MARUDHAR INDUSTRIES LIMITED

ANNUAL REPORT

2020-21

CORPORATE INFORMATION:

Management Team:

Mr.Nareshkumar S. Jain	Managing Director
Mr. Bhaveshkumar S. Jain	Whole Time Director
Mr. Narendra Navalakha	Independent Director
Ms. Darsha Kikani	Independent Director
Mr. Pareshkumar P. Prajapati	Chief Financial Officer
Mr. Aziz H. Gohil	Company Secretary & Compliance Officer

Statutory Auditors:

M/s. Hitesh Prakash Shah & Co.
Chartered Accountants
B-31, Ghanta Karna Market,
Nr. New Cloth Market,
Sarangpur, Ahmedabad-380 002

Bankers:

HDFC Bank Ltd,
Maninagar Branch

Registrar & Share Transfer Agent:

Link Intime India Private Limited
C-101, 247 Park,
L B S Marg, Vikhroli West,
Mumbai-400 083
Phone: 022 49186000

Registered Office:

610-611, GIDC, Phase IV,
Vatva Industrial Estate,
Vatva, Ahmedabad-382 445
Phone: 079 25890768/25895172

MARUDHAR INDUSTRIES LIMITED AHMEDABAD

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NOTICE OF ANNUAL GENERAL MEETING:

NOTICE is hereby given that the **38th Annual General Meeting of Marudhar Industries Limited** will be held on **Thursday, 30st day of September, 2021** at the registered office of the Company Situated at 610-611, G.I.D.C. Phase IV, Vatva Industrial Estate, Vatva, Ahmedabad - 382 445 at 12:00 noon to transact the Following Business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Standalone and consolidated Balance Sheet for the year ended on 31st March, 2021 and the Statement of Profit & Loss Account as on the said date together with the Auditors and Directors' Report there on.

2. To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 139 read with The Companies (Audit and Auditors) Rules, 2014 and other applicable provisions (including any modification or re-enactment thereof) if any, of the Companies Act, 2013, M/s. Hitesh Prakash Shah & Co. (Firm Reg. No. 107614W), Chartered Accountants, Ahmedabad, be and is hereby re-appointed as the Statutory Auditors of the Company to hold the office for the term of five years beginning from the conclusion of the ensuing Annual General Meeting till the conclusion of the Annual General Meeting of the Company for the F.Y.2025-26 on such terms and remuneration as may be mutually agreed upon between the said Auditors and Board of Directors of the Company".

SPECIAL BUSINESS:

3. To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

   Ratification of remuneration payable to M/s. Anuj Aggrawal and Company, appointed as Cost Auditor of the Company for the F.Y. 2021-22.

   "RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s.Anuj Aggrawal and Company, Cost Accountants, appointed as Cost Auditors by the Board of Directors to audit the cost records of the Company for the FY 2021-22, be paid a remuneration of Rs. Sixty Five thousand per annum plus applicable tax and out-of-pocket expenses that may be incurred.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Place: Ahmedabad
Date: 07/09/2021

By Order of the Board

MARUDHAR INDUSTRIES LIMITED AHMEDABAD

Mr. Naresh S. Jain
Managing Director
DIN: 00714499

Registered Office:
611, G.I.D.C. Phase IV,
Vatva Industrial Estate, Vatva,
Ahmedabad - 382 445

MARUDHAR INDUSTRIES LIMITED AHMEDABAD

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.

3. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed, and signed and stamped, not less than 48 hours before the commencement of the meeting. A Proxy Form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

4. Members / proxies / authorized representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.

5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

6. The Register of Members and the Share Transfer Books of the Company will remain closed from September 23rd, 2021 to September 30th, 2021 for annual closing.

7. Members are requested to intimate, indicating their folio number, the changes, if any, of their registered addresses to the Company at its registered office or to the Company's Registrar and Share Transfer Agents ("RTA") viz. Link Intime India Private Limited.

8. With a view to use natural resources responsibly, we request shareholders to update their email address with their Depository Participants to enable the Company to send communications electronically.

Place: Ahmedabad
Date: 07/09/2021

By Order of the Board

Mr. Naresh S. Jain
Managing Director
DIN: 00714499

Registered Office:
611, G.I.D.C. Phase IV,
Vatva Industrial Estate, Vatva,
Ahmedabad – 382 445.

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM 3:

Pursuant to Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a cost auditor to audit the cost records for the applicable products of the Company.

On the recommendation of the Audit Committee at its meeting held on 01st July, 2021, the Board considered and approved the appointment of M/s. Anuj Aggrawal & Company, Cost Accountants as the cost auditor for the FY 2021–22 at a remuneration of Rs. 65,000/- per annum plus applicable service tax and reimbursement of out of-pocket expenses.

The Board recommends the resolution to the Members for their approval.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is interested, financially or otherwise, in these resolutions. The Board recommends the Ordinary Resolution set out at item nos. 4 for approval of the Members.

Place: Ahmedabad
Date:07/09/2021

By Order of the Board

MARUDHAR INDUSTRIES LIMITED AHMEDABAD

Mr. Naresh S. Jain
Managing Director
DIN: 00714499

Registered Office:
611, G.I.D.C. Phase IV,
Vatva Industrial Estate, Vatva,
Ahmedabad – 382 445.

MARUDHAR INDUSTRIES LIMITED AHMEDABAD

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DIRECTORS REPORT:

To,
The Members,

Your Directors have pleasure in submitting this 38h Annual Report of the Company together with the Audited Statements of Accounts for the period ended 31st March, 2021.

1. FINANCIAL RESULTS

(Amount in Rs)

Particulars	2020-21	2019-20
Revenue from Operations	220,98,09,479	211,01,26,469
Other Income	32,94,859	55,82,554
Total Expenses	217,84,91,778	206,63,68,415
Profit/(Loss) before Tax	19,78,924	4,93,40,608
Provision for Taxation -		
Current Tax	12,621	(98,29,351)
Deferred Tax	58,895	16,75,544
MAT	48,70,264	-
Excess provision for earlier years	9,63,201	(23,49,351)
Wealth Tax	-	-
Profit for the year	78,83,905	3,88,37,450

2. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

During the financial year 2020-21, there was increase in the total revenue as compared to the Previous Financial Year 2019-20 from 211,01,26,469/- to 220,98,09,479/-. There was decreased in the Net Profit after Tax from Rs. 3,88,37,450/- to Rs. 78,83,905 /- during the financial year 2019-20.

3. DIVIDEND

Your directors do not recommend any dividend for the financial year 2020-21 and have decided to plough back the profits in the business of the Company.

4. RESERVES

The Board does not propose to carry any amount to the reserves during the financial year 2020-21.

5. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the period under review, there have been no Investment made and Guarantees provided by the Company. However, the details of the advances given by the Company during the year are disclosed in the notes to the financial statement of the Company.

6. RELATED PARTY TRANSACTIONS

The particulars of every contract or arrangements entered into by the Company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 are disclosed in Form No. AOC-2. **(Annexure-1).**

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7. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitment has occurred subsequent to the close of the financial year of the Company and the date of the report which could affect financial position of the Company.

8. INTERNAL CONTROL SYSTEMS

The Company has an adequate system of internal control procedures which is commensurate with the size and nature of business. The Company has not appointed internal auditor of the Company as the said provisions aren't applicable to the Company.

9. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

10. CORPORATE SOCIALRESPONSIBILITY (CSR) INITIATIVES

The Company has developed Corporate Social Responsibility, but during the F.Y. 2020-21, there was not applicability of Corporate Social Responsibility under the Section 135 of the Companies Act 2013.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL

There was no other change in the Directorship of the Company during the year under review.

12. DECLARATION BY INDEPENDENT DIRECTORS

All the Independent Directors have given declaration to the Company stating their independence pursuant to Section 149(6) of the Companies Act, 2013.

13. BOARD EVALUATION

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board.

The evaluation framework for assessing the performances of Directors comprises of the following key areas:

- Attendance and participation in the Meetings and timely inputs on the minutes of the meetings
- Adherence to ethical standards & code of conduct of Company and disclosure of non independence, as and when it exists and disclosure of interest.
- Raising of valid concerns to the Board and constructive contribution to resolution of issues at meetings.
- Interpersonal relations with other directors and management
- Objective evaluation of Board's performance, rendering independent, unbiased opinion.
- Understanding of the Company and the external environment in which it operates and contribution to strategic direction.
- Safeguarding interest of whistle-blowers under vigil mechanism and Safeguard of confidential information.
- The valuation involves Self-Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board will not participate in the discussion of his / her evaluation.

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14. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability confirm and state that –

i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
ii. The Directors had selected such accounting policies and applied them consistently and made judgments 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 loss of the company for that period;
iii. The Directors have taken proper and sufficient care for 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. The Directors had prepared the annual accounts on a 'going concern' basis;
v. 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; and
vi. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. STATUTORY AUDITORS

Pursuant to provisions of Section 139 of the Companies Act, 2013 and the rules framed there under, M/s. Hitesh Prakash Shah & Co. Chartered Accountants were appointed as Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the AGM to be held for the financial year 2020-21.

16. SECRETARIAL AUDITOR:-

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Kinjal Shah & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for FY 2020-21.

17. COMMENTS ON AUDITORS' REPORT

There is no adverse comment in the Auditors' Report.

18. VIGIL MECHANISM

The Company has established a vigil mechanism policy as the said provisions are applicable to the Company.

19. RISK MANAGEMENT

The Board has framed the committees & implements risk management policy based on the size of the Company. The Audit Committee has an additional oversight in the area of financial risks and Controls.

20. EXTRACT OF THE ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as **"Annexure - 2".**

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21. SUBSIDIARY COMPANIES / ASSOCIATE COMPANIES / JOINT VENTURE

The Company has a Subsidiary Company namely Sambhav Machinery Manufacturers Private Limited and therefore, details of performance and financial position of Subsidiary Company is provided in AOC-1 herewith as **"Annexure – 3".**

The Company does not have any Joint Venture and Associate Concern and therefore, details of performance and financial position of associate and joint venture companies are not provided.

22. BOARD MEETINGS

The Board of Directors met Nine times during the year. The details of the meeting are as below:

Sr. No.	Dates of Board Meetings
1.	06.06.2020
2.	30.06.2020
3.	07.09.2020
4.	15.10.2020
5.	13.11.2020
6.	12.12.2020
7.	23.12.2020
8.	03.03.2021
9.	17.03.2021

23. SIGNIFICANT AND MATERIAL ORDERS

There are no material orders passed by the Regulators, Courts and tribunals impacting going concern status Company's operation in future.

24. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided. There is no employee covered under section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

25. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has no activity pertaining to energy conservation or technology absorption.

26. REMUNERATION POLICY

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as

MARUDHAR

provided under Section 178(3) of the Companies Act, 2013 is furnished in **Annexure - 4** and is attached to this report.

27. AUDIT COMMITTEE

The details pertaining to composition of audit committee are as follows.

Sr. No.	Name of the members	Category
1.	Mr. Narendra Navalakha	Chairman
2.	Mr. Naresh S. Jain	Member
3.	Mrs. Darsha Kikani	Member

28. NOMINATION & REMUNERATION COMMITTEE:

The details pertaining to composition of nomination & remuneration committee are as follows.

