duty of excise, cess, professional tax and other statutory dues, as applicable, with the appropriate authorities. There are no arrears of outstanding statutory dues as at March 31, 2022 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no disputed amount payable in respect of statutory dues referred to in sub-clause(a) above were in arrears as at March 31, 2022.
- (viii) According to the information and explanation given to us and on the basis of our examination of the records of the Company, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) According to the information and explanation given to us and on the basis of our examination of the records of the Company;
- (a) The company has not taken any loans or borrowings during the year.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or other lender.
- (c) The Company has not taken term loan during the year.
- (d) The company has not raised any funds on Short term basis.
- (e) The Company has not taken any funds from entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company do not have subsidiaries, joint ventures or associate companies. Accordingly reporting under paragraph 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer or debt instruments, accordingly reporting under paragraph 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures (fully or partly or optionally) during the year under review and hence, reporting under paragraph 3(x)(b) are not applicable to the Company.
- (xi) (a) No material fraud by the Company or on the Company has been noticed or reported during the year nor have we been informed of such case by the management.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government and up to the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013 (as amended). Accordingly reporting under paragraph 3(xii) (a), (b) and (c) of the order are not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable Indian accounting standards.
- (xiv) In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the companies Act, 2013. Accordingly reporting under paragraph 3(xiv) (a), (b) of the order are not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence reporting under paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) In our opinion, and according to information and explanation given to us;
- (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
  - (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year.
  - (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India (RBI).
  - (d) The Group does not have any CIC as part of the Group.
- (xvii) The Company has incurred cash losses of Rs.10,66,600/- in the current financial year and cash losses of Rs.8,98,800/- in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly reporting under paragraph 3(xviii) of the Order is not applicable to the Company.
- (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, 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 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 and on the basis of books and records examined by us, Company was not required to spend any money under sub-section (5) of section 135 the Act. as the clause was not applicable and accordingly reporting under clause 3(xx) (a) and (b) of the Order are not applicable to the company for the year.

**Anil Ashok & Associates  
Chartered Accountants**

(xxi) In our opinion and according to the information and explanations given to us, the Company does not have any subsidiaries, associates and joint ventures during the year. Hence the Company is not required to prepare Consolidated Financial Statements. Accordingly reporting under paragraph 3(xxi) of the Order is not applicable.

**For Anil Ashok & Associates  
Chartered Accountants  
Firm's Registration No.005177N**

**Viral Kothari**  
**Partner**  
Membership No. 128012  
UDIN:  
Mumbai | May 06, 2022

**Kabra Mecanor Belling Technik Private Limited**

**Annexure - B to the Independent Auditor's Report of even date on the Ind AS financial statements of Kabra Mecanor Belling Technik Private Limited**

**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 Kabra Mecanor Belling Technik Private Limited (the "Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**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, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**Management's responsibility for internal financial controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "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, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Act.

**Auditor's responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of internal financial controls over financial reporting**

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

**For Anil Ashok & Associates  
Chartered Accountants  
Firm's Registration No.005177N**

**Viral Kothari**  
**Partner**  
Membership No. 128012  
UDIN:  
Mumbai | May 06, 2022

**Kabra Mecanor Belling Technik Private Limited**

**BALANCE SHEET**

Amount in Rupees hundreds

Sr. No.	As at March 31,	Note No.	2022	2021
	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment		-	-
	<b>Total non-current assets</b>		-	-
(2)	<b>Current assets</b>			
	(a) Financial Assets			
	(i) Investments	3	77,921	77,790
	(ii) Cash and cash equivalents	4	748	1,201
	(b) Other Current assets	5	13,300	11,025
	<b>Total current assets</b>		<b>91,969</b>	<b>90,016</b>
	<b>TOTAL ASSETS</b>		<b>91,969</b>	<b>90,016</b>
	<b>EQUITY AND LIABILITIES</b>			
	<b>A. EQUITY</b>			
	(a) Equity Share capital	6	1,00,000	1,00,000
	(b) Other Equity	7	(42,297)	(31,631)
	<b>Total equity</b>		<b>57,703</b>	<b>68,369</b>
(1)	<b>B. LIABILITIES</b>			
	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Trade Payables	8	34,047	21,428
	(b) Other current liabilities	9	219	219
	<b>Total current liabilities</b>		<b>34,266</b>	<b>21,647</b>
	<b>Total liabilities</b>		<b>34,266</b>	<b>21,647</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>91,969</b>	<b>90,016</b>

