

**ATIBIR INDUSTRIES COMPANY LIMITED**

*Reg. Office :* **KOLKATA (WEST BENGAL)**

*Factory :* **GIRIDIH (JHARKHAND)**

**AUDIT REPORT  
&  
STATEMENT OF ACCOUNTS  
FOR THE YEAR ENDED 31/03/2020**

**Badani Dorwal & Associates**  
**CHARTERED ACCOUNTANTS**  
**KOLKATA**

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## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF ATIBIR INDUSTRIES COMPANY LIMITED**

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

##### **Opinion**

We have audited the standalone financial statements of ATIBIR INDUSTRIES COMPANY LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone 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 ("the act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and loss (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 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 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**

We have determined that there are no key audit matters to communicate in our report.

##### **Other Information**

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 standalone financial statements and our auditor's report thereon.





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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work we have performed, 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.

### **Management's Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the state of affairs, profit (including other 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 (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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management 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 is 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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



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

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

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

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





## 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 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.

(A) 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), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act;
- (e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the board of directors, none of the directors is disqualified as on March 31, 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure – "B";

(B) With respect to the matter to be included in the Auditor's Report under section 197(16) :

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

Place : KOLKATA.

The 16th day of December 2020.

For BADANI DORWAL & ASSOCIATES  
Chartered Accountants  
Firm Registration No. 330298E

*P. Dorwal*

P. Dorwal  
Partner

Membership No.426972



### **Annexure - "A" to the Independent Auditors' Report**

With reference to the Annexure – "A" referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31<sup>st</sup> March, 2020 we report the following :

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) The company has a regular programme of physical verification of its fixed assets, by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified during the year and no material discrepancies were noticed on such verification.  
  
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in fixed assets are held in the name of the Company.
2. The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The Company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records were not material.
3. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans given, investments made, guarantees and securities given.
5. The Company has not accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India, provision of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
6. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government under section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts have been maintained.





7. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Goods and Service Tax, duty of customs, Cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the Provident fund, Employees' State Insurance, Income-tax, Goods and Service Tax, duty of customs, Cess and other material statutory dues were in arrears as at 31<sup>st</sup> March, 2020, for a period of more than six months from the date of becoming payable.

(b) According to the information and explanations given to us, there are no dues of income tax or sales tax or service tax or goods and service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any disputes.

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks. The Company has no outstanding debenture holder during the year.
9. The Company has not raised any term loans during the period under audit. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
11. In our opinion and according to the information and explanations given to us and based on examination of the records of the Company, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the Act.
12. The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private placement of Equity Shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.



15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.
16. As According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place : KOLKATA.

The 16<sup>th</sup> day of December 2020.

For BADANI DORWAL & ASSOCIATES  
Chartered Accountants  
Firm Registration No. 330298E

*P. Dorwal*

P. Dorwal  
Partner  
Membership No.426972





## **Annexure - "B" to the Independent Auditors' Report**

(Referred to in paragraph 1(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls with reference to standalone financial statements of "ATIBIR INDUSTRIES COMPANY LIMITED" ("the Company") as of 31st March 2020 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

### **Meaning of Internal Financial Controls with reference to Financial Statements**

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

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

### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2020, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Place : KOLKATA.

The 16th day of December 2020.

**For BADANI DORWAL & ASSOCIATES**  
Chartered Accountants  
Firm Registration No. 330298E

*P. Dorwal*



**P. Dorwal**  
Partner  
Membership No. 426972



# ATIBIR INDUSTRIES COMPANY LIMITED

Balance Sheet as at March 31, 2020

In Lacs

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	2	21,853.95	25,575.97
(b) Other Non Current Assets	3	605.35	190.50
(c) Financial assets			
- Investments	4	94.39	85.68
		<b>22,553.69</b>	<b>25,852.15</b>
<b>Current assets</b>			
(a) Inventories	5	38,475.83	46,603.39
(b) Financial assets			
(i) Trade receivables	6	12,147.31	8,036.83
(ii) Cash and Cash Equivalents	7	48.47	214.47
(iii) Other Bank Balances	8	12,034.68	12,141.35
(c) Other current assets	9	16,295.35	13,914.48
		<b>79,001.64</b>	<b>80,910.52</b>
<b>TOTAL ASSETS</b>		<b>1,01,555.33</b>	<b>1,06,762.67</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	10	3,180.59	3,180.59
(b) Other Equity	11	26,923.47	33,581.49
<b>Total Equity</b>		<b>30,104.06</b>	<b>36,762.08</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	12	2,020.06	2,583.32
(ii) Other Non- Current Financial Liabilities	13	579.18	664.70
(b) Provisions	14	199.11	205.79
		<b>2,798.35</b>	<b>3,453.81</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15	34,791.23	22,198.35
(ii) Trade Payables	16	22,339.45	36,285.64
(iii) Other Current Financial Liabilities	17	1,487.57	1,713.50
(b) Other Current Liabilities	18	9,428.76	5,696.72
(c) Current Tax Liability	19	605.91	652.57
		<b>68,652.92</b>	<b>66,546.78</b>
<b>Total liabilities</b>		<b>68,652.92</b>	<b>66,546.78</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,01,555.33</b>	<b>1,06,762.67</b>

Summary of significant accounting policies

1

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

As per our report of even date

For and on behalf of Board of Directors of Atibir Industries Co. Ltd.

For BADANI DORWAL & ASSOCIATES

Chartered Accountants

(F. Registration No.330298E)

(P. Dorwal)

Partner

M.S. No.426972

Place : Kolkata

Date : 16/12/2020



FOR ATIBIR INDUSTRIES CO. LTD.

*A. Chidambaram*  
CHIEF FINANCIAL OFFICER

For Atibir Industries Co. Ltd.

*Pablu Prasad Bhattacharya*

Company Secretary

For Atibir Industries Co. Ltd.

*[Signature]*  
Managing Director  
DIN No.00539285

For Atibir Industries Co. Ltd.