Sr. No.	Name of the members	Category
1.	Mr. Narendra Navalakha	Chairman
2.	Ms. Darsha Kikani	Member

29. STAKEHOLDER RELATIONSHIP COMMITTEE:

The details pertaining to composition of stakeholder relationship committee are as follows.

Sr. No.	Name of the members	Category
1.	Mr. Narendra Navalakha	Chairman
2.	Mrs. Darsha Kikani	Member
3.	Mr. Naresh S. Jain	Member

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31. ACKNOWLEDGEMENT

Your Directors are grateful to the concerned Government Authorities and Bankers for the cooperation and support extended by them to the Company. Your Directors also appreciate the sincere efforts put in by the entire team of management and the employees at all the levels for the growth and development of the Company.

For and on behalf of the Board of Directors

Place: Ahmedabad	**Mr. Naresh S. Jain**	**Mr. Bhavesh S. Jain**
Date:07th September 2021	**Managing Director**	**Director**
	DIN: 00714499	**DIN: 03091444**

ANNEXURE - 1

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

(a) Name(s) of the related party and nature of relationship:
(b) Nature of contracts/arrangements/transactions:
(c) Duration of the contracts / arrangements/transactions:
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:
(e) Date(s) of approval by the Board, if any:
(f) Amount paid as advances, if any:

2. Details of material contracts or arrangement or transactions at arm's length basis: NIL

(g) Name(s) of the related party and nature of relationship:
(h) Nature of contracts/arrangements/transactions:
(i) Duration of the contracts / arrangements/transactions:
(j) Salient terms of the contracts or arrangements or transactions including the value, if any:
(k) Date(s) of approval by the Board, if any:
(l) Amount paid as advances, if any:

For and on behalf of the Board of Directors

Place: Ahmedabad
Date:07th September 2021

Mr. Naresh S. Jain
Managing Director
DIN: 00714499

Mr. Bhavesh S. Jain
Director
DIN: 03091444

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Annexure – 2

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31/03/2021

Of

MARUDHAR INDUSTRIES LIMITED

[Pursuant to Section 92(3) of the Companies Act, 2013

&

Rule 12(1) of the Companies (Mgt. and Administration) Rules, 2014]

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I. REGISTRATION AND OTHER DETAILS:

i)	CIN:	L91110GJ1983PLC022203
	Foreign Company Registration Number/GLN	Not Applicable
ii)	Registration Date [DDMMYY]	18/05/1983
	Name of the Company	**MARUDHAR INDUSTRIES LIMITED**
iii)	**Category of the Company** [Pl. tick]	✓ Public Company Private Company
iv)	**Sub Category of the Company** [Please tick whichever are applicable]	see below

1.	Government Company	
2.	Small Company	
3.	One Person Company	
4.	Subsidiary of Foreign Company	
5.	NBFC	
6.	Guarantee Company	
7.	Limited by shares	√
8.	Unlimited Company	
9.	Company having share capital	
10.	Company not having share capital	
11.	Company Registered under Sec. 8	

V) NAME AND REGISTERED OFFICE ADDRESS OF COMPANY AND CONTACT DETAILS:

Address	610-611, G.I.D.C. Phase IV, Vatva Industrial Estate, Vatva
Town / City	Ahmedabad
State	Gujarat
Pin Code:	382445
Country Name	India
Country Code	91

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	Telephone (With STD Area Code no)	079 – 25830181, 25831322
	Fax Number :	079 - 25830958
	Email Address	Marudhar.cs@gmail.com
	Website	www.marudhar.in
	Name of the Police Station having jurisdiction where the registered office is situated	Vatva Police Station
	Address for correspondence, if different from address of registered office:	N.A.
vi)	Whether shares listed on recognized Stock Exchange(s)	Yes
	If yes, details of stock exchanges where shares are listed	The Calcutta Stock Exchange
Vii)	**Name and Address of Registrar & Transfer Agents (RTA):- Full address and contact details to be given.**	
	Registrar & Transfer Agents (RTA)):-	Link Intime India Pvt Ltd.
	Address	C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400083, Maharashtra, India
	Town / City	Mumbai
	State	Maharashtra
	Pin Code:	400083
	Telephone (With STD Area Code Number)	+91 22 4918 6270
	Fax Number :	+91 22 4918 6060
	Email Address	Rnt.helpdesk@linkintime.co.in

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)

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company
1	Manufacturing of Aluminum foils and flexible packing	99887390	100%

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III.PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

[No. of Companies for which information is being filled]

Sr. No.	Name and address of the company	CIN/GLN	Holding/ subsidiary / associate
1.	Sambhav Machinery Manufacturers Private Limited 509, GIDC, Phase-IV, Vatva, Ahmedabad - 382445	U29119GJ1992PTC018628	Subsidiary

IV.SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 01-April-2020]				No. of Shares held at the end of the year[As on 31-March-2021]				% Change during the year
	Demat	**Physical**	**Total**	**% of Total Shares**	**Demat**	**Physical**	**Total**	**% of Total Shares**	
A. Promoter' s									
(1) **Indian**									
a) Individual/ HUF	10029125	-	10029125	98.06	10029125	-	10029125	98.06	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	74500	-	74500	0.73	74500	-	74500	0.73	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	**10103625**	**-**	**10103625**	**98.79**	**10103625**	**-**	**10103625**	**98.79**	**-**
(2) Foreign									
(a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
(b) Other-Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d)Banks FI	-	-	-	-	-	-	-	-	-
(e) Any Other....	-	-	-	-	-	-	-	-	-

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Sub-total(A)(2):-	-	-	-	--	-	-	-	-	-
Total Shareholding of Promoter(A)= (A)(1)+(A)(2)	**10103 625**	-	**10103625**	**98.79**	**10103625**	-	**10103625**	**98.79**	-
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)(Trusts)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital uptoRs. 1 lakh	-	124000	124000	1.21	31250	92750	124000	1.21	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	--	-	-	-
c)Others(specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	**124000**	**124000**	**1.21**	-	**124000**	**124000**	**1.21**	-

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Total Public Shareholding (B)=(B)(1)+(B)(2)	-	124000	124000	1.21	-	124000	124000	1.21	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	10103625	124000	10227625	100	10134875	92750	10227625	100	-

(ii) Shareholding of Promoter

Sr.No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding 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	Naresh S. Jain	5189000	50.74	-	5189000	50.74	-	Nil
2	Bhavesh S. Jain	4789625	46.83	-	4789625	46.83	-	Nil
3	Sambhav Machinery Manufacturers Private Limited	74500	0.73	-	74500	0.73	-	Nil
4	Laherchand Jain	50000	0.49	-	50000	0.49	-	Nil
5	Pravin Chopra	500	0.005	-	500	0.005	-	Nil
	TOTAL	**10103625**	**98.79**	**-**	**10103625**	**98.79**	**-**	**Nil**

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr.No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning 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
1					
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year				

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(iv) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning 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
1.	Sanjay Gulecha				
	At the beginning of the year	31250	0.31	31250	0.31
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	31250	0.31	31250	0.31
2.	Sarojben Prakashraj Jain				
	At the beginning of the year	10500	0.10	10500	0.10
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	10500	0.10	10500	0.10
3.	Kamla Devi Vaidh				
	At the beginning of the year	2250	0.02	2250	0.02
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	2250	0.02	2250	0.02
4.	Dharamchand Dhariwala				
	At the beginning of the year	2000	0.01	2000	0.01
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	2000	0.01	2000	0.01
5.	Gourishankar Sharma				
	At the beginning of the year	1650	0.01	1650	0.01
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer /	NIL			

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	bonus/ sweat equity etc):				
	At the end of the year (or on the date of separation, if separated during the year)	1650	0.01	1650	0.01
6.	Mani Nahata				
	At the beginning of the year	1500	0.01	1500	0.01
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	1500	0.01	1500	0.01
7.	Pawan Kumar Somani				
	At the beginning of the year	1500	0.01	1500	0.01
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	1500	0.01	1500	0.01
8.	Surajmal Seshmal Jain				
	At the beginning of the year	1000	0.01	1000	0.01
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	1000	0.01	1000	0.01
9.	Abhey Subhkaran Surana				
	At the beginning of the year	500	0.01	500	0.01
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	500	0.01	500	0.01
10.	Abhishek Lalwani				
	At the beginning of the year	500	0.01	500	0.01
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year (or on the date of separation, if separated during the year)	500	0.01	500	0.01

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v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning 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
1.	Mr. Naresh Jain				
	At the beginning of the year	5189000	50.74	5189000	50.74
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year	5189000	50.74	5189000	50.74
2.	Mr. Bhavesh Jain				
	At the beginning of the year	4789625	46.83	4789625	46.83
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year	4789625	46.83	4789625	46.83
3.	Mr. J. S. Negi				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year	NIL	NIL	NIL	NIL
4.	Mr. Satish Shah				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year	NIL	NIL	NIL	NIL
5.	Ms. Darsha Kikani				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g.	NIL			

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	allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year	NIL	NIL	NIL	NIL

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in Rs.)

Particular	**Secured Loans excluding deposits**	**Unsecured Loans**	**Deposits**	**Total Indebtedness**
Indebtedness at the beginning of the financial year	**65,50,77,034**	**20,43,09,208**	-	**85,93,86,242**
i) Principal Amount				
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**65,50,77,034**	**20,43,09,208**	-	**85,93,86,242**
Change in Indebtedness during the financial year				
* Addition	20,64,57,670	95,61,166	-	21,60,18,836
* Reduction	19,92,50,363	5,32,11,022	-	25,24,61,385
Net Change	**72,07,307**	**(4,36,49,856)**	-	**(3,64,42,549)**
Indebtedness at the end of the financial year			-	
i) Principal Amount	**65,62,84,341**	**16,06,59,352**	-	**81,69,43,693**
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**65,62,84,341**	**16,06,59,352**	-	**81,69,43,693**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A.*Remuneration to Managing Director, Whole-time Directors and/or Manager:*

(Amount in Rs.)

