

ALFRED HERBERT LIMITED

ANNUAL REPORT & ACCOUNTS

2021 - 2022

ALFRED HERBERT LIMITED

NOTICE

NOTICE is hereby given that the **Thirty Forth Annual General Meeting** of the Members of Alfred Herbert Limited will be held at the Registered Office of the Company 13/3, Strand Road, Kolkata - 700 001 on **Monday, 25th day of July, 2022** at 2.00 p.m. to transact the following business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2022 and Statement of Profit & Loss for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Shobhana Sethi (DIN: 08573974), who retires by rotation and being eligible, offers herself for reappointment.
3. Appointment of M/s ALPS & Co., Chartered Accountants (FRN: 313132E) as Statutory Auditors of the Company:

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of The Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s ALPS & Co., Chartered Accountants (FRN: 313132E), Kolkata be and are hereby appointed as Statutory Auditors of the Company for a term of 5 (five) years to hold office from the conclusion of this 34th Annual General Meeting (AGM) till the conclusion of the 39th Annual General Meeting of the Company at such remuneration, as may be agreed upon between the Board of Directors of the Company and the Statutory Auditors, in addition to the reimbursement of out of pocket expenses and applicable taxes in relation with the audit of accounts of the Company."

"RESOLVED FURTHER THAT Mr. V. Matta, Director of the Company be and is hereby authorized to digitally sign and file e-form ADT-1 with the Registrar of Companies and to do all such things, deeds, acts which may deem necessary to give effect of the aforesaid resolution."

On behalf of the Board

Kolkata
28th May, 2022


Vikram Matta
Director
DIN: 00338911

NOTE:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a Member of the Company. The proxy, in order to be effective, shall be deposited with the Company at its Registered Office not less than 48 hours before the commencement of the meeting.

ALFRED HERBERT LIMITED

DIRECTOR'S REPORT 2021-22

DIRECTORS' REPORT TO THE MEMBERS

The Directors have pleasure in presenting the Thirty Forth Annual Report for the Company together with Audited Accounts for the year ended 31st March 2022.

1. FINANCIAL RESULTS

Particulars	(Rs. '00)	
	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
Gross Income	350.75	516.60
Profit/(Loss) before Tax	80.10	(180.68)
Provision for Tax	4.94	(3.12)
Deferred Tax	0.99	(5.94)
Profit/(Loss) After Tax for the period	74.17	(171.62)

2. CHANGE IN NATURE OF BUSINESS:

There is no change in the nature of business of the Company.

3. DIVIDEND:

Your Directors do not recommend any dividend for the year.

4. SHARE CAPITAL:

There is no change in the Share Capital of the Company in the current Financial Year.

5. OPERATIONS:

Inspite of support from AHIL, the Holding Company, your Company did not perform satisfactorily. The situation became worse due to the Covid-19 Pandemic, since the demand of the Company's products were affected significantly due to delay in project and deliveries. Considering this, it has been decided to discontinue in-house manufacturing operations carried out in Bangalore with the primary objective of cutting losses to the extent possible in order to rationalize the fixed overhead of the Company. However, the Company continues to execute the orders for Spare parts based on Customer's requirement through third party sources.

6. RESERVES:

The Company has not transferred any amount to any Reserve Account.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Pursuant to the provisions of the Companies Act, 2013, Mrs. Shobhana Sethi, Director, retires by rotation under the Articles of Association of the Company and being eligible, offers herself for re-appointment.

Pursuant to the provisions of section 203 of the Act, Company is not required to appoint Key Managerial Personnel as on March 31, 2022.

8. MEETING OF THE BOARD

During the year four meetings of the Board of Directors were convened and held on 30.06.2021, 13.08.2021, 12.11.2021 and 05.02.2022.

9. PERSONNEL

All workmen both contractual and permanent have been given adequate compensation and Management staff has been compensated by notice pay for the notice period.

10. RISK MANAGEMENT POLICY

Your Directors opine the Company's business risk include Cyclical Nature of Business, Non availability of certain Technologies, Cheaper imports including those of second hand machinery and lack of comprehensive Research & Development Facilities along with the vulnerability of capital goods industry due to changes in the Pandemic induced environment .

The COVID-19 Pandemic prevailing currently is posing severe challenge to all Industries especially for your nature of industry (Capital Goods Industry). This may take a considerable time to bring in normalcy in operation by improving the supply and demand situation.*

Also the availability of skilled labour at a reasonable and affordable cost is becoming a major bottleneck due to the current location of the manufacturing division as the whole area has become a well developed IT Area. This can be mitigated by evaluating options to deal with the same on a long terms basis. The Directors and the Key Managerial Personnel have evolved the risk policy and are addressing the same periodically.

The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively. The term "Internal Financial Controls" means the policies and procedures adopted the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safe guarding 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.

11. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

As on 31st March 2022 the Company does not have any Subsidiary/Associate Company.

12. PARTICULARS OF EMPLOYEES

There was no employee of the Company whose particulars were required to be included in the category under Section 197(12) of the Companies Act, 2013 during the year.

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS AND OUTGO

We have surrendered excess Md Of 200KVA to the department during 2021-22 and reduced Bd charges and monthly power bill.

14. AUDITORS AND AUDITOR'S REPORT:

M/s. ALPS & Co. Chartered Accountants (Firm Registration No. FRN 313132E), Kolkata will be appointed as the Statutory Auditors of the Company at the 34th Annual General Meeting to be held on Monday, 25th July, 2022 for a term of 5 (five) years from the conclusion of the 34th Annual General Meeting till the conclusion of 39th Annual General Meeting.

15. AUDIT COMMITTEE, REMUNERATION & STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Provisions of Section 177 with respect to the Constitution of Audit Committee and provisions of Section 178 of the Companies Act, 2013 requiring setting up of a Nomination and Remuneration and Stakeholders Relationship Committee do not apply to our Company.

16. CORPORATE SOCIAL RESPONSIBILITY:

The profit of the Company in the immediately preceding financial year is less than the amount specified under section 135 of the Companies Act 2013 as amended by the Companies (Amendment) Act, 2017 and, thereby, provision of Corporate Social Responsibilities and obligations thereof are not applicable to the Company.

17. DISCLOSURE UNDER SEXUAL HARASSMENT AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company is not required to set up an Internal Complaints Committee as per the provisions of the Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2018.

18. DECLARATION BY INDEPENDENT DIRECTOR:

The Company was not required to appoint Independent Directors under section 149(4) of the Companies Act, 2013 and Rules 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 hence no declaration is required.

19. DIRECTOR'S RESPONSIBILITY STATEMENT

As stipulated in Section 134(3)(c) of the Companies Act, 2013, your Director's subscribe to the "Directors' Responsibility Statement" and confirm as under :

- i) That the preparation of the Annual Accounts, the applicable accounting standards has been followed along with proper explanation relating material departures.
- ii) That the Directors had selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.

- iii) That the Directors had taken proper and sufficient care of the maintenance of adequate Accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) That the Directors have prepared the annual accounts on a going concern basis.
- v) That proper internal financial controls were in place and that the financial control were adequate and were operating effectively.
- vi) That the Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. RELATED PARTY TRANSACTIONS

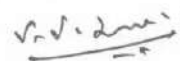
There has been no transaction with any related party as specified under clause (a) to (g) of sub section- (1) of Section 188 of the Companies Act, 2013.

21. ACKNOWLEDGEMENTS

Your Directors place on record their appreciation for the support received from their esteemed customers for their continued patronage, co-operation and confidence reposed in the Company's products.

Kolkata
28th May'2022

For and on behalf of the Board



S S Jain
Director
DIN: 0013732



V. Matta
Director
DIN: 00338911

ANNEXURE TO THE DIRECTOR'S REPORT

Particulars as required under Companies (Accounts) Rules 2014 and forming part of the Director's Report for the year ended 31st March 2022.