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

**For Anil Ashok & Associates**  
**Chartered Accountants**  
 Registration No. 005177N

**For and on behalf of Board of Directors**  
**Kabra Mecanor Belling Technik Private Limited**

**Viral Kothari**  
**Partner**  
 Membership No. 128012  
 Mumbai |

**SV Kabra**  
**Director**  
 Din No: 00015415  
 Mumbai |

**AS Kabra**  
**Director**  
 Din No: 00016010  
 Mumbai |

**Kabra Mecanor Belling Technik Private Limited****Statement of Profit and Loss**

Amount in Rupees hundreds

<b>For the year ended March 31,</b>	<b>Notes No.</b>	<b>2022</b>	<b>2021</b>
<b>Income</b>			
Revenue from operations	10	-	28,320
Other Income	11	2,602	3,691
<b>Total Income</b>		<b>2,602</b>	<b>32,011</b>
<b>Expenses</b>			
Cost of material consumed	12	-	23,225
Depreciation and amortization			
Other Expenses	13	13,268	17,774
<b>Total Expenses</b>		<b>13,268</b>	<b>40,999</b>

<b>Profit/(Loss) before tax</b>		<b>(10,666)</b>	<b>(8,988)</b>
Tax expense:			
- Current tax		-	-
- Deferred tax		-	-
<b>Profit/(Loss) after tax</b>		<b>(10,666)</b>	<b>(8,988)</b>

**Other Comprehensive Income**

i) Items that will not be reclassified to profit or loss		-	-
ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>(10,666)</b>	<b>(8,988)</b>

**Earnings Per Share**

Basic and diluted	14	(1.07)	(0.90)
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The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

**For Anil Ashok & Associates**Chartered Accountants  
Registration No. 005177N**For and on behalf of Board of Directors****Kabra Mecanor Belling Technik Private Limited****Viral Kothari**  
**Partner**  
Membership No. 128012  
Mumbai |**SV Kabra**  
**Director**  
Din No: 00015415  
Mumbai |**AS Kabra**  
**Director**  
Din No: 00016010  
Mumbai |

Kabra Mecanor Belling Technik Private Limited

Cash Flow Statement

Amount in Rupees hundreds

	For the year ended March 31,	2022	2021
<b>A</b>	<b>Cash Flow from Operating Activities</b>		
	Net Profit Before Tax and Extraordinary items	(10,666)	(8,988)
	<b>Adjustments for :</b>		
	Other Income received		-
	<b>Operating profit before working capital changes</b>	(10,666)	(8,988)
	Change in :		
	(Increase)/decrease in Other non-Current assets		
	(Increase)/Decrease in Other current Assets	(2,275)	(6,819)
	(Increase)/Decrease in Financial assets Loans		
	(Increase)/Decrease in Trade Receivable	-	6,500
	(Increase)/Decrease in Inventory		
	Proceeds from issue of Shares	-	-
	Increase/(Decrease) in Other Current Liabilities	-	(314)
	Increase/(Decrease) in Trade and other payables	12,619	(1,835)
	Cash generated from operations	(322)	(11,456)
	Direct taxes paid		
	<b>Net Cash from Operating Activities</b>	<b>(322)</b>	<b>(11,456)</b>
<b>B</b>	<b>Cash Flow From Investing Activities</b>		
	Purchase of Investment		
	Sale of Investment	(131)	9,176
	<b>Net Cash used in Investing Activities</b>	<b>(131)</b>	<b>9,176</b>
<b>C</b>	<b>Cash Flow from Financing Activities</b>		
	Proceeds from issue of equity shares	-	-
	Interest (Net)	-	-
	<b>Net Cash from financing activities</b>	<b>-</b>	<b>-</b>
	<b>Net Cash used in Cash and Cash Equivalents (A+B+C)</b>	<b>(453)</b>	<b>(2,280)</b>
	Cash & Cash Equivalents (Opening balance)	1,201	3,481
	<b>Cash &amp; Cash Equivalents (Closing balance)</b>	<b>748</b>	<b>1,201</b>

