

ALFRED HERBERT LIMITED

DIRECTORS' REPORT TO THE MEMBERS

The Directors have pleasure in presenting the Thirty Second Annual Report of the Company together with Audited Accounts for the year ended 31st March 2020.

FINANCIAL RESULTS:

(Rs. In lakhs)		
Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Gross Income	932.96	1007.71
Profit/(Loss) before Tax	(95.53)	(17.98)
Provision for Tax	-	-
Deferred Tax	1.00	(0.08)
Profit/(Loss) After Tax for the period	(96.53)	(17.90)

CHANGE IN NATURE OF BUSINESS:

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

DIVIDEND:

Your Directors do not recommend any dividend for the year.

SHARE CAPITAL:

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

OPERATIONS:

The Company's Sales performance was adversely affected, during the year due to severe contraction in demand. Orders had dried up since September 2019 as the execution of pending orders posed a serious challenge due to inadequate cash generation to support the supply chain for order completion. Our company accordingly suffered a loss in the financial year under review.

A strategic analysis of the business revealed that there was significant excess capacity and with the demand slow down especially in the bias segment and aggressive competition including with pre-owned machinery, there was significant margin compression. Our Company concentrated in the supply of internal mixers for the technical rubber goods industry, where customer profile / demands were challenging. Our Company continues to engage with Technical Rubber Goods customers for bringing further improvements in our product to further consolidate and enhance our market share. However, due to COVID pandemic the market demands remain un-certain due to big recession in the automobile sector.

The operational results of the Company also suffered due to high manufacturing and overhead costs. The Company has started implementing a restructuring exercise to reduce the costs across all levels to the extent possible.

EXTRA-ORDINARY SITUATION DUE TO COVID-19 PANDEMIC:

We are witnessing an un-foreseen and un-precedented situation due to Corona Virus Pandemic. Economies across the world have come to a standstill. Despite best and continued efforts from our Government, the Indian Economy has been severely impacted as well. Manufacturing is amongst the worst hit and is seriously bearing the brunt of this down turn. Our Company's business was already struggling as we were under financial crunch. This situation worsened because of the slow-down in auto sector over the last year and the COVID-19 followed by the lock-down has been a massive blow. This may take considerable time to improve.

DEVELOPMENT

During the year, Our Company continued to explore new markets in SAARC countries and we have executed an export order for M/s. Rigid Tyres Ltd., Srilanka. These equipments supplied during this year are under commissioning at present.

RESERVES:

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Pursuant to the provisions of the Companies Act, 2013, Mr. S.S Jain, Director, retires by rotation under the Articles of Association of the Company and being eligible, offers himself for re-appointment.

Mrs. Shobhana Sethi, has been appointed as an Additional Director with effect from 27th September, 2019 to hold office upto the date of the forthcoming Annual General Meeting. A notice from a Member u/s 160 of the Companies Act, 2013, has been received signifying intention to propose her candidature as a Director. Our Directors recommend her appointment subject to approval of shareholders at the forthcoming Annual General Meeting of the Company.

Pursuant to the provisions of section 203 of the Act, Company is not required to appoint Key Managerial Personnel as on March 31, 2020.

MEETINGS OF THE BOARD

During the year five meetings of the Board of Directors were convened and held on 17.05.2019, 02.09.2019, 27.09.2019, 28.11.2019 and 28.01.2020.

SECRETARIAL AUDIT:

Pursuant to the provisions of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, it is necessary for material unlisted Subsidiaries to undertake Secretarial Audit of the Company.

Hence, the Company has appointed Mrs. Priyanka Tibrewal, Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as "Annexure C".

RISK MANAGEMENT POLICY

Our 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.

The COVID-19 Pandemic prevailing currently is posing severe challenge to all Industries especially for our 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.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

As on 31st March 2020, the Company does not have any Subsidiary/Associate Company.

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.

AUDITORS AND AUDITOR'S REPORT:

M/s. KAMG Associates, Chartered Accountants (Registration NO. 311027E) existing Auditors of the Company, were appointed for a period of 5 (Five) years by the Members of the Company in the 29th Annual General Meeting of the Company held on 19th July, 2017. By virtue of the amendment made in the Companies (Amendment) Act, 2017, the Company is not required to place before the Annual General Meeting the matter pertaining to ratification of appointment of auditors.

Notes to Financial Statement are self-explanatory and therefore do not call for any further comments or explanations.

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.

ANNUAL RETURN:

In pursuance to the provisions of Section 134(3) read with Section 92(3) of the Companies Act, 2013 and amendments thereon from time to time, the documents as stated therein are being attached as "Annexure A."

DETAILS OF SIGNIFICANT ORDERS PASSED BY REGULATORS, COURTS OR TRIBUNALS IMPACTING GOING CONCERN AND COMPANY'S OPERATION:

There are no material changes and commitments effecting the financial position of the Company which have occurred between the end of the Financial Year of the Coming to which the financial statements relate and the date of the report.

And there are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

Our Directors also report for the details of advances taken from the Holding Company and transactions with related parties please refer to Note No. 1.8 on Accounts in the Annual Accounts.

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

Information pursuant to section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 relating to Conservation of Energy, Technology Absorption, Research & Development and Foreign Exchange Earnings and Outgo is given in the enclosed statement forming part of this Report.

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.

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.

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.

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 control was in place and that the financial controls 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.

PERSONNEL:

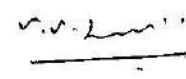
The Industrial relations remain cordial and peaceful during this year. The Directors wish to place on review the appreciation for the continued efforts and support rendered by employees at all levels.

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
25th June, 2020

For and on behalf of the Board



S S Jain
Director
DIN: 0013732



V Matta
Director
DIN: 00338911

ANNEXURE B 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 2020.

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 factory close to 0.9

B. TECHNOLOGY ABSORPTION

i) Research & Development (R & D)

- a) Expanding the range in Tyre Building Machines to LCV & OTR Segments.
- b) Development of special features for Intermixes to meet customer needs / Hydraulic Ram / Fill Volume increase 100 litres / Application requirement.

ii) Benefits derived as a result of R & D

- a) To enter into a new market and overseas markets
- b) To retain market share
- c) Cost Reduction
- d) To Improve Market Stability
- e) To Improve customer satisfaction / Quality & Delivery

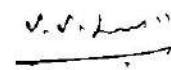
iii) Future Plan

- a) To bring an improvements on Intermixes catering to Technical Rubber Goods Industry.
- b) To cater to the market needs preferably in Radial Segment.
- c) 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. 17.98 lakhs
D.	FOREIGN EXCHANGE EARNED	:	Rs. 179.50 lakhs
	(EXPORT OF PRODUCTS)		

Kolkata
25th June, 2020

For and on behalf of the Board



S S Jain
Director
DIN: 0013732



V. Matta
Director
DIN: 00338911

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2020
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	U32109WB1987PLC043261
ii	Registration Date	10TH NOVEMBER 1987
iii	Name of the Company	ALFRED HERBERT LIMITED
iv	Category/Sub-category of the Company	COMPANY HAVING SHARE CAPITAL
v	Address of the Registered office & contact details	13/3, STRAND ROAD, KOLKATA - 700001. TEL. NO. 033-22268619, 03322299124
vi	Whether listed company	NO
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	N. A.

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	RUBBER PROCESSING MACHINERY	28292 (As per NIC-2008)	98.35%
2			
3			
4			

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	ALFRED HERBERT (INDIA) LIMITED	L74999WB1919PLC003516	HOLDING COMPANY	100	2(46)
2					
3					

[illegible]

iii) Non Resident Individual	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(2):	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)= (B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	9,00,007	9,00,007	100.0000	-	9,00,007	9,00,007	100.0000	-

(ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	ALFRED HERBERT (INDIA) LIMITED	9,00,001	99.9994	-	9,00,001	99.9994	-	-
2	ALFRED HERBERT (INDIA) LIMITED J/A A. K. BASU	1	0.0001	-	1	0.0001	-	-
3	ALFRED HERBERT (INDIA) LIMITED J/A V. MATTA	1	0.0001	-	1	0.0001	-	-
4	ALFRED HERBERT (INDIA) LIMITED J/A P. K. PAL	1	0.0001	-	1	0.0001	-	-
5	ALFRED HERBERT (INDIA) LIMITED J/A A. V. LODHA	1	0.0001	-	1	0.0001	-	-
6	ALFRED HERBERT (INDIA) LIMITED J/A PRAKASH MAJUMDAR	1	0.0001	-	1	0.0001	-	-
7	ALFRED HERBERT (INDIA) LIMITED J/A M. BANERJEE	1	0.0001	-	1	0.0001	-	-
	Total	9,00,007	100.0000		9,00,007	100.0000		-

(iii) **CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)**

Sl. No.		Share holding at the beginning of		Cumulative Share holding during the	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
THERE IS NO CHANGE IN THE TOTAL SHAREHOLDING OF PROMOTERS BETWEEN 01.04.2019 & 31.03.2020					

(iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)**

Sl. No		Shareholding at the end of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
NOT APPLICABLE					

(v) **Shareholding of Directors & KMP**

Sl. No		Shareholding at the end of the year		Cumulative Shareholding during the year	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
	For Each of the Directors & KMP				
NOT APPLICABLE					

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	4,86,56,953	-	-	4,86,56,953
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	4,86,56,953	-	-	4,86,56,953
Change in Indebtedness during the financial year				
Additions	1,50,00,000	-	-	1,50,00,000
Reduction	86,42,987	-	-	86,42,987
Net Change	63,57,013	-	-	63,57,013
Indebtedness at the end of the financial year				
i) Principal Amount	5,50,13,966	-	-	5,50,13,966
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	5,50,13,966	-	-	5,50,13,966

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
1	Gross salary	R. SUBRAMANIAN, MANAGER	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.		12,74,400
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961		4,62,000
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		-
2	Stock option		-
3	Sweat Equity		-
4	Commission		-
	as % of profit		
	others (specify)		
5	Others, please specify		-
	Total (A)		17,36,400
	Ceiling as per the Act		

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the Directors			Total Amount	
1	Independent Directors					
	(a) Fees for attending board committee meetings					-
	(b) Commission					-
	(c) Others, please specify					-
	Total (1)					-
2	Other Non Executive Directors					
	(a) Fee for attending board committee meetings					-
	(b) Commission					-
	(c) Others, please specify.					-
	Total (2)					-
	Total (B)=(1+2)					-
	Total Managerial Remuneration					-
	Overall Ceiling as per the Act.					-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total	
1	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.					-
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961					-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961					-
2	Stock Option					-
3	Sweat Equity					-
4	Commission as % of Profit					-
5	Others, please specify					-
	Total					-

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

PRIYANKA TIBREWAL

(formerly Priyanka Lohia)
Practising Company Secretary

FORM MR. 3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Alfred Herbert Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by Alfred Herbert Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 complied with statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance - mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms, and returns filed and other records maintained by the company for the financial year ended on 31.03.2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **(Not applicable to the Company during the audit period);**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **(Not applicable to the Company during the audit period)**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings **(Not applicable during the period under review);**
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:-



- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable to the Company)**
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 **(Not Applicable to the Company);**
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009- **(Not Applicable to the Company);**
- d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **(Not Applicable to the Company during the period under review);**
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **(Not Applicable to the Company during the period under review);**
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not applicable to the Company)**
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **(Not Applicable to the Company during the period under review);**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **(Not Applicable to the Company during the period under review);**
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations- **(Not Applicable to the Company)**

(vi) Other than the fiscal, labour and environmental laws which are generally applicable to all manufacturing /trading companies, there are no such laws that apply specifically to the Company. The examination and reporting of these laws and rules are limited to whether there are adequate systems and processes in place to monitor and ensure compliance with those laws.

I further report that I have not commented on the compliance of various tax laws and accounting standards and compliance of Schedule III in the preparation of Financial Statements as it is dealt separately by an appropriate independent professional and forms part of the Annual report.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standard (SS 1 & SS 2) issued by the Institute of Company Secretaries of India (ICSI);

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, guidelines, standards, etc. mentioned above..

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors Non- Executive Directors and Independent Directors. Except a Appointment and Resignation from a Director, there was no other change in the composition of the Board of Directors took place during the period under review



Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded, wherever required, as part of the minutes. However, the resolutions in the Board /Committee meetings as observed, were unanimous and hence, no dissenting views have been recorded.

I further report that as per the explanation given to me and the representations made by the Management, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable law, rules, regulations and guidelines.

I further report that during the audit period, there are no specific events/actions which have the major bearing on the company's affairs.

Note:

I have relied upon the accuracy of the documents and information as shared by the Company with me through appropriate Information Technology tools to assist me in completing the secretarial audit work during lockdown period due to unprecedented situation prevailing in the country due to covid- 19 virus pandemic and with a very limited physical verification.

Place: Kolkata
Date: 26.06.2020



Priyanka Tibrewal

CS PRIYANKA TIBREWAL
FCS: 7893
C. P. No: 8843

UDIN: F007893B000387041

'Annexure A'

To,
The Members
Alfred Herbert Limited

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standard is the responsibility of management; my examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata
Date: 26.06.2020



Priyanka Tibrewal
CS PRIYANKA TIBREWAL
FCS: 7893;
C. P. No.: 8843
UDIN: F007893B000387041

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ALFRED HERBERT LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **ALFRED HERBERT LIMITED** ("**the Company**") which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2020, and its Loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



Emphasis of Matter**Effects of COVID-19**

We draw attention to Note 43 to the financial statements, which describes the economic and social consequences/disruption the entity is encountering as a result of COVID-19 which is impacting supply chains, consumer demand and personnel available for work being able to access offices and as the situation with COVID-19 is still evolving the management's assessment of the impact on the subsequent period is dependent on the circumstances as they evolve.

Our opinion is not modified in respect of this matter.

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

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



Management's Responsibility 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 give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 give 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.

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

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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.



KAMG & ASSOCIATES

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☐ Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

☐ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order

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

- a) We have sought and obtained all the information and explanations 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 and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.



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Chartered Accountants

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 38 to the financial statements.

ii. The Company has no material foreseeable losses, on long-term contracts including derivative contracts.

iii. The Company is not required to transfer any amount to the Investor Education and Protection Fund.

For KAMG & ASSOCIATES
Chartered Accountants
(Firm's Registration No311027E)



AMITABHA NIYOGI
Partner
(Membership No.056720)
UDIN : 20056720AAAAAQ6117

Kolkata,
25th June, 2020



ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Alfred Herbert Limited 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, 2020 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 Board of Directors of the Company 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

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

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.



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Chartered Accountants

Opinion

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

For **KAMG & ASSOCIATES**
Chartered Accountants
(Firm's Registration No 311027E)

Amitabha Niyogi

AMITABHA NIYOGI

Partner

(Membership No.056720)
UDIN : 20056720AAAAAQ6117

Kolkata,
25th June, 2020



ANNEXURE B TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of Alfred Herbert Limited for the year ended March 31, 2020.

We report that:

- i. In respect of the Company's fixed assets
 - a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - b) According to the information and explanation given to us, most of the fixed assets have been physically verified by the Management during the year and no material discrepancies were noted on such verification. In our opinion, the frequency of such verification is reasonable having regard to the size of the company and the nature of its assets.
 - c) According to the information and explanation given to us, the company does not hold any immovable properties in the name of the company.
- ii. As explained to us and on the basis of certificate given to us, the inventory of the Company has been physically verified during the year by the management. Physical verification of inventories by the management on the reporting date or on a date near to the reporting date was not feasible due to lockdown restrictions imposed by the Central Government for checking COVID-19. Alternative audit procedures were adopted to verify inventory balances for such locations which included reconciliation of last physically verified inventory with the inventory details as on reporting date. In our opinion and according to the information and explanations given to us, the frequency of the verification is reasonable having regard to the size of the Company and the nature of its business.
- iii. According to the information and explanation given to us, the Company has not granted any loans to companies, firms or other parties as listed in the register maintained under section 189 of the Companies Act, 2013. Accordingly, provisions of Clause 3 (iii) (b) & (c) of the Order are not applicable to the Company.



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- iv. According to the information and explanation given to us, company has not given any loan to directors as mentioned in Section 185 and has not made any investments or given any guarantees & security as mentioned in Section 186. Accordingly, provisions of Clause 3 (iv) of the Order are not applicable to the Company.
- v. The Company has not accepted any deposits during the year and so the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 are not applicable.
- vi. According to the information and explanations given to us, the Central Government has not prescribed for the maintenance of the cost records under section 148(1) of the Companies Act, 2013 in respect of the products of the Company.
- vii. a. According to the information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and Service tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.