A. CONSERVATION OF ENERGY

- i) Eliminated High Power Intensive Machines from our system
- ii) Single Shift operation by eliminating night shift.
- iii) Maintained the Power factor close to 0.9
- iv) Scale down the Maximum electricity demand based on the market conditions.

B. TECHNOLOGY ABSORPTION

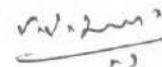
- i) **Research & Development (R & D):** No progress due to uncertain market conditions
- ii) **Benefits derived as a result of R & D**
- iii) **Future Plan**
 - a) To survive in Intermixes segment catering to Technical Rubber Goods Industry using more of outsourcing activity
 - b) To undertake extensive reconditioning work in the Intermix working in the market and generate spare part sales.
- iv) Expenditure in R & D : NIL

C. FOREIGN EXCHANGE USED : Rs 989336

D. FOREIGN EXCHANGE EARNED : Rs 1870528
(EXPORT OF PRODUCTS)

Kolkata
28th May'2022

For and on behalf of the Board



S S Jain
Director
DIN: 0013732



V. Matta
Director
DIN: 00338911

INDEPENDENT AUDITORS' REPORT

To the Members of Alfred Herbert Limited

Report on Audit of Financial Statements

Opinion

We have audited the accompanying Financial statements of **Alfred Herbert Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, 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 financial statements including a summary of significant accounting policies and other explanatory information for the year ended on that date (hereinafter referred to as "Financial statements").

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 the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("the Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss including other comprehensive income, the 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 Standards are further described in the Auditors' Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 38 to the Financial Statements which describes the economic and social consequences/disruption the entity is encountering as a result of COVID-19 and going concern assumption. The company incurred a net profit of Rs. 74.17 lakhs for the year ended 31st March, 2022 and the company's current liabilities exceeded its current assets by Rs. 567.01 lakhs as on that date. Further, the Company has disposed significant portion of its property plant & equipment (PPE) during the year. The Holding Company has so far infused Rs. 521.89 lakhs to provide financial support by way of loan to the Company. This includes repayment of dues of the Bank



towards working capital facilities availed by the Company. Operations of the Company have been severely affected due to loss of production coupled with insufficient orders making it unviable to operate the plant efficiently with the required economies of scale on a sustainable basis and in absence of required volumes etc., there is significant uncertainty vis-a-vis sustained viability of the Company on an independent basis. The management states that the holding company's support in the future whenever considered necessary financial support as done in the past for carrying out operations in the future and that no decision arrived as at date to close the operations of the company. However, we are unable to comment on the continuity of the entity in the foreseeable future on an independent basis considering the facts and figures mentioned in the first part of this paragraph.

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. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have not determined any other matter to be the key audit matters as are required to be communicated in accordance with the standard.

Information Other than the Financial Statements and Auditors' Report thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report in the annual report for the year ended March 31, 2022, but does not include the financial statements and our auditors' report thereon.
- Our opinion on the 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 identified above when it becomes available, and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report with respect to the above.



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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that gives a true and fair view of the state of affairs (financial position), Profit or loss (financial performance 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) prescribed 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that gives a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we based on our examination give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. Further to our comments in the annexure referred to in the paragraph above, 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 Cash Flow Statement 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 Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) In our opinion, the managerial remuneration for the year ended 31st March 2022 has been paid/provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.
- g) 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**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal control over financial statements of the Company.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- i) In our opinion and to the best of our knowledge and belief and as represented to us by the Company, other than as disclosed in the note no 39 in the accompanying financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other source 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 as per Clause (e) (i) of Rule 11 of Companies Audit and Auditors Rules, 2014.



- j) In our opinion and to the best of our knowledge and belief and as represented to us by the Company, other than as disclosed in the note no 39 in the accompanying financial statements, 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, 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 as per Clause (e)(ii) of Rule 11 of Companies Audit and Auditors Rules, 2014.

Based on such audit procedures as considered reasonable by us, we have not come across anything to believe that the representations made by the Company for Clause (i) & (j) as above contain any material misstatement.

- (k) No dividend has been declared or paid by the Company during the year. Hence, we have nothing to report in compliance with Section 123 of the Companies Act 2013.

For KAMG & Associates
Chartered Accountants

FRN : 311027E



CA.S. GANESH

Membership No. 232115

Chennai dated 28.05.2022

UDIN : 22232115AJVLYA4939



ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

1. (a) During the Financial year, major portion of the property, plant and equipment have been disposed off by the Company for which the fixed assets register is in the process of updation. Refer Note 5.1 of the accompanying financial statements.

(b) The Company has a regular programme for physical verification of its fixed assets by which its fixed assets are verified in a phased manner on a rotational basis covering all the fixed assets over a period of time. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets.

(c) According to the information and explanation given to us by the Management, the Company does not hold any immovable properties in the name of the Company. Hence, reporting under this clause is not applicable.

(d) According to the information and explanation given to us by the Management, the Company has not revalued any of its property, plant and equipment during the year.

(e) According to the information and explanation given to us by the Management, there has been no proceedings initiated against or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act 1988 and rules thereunder.
2. (a) The inventories have been physically verified by the Management during the year. In our opinion, the frequency of physical verification is reasonable and procedure adopted by the Management for physical verification is reasonable and adequate in relation to the size of the Company and nature of its business.

(b) The Company has not been sanctioned any working capital during the year. Hence, we have nothing to report under this clause.
3. The Company has not invested in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to Companies, Limited Liability Partnership or any other parties. Hence, we have nothing to report under this clause.
4. The Company has not entered into any transactions in respect of loans, investments, guarantees and securities where provisions of Section 185 and Section 186 are attracted. Hence, we have nothing to report under this clause.
5. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits under Section 73 to 76 of the Companies Act or any other relevant provision of the said Act.
6. According to the information and explanations given to us, the Central Government has not prescribed for the maintenance of cost records under Section 148(1) of the Companies Act 2013.



7. According to the information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues including Goods and Service tax, provident fund, employee state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.

(b) According to the information and explanations given to us, there are no dues of Income tax, Sales Tax; Value added Tax, Service Tax, Customs Duty and Excise Duty which have not been deposited on account of dispute except as given below:

Name of Statute	Nature of Dues	Financial Year	Amount (Rs in Lakhs)	Forum where dispute is pending
Central Excise and Service Tax law	Demand of Duty/ Reversal of Cenvat	2005-06	0.48	Appellate Tribunal
	Reversal of Cenvat	2005-06	0.15	Appellate Tribunal
	Demand of Duty	2005-06	1.79	Appellate Tribunal
	Reversal of Cenvat	2005-06	2.18	Appellate Tribunal
	Reversal of Cenvat	2013-14	25.17	Appellate Tribunal

*The amounts herein above do not include interest and penalty amount in respect are not ascertainable. The total amount of deposit paid (including interest Rs. 3.21 lakhs and penalty Rs. 1.03 lakhs) against above cases is Rs. 8.36 lakhs.

8. According to the information and explanations given to us, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of accounts, in the tax assessments under the Income Tax Act 96 as income during the year.
9. (i) According to the information and explanations given to us and on the basis of our examination of the books of accounts of the Company, the Company did not have any loans or borrowings from banks or financial institutions or any other lender during the year. Hence, we have nothing to report under this clause.
- (ii) According to the information and explanations given to us and on the basis of our examination of the books of accounts of the Company, the Company has not been declared a willful defaulter by any or financial institution or government or government authority.
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of accounts of the Company, the Company has not obtained any term loans during the year. Hence, we have nothing to report under this clause.
- (iv) According to the information and explanations given to us and on the basis of our examination of the books of accounts of the Company, we report that no funds raise on short term basis have been used for long term purposes.
- (v) According to the information and explanations given to us, and on overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary as defined under Companies Act 2013. The Company does not hold any investment in any associate or joint venture



as defined under Companies Act 2013. The Company does not have any subsidiaries, associates or joint ventures. Hence, we have nothing to report under this clause.