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

**For Anil Ashok & Associates**

**Chartered Accountants**

Registration No. 005177N

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

**Kabra Mecanor Belling Technik Private Limited**

**Viral Kothari**

**Partner**

Membership No. - 040300

Mumbai |

**SV Kabra**

**Director**

Din No: 00015415

Mumbai |

**AS Kabra**

**Director**

Din No: 00016010

Mumbai |

**Kabra Mecanor Belling Technik Private Limited**

**Statement of changes in equity**

Amount in Rupees hundreds

**A Equity share capital**

Balance as at 1st April 2020	1,00,000
Changes in equity share capital during 2020-21	-
<b>Balance as at 31st March 2021</b>	<b>1,00,000</b>
Changes in equity share capital during 2021-22	-
<b>Balance as at 31st March 2022</b>	<b>1,00,000</b>

**B Other equity**

	Reserves & surplus		Equity instruments designated as FVTOCI	Total
	General reserve	Retained earnings		
<b>Balances as on 1st April 2020</b>		<b>(22,643)</b>		<b>(22,643)</b>
Profit for the year		(8,988)		(8,988)
Other comprehensive income (net of tax)				-
<b>Total comprehensive income for the year</b>		<b>(31,631)</b>		<b>(31,631)</b>
<b>Balances as on 31st March 2021</b>		<b>(31,631)</b>		<b>(31,631)</b>
Profit for the year		(10,666)		(10,666)
Other comprehensive income (net of tax)				-
<b>Total comprehensive income for the year</b>		<b>(10,666)</b>		<b>(10,666)</b>
Transfer to general reserve		-		-
Changes during the year		-		-
<b>Balances as on 31st March 2022</b>		<b>(42,297)</b>	-	<b>(42,297)</b>

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

**For Anil Ashok & Associates**

**Chartered Accountants**

**Registration No. 005177N**

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

**Kabra Mecanor Belling Technik Private Limited**

**Viral Kothari**

**Partner**

**Membership No. 128012**

**Mumbai |**

**SV Kabra**

**Director**

**Din No: 00015415**

**Mumbai |**

**AS Kabra**

**Director**

**Din No: 00016010**

**Mumbai |**

**Kabra Mecanor Belling Technik Private Limited**  
**Notes to financial statements**  
**All figures in hundreds of INR unless otherwise mentioned**

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**1. General information about the entity**

Kabra Mecanor Belling Technik Private Limited (“the Company”) is a company incorporated in India under the provisions of Companies Act, 2013. It was incorporated on November 09, 2017. It provides fully integrated extrusion solutions for the Indian & Global plastics Corrugated Pipe Industry.

**Basis of preparation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013 [the Companies (Indian Accounting Standards) Rules, 2015, as amended] and other relevant provisions of the Act.

These Financial Statements were approved by the Board of Director on May 06, 2022.

**a) Basis of measurement**

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements

**b) Current versus non-current classification**

The company presents assets and liabilities in the balance sheet based on current and non-current classification.

An asset is classified as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the 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.

A liability is classified as current when it is:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

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

**Kabra Mecanor Belling Technik Private Limited**  
**Notes to financial statements**  
**All figures in hundreds of INR unless otherwise mentioned**

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**c) Rounding off amounts**

All amounts disclosed in the Financial Statements including notes have been rounded off to the nearest hundred in Indian Rupee (INR 00) as per the requirements of Schedule III of the Companies Act, 2013; unless otherwise indicated.

**2.1. Significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**a) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**b) Revenue from contract with customers**

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method

Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

**c) Income tax**

Income tax expense comprises of current tax and deferred tax. It is recognized in the statement of profit and loss except to the extent that it relates to the items recognized directly in OCI.

**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable profits computed for the current accounting period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

**d) Provisions and contingencies**

A provision is recognized 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.