Except the company has not deposited Rs. 23,609 in respect of unpaid wages and Rs.46,558 in respect of Bonus which are unpaid for more three years to the Karnataka Labour Welfare Fund as per Section 2(10) of the Karnataka Labour Welfare Fund Act, 1965 and Rs.45,060 in respect of service tax has not been deposited till date.

b. According to the records of the Company and according to the information and explanations given to us by the Management, details of disputed statutory dues which have not been deposited are as follows:-

Name of Statute	Nature of Dues	Amount (Rs Lakhs)	Forum where pending
Karnataka Value Added Tax Act/Rules	Demand for penalty for delay in furnishing return VAT 100	0.77 Lakhs	High Court of Karnataka.- FY 2007-08



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Central Excise/Service Tax Laws	Irregular availment of CENVAT Credit on Inputs	Rs. 0.48 Lakhs	Central Excise Tribunal [CESTAT] – FY 2003 - 04
- Do -	Reversal of CENVAT credit	Rs.25.17 Lakhs	Central Excise Tribunal [CESTAT] – FY 2007 – 08 & FY 2008 - 09
- Do -	Penalty and interest on account of unsuccessful developmental jobs	Rs. 1.79 Lakhs	Central Excise Tribunal [CESTAT] – FY 2004 – 05 & FY 2005 - 06
- Do -	Reversal of CENVAT Credit	Rs. 0.15 Lakhs	Commissioner Appeals
- Do -	Reversal of CENVAT Credit	Rs. 2.18 Lakhs	Central Excise Tribunal [CESTAT]

- viii. The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders;
- ix. The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised;
- x. No fraud on or by the company has been noticed or reported during the year;
- xi. No managerial Remuneration has been paid by the Company. Accordingly, provisions of this clause are not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, provisions of this clause are not applicable to the Company.
- xiii. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;



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- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review;
- xv. The company has not entered into any non-cash transactions with directors or persons connected with him;
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For and on behalf of
KAMG & ASSOCIATES
Chartered Accountants
Firm Registration No. 311027E



AMITABHA NIYOGI

Partner

Membership No. 056720

UDIN : 20056720AAAAAQ6117

Kolkata
25th June, 2020



ALFRED HERBERT LIMITED
BALANCE SHEET AS AT MARCH 31, 2020

(Rs. in Lakhs)

Particulars	Refer Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
ASSETS				
Non Current Assets				
(a) Property, Plant and Equipment	5	79.36	87.91	100.48
(b) Intangible Assets	6	-	0.19	1.37
(c) Financial Assets				
(i) Other Financial Assets	7	8.78	8.78	8.78
(d) Current Tax Assets (Net)	8	22.24	22.22	22.01
Total Non Current Assets		110.38	119.10	132.65
Current Assets				
(a) Inventories	9	487.35	385.19	359.57
(b) Financial Assets				
(i) Trade Receivables	10	37.50	93.96	76.64
(ii) Cash and Cash Equivalents	11	9.95	30.02	9.90
(iii) Other Bank Balances	12	21.00	3.85	12.12
(iv) Other Financial Assets	13	0.88	0.15	0.05
(c) Other Current Assets	14	53.36	76.46	133.95
Total Current Assets		610.04	589.63	592.21
TOTAL ASSETS		720.42	708.72	724.86
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital	15	90.00	90.00	90.00
(b) Other Equity	16	(550.19)	(448.20)	(433.29)
Total Equity		(460.19)	(358.20)	(343.29)
LIABILITIES				
Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	17	-	-	12.37
(b) Provisions	18	8.23	1.91	2.95
(c) Deferred Tax Liabilities (Net)	19	5.22	6.14	5.07
Total Non Current Liabilities		13.45	8.05	20.39
Current liabilities				
(a) Financial Liabilities				
(i) Borrowings	20	550.14	474.20	491.07
(ii) Trade Payables				
- Total outstanding dues of micro enterprises and small enterprises	21	35.28	21.59	31.36
- Total outstanding dues of creditors other than micro enterprises and small enterprises		275.68	197.50	215.91
(iii) Other Financial Liabilities	22	-	14.36	23.30
(b) Other Current Liabilities	23	305.84	350.47	286.09
(c) Provisions	24	0.22	0.77	0.02
Total Current Liabilities		1,167.16	1,058.88	1,047.75
Total Liabilities		1,180.61	1,066.92	1,068.14
TOTAL EQUITY & LIABILITIES		720.42	708.72	724.86

Accompanying notes on Financial Statements
These notes form an integral part of the Financial Statements

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As per our report of even date
For KAMG & Associates
Chartered Accountants
Firm Regn. No. 311027E

Amitabha Niyogi
Amitabha Niyogi
Partner
Membership No. 056720



For and on behalf of the Board

S.S. Jain
S.S. Jain
Director
(DIN : 00013732)

V. Matta
V. Matta
Director
(DIN : 00338911)

Place : Kolkata
Dated: 25th June, 2020

ALFRED HERBERT LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(Rs. in lakhs)

Particulars	Refer Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue from Operations	25	929.48	1,006.09
Other income	26	3.48	1.62
TOTAL INCOME (I)		932.96	1,007.71
EXPENSES			
Cost of materials consumed	27	665.91	618.60
Changes in inventories of finished goods, stock in trade and work in progress	28	(56.18)	(43.79)
Employee Benefits Expense	29	206.63	235.33
Finance Costs	30	10.64	15.43
Depreciation and Amortisation Expense	31	8.92	13.76
Other Expenses	32	192.57	186.36
TOTAL EXPENSES (II)		1,028.50	1,025.69
(III) Loss before tax (I - II)		(95.53)	(17.98)
(IV) Tax expense:			
(1) Current Tax	33	-	-
(2) Deferred Tax - charge/(credit)	19	1.00	(0.08)
(V) Loss for the period (III - IV)		(96.53)	(17.90)
(VI) OTHER COMPREHENSIVE INCOME			
(i) Items that will not be reclassified to Profit or Loss -Remeasurement of Defined Benefit Plans	34	(7.36)	4.13
(ii) Income Tax relating to items that will not be reclassified to Statement of Profit or Loss -Remeasurement of Defined Benefit Plans	33.3	1.91	(1.15)
Other Comprehensive Income for the period (net of taxes) (i + ii)		(5.45)	2.98
(VII) Total Comprehensive Income for the period (V + VI) (comprising Loss for the period and Other Comprehensive Income for the period)		(101.98)	(14.92)
(VIII) Earnings per equity share of Par value of Rs. 10 each			
Basic and Diluted	40	(10.73)	(1.99)

Accompanying notes on Financial Statements
These notes form an integral part of the Financial Statements

1 - 44

As per our report of even date

For KAMG & Associates

Chartered Accountants

Firm Regn. No. 311027E

Amitabha Niyogi
Amitabha Niyogi
Partner

Membership No. 056720

Place : Kolkata

Dated: 25th June, 2020



For and on behalf of the Board

S.S. Jain
S.S. Jain
Director
(DIN : 00013732)

V. Matta
V. Matta
Director
(DIN : 00338911)

ALFRED HERBERT LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

A Equity Share Capital

Particulars	Rs. in Lakhs
As at April 1, 2018	90.00
Movement during the year	-
As at March 31, 2019	90.00
Movement during the year	-
As at March 31, 2020	90.00

B Other equity

Particulars	Reserves and Surplus			Retained Earnings	Other Comprehensive Income		Total
	Capital Redemption Reserve	General Reserve			Remeasurement of Defined Benefit Plans		
As at April 1, 2018	0.01	32.89		(471.04)	4.86		(433.29)
Loss for the year	-	-		(17.90)	-		(17.90)
Other Comprehensive Income for the year	-	-		-	2.98		2.98
Transferred to Retained Earnings from Other Comprehensive Income	-	-		7.84	(7.84)		-
As at March 31, 2019	0.01	32.89		(481.10)	-		(448.20)
Loss for the year	-	-		(96.53)	-		(96.53)
Other Comprehensive Income for the year	-	-		-	(5.45)		(5.45)
Transferred to Retained Earnings from Other Comprehensive Income	-	-		(5.45)	5.45		-
As at March 31, 2020	0.01	32.89		(583.08)	-		(550.19)

(Rs. in Lakhs)

Refer Note No. 16 for nature and purpose of reserves.

Accompanying notes on Financial Statements
These notes form an integral part of the Financial Statements

As per our report of even date
For KAMG & Associates
Chartered Accountants
Firm Registration No. : 311027E

Amitabha Niyogi
Amitabha Niyogi
Partner
Membership No. 056720



Place : Kolkata
Dated: 25th June, 2020

For and on behalf of the Board

S.S. Jain
S.S. Jain
Director
(DIN : 00013732)

V. Matta
V. Matta
Director
(DIN : 00338911)

ALFRED HERBERT LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A. Cash flow from Operating Activities		
Net Profit/(Loss) Before Tax	(95.53)	(17.98)
Adjustment for:		
Depreciation/Amortisation	8.92	13.76
Finance Costs	10.64	15.43
Interest Income	(0.98)	(0.93)
Provision for Doubtful Debts	-	12.50
Operating Profit Before Working Capital Changes	(76.95)	22.79
Movement in working capital:		
Decrease/(Increase) in Inventories	(102.17)	(25.62)
Decrease/(Increase) in Trade Receivables	56.47	(29.83)
Decrease/(Increase) in Loans and Advances	23.10	57.49
Increase/(Decrease) in Trade payable and other liabilities	43.66	39.91
Cash generated from/(utilised in) operations	(55.89)	64.74
Income Tax paid	(0.02)	(0.21)
Net Cash generated from/(utilised in) Operating Activities	(55.91)	64.53
B. Cash flow from Investing Activities		
Additions to Property, Plant and Equipment	(0.19)	-
Deposits with maturity of more than 3 months but upto 12 months	(17.15)	8.27
Interest Received	0.25	0.82
Net Cash generated from/(utilised in) Investing Activities	(17.09)	9.08
C. Cash flow from Financing Activities		
Proceeds from/(Repayment of) Borrowings (net)	63.57	(38.07)
Interest paid	(10.64)	(15.43)
Net Cash generated from/(utilised in) Financing Activities	52.93	(53.49)
Net Changes in Cash & Cash Equivalents (A+B+C)	(20.07)	20.12
Cash & Cash Equivalents (Opening Balance)	30.02	9.90
Cash & Cash Equivalents (Closing Balance)	9.95	30.02