(vi) According to the information and explanations given to us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries as defined under Companies Act 2013. The Company does not hold any investment in any associate companies or joint ventures as defined under Companies Act 2013. The Company does not have any subsidiaries, associates or joint ventures. Hence, we have nothing to report under this clause.

10. (i) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Hence, we have nothing to report under this clause.

(ii), According to the information and explanations given to us and on the basis of our examination of the books of accounts, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Hence, we have nothing to report under this clause.

11. (i) based on the examination of the books of accounts of the company and according to the information and explanation given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit

(ii) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(iii) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

12. According to the information and explanations given to us, the Company is not a Nidhi company. Hence, we have nothing to report under this clause

13. In our opinion and according to the information and explanation given to us, transactions with related parties are in compliance with Section 177 and Section 188 of the Companies Act 2013 where applicable and the details of the related party transactions have been disclosed in the financial statement as required by the applicable accounting standards.

14. (i) Based on information and explanation given to us, in our opinion, internal audit is not applicable for the Company as criteria under Section 138 is not fulfilled by the Company. Hence, we have nothing to report under sub-clause (i) & (ii) of this clause.

15. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors. Hence, provisions of Section 192 of the Companies Act 2013 are not applicable to the Company.

16. (i) & (ii)- The Company is not required to be registered under Section 45-IA of the Reserve bank of India Act 1934. Hence, we have nothing to report under this clause.

(iii) & (iv)- The Company is not a Core Investment Company (CIC) as defined in the regulation made the Reserve bank of India. Hence, we have nothing to report under this clause.

17. The Company has not incurred cash losses in the current year and cash loss in the immediately preceding financial year was Rs 102.52 lakhs.



18. There has been resignation of the statutory auditors during the year. Hence, we have nothing to report under this clause.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realizations 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 books of accounts and as mentioned under Para for basis of opinion in our main audit report, we report that we are unable to comment if there are material uncertainties existing on the date of the audit report that the company may not be capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date.
20. In our opinion and according to the information and explanation given to us, su-section (5) of Section 135 of the Companies Act 2013 pursuant to any project. Hence, we have nothing to report under this clause.

For KAMG & Associates
Chartered Accountants
FRN : 311027E



CA.S. GANESH
Membership No. 232115
Chennai dated 28.05.2022
UDIN : 22232115AJVLYA4939



ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)
Report on the Internal Financial Controls Over Financial Reporting 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 **Alfred Herbert Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, subject to the matter mentioned in para above, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For KAMG & Associates
Chartered Accountants

FRN : 311027E



CA.S. GANESH

Membership No. 232115

Chennai dated 28.05.2022

UDIN : 22232115AJVLYA4939



(Amount in Rs. Lakhs)

Particulars	Note no.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non current assets			
(a) Property, plant and equipment	5	2.78	7.10
(b) Financial assets			
(i) Other financial assets	6	6.78	8.78
(c) Deferred tax assets (net)	14	-	0.71
(d) Current tax assets (net)	7	0.09	5.02
Total non current assets		9.65	21.61
Current assets			
(a) Inventories	8	25.69	103.30
(b) Financial assets			
(i) Trade receivables	9	0.03	19.35
(ii) Cash and cash equivalents	10	10.44	3.06
(c) Other current assets	11	11.50	41.11
Total current assets		47.66	166.82
TOTAL ASSETS		57.31	188.43
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	12	90.00	90.00
(b) Other equity	13	(647.64)	(721.81)
Total equity		(557.64)	(631.81)
LIABILITIES			
Non current liabilities			
(a) Deferred tax liabilities (Net)	14	0.28	-
Total non current liabilities		0.28	-
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	521.89	541.89
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	16	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		5.85	66.99
(iii) Other financial liabilities	17	-	17.58
(b) Other current liabilities	18	86.93	193.78
Total current liabilities		614.67	820.24
Total liabilities		614.95	820.24
TOTAL EQUITY AND LIABILITIES		57.31	188.43

Accompanying notes to financial statements

1 - 40

These notes form an integral part of the financial statements

As per our report of even date attached

For KAMG & Associates

Chartered Accountants

Firm's Registration No.: 311027E

S. Ganesh

Partner

Membership No.: 232115

Place: Kolkata

Date: 28th May 2022



For and on behalf of the Board of Directors

S.S. Jain

S.S. Jain

Director

DIN : 00013732

V. Matta

V. Matta

Director

DIN : 00338911

ALFRED HERBERT LIMITED

CIN: U32109WB1987PLC043261

Statement of Profit and Loss for the year ended March 31, 2022

(Amount in Rs. Lakhs)

Particulars	Note no.	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from operations	19	226.34	465.37
Other income	20	124.41	51.23
Total income (I)		350.75	516.60
Expenses			
Cost of materials consumed	21	144.36	126.05
Changes in inventories of finished goods and work in progress	22	14.80	298.61
Employee benefits expense	23	5.47	158.43
Finance costs	24	0.95	11.02
Depreciation and amortisation expense	25	0.60	2.22
Other expenses	26	104.47	100.95
Total expenses (II)		270.65	697.28
(III) Profit/(loss) before tax (I - II)		80.10	(180.68)
(IV) Tax expense			
(1) Current tax	27	-	-
(2) Deferred tax - charge/(credit)	14	0.99	(5.94)
(3) Income tax related to earlier years	27	4.94	(3.12)
(V) Profit/(loss) for the year (III - IV)		74.17	(171.62)
(VI) 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		-	-
Total other comprehensive income for the year (net of taxes)		-	-
(VII) Total comprehensive income for the period (comprising profit/(loss) for the period and other comprehensive income for the period)		74.17	(171.62)
(VIII) Earnings per equity share of face value of Rs. 10 each			
Basic and diluted	32	8.24	(19.07)

Accompanying notes to financial statements

1 - 40

These notes form an integral part of the financial statements

As per our report of even date attached

For KAMG & Associates

Chartered Accountants

Firm's Registration No.: 311027E

For and on behalf of the Board of Directors

S. Ganesh

Partner

Membership No.: 232115

Place: Kolkata

Date: 28th May 2022



S.S. Jain

Director

DIN : 00013732

V. Matta

Director

DIN: 00338911

(A) Equity share capital

Particulars	Amount in Rs. Lakhs
As at March 31, 2020	90.00
Movement during the year	-
As at March 31, 2021	90.00
Movement during the year	-
As at March 31, 2022	90.00

(B) Other equity

(Amount in Rs. Lakhs)

Particulars	Reserves and surplus			Total
	Capital redemption reserve	General reserve	Retained earnings	
As at March 31, 2020	0.01	32.89	(583.08)	(550.19)
Loss for the year	-	-	(171.62)	(171.62)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(171.62)	(171.62)
As at March 31, 2021	0.01	32.89	(754.70)	(721.81)
Profit for the year	-	-	74.17	74.17
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	74.17	74.17
As at March 31, 2022	0.01	32.89	(680.54)	(647.64)

Refer note no. 13 for nature and purpose of reserves

Accompanying notes to financial statements

1 - 40

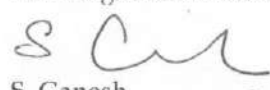
These notes form an integral part of the financial statements

As per our report of even date attached

For KAMG & Associates

Chartered Accountants

Firm Registration No. : 311027E



S. Ganesh

Partner

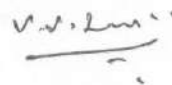
Membership No.: 232115

Place : Kolkata

Date: 28th May 2022



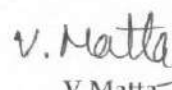
For and on behalf of the Board of Directors