**Kabra Mecanor Belling Technik Private Limited**  
**Notes to financial statements**  
**All figures in hundreds of INR unless otherwise mentioned**

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When the company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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 in the statement of profit and loss.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognized in financial statements, unless they are virtually certain. However, contingent assets are disclosed where inflow of economic benefits are probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

**e) Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

**Kabra Mecanor Belling Technik Private Limited**  
**Notes to financial statements**  
**All figures in hundreds of INR unless otherwise mentioned**

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For the purpose of fair value disclosures, the company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

**f) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Initial recognition and measurement**

Financial instruments are initially recognized when the entity becomes party to the contract.

Financial instruments are measured initially at fair value adjusted for transaction costs that are directly attributable to the origination of the financial instrument where financial instruments not classified at fair value through profit or loss. Transaction costs of financial instruments which are classified as fair value through profit or loss are expensed in the statement of profit and loss.

**Subsequent measurement of financial assets**

For the purposes of subsequent measurement, the financial assets are classified in the following categories based on the company's business model for managing the financial assets and the contractual terms of cash flows:

- those to be measured subsequently at fair value; either through OCI or through profit or loss
- those measured at amortised cost

For assets measured at fair value, changes in fair value will either be recorded in the statement of profit and loss or OCI. For investments in debt instruments, this will depend on the business model in which investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for equity investment at fair value through OCI.

**Subsequent measurement of financial liabilities**

For the purposes of subsequent measurement, the financial liabilities are classified in the following categories:

- those to be measured subsequently at fair value through profit or loss (FVTPL)
- those measured at amortised cost

Following financial liabilities will be classified under FVTPL:

- Financial liabilities held for trading
- Derivative financial liabilities
- Liability designated to be measured under FVTPL

All other financial liabilities are classified at amortised cost.

For financial liabilities measured at fair value, changes in fair value will be recorded in the statement of profit and loss except for the fair value changes on account of own credit risk are recognized in Other

**Kabra Mecanor Belling Technik Private Limited**  
**Notes to financial statements**  
**All figures in hundreds of INR unless otherwise mentioned**

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Comprehensive Income (OCI).

Interest expense on financial liabilities classified under amortised cost category are measured using effective interest rate (EIR) method and are recognized in statement of profit or loss.

**Derecognition of financial instruments**

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

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

**Impairment of financial assets**

The company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial assets mentioned below:

- Financial assets that are debt instrument and are measured at amortised cost
- Financial assets that are debt instruments and are measured as at FVOCI
- Trade receivables under Ind AS 18

The impairment methodology applied depends on whether there has been a significant increase in credit risk. Details how the company determines whether there has been a significant increase in credit risk is explained in the respective notes.

For impairment of trade receivables, the company chooses to apply practical expedient of providing expected credit loss based on provision matrix and does not require the Company to track changes in credit risk. Percentage of ECL under provision matrix is determined based on historical data as well as futuristic information.

**g) Earnings per share (EPS)**

Basic EPS is calculated by dividing the profit for the period attributable to equity holders of the company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the period and excluding treasury shares.

Diluted EPS adjust the figures used in the determination of basic EPS to consider

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

**Kabra Mecanor Belling Technik Private Limited**  
**Notes to financial statements**  
**All figures in hundreds of INR unless otherwise mentioned**

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**h) Operating segments**

**Identification of Segments**

The Company's operating business predominantly relates to manufacture of "Belling machinery & allied equipment's".

**Allocation of costs**

Allocable costs are allocated to the "Belling machinery & allied equipment's" based on sales total sales of the Company.

The Company did not have any property, plant and equipment and capital work in progress, as at March 31, 2022. All property, plant and equipment are accounted for at cost incurred during the year on their acquisition.

**2.2. Significant accounting judgments, estimates and assumptions**

The preparation of the financial statements in conformity with Ind AS, requires the management to make judgments, estimates and assumptions that affect the amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities, disclosure of the contingent liabilities and notes to accounts at the end of each reporting period. Actuals may differ from these estimates.

**2.3. Recent accounting pronouncements**

Accounting Standard issued but yet not 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 from April 1, 2021.