Sr. No.	**Particulars of Remuneration**	**Name of MD/WTD/ Manager**		**Total Amount**
		Mr. Naresh Jain	Mr. Bhavesh Jain	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12,45,715	12,45,715	24,91,430
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2	Stock Option			
3	Sweat Equity			

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4	Commission - as % of profit - others, specify...			
5	Others, please specify			
	Total (A)			
	Ceiling as per the Act	12,45,715	12,45,715	24,91,430

B. Remuneration to other directors

SN	Particulars of Remuneration	Name of Independent/ Non-Executive Director
		1. Mr. Narendra Navalakha: Rs. 60,000 was paid setting fees in Independent Director capacity during the F.Y. 2020-21.
1	Independent Directors	
	Fee for attending board	
	committee meetings	
	Commission	
	Others, please specify	
	Total (1)	
2	Other Non-Executive Directors	
	Fee for attending board committee meetings	
	Commission	
	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*

(Amt in Lacs)

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	**CS***	**CFO**	**Total**
1	Gross salary	-			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	2,49,991	2,57,279	5,07,270
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-

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3	Sweat Equity	-	-	-	-
4	Commission		-	-	-
	- as % of profit	-	-	-	-
	Others specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	3,90,837	2,88,449	6,79,286

***Mr. Paras Shah, Company Secretary has resigned from his post on 31st Dec 2020.**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board of Directors

MARUDHAR INDUSTRIES LIMITED AHMEDABAD

Place: Ahmedabad
Date: 07th September 2021

Mr. Naresh S. Jain
Managing Director
DIN: 00714499

Mr. Bhavesh S. Jain
Director
DIN: 03091444

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Annexure-3

Form AOC-I

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

1. Sr. No. : 1
2. Name of the subsidiary :- SAMBHAV MACHINERY MANUFACTURERS PRIVATE LIMITED
3. The date since when subsidiary was acquired: 26/03/2015
4. Reporting period for the subsidiary concerned, if different from the holding company's reporting period: From 01/04/2020 to 31/03/2021
5. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries: INR (Indian Nation Rupees)
6. Share capital : 11,21,800/-
7. Reserves & surplus : 32,27,925/-
8. Total assets : 2,40,04,542/-
9. Total Liabilities :2,40,04,542/-
10. Investments :45,594/-
11. Turnover : 43,37,000/-
12. Profit before taxation :3,01,850/-
13. Provision for taxation :(72,014) /-
14. Profit after taxation:2,29,837/-
15. Proposed Dividend :- Nil
16. Extent of shareholding (in percentage): 100%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations: NIL
2. Names of subsidiaries which have been liquidated or sold during the year: NIL

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Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

Name of Associates/ Joint Ventures	N.A.
1. Latest audited Balance Sheet Date	
2. Date on which the Associate or Joint Venture was associated or acquired	
3. Shares of Associate or Joint Ventures held by the company on the year end	
No.	
Amount of Investment in Associates/Joint Venture	
Extent of Holding (in percentage)	
4. Description of how there is significant influence	
5. Reason why the associate/joint venture is not consolidated	
6. Net worth attributable to Shareholding as per latest audited Balance Sheet	
7. Profit or Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

1. Names of associates or joint ventures which are yet to commence operations. **Not Applicable**
2. Names of associates or joint ventures which have been liquidated or sold during the year. **Not Applicable**

For and on behalf of the Board of Directors

Place: Ahmedabad
Date: 07th September 2021

Mr. Naresh S. Jain
Managing Director
DIN: 00714499

Mr. Bhavesh S. Jain
Director
DIN: 03091444

P.P. Prajapati

PareshPrajapati
CFO
PAN: ABEPP8523E

Annexure - 4
REMUNERATION POLICY:

In accordance with the provisions of Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee recommended the following remuneration policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees, which was approved and adopted by the Board.

I. REMUNERATION TO EXECUTIVE DIRECTORS; KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT & OTHER EMPLOYESS:

The Board of Directors and Nomination & Remuneration Committee (subject to applicable authorization from shareholders) is authorized to decide /recommend the remuneration and other terms of appointment of such Directors and Senior Management employees (one level below executive directors) and Key Management Personnel and other employees of the Company. The remuneration structure shall inter alia, include salary, perquisites, retirement and/superannuation benefits as per HR Policy decided by the management of the Company. Based on the performance appraisals, the changes in the remuneration shall be decided/ recommended by the management/executive directors.

The remuneration on appointment and on appraisal based on the performance of other employees (other than senior management & Key Managerial Personnel) shall be decided by the functional head or business head from time to time considering the HR policy of the Company. The remuneration components shall include basic salary, allowances, perquisites, retrial benefits; pay as may be decided by the Management from time to time. The level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate employees at all levels, having regard to the industry practice.

OTHER TERMS APPLICABLE TO EXECUTIVE DIRECTORS AND SENIOR & KEY MANAGEMENT EMPLOYEES

i. The Remuneration and terms of employments shall be fixed/ recommended in such a manner that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

ii. The remuneration shall involve a good balance between fixed and incentive pay (considering industry benchmark/practice) reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

iii. No director or executive should be directly involved in determining their own remuneration or performance evaluation.

iv. The Executive Director, Whole time Director/ Managing Director and/or Senior Management Employee shall be eligible for advances/loans as per prevalent HR Policy of the Company subject to the applicable statutory provisions and approvals.

II. REMUNERATION TO NON-EXECUTIVE DIRECTORS:

Company is not paying remuneration to the non executive directors.

III.CRITERIA FOR IDENTIFICATION OF PERSONS FOR APPOINTMENT AS DIRECTORS AND IN SENIOR MANAGEMENT:

In accordance with the provisions of Section 178(3) of the Act read with Clause 49 of the Listing Agreement, the Nomination and Remuneration Committee is required to formulate the criteria for determining qualifications, positive attributes and independence of a Director and senior management. The criteria adopted by the Nomination and Remuneration Committee for the aforesaid purpose is as under:

Criteria for determining qualifications, positive attributes and independence of a director:

I. QUALIFICATIONS:

(a) He/ She should possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.

(b) Such qualifications as may be prescribed under the Companies Act, 2013 read with rules framed there under and the Listing Agreement with Stock Exchanges.

A. Criteria for appointing a Director:

a. He should be a person of integrity, with high ethical standards.

b. He should be able to commit to his responsibilities and devote sufficient time and attention to his professional obligation as a Director.

c. He should be having positive thinking, courtesy, and humility.

d. He should be knowledgeable and diligent in updating his knowledge.

e. He should have qualifications, skills, experience and expertise by which the Company can benefit.

f. In respect of independent director, in addition to the above (a)to (e), he should fulfill the criteria for being appointed as an Independent Director prescribed under section 149 of the Companies Act, 2013 read with Schedule IV to the said Act.

g. In respect of Executive/Whole time Director/Managing Director, in addition to above (a)to (f), he should have strong quality of leadership and team mentoring, recognition, management skills, vision, ability to steer the organization even in adverse conditions, innovative thinking, result oriented approach, ability to enhance reputation of the organization.

B. Criteria for appointing a Senior Management Employee/ Key Managerial Personal:

a. He should have the required educational, qualification, skills and functional knowledge for the post and eye for detailing & compliance

b. He should have integrity, humility, positive thinking, leadership qualities, sincerity, alert, hardworking, team building ability, good soft skills, transparency in dealings with the Company and other stakeholders.

c. Screening of the potential conflicts of interest and independence.

d. Detailed background information in relation to a potential candidate should be provided to all directors.

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e. The identification of potential candidates may be assisted by the use of external search organizations as may be considered appropriate.

For and on behalf of the Board of Directors

Place: Ahmedabad	**Mr. Naresh S. Jain**	**Mr. Bhavesh S. Jain**
Date: 07th September 2021	**Managing Director**	**Director**
	DIN: 00714499	**DIN: 03091444**

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Report on Corporate Governance

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANC:

The Company is committed to good corporate governance practices aimed at increasing value for all stakeholders. The Company has always been a value driven Company. The Company's corporate governance philosophy is based on values of focusing on fairness, responsibility, openness, trust, reliability, credibility and legality.

Marudhar's values and Code of Business Conduct provides necessary framework in running the business with high moral standards and enable the Company to fulfill its legal, financial and ethical objectives. The Company has a well – informed and independent Board for ensuring the same.

BOARD OF DIRECTORS:

Composition of the Board and Category of Directors:

The composition of the Board of Directors of the Company is governed by the provisions of Companies Act, 2013 (the "Act"), Articles of Association of the Company and Listing Agreement / SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"). The Board comprises of an optimum mix of Executive and Non-Executive Directors. The Board has one Woman Director. More than half of the Board comprises of Independent Directors. The Directors of the Company are persons of eminence having vast and varied experience in manufacturing, marketing, sales, banking, financial and business administration.

The composition of the Board as on 31st March, 2021 is as under:

Sr. No.	Name of Director	Category
1	Mr. Naresh S. Jain	Managing Director
2	Mr. Bhavesh S. Jain	Whole Time Director
3	Mr. Narendra Navalakha	Independent Director
4	Ms. Darsha Kikani	Independent Director

Attendance at Board Meetings and Annual General Meeting:

During the year Nine Board meeting were held respectively. Details of attendance of Directors at the Board Meetings are given below:

Date of Board Meeting	Mr. Naresh Shah	Mr. Bhavesh Shah	Mr. Satish Shah*	Ms. Darsha Kikani	Mr. Narendra Navalakha
06.06.2020	Yes	Yes	Yes	Yes	Yes
30.06.2020	Yes	Yes	Yes	No	Yes
07.09.2020	Yes	Yes	Yes	Yes	Yes
15.10.2020	Yes	Yes	Yes	No	Yes
13.11.2020	Yes	Yes	Na	No	Yes
12.12.2020	Yes	Yes	Na	Yes	Yes
23.12.2020	Yes	Yes	Na	No	Yes
03.03.2021	Yes	Yes	Na	Yes	Yes
17.03.2021	Yes	Yes	Na	No	Yes

*Mr. Satish Shah has resigned from the Independent Director from 13th November 2021.

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Relation between Directors:

Mr. Naresh Jain, Managing Director and Mr. Bhavesh S. Jain, Whole Time Director as on 31st March 2021 are brothers.

Details of shareholding of Directors in the Company as on 31st March, 2020:

Name of Director	Category	Shares held by Directors in the Company
Mr. Naresh S. Jain	Managing Director	51,89,000
Mr. Bhavesh S. Jain	Whole Time Director	47,89,625
Mr. Narendra Navalakha	Independent Director	NIL
Ms. Darsha Kikani	Independent Director	NIL

Since the Company has not issued any convertible instruments during 2020-21, disclosure in this respect is not applicable.

Independent Directors:

A letter of appointment encompassing the terms and conditions of appointment, roles, duties and liabilities were issued to the Independent Directors. The main terms of appointment can be accessed at: www.marudhar.in

As mandated by the Listing Regulations, the Independent Directors on Marudhar's Board:

a. Are persons of integrity and possess relevant expertise and experience, in the opinion of the Board of Directors;

b. Are not a Promoter of the Company or its holding, subsidiary or associate ofcompany;

c. Are not related to Promoters or Directors in the Company, its holding, subsidiary or associate company;

d. Apart from receiving Director's remuneration, have or had no material pecuniary relationship with the Company, its holding, subsidiary or associate company, or their Promoters, or Directors, during the two immediately preceding financial years or during the current financial year;

e. Have no relative, who has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their Promoters, or Directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed from time to time, whichever is lower, during the two immediately preceding financial years or during the current financial year;

f. Neither themselves nor any of their relatives –

(i) hold or have held the position of a Key Managerial Personnel or are or have been employee of the Company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which they were proposed to be appointed;

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(ii) are or have been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which they were proposed to be appointed, of —

A. a firm of Auditors or Company Secretaries in practice or Cost Auditors of the Company or its holding, subsidiary or associate company; or

B. any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;

(iii) hold together with their relatives two per cent or more of the total voting power of the Company; or

(iv) is a Chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty five per cent or more of its receipts or corpus from the Company, any of its Promoters, Directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the Company;

(v) is a material supplier, service provider or customer or a lessor or lessee of the Company;

g. are not less than 21 years of age. The Independent Directors have confirmed that they meet the criteria of independence laid down under the Companies Act, 2013 and the Listing Regulations.