*[Signature]*  
Director  
DIN No.00539243

# ATIBIR INDUSTRIES COMPANY LIMITED

## Statement of Profit and Loss Account for the year ended March 31, 2020

In Lacs

Particulars	Note No.	For the Year ended 31st March 2020	For the Year ended 31st March 2019
<b>Income</b>			
Revenue from Operations	20	1,04,852.27	1,51,266.39
Other Income	21	190.23	849.75
Finance Income	22	270.95	417.87
<b>Total Income</b>		<b>1,05,313.45</b>	<b>1,52,534.00</b>
<b>Expenses</b>			
Materials consumed and direct expenses	23	90,025.93	1,30,205.81
Manufacturing and Operating costs	24	7,781.77	12,979.17
(Increase)/Decrease in inventories	25	1,142.39	(8,325.75)
Employee Benefit Expense	26	2,602.73	2,732.56
Depreciation and amortisation expense	27	4,814.29	5,414.29
Finance Cost	28	4,234.17	3,833.02
Other Expenses	29	1,377.41	2,971.43
<b>Total Expenses</b>		<b>1,11,978.68</b>	<b>1,49,810.53</b>
<b>Profit/(loss) before tax</b>		<b>(6,665.24)</b>	<b>2,723.47</b>
<b>Tax Expenses</b>			
Current tax			1,177.75
Tax for earlier years		1.49	29.00
<b>Income Tax Expense</b>		<b>1.49</b>	<b>1,206.75</b>
<b>Profit for the year</b>		<b>(6,666.72)</b>	<b>1,516.72</b>
<b>Other Comprehensive Income (OCI)</b>			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Effect of fair valuation of investments		8.71	1.93
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Re-Measurement gains on defined benefit plans		-	17.84
Income Tax effect			
<b>Other Comprehensive Income for the year</b>		<b>8.71</b>	<b>19.77</b>
<b>Total Comprehensive Income for the year</b>		<b>(6,658.01)</b>	<b>1,536.48</b>
Earnings per share - Basic and Diluted (Nominal value ₹ 10 per share)		(20.93)	4.85

Summary of significant accounting policies

1

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

As per our report of even date

For and on behalf of Board of Directors of Atibir Industries Co. Ltd.

**For Atibir Industries Co. Ltd.**

For BADANI DORWAL & ASSOCIATES

Chartered Accountants

(F. Registration No.330298E)

*Pragati*

(P. Dorwal)

Partner

M.S. No.426972

Place : Kolkata

Date : 16/12/2020



FOR ATIBIR INDUSTRIES CO. LTD.

*Chidebun*  
CHIEF FINANCIAL OFFICER

For Atibir Industries Co. Ltd.

*Pabla Prasad Bha*

Company Secretary

Managing Director  
DIN No.00539285

For Atibir Industries Co. Ltd.

*PK*  
Director  
DIN No.00539243



**ATIBIR INDUSTRIES COMPANY LIMITED****Statement of Changes in Equity for the year ended March 31, 2020****A) Equity Share Capital (Also refer Note No. 10)**

In Lacs

	Subscribed and Fully Paid-up		Subscribed and partly paid-up		Total Equity share capital
	No. of Shares	Amount	No. of Shares	Amount	Amount
As at March 31, 2019	318.06	3,180.59	-	-	3,180.59
As at March 31, 2020	318.06	3,180.59	-	-	3,180.59

**B) Other Equity (Also refer note 11)**

In Lacs

	Reserves and Surplus			Other Comprehensive Income	Total
	Securities Premium Account	Retained earnings	Other Reserves		
Balance as at March 31, 2019	21,457.62	11,114.08	1,344.11	(334.32)	33,581.48
Profit/Additions for the year	-	(6,666.72)	-	-	(6,666.72)
Other comprehensive income for the year, net of tax	-	-	-	8.71	8.71
Total comprehensive income for the year	-	(6,666.72)	-	8.71	(6,658.01)
Balance as at March 31, 2020	21,457.62	4,447.36	1,344.11	(325.61)	26,923.47

Summary of significant accounting policies (Refer Note No. 1)

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

As per our report of even date

**For BADANI DORWAL & ASSOCIATES**

Chartered Accountants

(F. Registration No.330298E)

(P. Dorwal)

Partner

M.S. No.426972

Place: Kolkata.

Date: 16/12/2020.



FOR ATIBIR INDUSTRIES CO. LTD.

  
CHIEF FINANCIAL OFFICER
**For Atibir Industries Co. Ltd.**

Bibha Prasad Bhowmik

Company Secretary

**For Atibir Industries Co. Ltd.**
  
Managing Director

DIN No.00539285

**For Atibir Industries Co. Ltd.**
  
Director

DIN No.00539243

**ATIBIR INDUSTRIES COMPANY LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020**

In Lacs

	2019-2020	2018-2019
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax as per P & L Account	(6666.72)	1516.72
Adjusted for :		
Depreciation & amortisation expense	4814.29	5414.28835
Tax expense	1.49	1206.75
Finance cost	4234.17	3833.02
Net gain on disposal of property, plant and equipment	(1.02)	(0.78)
<u>Operating Profit before working capital changes</u>		
Adjusted for :		
Inventories	8127.56	4278.13
Trade receivables	(4110.48)	(2883.31)
Receivables and other financial assets	(2380.88)	(2411.43)
Trade payables	(13946.19)	838.03
Finance cost	(4234.17)	(3833.02)
Tax expense	(1.49)	(1206.75)
Other liabilities and provisions	3452.77	(2511.35)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>(10710.66)</b>	<b>4240.30</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Bank deposits placed	--	(12141.35)
Payment for purchase of property, plant & equipment	(1507.81)	(3006.33)
Proceeds from disposal of property, plant & equipment	1.70	3.00
Proceeds from Bank deposits	106.67	6723.88
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(1399.44)</b>	<b>(8420.79)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of Capital (Including Premium)	--	600.00
Short - term borrowings	12592.89	3716.69
Proceeds from Long Term Borrowings	(648.78)	(1419.84)
Increase in Deferred Tax Liabilities	--	--
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>11944.10</b>	<b>2896.85</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(165.99)</b>	<b>(1283.65)</b>
Opening Balance of Cash and Cash Equivalents	214.47	1498.12
Closing Balance of Cash and Cash Equivalents	48.47	214.47

Note: The Cash flow statement has been prepared under Indirect Method as per IND AS 7 "Statement of Cash Flows"

Summary of significant accounting policies

As per our report attached.

For BADANI DORWAL & ASSOCIATES  
Chartered Accountants

(F. Registration No.330298E)

(P. Dorwal)

Partner

Membership No.426972

Place : Kolkata.

Date : 16/12/2020.



1  
For Atibir Industries Co. Ltd.

Managing Director

DIN No.00539205

For Atibir Industries Co. Ltd.

FOR ATIBIR INDUSTRIES CO. LTD.

CHIEF FINANCIAL OFFICER

Director  
DIN No.00539243

For Atibir Industries Co. Ltd.