Kabra Mecanor Belling Technik Private Limited  
Notes to Financial Statements

Amount in Rupees hundreds

As at March 31, 2022 2021

**Note 3 - "Current Assets"**

**"Financial Assets - Investments"**

**Investments in Mutual Funds**

Kotak Liquid Fund- Regular Plan-Div Payout (Units CY Nil PY 1870.821)	-	77,790
Kotak Liquid Fund- Regular Plan-Growth (Units CY 1810.829 PY Nil)	77,921	-
	<b>77,921</b>	<b>77,790</b>

**Note 4 - "Current Assets"**

**"Financial Assets - Cash and Cash Equivalents"**

Balances with scheduled bank- Current account	748	1,201
	<b>748</b>	<b>1,201</b>

**Note 5 - "Current Assets"**

**"Other Current Assets"**

Balances with government authorities	13,300	11,025
	<b>13,300</b>	<b>11,025</b>

Kabra Mecanor Belling Technik Private Limited  
Notes to financial statements  
Amount in Rupees hundreds  
Note 6 - "EQUITY"  
"Equity Share capital"

As at	2022		2021	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised</b>				
Equity Shares of Rs.10 each	10,00,000	1,00,000	10,00,000	1,00,000
	<b>10,00,000</b>	<b>1,00,000</b>	<b>10,00,000</b>	<b>1,00,000</b>
<b>Issued, Subscribed &amp; Paid up</b>				
Equity Shares of Rs.10 each fully paid	10,00,000	1,00,000	10,00,000	1,00,000
<b>Total Issued, Subscribed &amp; fully paid up share capital</b>	<b>10,00,000</b>	<b>1,00,000</b>	<b>10,00,000</b>	<b>1,00,000</b>

The Company has only one class of shares referred to as equity shares having a par value of Rs.10/- .The Company has not declared any dividends to date. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii. Shares Outstanding

	No. of Shares	Amount	No. of Shares	Amount
Opening balance	10,00,000	1,00,000	10,00,000	1,00,000
Shares Issued during period	-	-	-	-
Closing Balance	<b>10,00,000</b>	<b>1,00,000</b>	<b>10,00,000</b>	<b>1,00,000</b>

iii. Share holders with more than 5 % holding

	No. of Shares	% of Holding	No. of Shares	% of Holding
Kabra Extrusionstechnik Limited	6,99,800	69.98%	6,99,800	69.98%
Mecanor OY (Finland)	3,00,000	30.00%	3,00,000	30.00%

iv. Shareholding of promotor in the Company at the end of the year

Promotor's Name	No. of shares	% total shares	%changed during the year
Kabra Extrusionstechnik Limited	6,99,800	69.98%	0
Mecanor OY (Finland)	3,00,000	30.00%	0
Anand kabra	100	0.01%	0
Shreevallabh Kabra	100	0.01%	0

iv. The Company has not issued any shares for consideration other than cash

Note 7 - "EQUITY" "Other Equity"	March 31, 2022		March 31, 2021	
<b>Retained earnings</b>				
Opening Balance		-31,631		-22,643
Net Profit/(Net Loss) for the year		-10,666		-8,988
Closing Balance		<b>-42,297</b>		<b>-31,631</b>

Note : Purpose and use of each reserve

1. Retained Earnings

Retained earnings are the portion of a company's cumulative profit that is held or retained and saved for future use Retained earnings could be used for funding an expansion or paying dividends to shareholders at a later date.

Note 8 - "Current Liabilities"

"Financial Liabilities - Trade Payables"

Dues to Micro and small enterprises	-	-
Dues to creditors other than Micro and small enterprises	34,047	21,428
	<b>34,047</b>	<b>21,428</b>

(i) Trade payables are measured at amortised cost.