Familiarization Programme for Independent Directors:

Familiarization Programme for Independent Directors generally forms part of the Board process. The Independent Directors are updated on an ongoing basis on the Board / Committee meetings, inter alia, on the following:

- Nature of the industry in which the Company operates;
- Business environment and operational model of various business divisions of the Company including important developments thereon;
- Roles, rights and responsibilities of Directors;
- Important changes in regulatory framework having an impact on the Company;
- Manufacturing facilities of the Company at various locations.

Details of the familiarization programme for Independent Directors can be accessed at: www.marudhar.in.

Information supplied to the Board:

The Board has complete access to all information with the Company. All Board Meetings are governed by a structured agenda which is backed by comprehensive background information. As a part of green initiative, the agenda and related papers are provided to the Board members through email, in paperless form. The information pertaining to mandatory items as specified in the Listing Regulations, Companies Act, 2013 and other applicable laws, along with other business issues, is regularly provided to the Board, as part of the agenda papers at least seven days in advance of the Board Meetings (except for certain unpublished price sensitive information which is circulated at a shorter notice). Action Taken Report on the decisions taken in a meeting is placed at the immediately succeeding meeting for information of the Board.

Committees of the Board:

The Company had constituted following Four Committees of the Board during the year 2017-18:

A. AUDIT COMMITTEE (AC)

The Board has an Audit Committee which has been constituted in compliance with the provisions of section 177 of the Companies Act, 2013 and regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Terms of Reference:

The terms of reference given by the Board of Directors pursuant to Section 177 of the Act and the Listing Regulations are given below:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommend appointment, remuneration and terms of appointment of Auditors of the Company; 3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
    a. matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013;
    b. changes, if any, in accounting policies and practices and reasons for the same;
    c. major accounting entries involving estimates based on the exercise of judgment by management;
    d. significant adjustments made in the financial statements arising out of audit findings;
    e. compliance with listing and other legal requirements relating to financial statements;
    f. disclosure of any related party transactions; g. qualifications in the draft Audit Report;
5. Reviewing with the management: the quarterly financial statements before submission to the Board for approval, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take steps in this matter;
6. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
7. Approval or any subsequent modification of transactions of the Company with Related Parties;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the Company, wherever it is necessary;
10. Evaluation of internal financial controls and risk management systems;
11. Reviewing with the management, performance of Statutory and Internal Auditors and adequacy of the internal control systems;
12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
13. Discussion with Internal Auditors of any significant findings and follow up thereon;

14. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
15. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
17. To review the functioning of the Whistle Blower mechanism;
18. Approval of appointment of CFO (i.e. the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, background, etc., of the candidate; and
19. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee by the Act, the Listing Regulations or by the Board from time to time.

Such other matters as may be prescribed under the Act, Listing Regulations and by the Board of Directors of the Company from time to time.

Composition, name of Members and Chairperson, Meetings held during the year and Attendance at the Meetings:

During the year under review, four meetings of the Audit committee were held on 30thJune, 2020, 07thSeptember 2020, 13th November 2020 and 03rdMarch 2021.

The constitution and number of meetings attended by the Members of the Committee are given below:

Sr. No.	Name of Director	Category	Number of Audit Committee Meetings attended during the year
1	Mr. Satish Shah*	Chairman, Independent Director	2
2	Mr. Naresh Jain	Managing Director	4
3	Mr. Narendra Navalakha	Chairman, Independent Director	4
4.	Mrs. Darsha Kikani	Independent Director	1

*Mr. Satish Shah has resigned from the Independent Director from 13th November 2021.

The Company Secretary acts as the Secretary to the Committee. All the members of the Audit Committee are financially literate and have accounting and related financial management expertise.

Related Party Transaction Policy:

Company has formulated a Policy on Related Party Transactions as per the requirements of Listing Agreement / Regulations. The Policy is available on the website of the Company.

B. STAKEHOLDERS RELATIONSHIP COMMITTEE (SRC):

The Board has a Stakeholders Relationship Committee, which has been constituted in compliance with the provisions of section 178 of Companies Act, 2013 and regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Terms of Reference:

The Committee performs the following functions:

1. Transfer/ transmission of shares.
2. Split up/ sub-division and consolidation of shares.
3. Dematerialization/ rematerialization of shares.
4. Issue of new and duplicate share certificates.
5. Registration of Power of Attorneys, Probate, Letters of transmission or similar other documents. 6. To open / close bank account(s) of the Company for depositing share / debenture applications, allotment and call monies, authorize operation of such account(s) and issue instructions to the Bank from time to time in this regard.
7. To look into redressal of shareholders' and investors' complaints like transfer of shares, non receipt of Annual Report, non receipt of declared dividends, etc.
8. Such other matters as may be prescribed under the Act, Listing Regulations and by the Board of Directors of the Company from time to time.

Details of complaints received and resolved by the Company during the financial year 2020-21 are given below:

Nature of Complaint	**As on 01st April 2020**	**Received During 2020-21**	**Disposed During 2020-21**	**As on 31st March 2021**
Non receipt of certificates lodged for Transfer / Transmission, issue of Duplicate shares	NIL	NIL	NIL	NIL
Non-receipt of Dividend	NIL	NIL	NIL	NIL
Others (Non-receipt of bonus shares/ POA/ change of signatures/ address etc.)	NIL	NIL	NIL	NIL
Total	**NIL**	**NIL**	**NIL**	**NIL**

Composition, name of Members and Chairperson, Meetings held during the year and Attendance at the Meetings:

During the year under review, one meetings of the Stakeholders Relationship Committee were held on 03rdMarch 2021.

The constitution and number of meetings attended by the Members of the Committee are given below:

Sr. No.	Name of Director	Category	Number of Stakeholders Relationship Committee Meetings attended during the year
1	Mr.Narendra Navalakha	Chairman, Independent Director	1

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2	Mrs. Darsha Kikani	Independent Director	1
3	Mr. Naresh Jain	Managing Director	1

C. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSRC):

The Board has a Corporate Social Responsibility (CSR) Committee which has been constituted in compliance with the provisions of section 135 of the Companies Act, 2013 and regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Terms of Reference:

1. Formulating and recommending to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013;
2. Recommending to the Board the amount of expenditure to be incurred;
3. Monitoring the implementation of framework of CSR Policy;
4. Ensuring that implementation of the projects and programmes is in compliance with the CSR policy of the company.
5. Such other matters as may be prescribed under the Act, Listing Regulations and by the Board of Directors of the Company from time to time.

The constitution and number of meetings attended by the Members of the Committee are given below:

Sr. No.	Name of Director	Category	Number of Corporate Social Responsibility (CSR) Committee Meetings attended during the year
1	Mr. Naresh Jain	Chairman, Managing Director	NIL
2	Mrs. Darsha Kikani	Independent Director	NIL
3	Mr.Narendra Navalakha	Independent Director	NIL

D. NOMINATION & REMUNERATION COMMITTEE (NRC):

The Board has Nomination and Remuneration Committee which has been constituted in compliance with the provisions of section 178 of the Companies Act, 2013 and regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Terms of Reference:

1. Formulation of criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;

2. Formulation of criteria for evaluation of Independent Directors and the Board including carrying out evaluation of every Director's performance;

3. Devising a policy on Board diversity;

4. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal; and

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5. Such other matters as may be prescribed under the Act, Listing Regulations and by the Board of Directors of the Company from time to time.

Composition, name of Members and Chairperson, Meetings held during the year and Attendance at the Meetings:

During the year under review, one meetings of the Nomination & Remuneration Committee was held on 03rd March 2021.

The constitution and number of meetings attended by the Members of the Committee are given below:

Sr. No.	Name of Director	Category	Number of Nomination and Remuneration Committee Meetings attended during the year
1	Mr. Narendra Navalakha	Chairman, Managing Director	1
2	Ms. Darsha Kikani	Independent Director	1

REMUNERATION OF DIRECTORS

a) Directors have no pecuniary relationship with the Company other than receiving remuneration as Directors.

b) Details of Remuneration

Whole-Time Directors/Executive Directors:

The remuneration payable to the Executive Directors are governed by the Act, Listing Regulations and Nomination Remuneration Policy of the Company and is subject to approval of the shareholders. Remuneration of Executive Directors consists of a fixed salary. The Board of Directors on the recommendation of Nomination Remuneration Committee determines the remuneration to be given to Directors. In addition, Executive Directors receive benefits as per the Company policy and the Agreement entered with them. Details of remuneration paid to Executive Directors during the financial year are given below:

Particular	Mr. Naresh Jain Managing Director	Mr. Bhavesh Jain Whole Time Director
Salary	11,57,538	11,57,538
Commission / Bonus	1,75,114	1,75,114
Contribution to Provident Fund & other Funds	1,38,905	1,38,905
Other perquisites as per Income Tax Rules	-	-
Stock Options	-	-
Total	13,32,652	13,32,652

GENERAL BODY MEETINGS:

Location and time of last 3 Annual General Meetings is given below:

Financial Year	**Date**	**Time**	**Venue**
2019-20	31/12/2020	12.00 noon	610-611, GIDC, Phase IV, Vatva Industrial

			Etate, Vatva, Ahmedabade-382445, Gujarat.
2018-19	27/09/2019	12.00 noon	610-611, GIDC, Phase IV, Vatva Industrial Etate, Vatva, Ahmedabade-382445, Gujarat.
2017-18	27/09/2018	12.00 noon	610-611, GIDC, Phase IV, Vatva Industrial Etate, Vatva, Ahmedabade-382445, Gujarat.

SCORES (SEBI Complaints Redressal System):

SEBI processes investor complaints in a centralized web based complaints redressal system i.e. SCORES. Through this system, a shareholder can lodge complaint against a Company for his grievance. The Company uploads the action taken on the complaint which can be viewed by the shareholder. The Company and shareholder can seek and provide clarifications online through SEBI.

GENERAL SHAREHOLDER INFORMATION

The Company is registered in Gujarat, India. The Corporate Identification Number (CIN) allotted by Ministry of Corporate Affairs (MCA) is L91110GJ1983PLC022203.

Annual General Meeting – date, time & venue:

Date: 30/09/2021

Time: 12:00 Noon

Venue: 610-611, GIDC, Phase IV, Vatva Industrial Etate, Vatva, Ahmedabade-382445, Gujarat.

Financial Year: 1st April, 2020 to 31st March, 2021.

Book Closure:

The Company's Register of Members and Share Transfer Books will remain closed onSeptember 23rd, 2021 to September 30th, 2021

Registrar and Share Transfer Agents (RTA):

Marudhar Industries Limited has appointed Link Intime India Private Limited as its RTA for both segments i.e. physical and electronic.

Link Intime India Private Limited
C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai – 400083
Tel.: 022 - 4918 6270 Fax: 022 - 4918 6060.

As required under Regulation 7(3) of the Listing Regulations, the Company has filed a Certificate issued by RTA & Compliance Officer of the Company certifying that all activities in relation to both physical and electronic share transfer facility are maintained by RTA registered with SEBI i.e. Link Intime India Private Limited.