Public Prasad Bha

Company Secretary



## **ATIBIR INDUSTRIES COMPANY LIMITED**

Notes to financial statements as at and for the year ended March 31, 2020

### **NOTE - 1**

#### **CORPORATE INFORMATION**

Atibir Industries Company Limited (the Company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the production of Sponge Iron, Pig Iron, Sinter, Pellets etc. having registered office at Kolkata (W.B.) and works at Giridih (Jharkhand).

#### **SIGNIFICANT ACCOUNTING POLICIES**

##### **(a) Statement of compliance**

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

##### **(b) Basis of Preparation**

These financial statements have been prepared in Indian Rupee which is the functional currency of the Company.

These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of sale or services rendered to customers and time elapsed between deployment of resources and the realization in cash and cash equivalents of the consideration for such sale or service rendered, the Company has considered an operating cycle of 12 months.

The statements of cash flows have been prepared under indirect method.

##### **(c) Use of estimates and judgements**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.



## **ATIBIR INDUSTRIES COMPANY LIMITED**

### **Notes to financial statements as at and for the year ended March 31, 2020**

Estimates and underlying assumptions reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of impairment of investments, usual lives of property, plant & equipment, valuation of deferred tax assets and fair value measurement of financial instruments, these are discussed below. Key sources of estimation of uncertainty in respect of revenue recognition, employee benefits and provisions and contingent liabilities have been discussed in their respective policies.

#### **Impairment of investments**

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

#### **Useful lives of property, plant and equipment**

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

#### **Provisions and contingent liabilities**

A provision is recognized when the Company has a present obligation as result of a past event and it is probable that the outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. Further details are set out in note 32.

#### **Retirement benefit obligations**

The Company's retirement benefit obligations are subject to number of judgements including discount rates, inflation and salary growth. Significant judgements are required when setting these criteria and a change in these assumptions would have a significant impact on the amount recorded in the Company's balance sheet and the statement of profit & loss. The Company sets these judgements based on previous experience and third party actuarial advice.





**ATIBIR INDUSTRIES COMPANY LIMITED**

**Notes to financial statements as at and for the year ended March 31, 2020**

**1. Summary of significant accounting policies**

**a) Property, Plant and equipment**

Property, Plant and Equipments stated at cost of acquisition less accumulated depreciation and impairment losses, if any.

Fixed assets are stated at cost of acquisition inclusive of duties (net of GST), taxes, incidental expenses, erection/commissioning expenses etc. upto the date the asset is ready to be put to use.

Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Direct and indirect expenditure on implementation of the project prior to commencement of production and stabilization of commercial production of the respective plant facility, are classified as project development expenditure and disclosed under Capital Work-in-Progress (net of income earned during the project development stage).

Gains and losses arising from de-recognition of tangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**Depreciation and useful lives**

Depreciation on items of Property, Plant & Equipment is calculated on a written down value method using the rates arrived at based on the useful lives estimated by the management.

The Company has used the useful economic lives to provide depreciation on its property, plant & equipment as prescribed in Schedule II to the Companies Act, 2013.

**b) Impairment of property plant and equipment**

The carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external or internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price of assets and their 'value in use'. The estimated future cash flows are discounted to their present value using pre-tax discount rates and risks specific to the asset.

**c) Revenue Recognition**

The Company manufactures and sells a range of Iron & Steel Products.



## ATIBIR INDUSTRIES COMPANY LIMITED

### Notes to financial statements as at and for the year ended March 31, 2020

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the retrospective effect method. The adoption of the new standard did not have a material impact on the Company.

All expenses and income to the extent considered payable and receivable respectively, unless otherwise stated, are accounted for on accrual basis. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be readily measured.

#### Sale of Goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have passed to the buyer, which generally coincides with delivery to the customers. The Company collects Goods and Service tax (GST) on behalf of the Government and therefore, these are not economic benefits flowing to the Company and have been excluded from Revenue.

#### d) Inventories

Items of inventories are measured at lower of cost and net realizable value except in case of by-products which are valued at net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

Net Realizable Value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated cost necessary to make the sale.

#### e) Employee benefits

##### (A) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia.

Employee's benefits of Short term nature are recognized as expenses as and when it accrues.

##### (B) Post-employment benefits

The Company operates the following post-employment schemes:





## ATIBIR INDUSTRIES COMPANY LIMITED

### Notes to financial statements as at and for the year ended March 31, 2020

Gratuity is administered through an approved benefit fund. Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method done at the end of each financial year.

Re-measurements, if any, comprising of actuarial gains and losses, are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

#### f) **Borrowing costs**

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings measured at Effective Interest rate (EIR).

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 capitalized as part of the cost of the respective asset.

All other borrowing costs are expensed in the period they are incurred.

#### g) **Taxes**

Tax expense comprises of current (net of Minimum Alternate Tax (MAT) credit entitlement) and deferred tax.

##### **Current income tax**

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Indian Income Tax Act. Management periodically evaluates positions taken in the tax returns Vis a Vis position taken in books of account which are subject to interpretation and creates provisions where appropriate.

##### **Deferred tax**

Deferred tax is recognized on temporary differences between the tax bases and accounting bases of assets and liabilities at the tax rates and laws that have been enacted or substantively enacted at the Balance Sheet date.

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

For items recognized in OCI or equity, deferred / current tax is also recognized in OCI or equity.



## ATIBIR INDUSTRIES COMPANY LIMITED

Notes to financial statements as at and for the year ended March 31, 2020

### h) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

If the effect of 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 recognized as a finance cost.

### i) Contingent liabilities

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. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

### j) Earnings Per Share

Basic Earnings per share is calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

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.

### k) Cash Flow Statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### l) 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





## ATIBIR INDUSTRIES COMPANY LIMITED

Notes to financial statements as at and for the year ended March 31, 2020

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

### **Cash & Cash Equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and 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. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

### **Financial assets at amortized cost**

Financial assets are subsequently measured at amortized cost if they are held within a business whose objective is to hold these assets 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.

### **Financial liabilities**

Financial liabilities are measured at amortized cost using the effective interest method.

### **Offsetting of financial instruments**

The Company offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the Company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

### **m) Foreign Currency Translations**

In the financial statements of the Company, transactions in foreign currencies are translated into the functional currency at the exchange rates ruling at the date of the transaction. Foreign currency monetary items are translated into the functional currency at exchange rates prevailing on the reporting date. Exchange differences arising on settlement or translations of monetary items are recognized in statement of profit and loss.

### **n) Government grants**

Government grants are recognized at its fair value, where there is a reasonable assurance that such grants will be received and compliance with the conditions attached therewith have been met.