Note:-

- 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 :

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks in current accounts	9.86	29.33
Cash on hand	0.09	0.69
Total	9.95	30.02

3 Reconciliation of Liabilities arising from Financing Activities

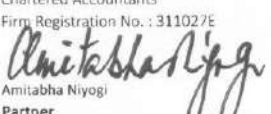
(Rs. in Lakhs)

Particulars	As at March 31, 2019	Cash Flows	Non Cash Flows	As at March 31, 2020
Short term borrowings from bank	104.20	(14.06)	-	90.14
Current maturities of long term debt	12.37	(12.37)	-	-
Inter corporate deposit from Holding Company	370.00	90.00	-	460.00
Total	486.57	63.57	-	550.14

Accompanying notes on Financial Statements
These notes form an integral part of the Financial Statements

1 - 44

As per our report on even date

For KAMG & Associates
Chartered Accountants
Firm Registration No. : 311027E

Amitabha Niyogi
Partner
Membership No. 056720

Place : Kolkata
Dated: 25th June, 2020



For and on behalf of the Board


S.S. Jain
Director
(DIN : 00013732)


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 - 700001, engaged in manufacturing and selling industrial machines.

2 Statement of Compliance with Ind AS and Recent Accounting Pronouncements

- 2.1** The Company has adopted Indian Accounting Standards ("Ind AS") notified under section 133 of Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) Rules, 2016 from 1st April, 2019 and the effective date of such transition is 1st April, 2018. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder and guidelines issued by Reserve Bank of India (collectively referred to as "the Previous GAAP").

These are the Company's first Ind AS Financial Statements and the date of transition to Ind AS as required has been considered to be April 1, 2018.

The financial statements up to the year ended March 31, 2019, were prepared under the historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles and Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 then applicable (Previous GAAP) to the Company. Previous period's figures in the Financial Statements have been recasted/restated to make it comparable with current year's figure.

In accordance with Ind AS 101-"First Time adoption of Indian Accounting Standards" (Ind AS 101), the Company has presented in Note No. 41, a reconciliation of Shareholders' equity as given earlier under Previous GAAP and those considered in these accounts as per Ind AS as at March 31, 2019, and April 1, 2018 and also the Net Profit as per Previous GAAP and that arrived including Other Comprehensive Income under Ind AS for the year ended March 31, 2019.

2.2 Recent Accounting Pronouncements

On July 24, 2020, Ministry of Corporate Affairs ("MCA") has issued Companies (Indian Accounting Standards) Amendment Rules, 2020 notifying amendment to existing Ind AS 1 'Presentation of Financial Statements', Ind AS 8 'Accounting Policies, Changes in Estimates and Errors', Ind AS 10 'Events after the Reporting Period', Ind AS 34 'Interim Financial Reporting', Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets', Ind AS 103 'Business Combinations', Ind AS 107 'Financial Instruments: Disclosures', Ind AS 109 'Financial Instruments'. These amendments have been effective for the period beginning on or after April 01, 2020.

Ind AS 1 has been modified to redefine the term 'Material' and consequential amendments have been made in Ind AS 8, Ind AS 34 and Ind AS 37.

Ind AS 103 dealing with 'Business Combination' has defined the term 'Business' to determine whether a transaction or event is a business combination. Amendment to Ind AS 107 and 109 relate to exception relating to hedging relationship directly affected by Interest Rate Benchmark reforms.

Presently, the Company is evaluating the impact as these Amendments are either not applicable or not likely to have any material impact on Financial Statements of the Company.

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 an Intangible Assets

Tangible and Intangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any 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 an 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.

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 as 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 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 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.

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 / amortization and impairment on property, plant and equipment / intangible assets.

Property, Plant and Equipment and Intangible Assets are depreciated/ amortized 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 and Intangible 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 / amortization 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.

Deferred tax assets are recognised for unused losses (carry forward of prior years' losses) and unused tax credit to the extent that it is 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 profits together with future tax planning strategies.

4.3 Defined Benefit Obligations (DBO)

Critical estimate of DBO involves a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate, anticipation of future salary increases, etc as estimated by Independent Actuary appointed for this purpose by the Management. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

4.4 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, 2020

(Rs. in Lakh)

Particulars	Plant and Equipment	Furniture and Fixtures	Office Equipments	Computers	Total
Gross Block					
As at April 1, 2019	98.54	0.94	0.38	0.62	100.4
Additions	-	-	0.19	-	0.1
Disposal/Adjustments	-	-	-	-	-
As at March 31, 2020	98.54	0.94	0.57	0.62	100.6
Accumulated Depreciation					
As at April 1, 2019	11.99	0.05	0.15	0.38	12.5
Charge during the year	7.99	0.42	0.18	0.15	8.7
Disposal/Adjustments	-	-	-	-	-
As at March 31, 2020	19.98	0.46	0.33	0.53	21.3
Net Block as at March 31, 2020	78.56	0.48	0.24	0.09	79.3

As at March 31, 2019

(Rs. in Lakh)

Particulars	Plant and Equipment	Furniture and Fixtures	Office Equipments	Computers	Total
Gross Block					
As at April 1, 2018	98.54	0.94	0.38	0.62	100.4
Additions	-	-	-	-	-
Disposal/Adjustments	-	-	-	-	-
As at March 31, 2019	98.54	0.94	0.38	0.62	100.4
Accumulated Depreciation					
As at April 1, 2018	-	-	-	-	-
Charge during the year	11.99	0.05	0.15	0.38	12.5
Disposal/Adjustments	-	-	-	-	-
As at March 31, 2019	11.99	0.05	0.15	0.38	12.5
Net Block as at March 31, 2019	86.55	0.89	0.23	0.23	87.9
Net Block as at April 1, 2018 (Deemed Cost)	98.54	0.94	0.38	0.62	100.4

- 5.1 The Company has elected to continue with the carrying value of its Property, Plant & Equipment recognised as of April 1, 2018 (transition date) measure as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date.



6 Intangible Assets

As at March 31, 2020

(Rs. in Lakhs)

Particulars	Computer Software
Gross Block	
As at April 1, 2019	1.37
Additions	
Disposal/Adjustments	
As at March 31, 2020	1.37
Accumulated Amortisation	
As at April 1, 2019	1.19
Charge during the year	0.19
Disposal/Adjustments	
As at March 31, 2020	1.37
Net Block as at March 31, 2020	-

As at March 31, 2019

(Rs. in Lakhs)

Particulars	Computer Software
Gross Block	
As at April 1, 2018	1.37
Additions	-
Disposal/Adjustments	-
As at March 31, 2019	1.37
Accumulated Amortisation	
As at April 1, 2018	-
Charge during the year	1.19
Disposal/Adjustments	-
As at March 31, 2019	1.19
Net Block as at March 31, 2019	0.19
Net Block as at April 1, 2018 (Deemed Cost)	1.37

- 6.1 The Company has elected to continue with the carrying value of its Intangible Assets recognised as of April 1, 2018 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date.