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Nomination facility:

Pursuant to the provisions of section 72 of the Companies Act, 2013, and Rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014, members may file Nomination in respect of their shareholdings. Members holding shares in physical form willing to avail this facility may submit to the Company the prescribed Form SH-13 and any change or variation in the nomination in prescribed Form SH-14.

Shareholding Pattern (as on 31st March, 2021):

Particular	No. of Shareholder	No. of Share held	Percentage of Shareholding
Promoter & Promoter Group	5	1,01,03,625	98.79
Foreign Portfolio Investors / Foreign Institutional Investors	-	-	-
Central Government / State Government	-	-	-
Financial Institutions / Banks	-	-	-
Resident Individuals	151	1,24,000	1.21
NBFC	-	-	-
Non Resident Individuals	-	-	-
Clearing Members	-	-	-
Bodies Corporate	-	-	-
Total	**155**	**1,02,27,625**	**100**

Top ten Public shareholders as on 31st March, 2021:

Sr. No.	Name	No. of Share held	Percentage of Shareholding
1	Sanjay Gulecha	31250	0.31
2	SarojbenPrakashraj Jain	10500	0.10
3	Kamla Devi Vaidh	2250	0.02
4	DharamchandDhariwala	2000	0.01
5	Gourishankar Sharma	1650	0.01
6	Mani Nahata	1650	0.01
7	Pawan Kumar Somani	1500	0.01
8	SurajmalSeshmal Jain	1000	0.01
9	AbheySubhkaranSurana	1000	0.01
10	Abhishek Lalwani	500	0.01

Distribution of Shareholding (as on 31st March, 2021):

Sr. No	Share Range		Shares	% of Capital	No of Holder	% to No of Holder
	From	To				
1	1	5000	69,350	0.68	141	90.97
2	50001	10000	2,000	0.02	2	1.29
3	100001	20000	6,650	0.07	4	2.58
4	200001	30000	4,750	0.05	2	1.29
5	300001	999999999	1,01,44,875	99.19	6	3.87
Total			**1,02,27,625**	**100.00**	**155**	**100.00**

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Form No. MGT-11
Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of Companies (Management and Administration) Rules, 2014

CIN	: L91110GJ1983PLC022203
Name of the company	: MARUDHAR INDUSTRIES LIMITED
Registered office	: 611, G.I.D.C. Phase IV, Vatva Industrial Estate, Vatva Ahmedabad – 382 445
Name of the member (s)	:
Registered Address	:
E-mail ID	:
Folio No/Client ID	:
DP ID	:

I/we, being the member (s) of ________ shares of Marudhar Industries Limited, hereby appoint

1. Name:
   Address:
   E-mail ID: Signature:_____________ or failing him
2. Name:
   Address:
   E-mail ID: Signature:_____________ or failing him
3. Name:
   Address:
   E-mail ID: Signature:_____________

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 38th Annual General Meeting of the Company, to be held on the onThursday, 30th day of September, 2021 at the Registered Office of the Company situated at 611, G.I.D.C. Phase IV, Vatva Industrial Estate, Vatva, Ahmedabad – 382 445 at 12:00 noon and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No:

1. Adoption of Financial Statements of Company as on 31st March, 2021.
2. Re-appointment of Auditor M/s. Hitesh Prakash Shah & Co. and to fix their remuneration for the financial year 2021-22.
3. Ratification of remuneration payable to M/s. AnujAggrawal and Company, appointed as Cost Auditor of the Company for the F.Y. 2021-22.

Signed this ……… day of………………………, 2021.

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Signature of shareholder:

Signature of Proxy holder(s):

Affix
Re.1/-
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

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ATTENDANCE SLIP

(To be handed over at the Registration Counter)

Annual General Meeting held on 31stSeptmeber 2021

Folio No./ DP ID - Client ID No.:

No. of Shares

I/We hereby record my/our presence at the Annual General Meeting of the Company being held on **30stSeptember 2021at 12:00 noon at 611, G.I.D.C. Phase IV, Vatva Industrial Estate, Vatva, Ahmedabad – 382 445**.

1. Name(s) of the Member:	1. Mr. /Ms..
And Joint Holder(s):	2. Mr. /Ms..
(In block letters):	3. Mr. /Ms..

2. Address: ....

3. Father's/Husband's Name (of the Member):	Mr. ....
4. Name of Proxy:	Mr. /Ms...
	1..
	2..
	3..

Signature of the Proxy

Signature(s) of Member and Joint Holder(s)

Note: Please complete the Attendance slip and hand it over at the Registration Counter at the venue.

HITESH PRAKASH SHAH & CO.
Chartered Accountants

B-31, Ghantakarna Market,
Nr New Cloth Market,
Sarangpur, Ahmedabad-380002
Mobile No: 9998610352
Email:shahitesh@gmail.com

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
MARUDHAR INDUSTRIES LIMITED

Report on the standalone Ind AS Financial Statements

Opinion

We have audited the standalone Ind AS financial statements of MARUDHAR INDUSTRIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2021, the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity andStatement of Cash Flows for the year then ended and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, read with the notes to accounts, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013,as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

(a) We draw attention on Note No.33(b) relating to balance confirmation/reconciliation and grouping of some of the third-party accounts&balances with theGovernment Agencies.

(b) We draw attention on Note No.27(a) relating to fire at the packaging division of the company, wherein property, plant & equipment and Inventories were substantially damaged/destroyed and for which insurance claim has not been accepted/settled/paid by the Insurance Company and therefore, the final effect of the insurance claim will be given on its receipt.

Our opinion is not modified in respect of point (a). However, with respect to point (b), since quantification of the claim is not finalized, our opinion in this respect cannot be modified to that extent.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements for the year under audit. We have determined that there is no key audit matter to be communicated in our report.

HITESH PRAKASH SHAH & CO.
FRN: 127614W
CHARTERED ACCOUNTANTS

Information Other than on Financial Statements and Auditors' Report Thereon

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs, performanceand other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the StandaloneInd AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

- Conclude on the appropriateness of the Management and Board of Directors 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, on the basis of information given to us by the company, we give in the **"Annexure A"**, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable for the year under consideration.

(A) As required by Section 143(3) of the Act, except otherwise stated, we broadly 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, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

(e) On the basis of the written representations received from the directors as on 31 March 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on31 March 2021 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 with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in**"AnnexureB"**to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid/provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.

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

1) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – refer note 30(a) to the Standalone Ind AS Financial Statement.

2) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

3) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

FOR, **HITESH PRAKASH SHAH & CO.**
(FIRM REGD.NO: 127614W)
CHARTERED ACCOUNTANTS

HITESH PRAKASH SHAH & CO. CHARTERED ACCOUNTANTS FRN: 127614W

HITESH P SHAH
Partner
Membership Number: 124095

Place: Ahmedabad
Date: 21st August2021
UDIN: 21124095AAAAEO2596

Annexure A referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date for the year ended 31st March, 2021of MARUDHAR INDUSTRIES LIMITED.

i. (a) The Company has maintained proper records showingfullparticulars,including quantitative details and situation, of property plant and equipment but it requiresupdation in respect of certain particulars.

(b) The company has a programme of physical verification of its property plant and equipment, by which the property plant and equipment are verified at regular intervals. In accordance with this programme the property plant and equipment were verified during the year and as informed to us no material discrepancies were noticed on such verification. In our opinion this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

ii. The physical verification of inventory, except material in transit, has been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

iv. In our opinion and according to the information and explanations given to us, except advances to the subsidiary, there are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon

v. As explained to us, during the year the company has not accepted any deposit within the meaning of Section 73to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. Pursuant to rules made by the central government of India, the company is required to maintain cost record as specified under section 148(1) of the Act in respect of its product. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (A) As explained to us, the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Goods and services tax, Duty of Customs and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

(B) There are no undisputed statutory dues payable in respect to the above statues, outstanding as at March 31, 2021 for a period of more than six months from the date they became payable.

(C) According to the information and explanations given to us, there areno dues outstanding on account of dispute in respect of Provident Fund, Employee's State Insurance, Sales Tax, Goods and Service Tax, Custom Duty, Duty of Excise, Value Added Tax, Cess, etc, except of income tax.

Name of the Statute	Nature of Dues	Amount (in Rs.)	Period to which the amount relates	Forum where the dispute is pending
Income-tax Act, 1961	Income-tax	12,57,810	Assessment Year 2018-19	Commissioner of Income-tax (Appeal)
Income-tax Act, 1961	Income-tax	9,15,090	Assessment Year 2017-18	Commissioner of Income-tax (Appeal)

HITESH PRAKASH SHAH & CO. FRN: 127614W CHARTERED ACCOUNTANTS

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings from financial institution, bank or dues to debenture holders during the year. The Company did not have any loans or borrowings from the government during the year.

ix. In our opinion, and according to the information and explanations given to us during the year, company has taken working capital term loans during the year and have applied the same for the purpose for which those are taken by thecompany. During the year the company has not raised money by way of Initial Public Offer or further public offer (including debt instruments).

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. According to the information and explanation given by the management, the managerial remuneration has been paid/provided in accordance with the requisite approval mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii. As the Company is not a Nidhi Company, the Nidhi Rules, 2014 are not applicable to it and therefore the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable Accounting Standards.

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. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

HITESH PRAKASH SHAH & CO. CHARTERED ACCOUNTANTS FRN: 127614W

FOR, **HITESH PRAKASH SHAH & CO.**
(FIRM REGD.NO: 127614W)
CHARTERED ACCOUNTANTS

Hite

HITESH P SHAH
Partner
Membership Number: 124095

Place: Ahmedabad
Date: 21st August 2021
UDIN: 21124095AAAAEO2596

Annexure B referred to in Paragraph 1(A)(f) of Report on Other Legal and Regulatory Requirements of our report of even date for the year ended March 31, 2021 of MARUDHAR INDUSTRIES LIMITED.

Report on the Internal Financial Controls under Clause (i) of Sub - section 3 of Section 143 of the Companies Act, 2013 ("the Act") for the year ended on 31st March, 2021.

Opinion

We have audited the internal financial controls over financial reporting of **MARUDHAR INDUSTRIES LIMITED** ("the Company") as of 31st March 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act")

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether 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 with reference to standalone financial statements and their operating effectiveness.