Government grants related to revenue are credited to the statement of profit & loss. Grants related to expenditure on property, plant and equipment are credited to the cost of respective assets.



**ATIBIR INDUSTRIES COMPANY LIMITED**  
**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020**

**NOTE 2: PROPERTY, PLANT AND EQUIPMENT**

In Lacs

	Freehold land	Buildings	Furniture & Fixtures	Plant and Machinery	Miscellaneous Fixed Assets	Vehicles	TOTAL
<b>GROSS BLOCK</b>							
As at March 31, 2019	659.16	564.04	29.19	32,202.35	5,379.31	880.19	39,714.24
Additions	5.66	10.01	1.15	844.93	120.58	110.62	1,092.95
Adjustments							
Deductions						13.63	13.63
As at March 31, 2020	664.82	574.05	30.35	33,047.28	5,499.88	977.18	40,793.55
<b>ACCUMULATED DEPRECIATION</b>							
As at March 31, 2019	-	119.13	11.74	11,174.15	2,348.38	484.86	14,138.26
Charge for the year	-	43.04	4.66	3,883.95	726.47	156.16	4,814.29
Deductions	-	-	-	-	-	12.95	12.95
As at March 31, 2020	-	162.17	16.39	15,058.10	3,074.85	628.08	18,939.61
<b>NET BLOCK</b>							
As at March 31, 2019	659.16	444.91	17.46	21,028.20	3,030.92	395.33	25,575.97
As at March 31, 2020	664.82	411.87	13.95	17,989.18	2,425.03	349.10	21,853.95





**ATIBIR INDUSTRIES COMPANY LIMITED**

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

**NOTE 3 : OTHER NON- CURRENT ASSETS**

In Lacs

	As at March 31, 2020	As at March 31, 2019
Capital Work- in- Progress	605.35	190.50
	<b>605.35</b>	<b>190.50</b>

**NOTE 4: NON- CURRENT INVESTMENTS**

In Lacs

	As at March 31, 2020	As at March 31, 2019
<b>Investments in Unquoted Equity Shares (at Fair value)</b>		
Atibir Hi-Tech (P) Ltd. 4,20,000 equity shares of ₹ 10 each	94.39	85.68
<b>Aggregate value of Unquoted Investments</b>	<b>94.39</b>	<b>85.68</b>

**NOTE 5 : INVENTORIES**

(Valued at lower of Cost and Net Realisable Value)

In Lacs

	As at March 31, 2020	As at March 31, 2019
Raw Materials	21,988.20	29,608.32
Finished Goods	15,192.21	16,334.59
Stores & Other Consumables	1,295.42	660.47
	<b>38,475.83</b>	<b>46,603.39</b>

**NOTE 6 : TRADE RECEIVABLES**

(at amortised cost)

In Lacs

	As at March 31, 2020	As at March 31, 2019
<b>Trade Receivables (Unsecured)</b>		
considered good	574.02	300.99
<b>Trade Receivables from Related Party</b>		
considered good	5,811.77	4,020.94
<b>(A)</b>	<b>6,385.79</b>	<b>4,321.93</b>
<b>Other receivables</b>		
considered good	5,761.52	3,714.91
<b>(B)</b>	<b>5,761.52</b>	<b>3,714.91</b>
<b>Total (A + B)</b>	<b>12,147.31</b>	<b>8,036.83</b>

Note 6.1: Trade Receivable from private limited companies in which Company 's director(s) is/ are director(s)/ member(s)

In Lacs

Name	As at March 31, 2020	As at March 31, 2019
Atibir Hi-Tech (P) Ltd.	5,811.77	4,020.94
<b>Total</b>	<b>5,811.77</b>	<b>4,020.94</b>



**ATIBIR INDUSTRIES COMPANY LIMITED**

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

**Note 6.2 :** For terms and conditions relating to Related Party receivables, refer note 30**Note 6.3 :** Ageing of Trade Receivables:

	In Lacs	
	As at March 31, 2020	As at March 31, 2019
<b>Within the credit period</b>		
0-180 days	10,040.07	7,645.74
180+ days	2,107.24	391.10
<b>Total</b>	<b>12,147.31</b>	<b>8,036.83</b>

**NOTE 7 : CASH AND CASH EQUIVALENTS**

(at amortised cost)

	In Lacs	
	As at March 31, 2020	As at March 31, 2019
<b>Cash and cash equivalents</b>		
Balances with banks :		
On current accounts	9.14	9.11
Cheque in Hand	12.90	37.54
Cash on Hand	26.43	167.82
	<b>48.47</b>	<b>214.47</b>

**Note 7.1:** Cash at banks earns interest at floating rates based on daily bank deposit rates**Note 7.2:** The above are considered as Cash and Cash Equivalents for the purpose of Cash flow**NOTE 8 : OTHER BANK BALANCES**

(at Amortised Cost)

	In Lacs	
	Current	
	As at March 31, 2020	As at March 31, 2019
Deposits with Maturity more than 3 months but less than 12	12,034.68	12,141.35
<b>TOTAL</b>	<b>12,034.68</b>	<b>12,141.35</b>

\* lying with banks as collateral security

**NOTE 9 : OTHER CURRENT ASSETS**

	In Lacs	
	Current	
	As at March 31, 2020	As at March 31, 2019
Security Deposits	606.73	56.46
Balance with Government Authorities		
- CENVAT Credit receivable	82.09	623.67
- VAT Credit receivable	332.25	409.46
- Service Tax Credit receivable	72.06	87.74
- GST credit receivable	1,286.14	1,187.00
Advance to Suppliers	509.22	1,265.01
Other Assets	13,406.87	10,285.13
	<b>16,295.35</b>	<b>13,914.48</b>





**ATIBIR INDUSTRIES COMPANY LIMITED****NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020****NOTE 10 : EQUITY SHARE CAPITAL**

In Lacs

	As at March 31, 2020	As at March 31, 2019
<b>Authorized capital</b> 40098000 Equity Shares of ₹10/- each	4,009.80	4,009.80
	<b>4,009.80</b>	<b>4,009.80</b>
<b>Issued, subscribed and paid-up capital</b> 31805934 Equity Shares of ₹ 10/- each (Fully Paid up)	3,180.59	3,180.59
	<b>3,180.59</b>	<b>3,180.59</b>

**a. Reconciliation of the equity shares outstanding at the beginning and at the end of the year**

In Lacs

	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	318.06	3,180.59	312.06	3,120.59
Issued during the year	-	-	6.00	60.00
Outstanding at the end of the year	<b>318.06</b>	<b>3,180.59</b>	<b>318.06</b>	<b>3,180.59</b>

**b. Terms/ rights attached to equity shares**

The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. Any shareholder whose name is entered in the Register of Members of the Company shall enjoy the same rights and subject to the same liabilities as all other shareholders of the same class.