S.S. Jain

Director

DIN : 00013732



V. Matta

Director

DIN : 00338911

(Amount in Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax	80.10	(180.68)
Adjustment for:		
Depreciation and amortisation expense	0.60	2.22
Finance costs	0.95	11.07
Profit on sale of property, plant and equipment (net)	(98.44)	(29.3)
Liabilities/Provisions no longer required written back	(18.66)	(12.10)
Balances written off (net)	8.92	3.49
Provision for obsolete inventories	19.35	-
Operating loss before working capital changes	(7.18)	(205.36)
Movement in working capital:		
Decrease/(Increase) in Inventories	58.26	384.05
Decrease/(Increase) in Trade and other receivables	42.02	12.26
Increase/(Decrease) in Trade, other payables and provisions	(166.91)	(320.03)
Cash utilised in operations	(73.82)	(129.08)
Taxes paid (net)	(0.01)	20.34
Net cash utilised in operating activities (A)	(73.83)	(108.74)
B. Cash flow from Investing Activities		
Proceeds from sale of property, plant and equipment	102.16	99.35
Deposits redeemed from bank	-	21.00
Net cash generated from investing activities (B)	102.16	120.35
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of borrowings (net)	(20.00)	(8.25)
Interest paid	(0.95)	(10.25)
Net cash utilised in financing activities	(20.95)	(18.50)
Net Increase/(Decrease) in Cash and cash equivalents (A+B+C)	7.38	(6.89)
Cash and cash equivalents as at the beginning of the year (Refer note no. 10)	3.06	9.95
Cash and cash equivalents as at the end of the year (Refer note no. 10)	10.44	3.06

Notes

- The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard 7 "Statement of Cash Flows".
- Cash and cash equivalents as at the Balance Sheet date consists of

(Amount in Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks in current accounts	10.44	3.06
Cash on hand	-	0.00
Total	10.44	3.06

3 Reconciliation of Liabilities arising from Financing Activities

(Amount in Rs. Lakhs)

Particulars	As at March 31, 2021	Cash Flows	Non Cash Flows	As at March 31, 2022
Inter corporate deposit from Holding company (Refer note no. 15)	541.89	(20.00)	-	521.89
Total	541.89	(20.00)	-	521.89

(Amount in Rs. Lakhs)

Particulars	As at March 31, 2020	Cash Flows	Non Cash Flows	As at March 31, 2021
Short term borrowings from bank (Refer note no. 15)	90.14	(90.14)	-	(0.00)
Inter corporate deposit from Holding company (Refer note no. 15)	460.00	81.89	-	541.89
Total	550.14	(8.25)	-	541.89

Accompanying notes to financial statements

1 - 40

These notes form an integral part of the financial statements

As per our report on even date attached

For KAMG & Associates

Chartered Accountants

Firm's Registration No.: 311027E

S. Ganesh

Partner

Membership No.: 232115

Place: Kolkata

Date: 28th May 2022



For and on behalf of the Board of Directors

V. S. Jain

S.S. Jain
Director
DIN : 00013732

V. Matta

V. Matta
Director
DIN: 00338911

1 Corporate Information

Alfred Herbert Limited (the "Company") is a company incorporated in India having the registered office at 13/3, Strand Road, Kolkata - 70001, engaged in manufacturing and selling industrial machines.

2 Statement of Compliance with Ind AS and Recent Accounting Pronouncements

2.1 These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

Ind ASs issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements approved for issue by the Board of Directors have been considered in preparing these financial statements.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

2.2 Application of new and revised standards

The Ministry of Corporate Affairs (MCA) vide Notification dated June 18, 2021 has issued Companies (Indian Accounting Standard) Amendment Rules, 2021. The Company has applied the following standards and amendments for the first time during the year ended March 31, 2022. These amendments had no impact on the financial statements of the Company.

(a) The amendment under Ind AS 38 and Ind AS 37 clarifies that the definition of "asset" under Ind AS 38 and the definition of "liability" under Ind AS 37 are not revised following the revision of the definition of "asset" and "liability" in the Conceptual Framework respectively.

(b) Reference to the "Framework for Preparation and Presentation of Financial Statements" with Ind AS has been substituted with reference to the "Conceptual Framework" under Ind AS 1, Ind AS 8, and Ind AS 34.

(c) Certain amendments have been made under Ind AS 115 to maintain consistency with the number of paragraphs of IFRS 15.

(d) In the definition of "recoverable amount", for the words "fair value less costs to sell", the words "fair value less costs of disposal" have been substituted. The consequential amendments are made in Ind AS 105, Ind AS 16, and Ind AS 28.

2.3 Recent Accounting Pronouncements

Standards issued but not yet effective

The Ministry of Corporate Affairs (MCA) vide Notification dated March 23, 2022 has issued Companies (Indian Accounting Standard) Amendment Rules, 2022. These amendments to the extent relevant to the Company's operations include:

Amendment to Ind AS 16 which clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of the cost of an item of property, plant, and equipment.

Other amendments in various standards, including Ind AS 37, Ind AS 101, Ind AS 103, Ind AS 109, and Ind AS 41 "Agriculture", have not been listed above since these are not relevant to the Company.

Even though the Company will evaluate the impact of the above, none of these amendments are vital in nature and are not likely to have material impact on the Company's financial statements.

3 Significant Accounting Policies

3.1 Basis of Preparation

The Financial Statements have been prepared under the historical cost convention on accrual basis excepting certain financial instruments which are measured in terms of relevant Ind AS at fair value/ amortized costs at the end of each reporting period.

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS 1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest Rupee.



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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

Level 1: Inputs are 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 either directly or indirectly for the asset or liability.

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

The company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements who regularly review significant unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

3.2 Property Plant and Equipment (PPE)

Property, Plant and Equipment are stated at cost of acquisition, construction and subsequent improvements thereto less accumulated depreciation and impairment losses, if any. For this purpose cost include deemed cost on the date of transition and comprises purchase price of assets or its construction cost including duties and taxes, inward freight and other expenses incidental to acquisition or installation and adjustment for exchange differences wherever applicable and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended for its use.

Parts of an item of PPE having different useful lives and material value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the income statement when incurred.

Depreciation

Depreciation on PPE is provided as per Schedule II of the Companies Act, 2013 on straight line method.

Depreciation on Property, Plant and Equipment commences when the assets are ready for their intended use.

Depreciation methods, useful lives, residual values are reviewed and adjusted as appropriate, at each reporting date.

3.3 Intangible Assets

Intangible assets are stated at cost comprising of purchase price inclusive of duties and taxes less accumulated amount of amortization and impairment losses. Such assets, are amortised over a period of five years and assessed for impairment whenever there is an indication of the same.

Amortisation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

3.4 Derecognition of Tangible and Intangible Assets

An item of Tangible and Intangible Asset is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of Tangible and Intangible Asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.



3.5 Impairment of Tangible and Intangible Assets

Tangible and Intangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate an impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of asset's fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

3.6 Inventories

Inventories are valued at lower of cost or net realisable value. Cost of the inventories is generally ascertained on weighted average basis. Materials and other supplies held for use in the production of inventories are not written down below cost if the finished product in which they will be incorporated are expected to be sold at or above cost. Cost for the purpose of valuation of work-in-progress and stock-in-trade includes materials, labour and appropriate portion of production overheads.

3.7 Foreign Currency Transactions

Transactions in foreign currencies are accounted for at the exchange rate prevailing on the date of the transaction. Foreign currency assets and liabilities are translated at exchange rates prevailing at the year end. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transaction during the year are recognized in the Statement of Profit and Loss, except in the cases where any fixed asset acquired from a country outside India, in such case, these are adjusted to the cost of respective fixed assets.

3.8 Financial Assets and Financial Liabilities

Financial Assets and Financial Liabilities (financial instruments) are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial 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 of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value through Profit and Loss (FVTPL) or at Fair Value through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

(i) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to a insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

(ii) Financial Assets and Financial Liabilities measured at amortised cost

Financial Assets 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 are measured at amortized cost.

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.



ALFRED HERBERT LIMITED

CIN: U32109WB1987PLC043261

Statement of Changes in Equity for the year ended March 31, 2022

The effective interest rate is the rate that discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.