7 Other Financial Assets - Non Current

(Rs. in Lakhs)

Particulars	Refer Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
At Amortised Cost				
Security Deposits		8.78	8.78	8.78
Total		8.78	8.78	8.78

8 Current Tax Assets (Net)

(Rs. in Lakhs)

Particulars	Refer Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Advance Income Tax, including Tax deducted at source (Net of Provision for Income Tax)	8.1	22.24	22.22	22.01
Total		22.24	22.22	22.01

8.1 Advance Income Tax is net of provision for tax of Rs. 70.75 lakhs (March 31, 2019 - Rs. 70.75 lakhs, April 1, 2018 - Rs. 70.75 lakhs)

9 Inventories

(Valued at lower of cost or net realisable value)

(Rs. in Lakhs)

Particulars	Refer Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Raw Materials		150.02	112.66	129.81
Work in progress		324.75	268.57	224.78
Finished Goods		8.70	0.28	0.28
Loose Tools		3.88	3.68	4.69
Total		487.35	385.19	359.57

10 Trade Receivables

(Rs. in Lakhs)

Particulars	Refer Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Unsecured, considered good		37.50	93.96	76.64
Unsecured, considered doubtful		17.26	17.26	4.75
Less : Provision for doubtful receivables	10.1	(17.26)	(17.26)	(4.75)
Total		37.50	93.96	76.64

10.1 Movement in Provision for doubtful receivables :

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance as at the beginning of the year	17.26	4.75
Recognised during the year	-	12.50
Written back during the year	-	-
Balance as at the end of the year	17.26	17.26



11 Cash and Cash Equivalents

(Rs. in Lakhs)

Particulars	Refer Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Balances with banks				
In current accounts		9.86	29.33	8.66
Cash on hand		0.09	0.69	1.24
Total		9.95	30.02	9.90

12 Other Bank Balances

(Rs. in Lakhs)

Particulars	Refer Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Margin deposits with bank	12.1	21.00	3.85	12.12
Total		21.00	3.85	12.12

12.1 Margin deposits has been done with bank against bank guarantee.

13 Other Financial Assets - Current

(Rs. in Lakhs)

Particulars	Refer Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Interest accrued on deposits		0.88	0.15	0.05
Total		0.88	0.15	0.05

14 Other Current Assets

(Rs. in Lakhs)

Particulars	Refer Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Advance to suppliers		36.04	40.26	46.76
Less : Provision for doubtful advances	14.1	(31.36)	(31.36)	(31.36)
		4.68	8.90	15.41
Other advances		0.22	0.17	0.13
Balances with Government Authorities		48.45	62.60	114.70
Prepaid Expenses		0.02	0.38	0.36
Surplus balance of gratuity fund		-	4.40	3.35
Total		53.36	76.46	133.95

14.1 Movement in Provision for Doubtful advances :

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance as at the beginning of the year	31.36	31.36
Recognised during the year	-	-
Written back during the year	-	-
Balance as at the end of the year	31.36	31.36



15 Equity Share Capital

(Rs. in Lakhs)

Particulars	Refer Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Authorised				
Equity Shares 9,09,000 (March 31, 2019 - 9,09,000 ; April 1, 2018 - 9,09,000) equity shares of Rs. 10 each		90.90	90.90	90.90
8% Redeemable Preference Shares 100 (March 31, 2019 - 100 ; April 1, 2018 - 100) preference shares of Rs. 100 each		0.10	0.10	0.10
Total		91.00	91.00	91.00
Issued, Subscribed and Paid Up				
Equity Shares 9,00,007 (March 31, 2019 - 9,00,007 ; April 1, 2018 - 9,00,007) equity shares of Rs. 10 each		90.00	90.00	90.00
Total		90.00	90.00	90.00

15.1 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 preferential amounts in proportion to the number of equity shares held by Equity Shareholders.

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

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Number of shares as at the beginning of the year	9,00,007	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	9,00,007

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

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Alfred Herbert (India) Limited (Holding Company)			
- Number of shares held	9,00,000	9,00,000	9,00,000
- Percentage of shareholding	100.00%	100.00%	100.00%



ALFRED HERBERT LIMITED
Notes to Financial Statements as at March 31, 2020

16 Other Equity

		(Rs. in Lakhs)		
Particulars	Refer Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Capital Redemption Reserve	16.2	0.01	0.01	0.01
General Reserve	16.3	32.89	32.89	32.89
Retained Earnings	16.4	(583.08)	(481.10)	(466.18)
Total		(550.19)	(448.20)	(433.29)

16.1 Refer Statement of Changes in Equity for movement in balances of reserves

16.2 **Capital Redemption Reserve**
This Reserve has been created on Redemption of Preference Shares.

16.3 **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.

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



17 Borrowings - Non Current

Particulars	Refer Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
At Amortised Cost Secured Term loan from bank		-	-	12.
Total		-	-	12.

17.1 Term loan from bank is secured by way of hypothecation of Equipment.

18 Provisions - Non Current

Particulars	Refer Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Provision for Employee Benefits		8.23	1.91	2.
Total		8.23	1.91	2.

19 Deferred Tax Liabilities (Net)

Particulars	Refer Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Deferred Tax Liabilities Less : Deferred Tax Assets	19.1	5.22 -	6.55 (0.41)	5. (0.)
Deferred Tax Liabilities (Net)		5.22	6.14	5.

19.1 Components of Deferred Tax Liabilities/(Assets) are as follows :

As at March 31, 2020

Particulars	As at April 1, 2019	Charge/(Credit) recognised in Profit and Loss	Charge/(Credit) recognised in Other Comprehensive Income	As at March 31, 2020
Deferred Tax Liabilities				
Timing difference with respect to Property, Plant & Equipment and Intangible Assets	3.53	0.59	-	4.
Remeasurement of defined benefit plans	3.02	-	(1.91)	1.
Total Deferred Tax Liabilities	6.55	0.59	(1.91)	5.
Deferred Tax Assets				
Expenses allowed on payment basis u/s 43B of Income Tax Act, 1961	0.41	0.41	-	-
Total Deferred Tax Assets	0.41	0.41	-	-
Deferred Tax Liabilities (Net)	6.14	1.00	(1.91)	5.



As at March 31, 2019

(Rs. in Lak

Particulars	As at April 1, 2018	Charge/(Credit) recognised in Profit and Loss	Charge/(Credit) recognised in Other Comprehensive Income	As at March 31, 2019
Deferred Tax Liabilities				
Timing difference with respect to Property, Plant & Equipment and Intangible Assets	3.70	(0.17)	-	3.53
Remeasurement of defined benefit plans	1.87	-	1.15	3.02
Total Deferred Tax Liabilities	5.57	(0.17)	1.15	6.55
Deferred Tax Assets				
Expenses allowed on payment basis u/s 43B of Income Tax Act, 1961	0.50	0.09	-	0.59
Total Deferred Tax Assets	0.50	0.09	-	0.59
Deferred Tax Liabilities (Net)	5.07	(0.08)	1.15	6.14

20 Borrowings - Current

(Rs. in Lak

Particulars	Refer Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
At Amortised Cost				
Secured				
Cash Credit facilities from bank	20.1	90.14	104.20	71.14
Unsecured				
Inter corporate deposit from Holding Company		460.00	370.00	420.00
Total		550.14	474.20	491.14

20.1 Secured by hypothecation of stocks, book debts, Plant and Equipment and Furniture & Fixtures.

21 Trade Payables

(Rs. in Lak

Particulars	Refer Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
At Amortised Cost				
Total outstanding dues of micro enterprises and small enterprises	21.1	35.28	21.59	31.14
Total outstanding dues of creditors other than micro enterprises and small enterprises		275.68	197.50	215.14
Total		310.96	219.08	246.28



- 21.1 Disclosure of Trade payables as required under section 22 of Micro, Small and Medium Enterprises Development (MSMED) Act, 2006, based on the confirmation and information available with the company regarding the status of suppliers.

(Rs. in Lakhs)			
Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
a) Interest amount remaining unpaid but not due as at year end	2.19	-	-
b) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-	-
c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-	-
d) Interest accrued and remaining unpaid as at year end	-	-	-
e) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-	-

22 Other Financial Liabilities - Current

(Rs. in Lakhs)				
Particulars	Refer Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
At Amortised Cost				
Current maturities of long term debt		-	12.37	21.19
Payable to employees		-	1.99	2.19
Total		-	14.36	23.38

23 Other Current Liabilities

(Rs. in Lakhs)				
Particulars	Refer Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Advance received from customers		301.59	314.28	267.18
Statutory Dues		4.25	36.18	18.18
Total		305.84	350.47	285.36

24 Provisions - Current

(Rs. in Lakhs)				
Particulars	Refer Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Provision for Employee Benefits		0.22	0.77	0.77
Total		0.22	0.77	0.77



25 Revenue from operations

(Rs. in Lakhs)			
Particulars	Refer Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of Products	25.1	917.53	984.32
Sale of Services		4.89	10.07
Other Operating Revenue	25.2	7.06	11.70
Total		929.48	1,006.09

25.1 Geographical Information

(Rs. in Lakhs)			
Particulars		For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue by Geographical Market			
Sale of Products			
- Domestic		738.03	981.87
- Export		179.50	2.45
Total		917.53	984.32

25.2 Details of Other Operating Revenue :

(Rs. in Lakhs)			
Particulars		For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of Scrap		5.91	5.52
Revenue from sub contracting		1.15	6.18
Total		7.06	11.70

26 Other Income

(Rs. in Lakhs)			
Particulars	Refer Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest Income on financial assets measured at amortised cost		0.98	0.93
Liabilities no longer required written back	26.1	-	0.45
Net Gain on Foreign Currency Transactions		2.23	-
Miscellaneous Income		0.28	0.24
Total		3.48	1.62

26.1 Liabilities no longer required written back amounting Rs. Nil (March 31, 2019 - Rs. 0.45 lakhs) has arisen out of provision for service tax liability accounted for in excess of required provision in earlier year.