In the event of liquidation of the Company, Equity Shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts.

**c. Details of shareholders holding more than 5% equity shares of the Company**

Name of Shareholders	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% holding	No. of Shares	% holding
Arihant & Company	78.25	24.60	78.25	24.60
Atibir Hi-Tech (P) Ltd.	19.48	6.12	19.48	6.12
Sandeep Kr Sarawgi	36.74	11.55	36.74	11.55
Surendra Kr Sarawgi (HUF)	22.28	7.01	22.28	7.01
Samir Kr Sarawgi (HUF)	18.70	5.88	18.70	5.88
Paras Kr Sarawgi (HUF)	24.40	7.67	24.40	7.67
Harish Kr Sarawgi (HUF)	18.95	5.96	18.95	5.96
Santosh Kr Sarawgi (HUF)	21.78	6.85	21.78	6.85
Sandeep Kr Sarawgi (HUF)	17.63	5.54	17.63	5.54

**NOTE 11 : OTHER EQUITY**

In Lacs

	As at March 31, 2020	As at March 31, 2019
A. Securities premium account	21,457.62	21,457.62
B. NBFC reserve	0.92	0.92
C. Amalgamation Reserve	90.19	90.19
D. Capital Reserve	1,253.00	1,253.00
E. Other Comprehensive Income	(325.61)	(334.32)
F. Retained Earnings (movements given below)	4,447.36	11,114.08
<b>Total - Other equity</b>	<b>26,923.47</b>	<b>33,581.49</b>



**ATIBIR INDUSTRIES COMPANY LIMITED**

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

**Movement in Retained Earnings**

	In Lacs	
	As at March 31, 2020	As at March 31, 2019
Opening Balance	11,114.08	9,579.53
Add: Profit for the year	(6,666.72)	1,534.55
Closing Balance	4,447.36	11,114.08

**NOTE 12 : LONG TERM BORROWINGS**

	In Lacs	
	As at March 31, 2020	As at March 31, 2019
Secured		
Corporate & Term loans		
from Banks	1,944.65	2,407.22
from Others	75.40	176.10
Total	2,020.06	2,583.32

**Note 12.1. Corporate Loan from Indian Bank**

Secured by Pari passu charge on hypothecation of fixed assets including plant & machinery in the name of the Company. Loan amount of INR 767.70 Lacs (INR 888.89 Lacs as on 31st March, 2019) repayable in quarterly installment of INR 30.00 Lacs from June, 2018 to March, 2019, INR 40.00 Lacs from June, 2019 to March, 2020, INR 50.00 Lacs from June, 2020 to March, 2021, INR 60.00 Lacs from June, 2021 to March, 2022, INR 70 Lacs from June, 2022 to March, 2023.

**Note 12.2. Corporate Loan from State Bank of India**

Secured by Pari passu charge on hypothecation of fixed assets including plant & machinery in the name of the Company. Loan amount of INR 1699.84 Lacs (INR 1899.96 Lacs as on 31st March, 2019) repayable in 20 quarterly installment (first four quarterly installment of INR 60.00 Lacs each, next four quarterly installment of INR 80.00 Lacs each, next four quarterly installment of INR 100.00 Lacs each, next four quarterly installment of INR 120.00 Lacs each, next four quarterly installment of INR 140.00 Lacs each) with the first installment commencing on 30.11.2018.

**Note 12.3. Vehicle Loan from State Bank of India**

Secured by hypothecation of Vehicle Loan amount of INR 22.10 Lacs (INR 42.43 Lacs as on 31st March 2019) repayable in 60 monthly installment of INR 1.38 Lacs starting from June, 2014, 36 monthly installment of INR 0.35 Lacs starting from Nov, 2018, 37 monthly installment of INR 0.61 Lacs starting from Jan, 2019, 36 monthly installment of INR 0.31 Lacs starting from Feb, 2019, 48 monthly installment of INR 0.21 Lacs starting from June, 2019.

**Note 12.4. Vehicle Loan from BMW India Finance Services (P) Ltd.**

Secured by hypothecation of Vehicle Loan amount of INR 102.19 Lacs (INR 278.29 Lacs as on 31st March 2019) repayable in 60 monthly installment of INR 8.52 Lacs starting from December, 2016.

**Note 12.5. Generator Loan from Tata Capital Financial Services Ltd.**

Secured by hypothecation of Generator Loan amount of INR 66.66 Lacs (INR 167.81 Lacs as on 31st March, 2019) repayable in 23 monthly installment of INR 18.52 Lacs starting from May, 2016.

**Note 12.6. Hyva Loan from Tata Motors Finance Ltd.**

Secured by hypothecation of Hyva Loan amount of INR NIL (INR 43.46 Lacs on 31st March, 2019) repayable in 23 monthly installment of INR 4.89 Lacs starting from Feb, 2018.

**Note 12.7. Hyva Loan from HDFC Bank Ltd.**

Secured by hypothecation of Hyva & Loader Loan amount of INR 67.14 Lacs (INR 15.43 Lacs on 31st March, 2019) repayable in 17 monthly installment of INR 1.10 Lacs starting from Jan, 2019, 48 monthly installment of INR 5.41 Lacs starting from April, 2019

**NOTE 13: OTHER NON-CURRENT FINANCIAL LIABILITIES**

	In Lacs	
	As at March 31, 2020	As at March 31, 2019
Others	579.18	664.70
	579.18	664.70





**ATIBIR INDUSTRIES COMPANY LIMITED**

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

**NOTE 14: PROVISIONS**

	In Lacs	
	As at March 31, 2020	As at March 31, 2019
Provision for Employees Benefits	199.11	205.79
	<b>199.11</b>	<b>205.79</b>

**NOTE 15 : SHORT TERM BORROWINGS**

	In Lacs	
	As at March 31, 2020	As at March 31, 2019
<b>Secured</b>		
<b>Working Capital Loans</b>		
from banks	34,791.23	22,198.35
<b>Total</b>	<b>34,791.23</b>	<b>22,198.35</b>

**Note 15.1. Working Capital Loan from State Bank of India, Punjab National Bank and Indian Bank**

INR 34791.23 Lacs (31st March, 2019: INR 22198.35 Lacs) are secured by hypothecation of present and future stock of raw materials, stocks-in-process, finished goods, stores and spares, book debts, outstanding monies, receivables, claims, bills, materials in transit etc.