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

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

Meaning of Internal Financial Controls with referenceto the financial statements

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

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

Inherent Limitations of Internal Financial Controls withreference to the financial statements

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

HITESH PRAKASH SHAH & CO. FRN: 127614W CHARTERED ACCOUNTANTS

Opinion

In our opinion, the Company has, in all material respects, except otherwise stated or reported, adequate internal financial controls over financial reporting with reference to these Standalone Financial Statements and such internal financial controls over financial reporting with reference to these Standalone Financial Statements wereoperating effectively as at March 31, 2021, based on the internal control over financial reporting criteria establishedby the Company considering the essential componentsof internal control stated in the Guidance Note on Audit ofInternal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR,**HITESH PRAKASH SHAH & CO.**
(FIRM REGD.NO: 127614W)
CHARTERED ACCOUNTANTS

HITESH PRAKASH SHAH & CO. FRN: 127614W CHARTERED ACCOUNTANTS

Place: Ahmedabad
Date: 21stAugust2021
UDIN: 21124095AAAAEO2596

HITESH P SHAH
Partner
Membership Number: 124095

MARUDHAR INDUSTRIES LIMITED

CIN No: L91110GJ1983PLC022203

Balance Sheet as at 31st March 2021

(Amount In Rupees)

Particulars	Notes	As at 31-03-2021	As at 31-03-2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	53,40,47,130	58,72,23,690
Intangible assets	3	54,06,011	59,60,473
Financial assets	4		
(i) Investments		31,17,372	31,17,372
(ii) Loans		13,06,884	14,06,884
(iii) Other financial assets		1,53,11,504	1,59,66,883
Other non-current assets	9	81,85,326	90,91,229
Total non-current assets		**56,73,74,227**	**62,27,66,531**
Current assets			
Inventories	5	50,09,64,147	40,83,52,026
Financial assets			
(i) Trade receivables	6	36,64,60,688	38,41,68,283
(ii) Cash and cash equivalents	7	5,94,43,278	12,53,50,687
(iii) Bank balances other than (ii) above	8	3,74,28,937	2,98,73,150
(iv) Loans	4	18,30,347	5,86,083
(v) Other financial assets	4	4,17,78,086	16,54,911
Other current assets	9	7,40,22,365	8,51,91,863
Total current assets		**1,08,19,27,848**	**1,03,51,77,003**
TOTAL ASSETS		**1,64,93,02,075**	**1,65,79,43,534**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10	10,22,76,250	10,22,76,250
Other equity	11	40,71,75,412	39,83,28,686
Total other Equity		**40,71,75,412**	**39,83,28,686**
Total Equity		**50,94,51,662**	**50,06,04,936**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	12	16,03,86,018	18,35,97,040
(ii) Other financial Liabilities	14	4,45,57,529	7,17,14,366
Provisions	16	1,08,26,425	84,69,154
Deferred tax liabilities (net)	17	4,87,12,672	4,87,71,567
Total non-current liabilities		**26,44,82,644**	**31,25,52,127**
Current liabilities			
Financial liabilities			
(i) Borrowings	12	67,15,57,675	69,07,89,202
(ii) Trade payables	13		
-Due to Micro and Small Enterprises		-	87,674
-Due to Other than Above		13,03,73,194	9,34,74,901
(iii) Other financial liabilities	14	3,87,19,857	3,23,45,332
Other current liabilities	15	2,42,22,825	94,29,874
Provisions	16	1,04,94,218	1,07,65,131
Current tax liabilities (net)	18	-	78,94,357
Total current liabilities		**87,53,67,769**	**84,47,86,471**
TOTAL EQUITY AND LIABILITIES		**1,64,93,02,075**	**1,65,79,43,534**
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For, Hitesh Prakash Shah & Co.
Chartered Accountants
ICAI Registration No: 127614W

HITESH PRAKASH SHAH & CO. CHARTERED ACCOUNTANTS FRN: 127614W

Hitesh P. Shah
Partner
Membership No. 124095

Place : Ahmedabad
Date : 21st August 2021
UDIN No:- 21124095AAAAEO2596

For, Marudhar Industries Limited

Naresh S. Jain
Managing Director
DIN:00714499

Bhavesh S. Jain
Director
DIN:03091444

P.P. Prajapati

Aziz H. Gohil
Company Secretary

Paresh P. Prajapati
Chief Financial Officer

MARUDHAR INDUSTRIES LIMITED

CIN No: L91110GJ1983PLC022203

Statement of Profit and Loss for the Year Ended on 31st March, 2021

(Amount In Rupees)

Particulars	Notes	Year Ended 31-03-2021	Year Ended 31-03-2020
Revenue			
Revenue From Operation	19	2,20,98,09,479	2,11,01,26,469
Other income	20	32,94,859	55,82,554
Total income		**2,21,31,04,338**	**2,11,57,09,023**
Expenses			
Cost of raw materials and components consumed	21	1,76,48,46,656	1,73,86,09,487
Changes in inventories of finished goods & work-in-progress	22	(2,21,20,329)	(10,13,19,566)
Employee benefits expenses	23	9,22,16,789	10,02,82,266
Finance costs	24	9,56,63,220	8,20,16,249
Depreciation and amortisation expenses	25	4,52,93,802	4,59,31,154
Other expenses	26	20,25,91,640	20,08,48,825
Total expenses		**2,17,84,91,778**	**2,06,63,68,415**
Profit before exceptional items and tax		**3,46,12,560**	**4,93,40,608**
Exceptional items	27	(3,26,33,636)	-
Profit before tax		**19,78,924**	**4,93,40,608**
Tax expense			
Current tax		12,621	(98,29,351)
Excess/ (Short) provision for current tax of earlier years		9,63,201	(23,49,351)
MAT Credit Entitlement of earlier years		48,70,264	-
Deferred tax	28	58,895	16,75,544
Total tax expense		59,04,981	(1,05,03,158)
Profit for the year		**78,83,905**	**3,88,37,450**
Other comprehensive income			
A. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement loss on defined benefit plans		13,33,916	(28,55,525)
Income tax effect		(3,71,095)	718679
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		9,62,821	(21,36,846)
Other comprehensive income for the year, net of tax		9,62,821	(21,36,846)
Total comprehensive income for the year, net of tax		**88,46,726**	**3,67,00,604**
Earnings per equity share [nominal value per share Rs. 10/- (March 31, 2020: Rs.10/-)]			
Basic & Diluted	34	**0.77**	**3.80**
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For, Hitesh Prakash Shah & Co.
Chartered Accountants
ICAI Registration No: 127614W

Hito

Hitesh P. Shah
Partner
Membership No. 124095

HITESH PRAKASH SHAH & CO. CHARTERED ACCOUNTANTS FRN: 127614W

Place : Ahmedabad
Date : 21st August 2021
UDIN No:- 21124095AAAAEO2596

For, Marudhar Industries Limited

Naresh S. Jain
Managing Director
DIN:00714499

Bhavesh S. Jain
Director
DIN:03091444

gohil

Aziz H. Gohil
Company Secretary

P.P.Prajapati

Paresh P. Prajapati
Chief Financial Officer

MARUDHAR INDUSTRIES LIMITED

CIN No: L91110GJ1983PLC022203

Cash Flow Statement for the Year Ended on 31st March 2021

(Amount In Rupees)

Particulars	Year ended 31-03-2021	Year ended 31-03-2020
A: CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax & Other Comprehensive income	19,78,924	4,93,40,608
Adjustments to reconcile profit before tax to net cash flows:		
(Gain)/Loss on Sale/Discard of property, plant and equipment & Capital Work-in-progress (net)	-	1,62,920
Depreciation on property, plant, equipment & Amortisation of Assets	4,52,93,802	4,59,31,154
Finance income (including fair value changes in financial instruments)	(31,27,286)	(27,08,044)
Finance costs (including fair value changes in financial instruments)	9,56,63,220	8,20,16,249
Re-measurement loss on defined benefit plans	13,33,916	(28,55,525)
Operating Profit before working capital changes	**14,11,42,576**	**17,18,87,362**
Working capital adjustments:		
Decrease/(Increase) in trade receivables	1,77,07,595	2,57,14,870
Decrease/(Increase) in inventories	(9,26,12,121)	(7,02,35,774)
Decrease/(Increase) in loans	(11,44,264)	(2,76,003)
Decrease/(Increase) in other non-current financial assets	6,55,379	(15,40,010)
Decrease/(Increase) in other non-financial assets	1,24,37,837	(2,06,41,071)
(Decrease)/Increase in trade payables	3,68,10,619	2,08,92,477
(Decrease)/Increase in other current non-financial liabilities	1,47,92,951	(7,60,045)
Increase in provisions	20,86,358	60,32,575
Cash generated from operations	**13,18,76,930**	**13,10,74,381**
Direct taxes paid (net)	(36,87,705)	(1,02,52,738)
Net Cash (used in) generated from operating activities	**12,81,89,225**	**12,08,21,643**
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets, including CWIP and capital advances	(5,66,51,358)	(4,07,18,534)
Proceeds from sale of fixed assets	-	2,11,000
Redemption/(investment) in bank deposits (having original maturity of more than three months)	(75,55,787)	(64,30,012)
Interest income	38,38,246	25,45,115
Net Cash (used in) generated from investing activities	**(6,03,68,899)**	**(4,43,92,431)**
C: CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term borrowings	(5,32,11,022)	-
Receipt of Long term Borrowings	3,60,00,000	4,69,02,347
Repayment of Short term borrowings	(8,92,31,527)	-
Receipt of Short term Borrowings	7,00,00,000	7,19,04,479
Finance cost paid	(9,72,85,186)	(8,04,60,328)
Net Cash (used in) generated from financing activities	**(13,37,27,735)**	**3,83,46,498**
Net (Decrease)/ Increase in Cash and Cash Equivalents	**(6,59,07,409)**	**11,47,75,710**
Cash and Cash Equivalents at the beginning of the year	12,53,50,687	1,05,74,977
Cash and Cash Equivalents at the end of the year (Refer note-7)	5,94,43,278	12,53,50,687

a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard 7 "Cash Flow Statement".

As per our even date report attached

For, Hitesh Prakash Shah & Co.
Chartered Accountants
ICAI Registration No: 127614W

Hitesh P. Shah
Partner
Membership No. 124095

HITESH PRAKASH SHAH & CO. FRN: 127614W CHARTERED ACCOUNTANTS

Place : Ahmedabad
Date : 21st August 2021
UDIN No:- 21124095AAAAEO2596

For, Marudhar Industries Limited

Naresh S. Jain
Managing Director
DIN:00714499

Bhavesh S. Jain
Director
DIN:03091444

Aziz H. Gohil
Company Secretary

P.P. Prajapati

Paresh P. Prajapati
Chief Financial Officer

MARUDHAR INDUSTRIES LIMITED

Statement of Change in Equity for the year ended 31st March, 2021

A. Equity Share Capital	Numbers	Amt In Rupees
Equity shares of Rs. 10 each issued, subscribed and fully paid		
As at 1st April, 2019	1,02,27,625	10,22,76,250
Issue of Equity Share Capital	-	-
As at 31st March, 2020	1,02,27,625	10,22,76,250
Issue of Equity Share Capital	-	-
As at 31st March, 2021	1,02,27,625	10,22,76,250

B. Other Equity

(Amount In Rupees)

Particulars	Reserves & Surplus						
	Capital Reserve	Capital Redemption Reserve	General Reserve	Revaluation Reserve	Preference Share Redemption Reserve	Retained Earnings	Total Other Equity
As at 1st April, 2019	2,57,05,000	14,01,000	11,86,300	10,39,94,534	1,50,00,000	21,43,41,248	36,16,28,082
Profit for the year	-	-	-	-	-	3,88,37,450	3,88,37,450
Transfer from revaluation reserve to retained earnings	-	-	-	(16,06,885)	-	16,06,885	-
Other Comprehensive Income (Re-measurement loss on defined benefit plans)	-	-	-	-	-	(21,36,846)	(21,36,846)
Total Comprehensive Income	-	-	-	(16,06,885)	-	3,83,07,489	3,67,00,604
As at 31st March, 2020	2,57,05,000	14,01,000	11,86,300	10,23,87,649	1,50,00,000	25,26,48,737	39,83,28,686
Profit for the year	-	-	-	-	-	78,83,905	78,83,905
Transfer from revaluation reserve to retained earnings	-	-	-	(16,06,885)	-	16,06,885	-
Other Comprehensive Income (Re-measurement loss on defined benefit plans)	-	-	-	-	-	9,62,821	9,62,821
Total Comprehensive Income	-	-	-	(16,06,885)	-	1,04,53,611	88,46,726
As at 31st March, 2021	2,57,05,000	14,01,000	11,86,300	10,07,80,764	1,50,00,000	26,31,02,348	40,71,75,412