27 Cost of materials consumed

(Rs. in Lakhs)			
Particulars	Refer Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
Cost of materials consumed		665.91	618.60
Total		665.91	618.60

28 Changes in inventories of finished goods, stock in trade and work in progress

(Rs. in Lakhs)			
Particulars	Refer Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening Stock			
Finished Goods		0.28	0.28
Work in progress		268.57	224.78
		268.85	225.06
Closing Stock			
Finished Goods		0.28	0.28
Work in progress		324.75	268.57
		325.03	268.85
(Increase)/Decrease in inventories of finished goods, stock in trade and work in progress		(56.18)	(43.79)



29 Employee benefits expense

(Rs. in Lakhs)

Particulars	Refer Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and wages		169.30	193.58
Contribution to Provident and other funds		13.89	14.06
Staff welfare expense		23.45	27.68
Total		206.63	235.33

30 Finance Costs

(Rs. in Lakhs)

Particulars	Refer Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest expense on borrowings		10.64	15.43
Total		10.64	15.43

31 Depreciation and Amortisation expense

(Rs. in Lakhs)

Particulars	Refer Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation on Property, Plant and Equipment		8.73	12.58
Amortisation on Intangible Assets		0.19	1.19
Total		8.92	13.76

32 Other Expenses

(Rs. in Lakhs)

Particulars	Refer Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
Consumable Stores		6.72	14.20
Power and Fuel		22.39	24.00
Testing Charges		0.67	1.11
Repairs to Buildings		0.70	0.48
Repairs to Plant and Machinery		20.06	14.76
Repairs: Others		2.51	4.26
Insurance		0.89	1.30
Rates and Taxes		0.81	0.48
Postage, Telephone & Courier		2.44	3.26
Travelling & Conveyance Expenses		9.30	10.26
Consultancy Charges		55.63	45.52
Auditors' Remuneration	32.1	1.85	1.00
Net Loss/(Gain) on Foreign Currency Transactions		-	0.78
Provision for Doubtful debts		-	12.50
Security Services		17.83	18.83
Motor Car Expenses		8.57	9.30
Internal Audit Fees		0.15	0.30
Printing & Stationery		1.95	1.82
Data processing Expenses		0.59	0.65
Freight Outward		22.10	14.43
Warranty Expenses		3.90	0.48
Miscellaneous expenses		13.52	6.64
Total		192.57	186.36

32.1 Auditors' Remuneration includes :

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Statutory Audit Fees	0.70	0.70
Limited Review Fees	0.50	-
Tax Audit Fees	0.20	0.20
Other services	0.45	0.10
Total	1.85	1.00



33 Tax Expenses- Current Tax

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Provision for Current Tax	-	-
Total	-	-

33.1 Components of Tax Expense:

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax		
In respect of the current year	-	-
Total Current tax expense recognised in the current year	-	-
Deferred tax		
In respect of the current year	1.00	(0.08)
Total Deferred tax expense recognised in the current year	1.00	(0.08)
Total Tax expense recognised in the current year	1.00	(0.08)

33.2 Reconciliation of Income tax expense for the year with accounting profit is as follows:

In the absence of any taxable profits, the reconciliation of tax expense has not been provided.

33.3 Income tax recognised in other comprehensive income

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of Defined Benefit Plans	1.91	(1.15)
Total income tax recognised in other comprehensive income	1.91	(1.15)
Bifurcation of the income tax recognised in other comprehensive income into :		
Items that will not be reclassified to profit or loss	1.91	(1.15)
Items that may be reclassified to profit or loss	-	-

34 Components of Other Comprehensive Income

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Items that will not be reclassified to Statement of Profit and Loss		
Remeasurement of Defined Benefit Plans	(7.36)	4.13
Total	(7.36)	4.13



ALFRED HERBERT LIMITED
Notes to Financial Statements for the year ended March 31, 2020

35 Related Party Disclosures

Related parties have been identified in terms of Ind As, 24 on "Related Party Disclosure" as listed below :

List of Related Parties where control exists

A	Name of the Related Party	Relationship
(i)	Holding Company Alfred Herbert (India) Limited	Director Director Director Director Director
(ii)	Key Management Personnel and their Relatives Mr. S.S.Jain Mr. A.K.Basu Mr. Indranil Chowdhury (resigned w.e.f July 20, 2018) Ms Shobhana Sethi Mr. Vikram Matta	

B Transactions with Related Parties during the year :

Nature of Transactions	Holding Company	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Borrowings Inter corporate deposit availed during the year Inter corporate deposit paid during the year	100.00 10.00	100.00 150.00

C Balances of related parties as at the end of the year

Particulars	Holding Company	
	As at March 31, 2020	As at March 31, 2019
Inter corporate deposit payable to Holding Company Corporate Guarantee Outstanding	460.00 275.00	370.00 275.00
		As at April 1, 2018
		420.00 275.00

D Note :

1) The above related party information is as identified by the management and relied upon by the auditor.

2) 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) Ltd (AHL) has accorded it's approval to write-off the interest ,amounting to Rs. 5.68 lakhs accrued for the year 2015-16 and waive the interest on any loans for the years 2016-17 to 2019-20 availed by the Company from AHL. In view of this, no interest has been provided on Inter corporate deposit totaling Rs. 460 Lakhs (March 31, 2019- Rs. 370 lakhs, April 1, 2018- Rs. 420 lakhs) as outstanding on March 31, 2020. As a result, considering the financial and other strategic support received from the holding Company, the Company continues to be a going concern despite there being negative net worth as on reporting date.



36 Post Retirement Employee Benefits

The disclosures required under Indian Accounting Standard 19 on "Employee Benefits" are given below:

a) Defined Contribution Plans

A defined contribution plan is a pension plan under which the Company pays fixed contributions; there is no legal or constructive obligation to pay further contributions. The assets of the plan are held separately from those of the Company in a fund under the control of trustees.

Contribution to Defined Contribution Plan, recognized for the year are as under :

Particulars	(Rs. in Lakhs)	
	For the year ended 31st March 2020	For the year ended 31st March 2019
Employer's Contribution to Provident Fund	6.09	5.60

b) Defined Benefit Plans

The employees' gratuity scheme is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Based on actuarial valuation report of the actuary, disclosures with respect to gratuity liability ascertained based on actuarial valuation carried out at the end of the year are as follows:

	Leave Encashment		Gratuity	
	2019-2020	2018-2019	2019-2020	2018-2019
i) Change in the fair value of the defined benefit obligation:				
Present Value of Defined Benefit Obligations at the beginning of period	2.68	2.97	81.30	80.49
Interest Cost	0.20	0.22	5.24	5.92
Current Service Cost	-	0.55	3.58	3.33
Actuarial (gain) / loss on obligations	(0.65)	(1.06)	7.53	(4.34)
Benefits Paid	-	-	(19.13)	(4.11)
Liability at the end of the year	2.22	2.68	78.51	81.30
ii) Changes in the Fair Value of Plan Asset				
Fair value of Plan Assets at the beginning of the year	-	-	85.70	83.85
Expected Return on Plan Assets	-	-	5.56	6.18
Contributions by the Company	-	-	-	-
Actuarial gain / (loss) on Plan Assets	-	-	0.17	(0.21)
Benefits paid	-	-	(19.13)	(4.11)
Fair value of Plan Assets at the end of the year	-	-	72.30	85.70
iii) Actual return on Plan Asset				
Expected return on Plan assets	-	-	5.56	6.18
Actuarial gain / (loss) on Plan Assets	-	-	0.17	(0.21)
Actual Return on Plan Assets	-	-	5.73	5.96
iv) Amount Recognized in Balance Sheet				
Liability at the end of the year	2.22	2.68	78.51	81.30
Fair value of Plan Assets at the end of the year	-	-	72.30	85.70
	(2.22)	(2.68)	(6.22)	4.40
v) Components of Defined Benefit Cost				
Current Service Cost	-	0.55	3.58	3.33
Interest Cost	0.20	0.22	(0.32)	(0.25)
Expected Return on Plan Assets	-	-	7.53	(4.34)
Net Actuarial (gain) / loss on remeasurement recognised in OCI	(0.65)	(1.06)	(0.17)	0.21
Total Defined Benefit Cost recognised in Profit and Loss and OCI	(0.45)	(0.29)	10.62	(1.04)
vi) Balance Sheet Reconciliation				
Opening Net Liability	2.68	2.97	(4.40)	(3.35)
Expenses as above	(0.45)	(0.29)	10.62	(1.04)
Employers Contribution	-	-	-	-
Amount Recognized in Balance Sheet	2.23	2.68	6.22	(4.40)

vii) Percentage allocation of plan assets in respect of fund managed by insurer/trust is as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
G-Sec/ Corporate Securities	40.34%	48.79%
Equity	3.38%	4.08%
Fixed Deposit and other assets	56.28%	47.13%



Compensated Absences

The obligation for compensated absences is recognized in the same manner as gratuity except remeasurement benefit which is treated as part of OCI. The actuarial liability of Compensated Absences (unfunded) of accumulated privileged and sick leaves of the employees of the Company as at March 31, 2020 is given below:

Particulars	(Rs. in Lakhs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Privileged Leave	2.23	2.68
Sick Leave	-	-
Principal Actuarial assumptions as at the Balance Sheet date		
Discount Rate	5.28%	7.30%
Expected Rate of Salary Increase	6.00%	8.00%

Notes:

i) Assumptions relating to future salary increases, attrition, interest rate for discount & overall expected rate of return on Assets have been considered based on relevant economic factors such as inflation, market growth & other factors applicable to the period over which the obligation is expected to be settled.