**NOTE 16 : TRADE PAYABLES**

(at amortised cost)

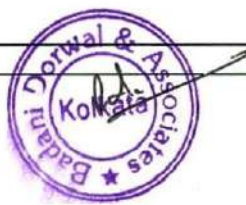
	In Lacs	
	As at March 31, 2020	As at March 31, 2019
<b>Trade Payables :</b>		
Total outstanding dues of micro and small enterprises	-	-
Total outstanding dues of creditors other than micro and small enterprises	22,339.45	36,285.64
<b>Total Trade Payables</b>	<b>22,339.45</b>	<b>36,285.64</b>

Note: Information in terms of section 22 of the Micro, Small and Medium Enterprises Development Act 2006:

	In Lacs	
Details of dues to Micro and Small Enterprises as per MSMED Act, 2006	As at March 31, 2020	As at March 31, 2019
The principal amount and the interest due thereon remaining		
Principal	-	-
Interest	-	-
The amount of interest paid by the buyer in terms of Section 16, of		
Principal	-	-
Interest	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under		
The amount of interest accrued for the year and remaining unpaid at the end of each accounting year;		
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the	-	-

**NOTE 17 : OTHER CURRENT FINANCIAL LIABILITIES**

	In Lacs	
	As at March 31, 2020	As at March 31, 2019
Current maturities of long-term borrowings	714.32	651.79
Advance from Customers	764.58	997.24
Bank Overdraft (Excess Cheques drawn)	-	64.47
Others	8.67	-
<b>Total</b>	<b>1,487.57</b>	<b>1,713.50</b>



**ATIBIR INDUSTRIES COMPANY LIMITED**

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

**NOTE 18 : OTHER CURRENT LIABILITIES**

In Lacs

	As at March 31, 2020	As at March 31, 2019
Statutory Remittances	2,093.57	2,712.39
Payable on Purchase of Fixed Assets	213.10	87.63
Payable for Expenses	7,122.08	2,896.70
<b>Total</b>	<b>9,428.76</b>	<b>5,696.72</b>

**NOTE 19 : CURRENT TAX LIABILITIES**

In Lacs

	As at March 31, 2020	As at March 31, 2019
Provision for Tax (Net of Advance Tax, T.D.S & T.C.S.)	605.91	652.57
<b>Total</b>	<b>605.91</b>	<b>652.57</b>

**NOTE 20 : REVENUE FROM OPERATIONS**

In Lacs

	For the Year ended 31st March 2020	For the Year ended 31st March 2019
<b>Sale of Products</b>		
Domestic	1,01,423.10	1,37,278.38
Export	4,679.80	13,098.19
<b>Total</b>	<b>1,06,102.90</b>	<b>1,50,376.58</b>
Less: Inter Unit Transfer	4,646.48	2,473.03
<b>Total Revenue from Sale of Products</b>	<b>1,01,456.41</b>	<b>1,47,903.55</b>
<b>Other operating revenue</b>		
Process Waste & Other Sale	2.09	1.40
Subsidy received	3,393.76	3,361.44
<b>Total</b>	<b>1,04,852.27</b>	<b>1,51,266.39</b>

**NOTE 21 : OTHER INCOME**

In Lacs

	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Foreign Exchange Gains (Net)	79.53	255.15
Duty Drawback	97.21	432.11
Derivative Income	(21.03)	160.58
Profit from Sale of Fixed Assets	1.02	0.78
Interest on Security Deposit	24.19	-
Rebate & Discount	9.31	-
Miscellaneous Income	-	1.12
<b>Total</b>	<b>190.23</b>	<b>849.75</b>





**ATIBIR INDUSTRIES COMPANY LIMITED**

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

**NOTE 22 : FINANCE INCOME**

In Lacs

	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Interest income on Bank deposits	270.95	417.87
<b>Total</b>	<b>270.95</b>	<b>417.87</b>

**NOTE 23 : COST OF MATERIALS CONSUMED**

In Lacs

	For the Year ended 31st March 2020	For the Year ended 31st March 2019
<b>Cost of Materials Consumed</b>		
Inventory at the beginning of the year	29,608.32	39,209.47
Add: Purchases	73,232.51	99,184.53
Add: Freight Inward and Other Charges	13,819.77	23,893.16
	1,16,660.61	1,62,287.17
Less: Inter Unit Transfers	4,646.48	2,473.03
Less: Inventory at the end of the year	21,988.20	29,608.32
	<b>90,025.93</b>	<b>1,30,205.81</b>

**NOTE 24 : MANUFACTURING AND OPERATING EXPENSES**

In Lacs

	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Electricity Charges	5,858.42	7,220.62
Payloader & Generator Expenses	439.27	834.25
Environmental Management Expenses	61.77	173.13
Stores & Spares Consumed	1,312.05	4,701.80
Gas Expenses	34.17	-
Packing Expenses	34.89	-
Repairs & Maintenance :		
Plant & Machinery	41.21	49.37
	<b>7,781.77</b>	<b>12,979.17</b>

**NOTE 25 : Changes in Inventories**

In Lacs

	For the Year ended 31st March 2020	For the Year ended 31st March 2019
<b>Inventories at the beginning of the year:</b>		
- Finished Goods	16,055.88	7,937.27
- Other Materials	278.72	71.57
<b>Inventories at the end of the year:</b>		
- Finished Goods	15,192.21	16,055.88
- Other Materials	-	278.72
<b>Increase/ (Decrease) in Inventories</b>	<b>1,142.39</b>	<b>(8,325.75)</b>

**NOTE 26 : EMPLOYEE BENEFIT EXPENSES**

In Lacs

	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Salary & Wages	2,276.38	2,298.09
Salary & Allowances	67.18	121.78
Directors Remuneration	72.00	94.00
Contribution to Provident Fund & Other Funds	184.58	210.64
Workmen Compensation (Accidental Death Claim)	1.75	-
Staff Welfare Expenses	0.84	8.05
<b>TOTAL</b>	<b>2,602.73</b>	<b>2,732.56</b>



**ATIBIR INDUSTRIES COMPANY LIMITED**

NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2020

**NOTE 27: DEPRECIATION**

	In Lacs	
	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Depreciation on Tangible assets	4,814.29	5,414.29
<b>Total</b>	<b>4,814.29</b>	<b>5,414.29</b>

**NOTE 28 : FINANCE COSTS**

	In Lacs	
	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Interest :		
To Bank	3,491.95	2,832.60
To Others	342.98	606.93
Bank charges & Commission	399.25	393.49
<b>Total</b>	<b>4,234.17</b>	<b>3,833.02</b>