(ii) Refer note no. 21 for Trade payables to related parties

(iii) Trade payable Aging Schedule

Particulars	Outstanding for following periods from due date of payment			
	Not due*	Less than 1 Year	1 to 2 years	Total
<b>As at March 31, 2022</b>				
(Undisputed)				
MSME	-	-	-	-
Others	120	14,267	19,660	34,047
<b>Total</b>	<b>120</b>	<b>14,267</b>	<b>19,660</b>	<b>34,047</b>
<b>As at March 31, 2021</b>				
(Undisputed)				
MSME	-	-	-	-
Others	-	21,428	-	21,428
<b>Total</b>	<b>-</b>	<b>21,428</b>	<b>-</b>	<b>21,428</b>

Note 9 - "Current Liabilities"

"Other Current Liabilities"

Statutory dues	219	219
Bank Balance (Overdraft)	-	-
	<b>219</b>	<b>219</b>

**Notes to financial statements**

<b>Amount in Rupees hundreds</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
<b>Note 10 - Revenue from Operations</b>		
Sale of Product	-	28,320
	-	<b>28,320</b>
<b>Note 11 Other Income</b>		
Dividend Income	-	919
Freight/transport	-	801
Insurance Charges	-	90
Profit/(Loss) on Sale of MF	66	112
Foreign Exchange Gain/(Loss)	-35	-107
FVTPL on Financial Instruments	2,566	1,876
Interest on Income Tax Refund	5	
	<b>2,602</b>	<b>3,691</b>
<b>Note 12 - Cost of material consumed</b>		
Opening Inventory	-	-
Add:Purchase during the year	-	23,225
Less:Closing Stock	-	-
<b>Cost of Material Consumed</b>	-	<b>23,225</b>
<b>Note 13 - Other expenses</b>		
Printing and Stationery		
Filing Fees	65	109
Legal and Professional Fees	108	100
Commission Sales	-	1,647
Management Fees	2,190	2,916
Rent	10,669	10,161
<u>Payments to Auditors</u>		
Audit Fees	135	135
Miscellaneous expenses	101	2,706
	<b>13,268</b>	<b>17,774</b>
<b>Note 14 - Earnings per share</b>		
Profit attributable to Equity share holder	-10,666	-8,988
Weighted average number of equity shares (Basic and Diluted)	10,00,000	10,00,000
<b>Basic and diluted earnings per share (Face value of Rs. 10/- each)</b>	<b>(1.07)</b>	<b>(0.90)</b>

**Kabra Mecanor Belling Technik Private Limited**  
**Notes to financial statements**  
**All figures in hundreds of INR unless otherwise mentioned**

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**15. Financial Instruments:**

**15.1 Capital management**

For 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 ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

**15.2 Categories of financial instruments**

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
<b>Financial assets</b>			
<b>Measured at amortized cost</b>			
(a) Cash and cash equivalents	4	748	1,201
<b>Measured at fair value through profit or loss (FVTPL)</b>			
(a) Investments in current investments	3	77,921	77,790
<b>Financial liabilities (Measured at amortized cost)</b>			
(a) Trade payables	9	34,047	21,428

**15.3 Financial risk management**

The Company's activities expose it to market risks, credit risks and liquidity risks. In order to minimise any adverse effects on the financial performance of the Company, derivative financial instruments such as forward foreign exchange contract are entered to hedge the foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not for trading or speculative purposes. The Company has exposure to the following risks arising from financial instruments:

**15.3.1 Credit Risk**

Credit risk is the risk of financial losses to the Company if a customer or counterparty to financial instruments fails to discharge its contractual obligations. It arises primarily from the Company's receivables from customers. To manage this, the Company periodically assesses the key accounts receivable balances. As per Ind-AS 109: Financial Instruments, the Company uses expected credit loss model to assess the impairment loss or gain.

The carrying amount of trade and other receivables and other financial assets represents the maximum credit exposure.

**Kabra Mecanor Belling Technik Private Limited**  
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**All figures in hundreds of INR unless otherwise mentioned**

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**15.3.2 Trade Receivables**

The management has established accounts receivable policy under which customer accounts are regularly monitored. The Company has a dedicated sales team which is responsible for collecting dues from the customer within stipulated period. The management reviews status of critical accounts on a regular basis. Trade receivables that were not impaired

Particulars	Carrying amount	
	March 31, 2022	March 31, 2021
As at		
Less than 180 days	-	-
More than 180 days	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**15.3.3 Financial instruments and Cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Company monitors rating, credit spreads and financial strength of its counter parties. Based on ongoing assessment Company adjust it's exposure to various counterparties.