(iii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

(iv) For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

(v) Financial Assets or Liabilities at Fair value through profit and loss (FVTPL)

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified at Fair Value through Profit and loss. These are recognised at fair value and changes therein are recognized in the Statement of Profit and Loss.

(vi) Impairment of financial assets

A financial asset is assessed for impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

(vii) Derecognition of financial instruments

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in Statement of Profit and Loss.

On derecognition of assets measured at FVTOCI (except for equity instruments designated as FVTOCI) the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

3.9 Equity Share Capital

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.



3.10 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities are not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are not recognised but disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

3.11 Employee Benefits

Employee benefits are accrued in the year in which services are rendered by the employees. Short term employee benefits are recognized as an expense in the Statement of Profit and Loss for the year in which the related service is rendered.

(i) Gratuity (Defined Benefit Plan) : The liability in respect of Gratuity has been determined by actuarial valuation.

(ii) Leave Encashment : The liability in respect of Leave Encashment is accounted for on the basis of actuarial valuation.

(iii) Provident Fund (Defined Contribution Scheme) : Accounted for on accrual basis based on the monthly contribution made to the appropriate authorities.

3.12 Revenue Recognition

Revenue from operations

Revenue is measured based on the considerations specified in a contract with a customer and excludes amounts collected on behalf of third parties. The revenue from sales is recognised when control over a product or service has been transferred and/or products/services are delivered/provided to the customers. The delivery occurs when the product has been shipped or delivered to the specific location as the case may be and the customer has either accepted the products in accordance with contract or the Company has sufficient evidence that all the criteria for acceptance has been satisfied. Returns, discounts and rebates collected, if any, are deducted from sales.

Other Income

Interest has been accounted using effective interest rate method. Dividend is accounted for as and when the right to receive the same is established.

3.13 Borrowing Costs

Borrowing cost comprises of interest paid and other costs in connection with the borrowing of the funds. All borrowing costs are recognised in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property, Plant and Equipment which are capitalised to the cost of related assets. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale.

3.14 Taxes on Income

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.



Statement of Changes in Equity for the year ended March 31, 2022

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

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

3.15 Earnings Per Share

Basic earnings per share are computed by dividing the net profit attributable to the equity shareholders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders of the company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares

4 Critical accounting judgments, assumptions and key sources of estimation and uncertainty

The preparation of the financial statements in conformity with the measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

4.1 Depreciation and impairment on property, plant and equipment.

Property, Plant and Equipment are depreciated on straight-line basis over the estimated useful lives in accordance with Schedule II of the Companies Act, 2013, taking into account the estimated residual value, wherever applicable.

The company reviews its carrying value of its Tangible Assets whenever there is objective evidence that the assets are impaired. In such situation Asset's recoverable amount is estimated which is higher of asset's or cash generating units (CGU) fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre-tax discount rate which reflect the current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered or otherwise in absence of such transactions appropriate valuations are adopted. The Company reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation and amount of impairment expense to be recorded during any reporting period. This reassessment may result in change estimated in future periods.

4.2 Current Tax and Deferred Tax

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes.



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Statement of Changes in Equity for the year ended March 31, 2022

Deferred tax assets are recognised for unused losses (carry forward of prior years' losses) and unused tax credit to the extent that it probable that taxable profit would be available against which the losses could be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profit together with future tax planning strategies.



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Statement of Changes in Equity for the year ended March 31, 2022

4.3 Provisions and Contingencies

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

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to take account of changing facts and circumstances.



5 Property, plant and equipment

As at March 31, 2022

(Amount in Rs. Lakhs)

Particulars	Plant and equipment	Furniture and fixtures	Office equipments	Computers	Total
Gross block					
As at March 31, 2021	9.85	0.94	0.57	0.62	11.98
Additions	-	-	-	-	-
Disposal/adjustments	6.24	-	-	-	6.24
As at March 31, 2022	3.61	0.94	0.57	0.62	5.74
Accumulated depreciation					
As at March 31, 2021	3.33	0.69	0.33	0.53	4.88
Charge during the year	0.48	0.12	-	-	0.60
Disposal/adjustments	2.52	-	-	-	2.52
As at March 31, 2022	1.29	0.81	0.33	0.53	2.96
Net block as at March 31, 2022	2.32	0.14	0.24	0.09	2.78

As at March 31, 2021

(Amount in Rs. Lakhs)

Particulars	Plant and equipment	Furniture and fixtures	Office equipments	Computers	Total
Gross block					
As at March 31, 2020	98.54	0.94	0.57	0.62	100.67
Additions	-	-	-	-	-
Disposal/adjustments	88.69	-	-	-	88.69
As at March 31, 2021	9.85	0.94	0.57	0.62	11.98
Accumulated depreciation					
As at March 31, 2020	19.98	0.46	0.33	0.53	21.31
Charge during the year	2.00	0.22	-	-	2.22
Disposal/adjustments	18.65	-	-	-	18.65
As at March 31, 2021	3.33	0.69	0.33	0.53	4.88
Net block as at March 31, 2021	6.52	0.26	0.24	0.09	7.10

- 5.1 During the financial year 2020-2021 and 2021-2022, the Company has disposed significant portion of property, plant and equipment ("PPE"). Certain PPE which were non usable and lying unutilised have been sold. This includes certain fully depreciated and junked machineries which were dismantled, inventorised and disposed off. The Company is in the process of updating fixed assets register.
- 5.2 The title deeds of the immovable properties are held in the name of the Company.



6 Other financial assets - non current

(Amount in Rs. Lakhs)			
Particulars	Refer note no.	As at March 31, 2022	As at March 31, 2021
At amortised cost			
Security deposits		6.78	8.78
Total		6.78	8.78

7 Current tax assets (net)

(Amount in Rs. Lakhs)			
Particulars	Refer note no.	As at March 31, 2022	As at March 31, 2021
Advance income tax, including tax deducted at source		0.09	5.02
Total		0.09	5.02

8 Inventories (Valued at lower of cost or net realisable value)

(Amount in Rs. Lakhs)			
Particulars	Refer note no.	As at March 31, 2022	As at March 31, 2021
Raw materials		31.35	73.00
Less: Provision for obsolete inventories		(19.35)	-
Work-in-progress		12.00	73.00
Loose tools		11.62	26.42
Total		25.69	103.30

8.1 During the current year and previous year, an extensive exercise have been undertaken for physical verification of inventories and discrepancies ascertained in this respect have been given effect to in these financial statements.

9 Trade receivables

(Amount in Rs. Lakhs)			
Particulars	Refer note no.	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		0.03	19.35
Unsecured, credit impaired		-	21.36
Less: Allowance for impaired receivables	9.1	0.03	40.71
Total		0.03	(21.36)

9.1 Ageing analysis of trade receivables is as follows:

As at March 31, 2022

(Amount in Rs. Lakhs)						
Particulars	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Unsecured, considered good	-	0.03	-	-	-	0.03
Undisputed, credit impaired	-	-	-	-	-	-
Trade receivables (gross)	-	0.03	-	-	-	0.03
Less: Allowance for impaired receivables	-	-	-	-	-	-
Trade receivables (net)	-	-	-	-	-	0.03

As at March 31, 2021

(Amount in Rs. Lakhs)						
Particulars	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Unsecured, considered good	-	0.10	18.39	-	0.86	19.35
Undisputed, credit impaired	-	-	1.73	8.33	11.30	21.36
Trade receivables (gross)	-	0.10	20.12	8.33	12.16	40.71
Less: Allowance for impaired receivables	-	-	-	-	-	(21.36)
Trade receivables (net)	-	-	-	-	-	19.35

9.2 Movement in Allowance for impaired receivables

(Amount in Rs. Lakhs)			
Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021	
Balance as at the beginning of the year	21.36	17.26	
Recognised during the year	-	4.10	
Written back/adjusted during the year	(21.36)	-	
Balance as at the end of the year	-	21.36	

10 Cash and cash equivalents

(Amount in Rs. Lakhs)			
Particulars	Refer note no.	As at March 31, 2022	As at March 31, 2021
Balances with banks			
In current accounts	10.1	10.44	3.06
Cash on hand (March 31, 2022 - Rs. 180; March 31, 2021 - Rs. 47)		-	0.00
Total		10.44	3.06

10.1 The above includes balance of one bank account with balance of Rs. 0.54 Lakhs (March 31, 2021 - Rs. 0.54 Lakhs) as at March 31, 2022 which are subject to confirmation as at the end of reporting period.