**NOTE 29 : OTHER EXPENSES**

	In Lacs	
	For the Year ended 31st March 2020	For the Year ended 31st March 2019
Lease Rent	0.87	0.87
Filing Fees	0.20	4.51
Insurance	36.48	11.25
Printing & Stationery	3.44	8.53
Postage & Courier Expenses	0.89	0.74
Auditor's Remuneration :		
As Audit Fee	10.00	11.00
For Tax Audit Fee	2.00	1.00
For VAT Audit Fee	-	0.10
Telephone, Mobile Phone & Internet Charges	9.60	10.04
Pollution Control Fees	6.70	1.33
Security Service Charges	65.46	65.96
Advertisement		
Travelling Expenses (Local)	1.81	1.96
Travelling Expenses (Foreign)	2.47	12.68
Vehicle Running Expenses	51.97	373.52
Computer & Software Expenses	1.07	-
Meeting Expenses	0.60	1.72
Corporate Social Responsibilities Expenses	20.79	13.29
Commission on Sales	96.10	168.22
Legal & Professional Charges	34.61	65.50
License Fees	41.72	0.49
Rebate & Discount	14.84	30.88
Kolkata Office Expenses	1.94	2.60
Rent	8.82	9.35
Sales Tax/GST Expenses	0.94	3.65
Assessed Sales tax	4.62	16.06
Membership Fees & Subscription	1.76	16.84
Electrical Inspection Fees	0.46	-
Export Expenses	700.42	250.58
Electricity Charges	7.23	3.07
Charity & Donation	0.32	0.02
Excise Duty Expenses	3.22	0.88
Guest House Maintenance Charges	-	1.80
Transportation Charges	240.67	1,874.92
Miscellaneous Expenses	5.39	8.07
<b>Total</b>	<b>1,377.41</b>	<b>2,971.43</b>





## ATIBIR INDUSTRIES COMPANY LIMITED

Notes to Financial Statements as at and for the year ended March 31, 2020

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### Note 30. Disclosure in respect of Related Parties pursuant to Ind AS 24

#### List of Related Parties

I. Parent and Subsidiary Companies: None

II. Other related parties with whom transactions have taken place during the year:

a) Key Management Personnel

Name of related parties	Nature of relationship
Paras Kumar Sarawgi	Key Management Personnel
Sandeep Kumar Sarawgi	Key Management Personnel
Sharad Sarawgi	Key Management Personnel

b) Entities where Key Management Personnel & their relatives have significant influence with whom transactions have taken place during the year

Atibir Hi-Tech (P) Ltd.  
Shikharjee Properties (P) Ltd.  
Sribir Marketing Services (P) Ltd.  
Quality Realtors & Dev. (P) Ltd.  
Samir Kumar Sarawgi (HUF)  
Sandeep Kumar Sarawgi (HUF)  
Santosh Kumar Sarawgi (HUF)  
Shyam & Company  
Prayag Chand Khetsi Dass  
Samir Kumar Sarawgi  
Mahabir Prasad Sarawgi (HUF)  
Paras Kumar Sarawgi (HUF)  
Harish Kumar Sarawgi  
Harish Kumar Sarawgi (HUF)



**ATIBIR INDUSTRIES COMPANY LIMITED**
**Notes to Financial Statements as at and for the year ended March 31, 2020**
**Note 31**
**A. During the year the following transactions were carried out with the related parties in the ordinary course of business:**

		In Lacs	
Transaction	Related Party	2019-20	2018-19
Sale of Goods :	Atibir Hi-Tech (P) Ltd.	11,779.04	7,150.08
Purchase of Goods :	Atibir Hi-Tech (P) Ltd.	13.49	16.59
Rent Paid :	Atibir Hi-Tech (P) Ltd.	0.87	0.87
	Shikharjee Properties (P) Ltd.	2.16	2.16
	Quality Realtors & Developers (P) Ltd.	2.16	2.16
	Sribir Marketing Services (P) Ltd.	0.24	0.24
Maintenance Charges :	Shikharjee Properties (P) Ltd.	0.51	0.43
	Sribir Marketing Services (P) Ltd.	1.94	2.60
	Quality Realtors & Developers (P) Ltd.	1.04	2.02
Purchase of Fuel :	Prayag Chand Khetsi Dass	454.61	892.53
Purchase of Capital Goods :	Prayag Chand Khetsi Dass	1.27	--
Director's Remuneration :	Samir Kumar Sarawgi	--	22.00
	Sandeep Kumar Sarawgi	48.00	48.00
	Paras Kumar Sarawgi	24.00	24.00

**B. Balances outstanding at the year end:**

		In Lacs	
Outstanding	Related Party	2019-20	2018-19
Payable			
	Samir Kumar Sarawgi	78.61	117.30
	Sandeep Kumar Sarawgi	293.94	310.50
	Paras Kumar Sarawgi	176.63	159.07
	Mahabir Prasad Sarawgi (HUF)	1.43	--
	SriBir Marketing Services (P) Ltd.	0.72	0.49
	Quality Realtors & Developers (P) Ltd.	1.81	1.53
	Shikharjee Properties (P) Ltd.	4.73	4.42
	Paras Kumar Sarawgi (HUF)	9.00	9.00
	Samir Kumar Sarawgi (HUF)	5.50	5.50
	Sandeep Kumar Sarawgi (HUF)	10.50	10.50
	Santosh Kumar Sarawgi (HUF)	5.00	5.00
	Harish Kumar Sarawgi (HUF)	-	10.64
	Harish Kumar Sarawgi	-	35.10
	Prayag Chand Khetsi Dass	63.17	-
Receivable			
	Atibir Hi-Tech (P) Ltd.	5,811.77	4,020.94
	Prayag Chand Khetsi Dass	-	1.37

**C. Details of remuneration to Key Managerial Personnel is given below**

		In Lacs	
Particulars		2019-20	2018-19
- Short-term employee benefits		72.00	94.00

**Notes:**

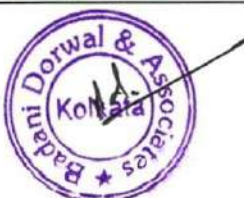
a) Terms and conditions of transactions with related parties:

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash except as otherwise mentioned.