As per our report of even date
For, Hitesh Prakash Shah & Co.
Chartered Accountants
ICAI Registration No: 127614W

For, Marudhar Industries Limited

Hitesh P. Shah
Partner
Membership No. 124095

HITESH PRAKASH SHAH & CO. FRN: 127614W CHARTERED ACCOUNTANTS

Place : Ahmedabad
Date : 21st August 2021
UDIN No:- 21124095AAAAEO2596

Naresh S. Jain
Managing Director
DIN:00714499

Bhavesh S. Jain
Director
DIN:03091444

Aziz H. Gohil
Company Secretary

P. P. Prajapati

Paresh P. Prajapati
Chief Financial Officer

Notes to Standalone Financial Statements for the Year Ended 31st March, 2021

1. CORPORATE INFORMATION:

MARUDHAR INDUSTRIES LIMITED (the "Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, applicable in India. Its shares arelisted on Calcutta Stock Exchange Limited The registered office of the Company is located at 610-611, Phase-VI, GIDC Vatva, Ahmedabad. The Company is engaged in the manufacturing of Aluminium Foils & Strips and Printed Plastics & Pouches. The Company caters to both domestic and international markets.

The financial statements were authorized for issue in accordance with a resolution passed in Board Meeting held on 21stAugust 2021.

2. BASIS OF PREPARATION:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended including the Companies {Indian Accounting Standards} Amendment Rules,2019) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the standalone financial statement.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments) and derivative financial instruments.

The financial statements are presented in Rupees.

2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a. CURRENT VERSUS NON-CURRENT CLASSIFICATION:

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve month as its operating cycle.

b. FOREIGN CURRENCIES:

The Company's financial statements are presented in Rupees, which is also the Company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded in the Company's functional currency at the exchange rates prevailing on the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are restated in the functional currency at the exchange rates prevailing on the reporting date of financial statements.

Exchange differences arising on settlement of such transactions and on translation of monetary items are recognized in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates on the dates of the initial transactions.

HITESH PRAKASH SHAH & CO. FRN: 127614W ★ CHARTERED ACCOUNTANTS ★

c. **FAIR VALUE MEASUREMENT :**

The Company measures financial instruments, such as, derivatives at fair value at each Balance Sheet date.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative financial instruments and unquoted financial assets measured at fair value, and for non-recurring fair value measurement.

External valuers are involved for valuation of significant assets, such and unquoted financial assets. Involvement of external valuers is decided upon annually by the Management after discussion with and approval by the Company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be premeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant accounting judgments, estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortized cost)

d. **PROPERTY, PLANT AND EQUIPMENT (PPE):**

PPE and Capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and borrowing costs if capitalization criteria are met, the cost of replacing part of the property, plant and equipment and directly attributable cost of bringing the asset to its working condition for the intended use. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of fixed assets are required to be replaced at intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major overhauling is performed, its cost is recognized in the carrying amount

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of the PPE as a replacement if the recognition criteria are satisfied. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of parts replaced, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

CWIP comprises of cost of PPE that are yet not installed and not ready for their intended use at the Balance Sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if applicable.

The Company calculates depreciation on items of property, plant and equipment on a straight-line basis using the rates arrived at based on the useful lives defined under Schedule II of the Companies Act, 2013, except in respect of following fixed assets:

(i) Long Term Lease hold land is amortized over a period of 99 years, being the lease term.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

e. **INTANGIBLE ASSETS:**

Intangible Assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost, less any accumulated amortization and accumulated impairment losses, if any.

Intangible assets in the form of Rights & Titles are amortized over a period of 20 years on a straight-line basis. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

f. **IMPAIRMENT OF NON-FINANCIAL ASSETS:**

The Company assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

g. **BORROWING COSTS:**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

h. **LEASES:**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. A leased asset is depreciated over the useful life of the asset.

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

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i. FINANCIAL INSTRUMENTS:

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

Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Debt instruments - measured at amortized cost
- Debt instruments, derivatives and equity instruments - measured at fair value through Profit and Loss (FVTPL)
- Equity instruments - measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. This category generally applies to trade, loans and other receivables.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments

Investments in subsidiaries are measured at cost as per Ind AS 27 - Separate Financial Statements. All equity investments in scope of Ind AS 109 are measured at fair value. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Company's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

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Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.

b) Financial guarantee contracts which are not measured at FVTPL.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

The Balance Sheet presentation for various financial instruments is described below:

Financial assets measured at amortized cost:

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statement of Profit and Loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including cash credit facilities from banks and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through Statement of Profit and Loss.

Financial liabilities at fair value through Profit and Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through Profit and Loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through statement of Profit and Loss are designated as such at the initial date of recognition and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the Statement of Profit and Loss. The Company has not designated any financial liability at FVTPL.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

This category generally applies to borrowings.

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Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value through Statement of Profit and Loss (FVTPL), adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition

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

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

j. **INVENTORIES:**

Inventories are valued at the lower of cost and net realizable value after providing for obsolescence and other losses, wherever considered necessary. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Scrap is valued at net realizable value. Cost is determined on a Weighted Average method.

Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity, incurred in bringing them in their respective present location and condition.

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

k. **REVENUE:**

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The specific recognition criteria described below must also be met before revenue is recognized.

i) Sale of Goods

Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The normal credit term is 0 to 180 days upon delivery, usually backed by financial arrangements.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any). Revenue from the sale of goods is measured at the fair value of the consideration received or receivable,net of GST, trade discounts & other taxes, adjustments for late delivery charges, material returned/rejected and material sent for Job Work treated as sales.

ii) The Company accounts for pro forma credits, refunds of duty of customs or excise, or refunds of sales tax in the year of admission of such claims by the concerned authorities. Benefits in respect of export licenses are recognized on application.

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Export benefits are accounted for as other operating income in the year of export based on eligibility and when there is no uncertainty on receiving the same.

iii) Dividend is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

iv)Interest Income is recognized on time proportion basis taking into account the amounts outstanding and the rates applicable. Interest income is included under the head "other income" in the Statement of Profit and Loss.

Contract balances

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in note (i) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities (Advance from customers)

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities (Advance from customers) are recognized as revenue when the Company performs under the contract.

l. RETIREMENT AND OTHER EMPLOYEE BENEFITS:

Retirement benefits in the form of provident fund and superannuation fund are defined contribution plans. The Company has no obligation, other than the contributions payable to provident fund and superannuation fund. The Company recognizes contribution payable to these funds as an expense, when an employee renders the related service.

In respect of gratuity liability, the Company operates defined benefit plan wherein contributions are made to a separately administered fund. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each reporting date being carried out using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs; and
- Net interest expense or income

The liability in respect of unused leave entitlement of the employees as at the reporting date is determined on the basis management discretion and the liability is recognized in the Statement of Profit and Loss. The Company presents the entire leave as a current liability in the Balance Sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

m. TAXES:

Tax expense comprises of current income tax and deferred tax.

Current income tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside the Statement of Profit and Loss is recognized outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

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▶ When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable Profit and Loss.

▶ In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against the deductible temporary differences, except:

▶ When the deferred tax asset arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

▶ In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

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

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

Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

n. **PROVISIONS:**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

o. **EARNINGS PER SHARE:**

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

p. **CASH AND CASH EQUIVALENT:**

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above as they are considered an integral part of the Company's cash management.

q. **CASH DIVIDEND:**

The Company recognizes a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the Companies Act, 2013, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

2.2 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS:

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for India.

Further details about gratuity obligations are given in note.

(b) Fair value measurement for financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.3Changes in accounting policies and disclosures

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended March 31,2019 except for the adoption of new standards effective as of April 1,2019. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

New and amended standards

Ind AS 116:Leases

Ind AS 116 supersedes Ind AS 17 "Leases". The standard sets out the principles for the recognition, measurement, presentation and disclosures of leases and requires lessees to account for all leases under a single on-balance sheet model. Effective April 1,2019, the Company adopted Ind AS 116 "Leases" and applied to all lease contracts, identified under Ind AS 17, existing on 1st April, 2019 using the modified retrospective method on the date of initial participation. The Company has assessed applicability of Ind AS 116 and is of view that Company has no such "Lease" transaction to which this Ind AS applies. Therefore, applicability of Ind AS 116 did not have any impact on Financial Statement of the Company.

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MARUDHAR INDUSTRIES LIMITED

CIN No: L91110GJ1983PLC022203

Notes to Financial Statements for the Year ended 31st March, 2021

Note No.-3 Property, Plant and Equipment, Intangible Assets and Capital work-in-progress

(a) Property, Plant and Equipment

(Amount In Rupees)

Particulars	Right to use of Assets (Lease Hold Land)	Buildings	Plant & Machinery	Office Equipment	Computer	Furniture & Fixtures	Vehicles	Total
Cost								
As at 1st April, 2019	11,00,67,810	1,37,86,546	57,96,53,998	12,35,302	7,90,332	3,78,960	39,70,547	70,98,83,495
Additions	-	15,04,500	1,12,93,068	2,25,782	-	-	7,18,281	1,37,41,631
Deductions	-	-	-	-	-	-	7,19,173	7,19,173
As at 31st March, 2020	11,00,67,810	1,52,91,046	59,09,47,066	14,61,084	7,90,332	3,78,960	39,69,655	72,29,05,953
Additions	-	12,69,494	3,00,36,925	4,04,891	4,74,605	-	2,11,000	3,23,96,915
Deductions	-	22,63,454	5,89,55,512	5,02,089	4,96,705	-	-	6,22,17,760
As at 31st March, 2021	11,00,67,810	1,42,97,086	56,20,28,479	13,63,886	7,68,232	3,78,960	41,80,655	69,30,85,108
Depreciation/Amortization and Impairment								
As at 1st April, 2019	48,74,046	17,13,523	8,15,83,222	6,34,652	2,63,216	2,22,896	13,59,269	9,06,50,824
Depreciation/Amortization for the year	16,24,682	5,33,547	4,22,23,752	1,92,515	1,26,232	44,762	6,31,202	4,53,76,692
Deductions	-	-	-	-	-	-	3,45,253	3,45,253
As at 31st March, 2020	64,98,728	22,47,070	12,38,06,974	8,27,167	3,89,448	2,67,658	16,45,218	13,56,82,263
Depreciation/Amortization for the year	16,24,682	5,73,038	4,17,30,023	1,96,083	1,24,685	13,452	4,77,377	4,47,39,340
Deductions	-	4,54,715	2,02,19,566	4,33,969	2,75,375	-	-	2,13,83,625
As at 31st March, 2021	81,23,410	23,65,393	14,53,17,431	5,89,281	2,38,758	2,81,110	21,22,595	15,90,37,978
Net Block								
As at 31st March, 2021	10,19,44,400	1,19,31,693	41,67,11,048	7,74,605	5,29,474	97,850	20,58,060	53,40,47,130
As at 31st March, 2020	10,35,69,082	1,30,43,976	46,71,40,092	6,33,917	4,00,884	1,11,302	23,24,437	58,72,23,690
As at 1st April, 2019	10,51,93,764	1,20,73,023	49,80,70,776	6,00,650	5,27,116	1,56,064	26,11,278	61,92,32,671

Note 1: On 19.03.2021 there was a fire at the packaging division situated at 711, GIDC, Vatva, Ahmedabad. In this incident certain property, plant and equipment were completely damaged. The Company has written off net book value of assets damaged of Rs. 4,08,34,135/- Rs (Gross block of Rs. 6,22,17,760/-) and shown as receivable from insurance company.