11 Other current assets

(Amount in Rs. Lakhs)			
Particulars	Refer note no.	As at March 31, 2022	As at March 31, 2021
Advance to suppliers		2.61	60.33
Less: Allowance for bad and doubtful advances	11.1	-	(29.87)
Interest receivable on income tax refund		2.61	30.46
Balances with Government Authorities		0.06	0.06
Total		8.83	10.59

11.1 Movement in Allowance for bad and doubtful advances

(Amount in Rs. Lakhs)



Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Balance as at the beginning of the year	29.87	31.36
Recognised during the year	-	-
Written back/adjusted during the year	(29.87)	(1.49)
Balance as at the end of the year	-	29.87



12 Equity share capital

(Amount in Rs. Lakhs)			
Particulars	Refer note no.	As at March 31, 2022	As at March 31, 2021
Authorised			
Equity shares			
9,09,000 (March 31, 2021 - 9,09,000) equity shares of Rs. 10 each		90.90	90.90
8% redeemable preference shares			
100 (March 31, 2021 - 100) preference shares of Rs. 100 each		0.10	0.10
Total		91.00	91.00
Issued, subscribed and paid up			
Equity shares			
9,00,007 (March 31, 2021 - 9,00,007) equity shares of Rs. 10 each		90.00	90.00
Total		90.00	90.00

12.1 Reconciliation of shares outstanding at the beginning and at the end of the reporting period:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Number of shares as at the beginning of the year	9,00,007	9,00,007
Movement during the year	-	-
Number of shares as at the end of the year	9,00,007	9,00,007

12.2 Rights, preferences and restrictions attached to each class of equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity is entitled to one vote per share. The Company may declare and pay dividends. The dividend, if any proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to the number of equity shares held by equity shareholders.

12.3 9,00,000 (March 31, 2021 - 9,00,000) equity shares of the Company are held by its Holding company "Alfred Herbert (India) Limited".

12.4 The details of shareholders holding more than 5% of the aggregate shares in the company

Particulars	As at March 31, 2022	As at March 31, 2021
Alfred Herbert (India) Limited		
Number of shares held	9,00,000	9,00,000
Percentage of shareholding	100.00%	100.00%

12.5 Details of shareholding of promoters

As at March 31, 2022

Name of the Promoter	No. of shares	% of total shares	% change during the year
Alfred Herbert (India) Limited	9,00,000	100.00%	-

As at March 31, 2021

Name of the Promoter	No. of shares	% of total shares	% change during the year
Alfred Herbert (India) Limited	9,00,000	100.00%	-

13 Other equity

(Amount in Rs. Lakhs)

Particulars	Refer note no.	As at March 31, 2022	As at March 31, 2021
Capital redemption reserve	13.2	0.01	0.01
General reserve	13.3	32.89	32.89
Retained earnings	13.4	(680.54)	(754.70)
Total		(647.64)	(721.81)

13.1 Refer Statement of Changes in Equity for movement in balances of reserves.

13.2 Capital redemption reserve

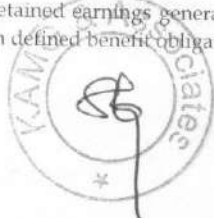
This reserve has been created on redemption of preference shares.

13.3 General reserve

The general reserve is created from time to time by appropriating profits from retained earnings. The general reserve is created by a transfer from one component of equity to another. Accordingly, it is not reclassified to the statement of profit and loss.

13.4 Retained earnings

Retained earnings generally represent the undistributed profits/accumulated earnings of the Company and includes remeasurement gains/losses on defined benefit obligations.



14 Deferred tax liabilities/assets

(Amount in Rs. Lakhs)			
Particulars	Refer note no.	As at March 31, 2022	As at March 31, 2021
Deferred tax liabilities		0.28	-
Deferred tax assets	14.1	-	(0.71)
Deferred tax liabilities/assets		0.28	(0.71)

14.1 Components of deferred tax liabilities/assets are as follows
As at March 31, 2022

(Amount in Rs. Lakhs)				
Particulars	As at March 31, 2021	Charge/(credit) recognised in profit or loss	Charge/(credit) recognised in OCI	As at March 31, 2022
Tax effect of items constituting deferred tax liabilities				
Timing difference with respect to property, plant and equipment	(0.71)	0.99	-	0.28
Total deferred tax liabilities	(0.71)	0.99	-	0.28
Deferred tax assets	-	-	-	-
Total deferred tax assets	-	-	-	-
Deferred tax liabilities/assets	(0.71)	0.99	-	0.28

As at March 31, 2021

(Amount in Rs. Lakhs)				
Particulars	As at March 31, 2020	Charge/(credit) recognised in profit or loss	Charge/(credit) recognised in OCI	As at March 31, 2021
Tax effect of items constituting deferred tax liabilities				
Timing difference with respect to property, plant and equipment	4.12	(4.83)	-	(0.71)
Remeasurement of defined benefit plans	1.11	(1.11)	-	-
Total deferred tax liabilities	5.22	(5.94)	-	(0.71)
Deferred tax assets	-	-	-	-
Total deferred tax assets	-	-	-	-
Deferred tax liabilities/assets	5.22	(5.94)	-	(0.71)

15 Borrowings - current

(Amount in Rs. Lakhs)			
Particulars	Refer note no.	As at March 31, 2022	As at March 31, 2021
At amortised cost			
Unsecured			
Inter corporate deposit from Holding company		521.89	541.89
Total		521.89	541.89

15.1 The borrowing from bank towards cash credit facilities amounting to Rs. 106.83 Lakhs (including interest Rs. 10.25 Lakhs) had been paid in entirety by the Holding company and the same has been settled during the financial year ended March 31, 2021. Intercompany deposits include the amount so paid by the Holding company.

16 Trade payables

(Amount in Rs. Lakhs)			
Particulars	Refer note no.	As at March 31, 2022	As at March 31, 2021
At amortised cost			
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		5.85	66.99
Total		5.85	66.99

16.1 There are no dues to micro enterprises and small enterprises based on the confirmation and information available with the company regarding the status of suppliers.