Sensitivity analysis:

Sensitivity analysis:			(Rs. in Lakhs)
Particulars	Change in Assumption	Effect in Leave Encashment Obligation	Effect in Gratuity Obligation
For the year ended 31st March, 2020			
Discount Rate	+1%	2.12	75.65
	-1%	2.34	81.74
Salary Growth Rate	+1%	2.34	81.69
	-1%	2.12	75.64
Withdrawal Rate	+50%	2.23	78.49
	-50%	2.23	78.53
Mortality Rate	-10%	2.23	78.51
	-10%	2.23	78.52
For the year ended 31st March, 2019			
Discount Rate	+1%	2.57	78.40
	-1%	2.79	84.19
Salary Growth Rate	+1%	2.80	84.51
	-1%	2.56	78.09
Withdrawal Rate	+50%	2.68	81.32
	-50%	2.68	81.28
Mortality Rate	-10%	2.68	81.30
	-10%	2.68	81.29

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

Estimate of expected benefit payments (in absolute terms i.e. undiscounted)

Particulars	(Rs. in Lakhs)			
	Leave Encashment		Gratuity	
	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019
1st year	0.22	0.80	42.09	43.09
2 to 5 years	1.66	0.90	22.92	20.90
6 to 10 years	0.83	1.01	11.36	11.13
More than 10 years	0.24	1.14	25.47	44.93
			As at March 31, 2020	As at March 31, 2019
Average number of people employed			24	29



37. FINANCIAL INSTRUMENTS

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

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets						
Financial Assets measured at Amortised Cost						
Trade Receivables	37.50	37.50	93.96	93.96	76.64	76.64
Cash and cash equivalents	9.95	9.95	30.02	30.02	9.90	9.90
Other Bank Balances	21.00	21.00	3.85	3.85	12.12	12.12
Other Financial Assets	9.66	9.66	8.93	8.93	8.83	8.83
Financial Liabilities						
Financial Liabilities measured at Amortised Cost						
Borrowings	550.14	550.14	474.20	474.20	503.43	503.43
Trade Payables						
Total outstanding dues of micro enterprises and small enterprises	35.28	35.28	21.59	21.59	31.36	31.36
Total outstanding dues of creditors other than micro enterprises and small enterprises	275.68	275.68	197.50	197.50	215.91	215.91
Other Financial Liabilities	-	-	14.36	14.36	23.30	23.30

Fair Valuation Techniques

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

The fair value of cash and cash equivalents, other bank balances, trade receivables and payables, financial liabilities and assets approximate their carrying amount largely due to the short-term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the financial statements approximate their fair values.

The Inputs used in fair valuation measurement are as follows:

Fair valuation of Financial assets and liabilities not within the operating cycle of the company is amortised based on the Effective Interest Rate.

FINANCIAL RISK FACTORS

The Company's activities are exposed to variety of financial risks. The key financial risks includes market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors reviews and approves policies for managing these risks. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.



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 such as equity price risk and commodity risk. Financial instruments affected by market risk includes borrowings and trade receivables payables.

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.

Interest rate risk

The Company does not have material exposure to changes in interest rate.

CREDIT RISK

Credit risk is the risk that 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 operating activities. 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 borrowers, taking into account the financial condition and current economic trends.

The carrying amount of respective financial assets recognised in the financial statements, (net of impairment losses) represents 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 doubtful loans and advances. Receivables from its borrowers reviewed/evaluated periodically by the management and appropriate provisions are made to the extent recovery there against has been considered to be remote.

Financial assets that are neither past due nor impaired

Cash and cash equivalents, investment and deposits with banks are neither past due nor impaired. Cash and cash equivalents with banks are held with reputed and credit worthy banking institutions.

LIQUIDITY RISK

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.

Maturity Analysis of Financial Liabilities**As at March 31, 2020**

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	(Rs. in Lakhs) Total
Borrowings	550.14	-	90.14	40.00	420.00	550.14
Trade Payables	310.96	-	179.39	131.57	-	310.96
Other Financial Liabilities	-	-	-	-	-	-

As at March 31, 2019

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	(Rs. in Lakhs) Total
Borrowings	474.20	-	104.20	100.00	270.00	474.20
Trade Payables	219.08	-	197.91	20.35	0.83	219.08
Other Financial Liabilities	14.36	-	14.36	-	-	14.36

As at April 1, 2018

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	(Rs. in Lakhs) Total
Borrowings	503.43	-	83.43	240.00	180.00	503.43
Trade Payables	247.27	-	169.18	42.14	35.96	247.27
Other Financial Liabilities	23.30	-	23.30	-	-	23.30

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

The company relies on borrowings and operating cash flows to meet its need for funds and ensures that it does not breach any financial covenants stipulated by the lender.



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, if required without where the risk profile of the Company.

The gearing ratio as at March 31, 2020, March 31, 2019 and April 1, 2018 are as follows :

Particulars	(Rs. in Lakhs)		
	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Loans and borrowings	550.14	486.57	524.64
Cash and Cash Equivalents	9.95	30.02	9.90
Net Debt	540.19	456.55	514.74
Total Equity attributable to Equity shareholders of the Company	(460.19)	(358.20)	(343.29)
Capital and Net Debt	80.00	98.35	171.45
Gearing Ratio	675.22%	464.22%	300.22%



38 Contingent Liabilities and Commitments (to the extent not provided for)

(a) Contingent Liabilities

(Rs. in Lakhs)

Sl. No.	Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
i)	Bank Guarantees for Advance issued in favour of customers	21.00	3.85	48.46
ii)	Central Excise demands not accepted by the company	29.77	20.55	20.55
iii)	Penalties in respect of Excise/Service Tax	29.77	4.43	4.43
iv)	Penalty u/s 72 of KVAT Act for delay in filing VAT 100 for the month of January 2007, against which the Interim Order was passed by the Hon'ble High Court of Karnataka on April 13, 2007 staying the Order of Penalty until further consideration of the writ petition.	0.77	0.58	0.58
v)	Income Tax matters - Tax, penalty and interest	-	34.02	34.01 (For FY 2010-11 and 2011-12)
vi)	Warranty expenses	-	0.48	1.00

The Company's pending litigations comprises of claims against the company and proceedings pending with Statutory/ Government Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, and disclosed contingent liabilities, where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial positions.

(b) Capital and other commitments

There are no capital and other commitments as at the reporting date.

39 Disclosures as required by Indian Accounting Standard (Ind AS) 37 "Provisions, Contingent Liabilities and Contingent Assets"

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

40 Calculation of Earnings Per Share is as follows:

(Amount in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Net Profit for basic and diluted earnings per share as per Statement of Profit and Loss		
Net Profit/ (Loss) for Basic and Diluted earnings per share	(96.53)	(17.90)
Weighted average number of equity shares for calculation of basic and diluted earnings per share (Face value Rs. 10/- per share)		
Number of equity shares outstanding as on March 31	9,00,007	9,00,007
Weighted average number of equity shares considered for calculation of basic and diluted earnings per share	9,00,007	9,00,007
Earnings per share (EPS) of Equity Share of Rs. 10/- each:		
Basic EPS (Rs.)	(10.73)	(1.99)
Diluted EPS (Rs.)	(10.73)	(1.99)



41 FIRST TIME ADOPTION OF Ind AS- Disclosures, Reconciliation etc.

a) Reconciliation in terms of Ind AS 101 "First time adoption of Indian Accounting Standards"

i) Reconciliation of Equity as at March 31, 2019 and April 1, 2018

(Rs. in Lakhs)