**Note 32 Contingent Liabilities**

Contingent liability not provided for in respect of :

		In Lacs	
Particulars		2019-20	2018-19
Outstanding Bank Guarantee/Letter of Credit		606.77	272.47
Claims against the Company not acknowledged as debt		NIL	NIL





**ATIBIR INDUSTRIES COMPANY LIMITED**
**Notes to Financial Statements as at and for the year ended March 31, 2020**
**Note 33 Financial Instruments**

a) The accounting classification of each category of financial instrument, their carrying amount and fair value are as follows :-

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets (Current and Non-Current)				
Designated at amortised cost				
Investment in Unquoted Equity Shares	94.39	94.39	85.68	85.68
Trade Receivables	12,147.31	12,147.31	8,036.83	8,036.83
Cash and cash Equivalents	48.47	48.47	214.47	214.47
Fixed Deposits with Bank	12,034.68	12,034.68	12,141.35	12,141.35
Security Deposit to Vendors	606.73	606.73	56.46	56.46
EMD to Customers/ Vendors	3.00	3.00	6.50	6.50
Advances against Salaries	-	-	5.62	5.62
<b>Total</b>	<b>24,934.59</b>	<b>24,934.59</b>	<b>20,546.91</b>	<b>20,546.91</b>
Financial Liabilities (Current and Non-Current)				
Financial Liabilities at amortised cost				
Loans and Borrowings	37,390.47	37,390.47	25,446.37	25,446.37
Trade Payables	22,339.45	22,339.45	36,285.64	36,285.64
Capital Vendors	17.79	17.79	69.45	69.45
Other Financial Liabilities	8,099.76	8,099.76	3,981.56	3,981.56
Fair Value through Profit & Loss Account				
Derivative-not designated as hedging instruments				
Forward Contracts				
<b>Total</b>	<b>67,847.48</b>	<b>67,847.48</b>	<b>65,783.02</b>	<b>65,783.02</b>

b) Fair Value Techniques

The fair value of the financial assets and liabilities are defined as the amount 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 following methods and assumptions were used to estimate the fair values:

1. The fair Value of cash and cash equivalents, trade receivables, trade payables, current financial liabilities/financial assets and borrowings approximate their carrying amount largely due to short term nature of these instruments.
2. Investments in unquoted equity shares are measured using fair value at the reporting date.

c) Fair Value Hierarchy

The table shown below analyses financial instruments carried at fair value. The different levels have been defined below:-

Level 1: Quoted Prices (unadjusted) in active markets for identical assets or liabilities

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

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

Particulars	As at March 31, 2020	As at March 31, 2019
Assets		
Investment in Unquoted Equity Shares	94.39	85.68



**ATIBIR INDUSTRIES COMPANY LIMITED****Notes to Financial Statements as at and for the year ended March 31, 2020****Note 34. Financial risk management objectives and policies**

The Company's principal financial liabilities, comprise of borrowings and trade payables. The main purpose of these financial liabilities is to finance the Company's working capital requirements. The Company has various financial assets such as trade receivables, loans, investments, short-term deposits and cash & cash equivalents, which arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's Board of Directors oversees the management of these risks and advises on financial risks and the appropriate financial risk governance framework for the Company. The Company's Board of Directors assures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

**A. Credit Risk**

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company.

The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company periodically assesses the financial reliability of customers, monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits. Other financial assets measured at amortized cost includes security deposits, Loans given and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

Trade receivables disclosed include amounts that are past due at the end of reporting period but against which the company has not recognised an allowance for doubtful receivables because there has not been a significant change in the credit quality and the amounts are still considered recoverable. The ageing analysis of trade receivables are given in Note No. 6.3.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognized in statement of profit and loss.

**B. 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.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

**Maturities of Financial Liabilities**

The table below analyse the Company's Financial Liabilities into relevant maturity groupings based on their contractual maturities

**March 31, 2020**

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	35505.55	2020.06	579.18	38104.79
Trade Payable	22339.45	--	--	22339.45
Other Financial Liabilities	10193.34	--	--	10193.34

**March 31, 2019**

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings	22850.14	2583.32	664.70	26098.16
Trade Payable	36285.64	--	--	36285.64
Other Financial Liabilities	6693.96	--	--	6693.96

**C. Market Risk****Interest Rate Risk**

The Company's exposure to the risk of change in market risk interest rate primarily arises from floating rate borrowings with banks and financial institutions. The company has taken debt to finance its working capital, which exposes it to interest rate risk. All the borrowings fall under the fixed interest rates hence there is no interest rate risk.





**ATIBIR INDUSTRIES COMPANY LIMITED**

Notes to Financial Statements as at and for the year ended March 31, 2020

**Note 35. Segment Reporting**

The Company is primarily engaged in the business of manufacture and sale of Iron & Steel Products and is operated within India, hence segment reporting as defined in Ind AS 108 is not applicable to the Company.

**Note 36. Employee Benefits**

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the fair value of contributions payable during the period by the Company at rates specified by the rules of those plans.

**Provident Fund**

The Company provides provident fund benefits for eligible employees as per applicable regulations wherein both employees and the Company make monthly contributions at a specified percentage of the eligible employee's salary. Contributions under such schemes are made to state managed funds.

**Retiring Gratuity**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company has not contributed the initial as well as further assessed contribution to gratuity funds, to be established as trusts, or to insurance companies.

**Note 37. Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximise the shareholders value. The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and borrowed funds. The Company's policy is to use short term and longterm borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio. The Company is not subject to any externally imposed capital requirements. Net debt are long term and short term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents). Equity comprises share capital and free reserves (total reserves excluding OCI). The following table summarizes the capital of the Company.

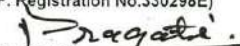
	31-Mar-20	31-Mar-19
Current loans and borrowings	35,505.55	22,850.14
Non-current loans and borrowings	2,599.24	3,248.02
Less: cash and cash equivalents	48.47	214.47
<b>Net debt</b>	<b>38,153.26</b>	<b>26,312.62</b>
Total capital	30,104.06	36,762.08
<b>Capital and net debt</b>	<b>68,257.32</b>	<b>63,074.70</b>
Gearing ratio	56%	42%

As per our report of even date

For BADANI DORWAL &amp; ASSOCIATES

Chartered Accountants

(F. Registration No.330298E)



(P. Dorwal)

Partner

M.S. No.426972

Place: Kolkata.

Date: 16/12/2020.



FOR ATIBIR INDUSTRIES CO. LTD.



CHIEF FINANCIAL OFFICER

For Atibir Industries Co. Ltd.



Company Secretary

For Atibir Industries Co. Ltd.



Managing Director

DIN No.00539265

For Atibir Industries Co. Ltd.



Director

DIN No.00539243