16.2 Ageing analysis of trade payables is as follows:

As at March 31, 2022

(Amount in Rs. Lakhs)					
Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed, MSME	-	-	-	-	-
Undisputed, others	4.85	0.21	0.79	-	5.85
Total	4.85	0.21	0.79	-	5.85

As at March 31, 2021

(Amount in Rs. Lakhs)					
Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed, MSME	-	-	-	-	-
Undisputed, others	40.02	26.21	0.62	0.14	66.99
Total	40.02	26.21	0.62	0.14	66.99

17 Other financial liabilities - current

(Amount in Rs. Lakhs)			
Particulars	Refer note no.	As at March 31, 2022	As at March 31, 2021
At amortised cost			
Payable to Holding company		-	3.20
Payable to employees		-	14.38
Total		-	17.58

18 Other current liabilities

(Amount in Rs. Lakhs)			
Particulars	Refer note no.	As at March 31, 2022	As at March 31, 2021
Advance received from customers		85.67	168.36
Statutory dues (includes TDS, GST, etc)		1.26	25.42
Total		86.93	193.78



19 Revenue from operations

(Amount in Rs. Lakhs)

Particulars	Refer note no.	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of products		204.20	446.74
Sale of services		1.18	6.20
Other operating revenue (sale of scrap)		20.96	12.43
Total		226.34	465.37

20 Other income

(Amount in Rs. Lakhs)

Particulars	Refer note no.	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit on sale of property, plant and equipment (net)		98.44	29.31
Liabilities/provisions no longer required written back		18.66	12.10
Interest income on income tax refund		0.47	9.81
Miscellaneous income		6.84	-
Total		124.41	51.23

21 Cost of materials consumed

(Amount in Rs. Lakhs)

Particulars	Refer note no.	For the year ended March 31, 2022	For the year ended March 31, 2021
Cost of materials consumed		144.36	126.05
Total		144.36	126.05

22 Changes in inventories of finished goods and work-in-progress

(Amount in Rs. Lakhs)

Particulars	Refer note no.	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening inventories			
Finished goods		-	0.28
Work-in-progress		26.42	324.75
		26.42	325.03
Closing inventories			
Finished goods		-	-
Work-in-progress		11.62	26.42
		11.62	26.42
Decrease in inventories of finished goods and work in progress		14.80	298.61

22.1 During previous year, changes in inventories includes inventories adjusted due to difference arising on physical verification and recognition of inventories lying at the close of the year.

23 Employee benefits expense

(Amount in Rs. Lakhs)

Particulars	Refer note no.	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and wages		2.72	135.07
Contribution to provident and other funds		2.74	13.84
Staff welfare expense		0.01	9.52
Total		5.47	158.43

24 Finance costs

(Amount in Rs. Lakhs)



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Notes to financial statements for the year ended March 31, 2022

Particulars	Refer note no.	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense			
Borrowings		-	10.25
Others		0.95	0.76
Total		0.95	11.02



25 Depreciation and amortisation expense

(Amount in Rs. Lakhs)

Particulars	Refer note no.	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on property, plant and equipment	5	0.60	2.22
Total		0.60	2.22

26 Other expenses

(Amount in Rs. Lakhs)

Particulars	Refer note no.	For the year ended March 31, 2022	For the year ended March 31, 2021
Consumable stores	26.1	3.57	1.72
Power and fuel		8.64	16.06
Testing charges		-	1.00
Repairs - buildings		0.26	0.02
Repairs - plant and equipment		0.26	1.28
Repairs - others		0.06	2.02
Insurance		-	0.14
Rates and taxes		1.28	0.44
Postage, telephone & courier		0.23	1.20
Travelling & conveyance expenses		-	0.78
Consultancy charges		25.65	42.47
Auditors' remuneration		1.00	2.62
Net loss on foreign currency transactions		-	0.40
Security services		13.56	14.75
Motor car expenses		-	3.47
Internal audit fees		-	0.23
Printing & stationery		0.03	0.18
Data processing expenses		-	0.03
Freight outward		1.03	3.88
Commission		2.12	1.77
Contractual labour charges		14.35	-
Provision for obsolete inventories		19.35	-
Balances written off (net)		8.92	3.49
Miscellaneous expenses		4.16	2.99
Total		104.47	100.95

26.1 Auditors' remuneration includes

(Amount in Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Statutory audit fees	0.50	0.70
Limited review fees	0.50	0.50
Tax audit fees	-	0.20
Total	1.00	1.40



27 Tax expense

(Amount in Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax	-	-
Deferred tax	0.99	(5.94)
Income tax for earlier years	4.94	(3.12)
Total tax expense recognised in the Statement of Profit and Loss	5.93	(9.06)
Reconciliation of tax expense		
Profit/(loss) before tax	80.10	(180.68)
Statutory tax rate	26.00%	26.00%
Computed tax expense	20.83	(46.98)
Adjustments for:		
Effect of expenditure disallowed in earlier years and written off during current year	(13.32)	Refer note no. 27.1
Income not chargeable to tax	(6.63)	
Income tax for earlier years	4.94	
Effect of other adjustments	0.11	
Net adjustments	(14.90)	
Total tax expense recognised in the Statement of Profit and Loss	5.93	

27.1 In the absence of taxable profits during the year ended March 31, 2021, reconciliation of tax expense has not been provided.



28 Contingent liabilities and commitments (to the extent not provided for)

(a) Contingent liabilities

(Amount in Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Claims against the Company not acknowledged as debts	29.77	29.77
Penalties in respect of Excise/Service Tax		

The amounts shown above represent the best possible estimates arrived at on the basis of available information. The uncertainties and timing of cash flows are dependent on the outcome of different legal processes which have been invoked by the Company or the claimants, as the case may be, and therefore, cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities. In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of the appeals/litigations.

(b) Commitments

- (i) Estimated amount of contracts remaining to be executed on capital account and not provided for - Rs. Nil (March 31, 2021 - Rs. Nil)
- (ii) The company does not have any other commitment outstanding as at the balance sheet date.

29 Disclosures as required by Indian Accounting Standard 37 "Provisions, Contingent liabilities and Contingent assets"

Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the entity. During the normal course of business, unresolved claims remain outstanding. The inflow of economic benefits, in respect of such claims cannot be measured due to uncertainties that surround the related events and circumstances.

30 Related party disclosures

Information under Ind AS 24 "Related party disclosures" are as follows:

(I) Name of the related parties and description of relationship

(a) Holding company

(b) Key management personnel ("KMP")

Alfred Herbert (India) Limited

1. Mr. S.S.Jain - Director

2. Mr. V.Matta - Director

3. Ms. Shobhana Sethi - Director

(II) Transactions with related parties

(Amount in Rs. Lakhs)

Sl. No.	Nature of transaction/ Name of related party	Holding company
(i)	Borrowings	
	Inter corporate deposit availed during the year	(121.89)
		20.00
	Inter corporate deposit repaid during the year	(40.00)
(ii)	Reimbursement	
	Expenditure incurred by Holding company	(5.35)
(iii)	Balances outstanding	



		521.89
Borrowings		(541.89)
		-
Payable to Holding company		(3.20)

Footnote:

Figures in brackets pertain to previous year.

(III) Other notes:

- The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms.
- The amounts outstanding are unsecured and will be settled in cash. No provision for bad or doubtful debts has been recognised in current year and previous year in respect of the amounts owed by related parties.
- In terms with the prudential guidelines issued by the Reserve Bank of India and other applicable provisions of the Companies Act, 2013 and as a further measure to support the Company, which is wholly owned subsidiary, the Board of Alfred Herbert (India) Limited (AHIL) had accorded its approval to write-off the interest. In view of this, no interest has been provided on inter corporate deposit amounting to Rs. 521.89 Lakhs (March 31, 2021 - 541.89 Lakhs) outstanding as on March 31, 2022.

31 Earnings per share

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Amount used as numerator - Profit after tax as per standalone statement of profit and loss (Amount in Rs. Lakhs)	74.17	(171.62)
(b) Weighted average number of equity shares used as the denominator for computing basic and diluted earnings per share (*)	9,00,007	9,00,007
(c) Face value of equity shares (Rs.)	10	10
(d) Basic and Diluted earnings per share (Rs.)	8.24	(19.07)

(*) The Parent company does not have any dilutive potential equity shares

32 Segment reporting

- The Company operates mainly in one business segment i.e., manufacturing and selling industrial machineries and all other activities revolve around the main activity and as such, there is no other reportable segment as identified by the Chief Operating Decision Maker of the Company in terms of Ind AS 108 "Operating Segments".

(b) Geographical information

The Company operates entirely within India and as such, separate geographical information has not been disclosed.