Particulars	Refer Note No. (Under 41(c))	As at March 31, 2019 (End of last period presented under Previous GAAP)			As at April 1, 2018 (Date of transition)		
		As per Previous GAAP	Effect of transition to Ind AS	As per Ind AS	As per Previous GAAP	Effect of transition to Ind AS	As per Ind AS
ASSETS							
Non Current Assets							
(a) Property, Plant and Equipment		87.91	-	87.91	100.48	-	100.48
(b) Intangible Assets		0.19	-	0.19	1.37	-	1.37
(c) Financial Assets							
(i) Other Financial Assets		8.78	-	8.78	8.78	-	8.78
(d) Non Current Tax Assets (net)		22.22	-	22.22	22.01	-	22.01
Total Non Current Assets		119.10	-	119.10	132.65	-	132.65
Current Assets							
(a) Inventories		385.19	-	385.19	359.57	-	359.57
(b) Financial Assets							
(i) Trade Receivables		93.96	-	93.96	76.64	-	76.64
(ii) Cash and Cash Equivalents		30.02	-	30.02	9.90	-	9.90
(iv) Other Bank Balances		3.85	-	3.85	12.12	-	12.12
(v) Other Financial Assets		0.15	-	0.15	0.05	-	0.05
(c) Other Current Assets		76.46	-	76.46	133.95	-	133.95
Total Current Assets		589.63	-	589.63	592.21	-	592.21
TOTAL ASSETS		708.72	-	708.72	724.86	-	724.86
EQUITY AND LIABILITIES							
EQUITY							
(a) Equity Share Capital		90.00	-	90.00	90.00	-	90.00
(b) Other Equity	(ii)	(445.18)	(3.02)	(448.20)	(431.41)	(1.87)	(433.29)
Total Equity		(355.18)	(3.02)	(358.20)	(341.41)	(1.87)	(343.29)
LIABILITIES							
Non Current Liabilities							
(a) Financial liabilities							
(i) Borrowings		-	-	-	12.37	-	12.37
(b) Provisions		1.91	-	1.91	2.95	-	2.95
(c) Deferred Tax Liabilities (Net)	(ii)	3.12	3.02	6.14	3.20	1.87	5.07
Total Non Current Liabilities		5.03	3.02	8.05	18.51	1.87	20.39
Current liabilities							
(a) Financial liabilities							
(i) Borrowings		474.20	-	474.20	491.07	-	491.07
(i) Trade payables							
- Total Outstanding dues of micro enterprises and small enterprises		21.59	-	21.59	31.36	-	31.36
- Total Outstanding dues of creditors other than micro enterprises and small		197.50	-	197.50	215.91	-	215.91
(ii) Other Financial Liabilities		14.36	-	14.36	23.30	-	23.30
(b) Other Current Liabilities		350.47	-	350.47	286.09	-	286.09
(c) Provisions		0.77	-	0.77	0.02	-	0.02
Total Current Liabilities		1,058.88	-	1,058.88	1,047.75	-	1,047.75
Total Liabilities		1,063.90	3.02	1,066.92	1,066.27	1.87	1,068.14
TOTAL EQUITY & LIABILITIES		708.72	-	708.72	724.86	-	724.86



ii) Reconciliation of Total Equity as given above:

(Rs. in Lakhs)			
Particulars	Refer Note No. (Under 41(c))	As at March 31, 2019 (End of last period presented under Previous GAAP)	As at April 1, 2018 (Date of transition)
Total Equity (Shareholders' Funds) under Previous GAAP		(355.18)	(341.41)
Ind AS Adjustments			
Impact of deferred tax on remeasurement of defined benefit plans	(ii)	(3.02)	(1.87)
Total adjustments to Equity		(3.02)	(1.87)
Total Equity under Ind AS		(358.20)	(343.29)

iii) Reconciliation of Statement of Profit and Loss for the year ended March 31, 2019

(Rs. in Lakhs)				
Particulars	Refer Note No. (Under 41(c))	For the year ended March 31, 2019 (As per Previous GAAP)	Ind AS Adjustments	For the year ended March 31, 2019 (As per Ind AS)
Revenue from Operations		1,006.09	-	1,006.09
Other Income		1.62	-	1.62
TOTAL INCOME		1,007.71	-	1,007.71
EXPENSES				
Cost of materials consumed		618.60	-	618.60
Changes in inventories of finished goods, stock in trade and work in progress		(43.79)	-	(43.79)
Employee Benefits Expense	(i)	231.20	4.13	235.33
Finance Costs		15.43	-	15.43
Depreciation and Amortisation Expense		13.76	-	13.76
Other Expenses		186.36	-	186.36
TOTAL EXPENSES		1,021.56	4.13	1,025.69
Loss before tax		(13.85)	(4.13)	(17.98)
Tax expense:				
(1) Current Tax		-	-	-
(2) Deferred Tax - charge/(credit)		(0.08)	-	(0.08)
Loss for the period		(13.77)	(4.13)	(17.90)
OTHER COMPREHENSIVE INCOME				
(i) Items that will not be reclassified to Profit or Loss				
-Remeasurement of Defined Benefit Plans	(i)	-	4.13	4.13
(ii) Income Tax relating to items that will not be reclassified to Statement of Profit or Loss				
-Remeasurement of Defined Benefit Plans	(ii)	-	(1.15)	(1.15)
Other Comprehensive Income for the period (net of taxes)		-	2.98	2.98
Total Comprehensive Income for the period		(13.77)	(1.15)	(14.92)

iv) Reconciliation of Total Comprehensive Income for the year ended March 31, 2019 :

(Rs. in Lakhs)		
Particulars	Refer Note No. (Under 41(c))	For the year ended March 31, 2019
Net profit for the period under previous GAAP		(13.77)
Remeasurement of defined benefit plans	(i)	(4.13)
Net Profit for the period under Ind AS		(17.90)
Other Comprehensive Income for the period (net of taxes)	(i) & (ii)	2.98
Total Comprehensive Income for the period under Ind AS		(14.92)

v) Effect of Ind AS adoption on the Statement of Cash Flows for the year ended March 31, 2019
There is no impact on the Statement of Cash Flows for the year ended March 31, 2019 due to adoption of Ind AS.

b) FIRST-TIME ADOPTION - Mandatory Exceptions and optional Exemptions

These financial statements are covered by Ind AS 101, "First Time Adoption of Indian Accounting Standards", as they are the Company's first Ind AS financial statements for the year ended March 31, 2020.



Overall principle:

a) The Company has prepared the opening balance sheet as per Ind AS as at April 1, 2018 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets or liabilities which are not permitted by Ind AS, by reclassifying certain items from Previous GAAP to Ind AS as required under the Ind AS, and applying Ind AS in the measurement of recognized assets and liabilities. The accounting policies that the Company used in its opening Ind AS Balance Sheet may have differed from those that it used for its previous GAAP. The resulting adjustments arising from events and transactions occurring before the date of transition to Ind AS has been recognized directly in retained earnings at the date of transition.

b) However, this principle is subject to certain optional exemptions availed by the Company as detailed below :

i) Deemed cost for Property, Plant and Equipment and Intangible assets:

The Company has elected to continue with the carrying value of all of its Property, Plant and Equipment and Intangible Assets recognised as of transition date measured as per Previous GAAP and used that carrying value as its deemed cost as on transition date.

ii) Impairment of financial assets

Ind AS 109 "Financial Instruments" requires the impairment to be carried out retrospectively; however, as permitted by Ind AS 101, the Company, has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

c) Explanatory Notes to reconciliation between Previous GAAP and Ind AS

i) Remeasurement of Defined Benefit Plans

Under previous GAAP and Ind AS, the Company recognizes cost related to its post-employment defined benefit plan on an actuarial basis.

Under previous GAAP, the entire cost, including re-measurement, are charged to Statement of profit and loss.

Under Ind AS, the actuarial gain and losses form part of remeasurements net defined benefit liability/asset which is recognised in OCI. Consequently, the tax effect on the same has also been recognised in OCI instead of Statement of Profit and Loss.

ii) Taxation

Deferred tax has been recognized in respect of on accounting differences between previous GAAP and Ind AS. These adjustments have resulted increase in deferred tax liability and decrease in equity by Rs. 3.02 lakhs and Rs. 1.87 lakhs as at March 31, 2019 and April 1, 2018 respectively.

iii) Previous GAAP figures have been reclassified/regrouped wherever necessary to confirm with financial statements prepared under Ind AS.

42 Segment Reporting

The company's 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 are no other reportable segment as identified by the Chief Operating Decision Maker of the Company as required under Ind AS-108.

43 Impact of COVID 19

Consequent to outbreak of COVID - 19 which has been declared a pandemic by the World Health Organisation (WHO), Government of India and State Government have declared lockdown which have impacted business in general, earnings prospects causing erosion in value of companies. The operations of the Company have been affected due to loss of more than a month's production due to the suspension of the operations, disruptions in supply chain and non-availability of personnel during lock down. Though the production has started in the first week of May 2020, due to absenteeism, consequent to nationwide lockdown, the normal production is still affected. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of current and non current assets held by the Company. The eventual impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements. The Company will continue to monitor any material changes to the future economic conditions and the same will be considered on crystallisation.

44 These financial statements have been approved by Board of Directors of the Company in their meeting dated 25th June, 2020 for issue to the shareholders for their adoption.

As per our report of even date

For KAMG & Associates
Chartered Accountants
Firm Regn. No. 311027E

Amitabha Niyogi
Partner
Membership No. 056720



Place : Kolkata
Dated: 25th June, 2020

For and on behalf of the Board

S.S. Jain
Director
(DIN : 00013732)

V. Matta
Director
(DIN : 00338911)