**15.3.4 Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has a view of maintaining liquidity and to take minimum possible risk while making investments. In order to maintain liquidity, the Company invests its excess funds in short term liquid assets like liquid mutual funds. The Company monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

The liquidity position at each reporting date is given below:

As at	March 31, 2022	March 31, 2021
<b>Particulars</b>		
Cash and cash equivalents/ (Book Overdraft)	748	1201
Investments in Mutual funds	77,921	77,790
<b>Total</b>	<b>78,669</b>	<b>78,991</b>

The following are the remaining contractual maturities of financial liabilities:

As at	March 31, 2022	March 31, 2021
<b>Particulars</b>		
Trade payables	34,047	21,428
<b>Total</b>	<b>34,047</b>	<b>21,428</b>

**Kabra Mecanor Belling Teknik Private Limited**  
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**All figures in hundreds of INR unless otherwise mentioned**

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**15.3.5 Market Risk**

Market risk is a risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Market risk comprises three types of risk interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include borrowings, trade and other payables, foreign exchange forward contracts, security deposit, trade and other receivables, deposits with banks.

**15.3.6 Foreign Currency risk**

The Company does not undertake transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations does not arise.

**15.3.7 Interest rate risk**

The company has no significant interest-bearing operating assets/liabilities, operating income and operating cash flow are substantially independent of changes in market interest rates.

**15.3.8 Price risk**

The company is exposed to fluctuations in market prices in the investment in mutual funds recognized at FVTPL.

**15.4 Fair value of financial instruments that are measured at amortised cost**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

**16. Fair Value hierarchy**

Financial assets and liabilities include cash and cash equivalents, other balances with banks, trade receivables, loans, other financial assets, trade payables and other financial liabilities whose fair values approximate their carrying amounts largely due to the short term nature of such assets and liabilities.

The following table presents fair value hierarchy of assets and liabilities measured at fair value as on 31 March 2022:

Particulars	Fair value of measurement as at March 31, 2022		
	Level 1	Level 2	Level 3
Investment in Mutual Fund	77,921		

**Kabra Mecanor Belling Technik Private Limited**  
**Notes to financial statements**  
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The following table presents fair value hierarchy of assets and liabilities measured at fair value as on 31 March 2021:

Particulars	Fair value of measurement as at March 31, 2021		
	Level 1	Level 2	Level 3
Investment in Mutual Fund	77,790		

**17. Disclosure as per the requirement of section 22 of the Micro, Small and Medium Enterprise Development Act, 2006:**

Company is in process of inviting information from its vendors for their status under “The Small, Medium and Micro Enterprises Development Act 2006”, however in absence of any information no disclosures have been made in this regard.

**18. Details of employee benefits as required by Ind-AS 19 - "Employee benefits are as under":**

The Company does not have employees qualifying for Retiral benefits as at March 31, 2022.

**19. Segment information**

The Company’s operating business predominantly relates to manufacture of “Belling machinery & allied equipment’s” thereof and hence the Company has considered “Belling machinery & allied equipment’s” as the single reportable segment.

**20. Related Party Transactions:**

A. Names of related party and nature of relationship :

Relationship	Name of related party
Joint Venture Companies	Kabra Extrusiontechnik Ltd and Mecanor OY (Finland)
Key Management Personnel and Director	Anand Kabra- Director Shreevallabh Kabra- Director Hannu Sakari Heman- Director

B. Transactions and Balance Outstanding at end of financial period with related parties

**Amount of transactions during the year**

	For the year ending	March 31, 2022	March 31, 2021
<b>No.</b>	<b>Particulars</b>		
	<b><u>Kabra Extrusiontechnik Ltd</u></b>		
1	Rent Expenses	10,669	10,161
2	Management Fees incurred	-	2,916
3	Expenses incurred on behalf of company and re-paid		-
4	Tax Liabilities incurred on our behalf and re-paid	1,067	1,326
5	Purchase	-	23,225

**Kabra Mecanor Belling Technik Private Limited**  
**Notes to financial statements**  
**All figures in hundreds of INR unless otherwise mentioned**