33 Financial instruments - Accounting, Classification and Fair value measurements

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

(Amount in Rs. Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets (current and non current)				
Financial assets measured at amortised cost				
Trade receivables	0.03	0.03	19.35	19.35
Cash and cash equivalents	10.44	10.44	3.06	3.06
Other financial assets	6.78	6.78	8.78	8.78
Total financial assets	17.25	17.25	31.19	31.19
Financial Liabilities (current and non current)				
Financial liabilities measured at amortised cost				
Borrowings	521.89	521.89	541.89	541.89
Trade payables	5.85	5.85	66.99	66.99
Other financial liabilities	-	-	17.58	17.58
Total financial liabilities	527.74	527.74	626.46	626.46

(B) Fair valuation techniques

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

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

Fair value of cash and cash equivalents, trade receivables, trade payables and other current financial liabilities approximate their carrying amounts due to the short-term maturities of these instruments.

34 Financial risk management objectives and policies

The Company's principal financial liabilities includes trade payables and other financial liabilities and principal financial assets include trade receivables, cash and cash equivalents and other financial assets.

The Company is exposed to credit risk, liquidity risk and market risk. The Company's senior management under the supervision of Board of Directors oversees the management of these risks. The Company's financial risks 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.

(a) Market risk

Market risk is the risk or uncertainty arising from possible market fluctuations resulting in variation in the fair value of future cash flows of a financial instrument. The major components of market risks are currency risk, interest rate risk and other price risk. Financial instruments affected by market risk includes trade receivables and trade payables.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have material exposure to the risk of changes in foreign exchange rates.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company does not have any financial assets or financial liabilities bearing floating interest rates, any change in the interest rates at the reporting date would not have any significant impact on the financial statements of the Company.

(iii) Other price risk

The price risk of the financial instrument to which the company is exposed is not expected to be material.

(b) Credit risk

Credit risk is the risk that a customer or counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables). The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The company periodically assesses the financial reliability of amounts outstanding, taking into account the financial condition, current economic trends and ageing of amounts receivable.

The carrying amount of respective financial assets recognised in the financial statements, net of impairment losses represent the company's maximum exposure to credit risk.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. Receivables are reviewed/evaluated periodically by the management and appropriate provisions are made to the extent recovery thereagainst has been considered to be remote.

The credit risk on cash and cash equivalents are insignificant as counterparties are banks with high credit ratings.

(c) Liquidity risk



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Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The company's objective is to maintain optimum level of liquidity to meet its cash and collateral requirements at all times. The company relies on internal accruals and funding from Holding company to meet its fund requirement.



Liquidity risk tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows as at balance sheet date:

Maturity analysis of unamortised financial liabilities

(Amount in Rs. Lakhs)

Particulars	Carrying value	Contractual cash flows	Maturity analysis of contractual cash flows		
			Less than 1 year	Between 1 to 5 years	More than 5 years
As at March 31, 2022					
(i) Borrowings	521.89	521.89	521.89	-	-
(ii) Trade payables	5.85	5.85	5.85	-	-
Total	527.74	527.74	527.74	-	-

(Amount in Rs. Lakhs)

Particulars	Carrying value	Contractual cash flows	Maturity analysis of contractual cash flows		
			Less than 1 year	Between 1 to 5 years	More than 5 years
As at March 31, 2021					
(i) Borrowings	541.89	541.89	541.89	-	-
(ii) Trade payables	66.99	66.99	66.99	-	-
(iii) Other financial liabilities	17.58	17.58	17.58	-	-
Total	626.46	626.46	626.46	-	-

The company has current financial assets which will be realised in ordinary course of business and the company ensures that it has sufficient cash on demand to meet expected operational expenses and obligations.

35 Capital management

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder value. The Company's objective when managing capital is to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stake holders. The Company is focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings.

The Company monitors capital using gearing ratio which is produced hereunder:

(Amount in Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings	521.89	541.89
Less: Cash and cash equivalents	10.44	3.06
Net debt (a)	511.45	538.83
Total equity	(557.64)	(631.81)
Net debt and Total equity (b)	(46.19)	(92.98)
Gearing ratio	(11.07)	(5.80)



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36 The Company, neither had any transactions during the years ended March 31, 2022 and March 31, 2021 with companies, which have been struck off by the Registrar of Companies nor any balance is outstanding from such companies as at the end of respective reporting period.

37 Ratio analysis and its elements (to the extent applicable)

Sl. No.	Ratio	Numerator	Denominator	2021 - 2022	2020 - 2021	% change with respect to previous year	Reason for variance (where change is more than 25%)
(1)	Current ratio	Current assets	Current liabilities	0.08	0.20	(60.00%)	Decline in inventories
(2)	Debt service coverage ratio	Profit after tax + Depreciation and amortisation + Finance costs	Finance costs	79.70	(14.38)	(654.24%)	Increase in profit
(3)	Return on equity ratio	Profit after tax	Average total equity	(12.47%)	31.43%	(139.68%)	Increase in profit
(4)	Inventory turnover ratio	Revenue from operations	Average inventory	3.51	1.58	122.15%	Decline in inventories
(5)	Trade receivables turnover ratio	Revenue from operations	Closing trade receivables	7,544.67	24.04	31283.82%	Decline in trade receivables
(6)	Trade payables turnover ratio	Total purchases	Closing trade payables	26.97	2.19	1133.15%	Decline in trade payables
(7)	Net capital turnover ratio	Revenue from operations	Working capital	(0.40)	(0.71)	(43.95%)	Decline in revenue from operations
(8)	Net profit ratio	Net profit after tax	Revenue from operations	0.33	(0.37)	(189.19%)	Increase in profit
(9)	Return on capital employed	Profit before tax	Tangible net worth + Deferred tax liabilities	(14.37%)	28.60%	(150.25%)	Increase in profit
(10)	Return on investment			Not applicable			

Note: There was substantial variation in the volume of operations during the year ended March 31, 2022 as compared to the previous year. This has caused significant variation in the comparative financial ratios. The percentage change with respect to previous year as indicated hereinabove even though arrived at arithmetically as required in terms of Schedule III to the Companies Act, 2013, as such, are not indicative of the related performances, etc of the Company.

38 The Outbreak of COVID - 19 and resultant lockdowns declared by Central and/or State Governments of India have impacted business and earnings prospects. Operations of the Company have been severely affected due to loss of production coupled with insufficient orders making it unviable to operate the plant efficiently with the required economies of scale on a sustainable basis. Production in the plant of the Company has therefore been suspended. Even though supplies against pending orders for machines and related spares were made through third party operations and procurements, accumulated losses of the Company as on March 31, 2022 continued to be in excess of its paid up share capital and reserves. The Holding company has cumulatively infused ₹ 521.89 Lakhs to provide financial support by way of loan. This includes repayment of dues of the Bank towards working capital facilities availed by the Company. In the given situation and in absence of required volumes etc., there is significant uncertainty vis-a-vis sustained viability of the Company with respect to its current core operations on an independent basis.

Pending final decision on the matter and review of the alternatives for continuing operations including through third party sources and also taking into account the support of the Holding Company, accounts of the Company have continued to be prepared on a going concern basis during the year.

Based on indicators available from internal and external sources of current and future economic conditions, the Company expects to recover the carrying amount of current and non-current assets barring any unforeseen circumstances. The Company will continue to monitor any material changes to the future economic conditions and effective steps will be taken on crystallisation thereof.

39 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

40 The Schedule III to the Companies Act 2013 vide notification dated 24th March, 2021 issued by Ministry of Corporate Affairs (MCA) has been amended with effect from 1st April, 2021 and these standalone financial statements have been prepared giving effect to the said amendments. Accordingly, comparative figures of the previous year have been regrouped/reclassified and disclosed wherever applicable to make them comparable with those of the current years' figures.

As per our report of even date attached

For KAMC & Associates

Chartered Accountants

Firm's Registration No.: 311027E

For and on behalf of the Board of Directors

ALFRED HERBERT LIMITED

CIN: L74999WB1919PLC1003516

Notes to financial statements for the year ended March 31, 2022



V. V. Jain

S.S. Jain

Director

DIN : 00013752

V. V. Matta

V. Matta

Director

DIN: 00338911