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**Balances outstanding**

	As on	March 31, 2022	March 31, 2021
<b>No.</b>	<b>Particulars</b>		
1	<b><u>Payables</u></b>		
	Kabra Extrusiontechnik Ltd	31,402	19,660
2	<b><u>Investment in Share Capital</u></b>		
	Kabra Extrusiontechnik Ltd	69,980	69,980
	Mecanor OY (Finland)	30,000	30,000
	Anand Kabra	10	10
	<u>Shreevallabh Kabra</u>	10	10

**21. Lease transactions:**

Operating Lease - Obligations towards non-cancellable operating Leases:

The Company has taken office premises on lease and Company doesn't have any future lease obligations as lease agreement renewed on year on year basis.

Particulars	March 31,2022	March 31,2021
Lease payment debited to Statement of Profit & Loss	10,669	10,161
Lease obligation		
- Not later than one year	-	-
- later than one year and Not later than five years	-	-
- Later than five years	-	-

**22. Details of provisions and movements in each class of provisions as required by the Indian Accounting Standard (Ind AS) 37 - Provisions, Contingent liabilities and Contingent assets.**

There is no Contingent liability as at March 31, 2022.

**23. Income taxes**

Due to Loss there is no income tax expense during the period.

In view of uncertainty in utilization of loss, as a prudent measure the company has not recognized deferred tax assets.

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit or Loss is not applicable due to losses incurred in current period.

**24. There are no earnings (PY: 28,320) and expenditure (PY: Nil) in foreign currency during the period.**

**Kabra Mecanor Belling Technik Private Limited**  
**Notes to financial statements**  
**All figures in hundreds of INR unless otherwise mentioned**

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**25. Events Occurring after Balance Sheet Date**

There were no significant events that occurred after the balance sheet date that materially affects the financial position of the company.

**26.** Corporate Social responsibility provisions are not applicable to the company for the year ended March 31, 2022. There are no earnings and expenditure in foreign currency during the period.

**27.** The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

**28.** Disclosure of transactions with struck off companies.

The Company did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

**29. Ratios**

Sr No.	Ratio	Numerator	Denominator	2022	2021	% Variance	Reason for Variance >25%
1	Current Ratio	Current Assets	Current Liabilities	2.68	4.16	-35%	Increase in Trade Payables
2	Debt - Equity Ratio	Total Debt	Total Equity	NA	NA	-	-
3	Debt Service Coverage Ratio	Earnings available for Debt Service	Debt Service	NA	NA	-	-
4	Return on Equity Ratio	Profit After Tax	Total Equity	-0.18	-0.13	41%	Decrease in PAT
5	Inventory Turnover Ratio	Net Sales	Average Inventory	NA	NA	-	-
6	Trade Receivables Turnover Ratio	Revenue from Contracts with Customers	Average Accounts Receivables	NA	NA	-	-
7	Trade Payables Turnover Ratio	Net credit purchase	Average Trade Payables	0.48	3.83	-87%	Decrease in Purchase
8	Net Capital Turnover Ratio	Net Sales	Avg Working Capital	NA	0.39	-	-
9	Net Profit Ratio	Net Profit After Tax	Revenue from Operations	NA	-0.32	-	-

**Kabra Mecanor Belling Technik Private Limited**  
**Notes to financial statements**  
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Sr No.	Ratio	Numerator	Denominator	2022	2021	% Variance	Reason for Variance >25%
10	Return on Capital Employed	Earnings Before Interest and Tax	Avg Capital Employed	-0.17	-0.12	37%	Decrease in EBIT
11	Return on Investment	Income generated from investment Funds	Average Investment	3.20	3.45	-7%	-

**30.** The Previous year's figures have been re-grouped/re-classified wherever required to conform to current year's classification

**For Anil Ashok & Associates**  
**Chartered Accountants**  
Registration No. 005177N

**For and on behalf of Board of Directors of**  
**Kabra Mecanor Belling Technik Private Limited**

**Viral Kothari**  
**Partner**  
Membership No. – 128012  
Mumbai |

**S.V. Kabra**  
**Director**  
Din No: 00015415  
Mumbai |

**A.S. Kabra**  
**Director**  
Din No: 00016010  
Mumbai |