(b) Intangible Assets

(Amount In Rupees)

Particulars	Rights & Title
Cost	
As at 1st April, 2019	81,78,321
Additions	-
Deductions	-
As at 31st March, 2020	81,78,321
Additions	-
Deductions	-
As at 31st March, 2021	81,78,321
Amortisation and Impairment	
As at 1st April, 2019	16,63,386
Amortisation for the year	5,54,462
As at 31st March, 2020	22,17,848
Amortisation for the year	5,54,462
As at 31st March, 2021	27,72,310
Net Block	
As at 31st March, 2021	54,06,011
As at 31st March, 2020	59,60,473
As at 1st April, 2019	65,14,935

HITESH PRAKASH SHAH & CO. ★ CHARTERED ACCOUNTANTS ★
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MARUDHAR INDUSTRIES LIMITED

Notes to Financial Statements for the Year Ended 31st March, 2021

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
4	**Financial Assets**		
	Investments		
	Quoted Investments		
	2500 (P.Y. 2500) Equity Shares of Rs.10/-each of Pennar Aluminium Ltd.	500	500
	Non-Trade Investments		
	The Green Enviromental Service.Co-op Society	5,000	5,000
	Investment in Subsidary Company (At Cost)		
	112180 (P.Y. 112180) Equity Shares of Rs. 10 each fully paid up in Sambhav Machinery Private Limited	31,11,872	31,11,872
	Total	31,17,372	31,17,372
	Current	-	-
	Non-Current	31,17,372	31,17,372
	Total	31,17,372	31,17,372
	Aggregate Carrying value of Unquoted Investments	31,16,872	31,16,872
	Aggregate Carrying value and Market value of Quoted Equity Shares	500	500
	Total	31,17,372	31,17,372
	Loans (Unsecured, Considered Good)		
	Loans to Employees	31,37,231	19,92,967
	Total	31,37,231	19,92,967
	Current	18,30,347	5,86,083
	Non-Current	13,06,884	14,06,884
	Total	31,37,231	19,92,967
	Other Financial Assets		
	Interest Accrued	9,43,951	16,54,911
	Insurance Claim on Loss of Fixed Asset	4,08,34,135	-
	Security deposits	1,53,11,504	1,59,66,883
	Total	5,70,89,590	1,76,21,794
	Current	4,17,78,086	16,54,911
	Non-Current	1,53,11,504	1,59,66,883
	Total	5,70,89,590	1,76,21,794

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
5	**Inventories**		
	Raw materials		
	Raw materials and components [Including Goods in transit as at 31-03-2021 of Rs. 3,18,42,069/- (as at 31-03-2020 of Rs. 1,70,92,373/-)]	12,54,06,862	4,98,85,337
	Work-in-progress	17,67,77,816	19,33,68,489
	Finished goods	16,74,49,970	12,87,38,968
	Stores and spares	3,13,29,499	3,63,59,232
	Total	50,09,64,147	40,83,52,026

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
6	**Trade Receivables**		
	Trade receivables		
	- Unsecured, considered good	36,64,60,688	38,41,68,283
	Total	36,64,60,688	38,41,68,283
a)	No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.		

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
7	**Cash and Cash Equivalents**		
	Balances with Banks		
	- In Current accounts	3,25,93,093	9,92,28,145
	- Deposits with original maturity of three months or less	2,64,78,584	2,57,19,619
	Cash in Hand	3,71,601	4,02,923
	Total	5,94,43,278	12,53,50,687

MARUDHAR INDUSTRIES LIMITED

Notes to Financial Statements for the Year Ended 31st March, 2021

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
8	**Other Bank Balances**		
	Balances with Banks		
	- Deposits with original maturity of more than three months but less than 12 Months	3,74,28,937	2,98,73,150
	Total	3,74,28,937	2,98,73,150

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
9	**Other Assets**		
	Capital advances	75,99,326	85,05,229
	Prepaid expense	17,92,769	24,98,493
	Advance receivable in cash or kind		
	Advance for material and others		
	-To Subsidiary	2,84,53,277	2,25,83,420
	-To Others	2,50,70,589	5,08,71,720
	Balance With Revenue Authority	1,92,91,730	98,24,230
	Total	8,22,07,691	9,42,83,092
	Current	7,40,22,365	8,51,91,863
	Non-Current	81,85,326	90,91,229
	Total	8,22,07,691	9,42,83,092
a)	Advances given to subsudiary are for the purchase of Goods and other business activities.		

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MARUDHAR INDUSTRIES LIMITED

Notes to Financial Statements for the Year Ended 31st March, 2021

Note No.	Particulars	Numbers	Amount In Rupees
10	**Share Capital**		
	Authorised Share Capital		
	Equity shares of Rs. 10 each		
	As at 1st April, 2019	1,05,89,000	10,58,90,000
	Increase/(decrease) during the year	-	-
	As at 31st March, 2020	1,05,89,000	10,58,90,000
	Increase/(decrease) during the year	-	-
	As at 31st March, 2021	**1,05,89,000**	**10,58,90,000**
	11% Non- Convertible Preference Shares of Rs. 100 each		
	As at 1st April, 2019	16,100	16,10,000
	Increase/(decrease) during the year	-	-
	As at 31st March, 2020	16,100	16,10,000
	Increase/(decrease) during the year	-	-
	As at 31st March, 2021	**16,100**	**16,10,000**
	10% Non- Convertible Preference Shares of Rs. 100 each		
	As at 1st April, 2019	2,00,000	2,00,00,000
	Increase/(decrease) during the year	-	-
	As at 31st March, 2020	2,00,000	2,00,00,000
	Increase/(decrease) during the year	-	-
	As at 31st March, 2021	**2,00,000**	**2,00,00,000**
	7% Non- Convertible Preference Shares of Rs. 100 each		
	As at 1st April, 2019	2,25,000	2,25,00,000
	Increase/(decrease) during the year	-	-
	As at 31st March, 2020	2,25,000	2,25,00,000
	Increase/(decrease) during the year	-	-
	As at 31st March, 2021	**2,25,000**	**2,25,00,000**
	Issued Share Capital		
	Equity shares of Rs. 10 each issued, subscribed and fully paid		
	As at 1st April, 2019	1,02,27,625	10,22,76,250
	Increase/(decrease) during the year	-	-
	As at 31st March, 2020	1,02,27,625	10,22,76,250
	Increase/(decrease) during the year	-	-
	As at 31st March, 2021	**1,02,27,625**	**10,22,76,250**

Details of Shareholders holding more than 5% Equity Shares in the Company

Name of the Shareholder	As at 31-03-2021		As at 31-03-2020	
	No. of Shares	% held	No. of Shares	% held
Shri Naresh S Jain	51,89,000	50.74%	51,89,000	50.74%
Shri Bhavesh S Jain	47,89,625	46.83%	47,89,625	46.83%

a) **Rights, preference and restriction attached to Equity Shares**

-The company has only one class of equity shares having a face value of Rs 10/- per share.
-Each holder of equity shares is entitled to one vote per share.
-The company declares and pay dividends in Indian rupees.
-The proposed dividend recommended by the Board of Directors is subject to the approval of the Sharesholders at the ensuing Annual General Meeting.
-During the year ended 31st March, 2021, the amount of per share dividend recognized as distributions to equity shareholders was Rs Nil (31 March, 2020: Rs Nil).
-In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents legal ownerships of shares.

b) **Rights, preference and restriction attached to Preference shares**

The company has three different class of Non Cumulative Redeemable Preference shares having a face value of Rs. 100/- each. Each class of shares carry different rate of dividend. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of Shareholders at the ensuing Annual General Meeting.

Each holder of Preference share is entitled to one vote per share only on resolutions placed before the company which directly affect the rights attached to the Preference shares.

In the event of liquidation of the company, the holders of Non Cumulative Preference shares will have priority over equity share in the payment of dividend and repayment of capital.
(i) The 7% Non Cumulative redeemable Preference shares are redeemable by Financial Year 2025-26.

c) There were no shares reserved at the year-end for issue under options and contracts / commitments for the sale of shares / disinvestment.

d) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash or by way of bonus shares or equity shares bought back for the period of 5 years immediately preceding the balance sheet date:

Particulars	As at 31-03-2021	As at 31-03-2020	As at 01-04-2019
NIL			

HITESH PRAKASH SHAH & CO. FRN: 127614W CHARTERED ACCOUNTANTS

MARUDHAR INDUSTRIES LIMITED

Notes to Financial Statements for the Year Ended 31st March, 2021

Note No.	Particulars	Amount in Rupees
11	**Other Equity**	
	Other Reserves	
	Capital Reserve	
	As at 1st April, 2019	2,57,05,000
	Increase/(decrease) during the year	-
	As at 31st March, 2020	2,57,05,000
	Increase/(decrease) during the year	-
	As at 31st March, 2021	2,57,05,000
	Capital reserve is mainly used to record the amounts forfeited towards the forfeited of Preference Shares. This reserve is utilised in accordance with the provisions of the Companies Act, 2013	
	General Reserve	
	As at 1st April, 2019	11,86,300
	Increase/(decrease) during the year	-
	As at 31st March, 2020	11,86,300
	Increase/(decrease) during the year	-
	As at 31st March, 2021	11,86,300
	Capital Redemption Reserve	
	As at 1st April, 2019	14,01,000
	Increase/(decrease) during the year	-
	As at 31st March, 2020	14,01,000
	Increase/(decrease) during the year	-
	As at 31st March, 2021	14,01,000
	Capital Redemption Reserve is created by transfer from Preference Share Redemption Reserve an amount equal to face value of Shares bought back. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.	
	Revaluation Reserve	
	As at 1st April, 2019	10,39,94,534
	Increase/(decrease) during the year	(16,06,885)
	As at 31st March, 2020	10,23,87,649
	Increase/(decrease) during the year	(16,06,885)
	As at 31st March, 2021	10,07,80,764
	Revaluation Reserve is created out of Revaluation of Lease hold Land and it will be utilised in accordance with the provisions of the Companies Act, 2013.	
	Preference Share Redemption Reserve	
	As at 1st April, 2019	1,50,00,000
	Increase/(decrease) during the year	-
	As at 31st March, 2020	1,50,00,000
	Increase/(decrease) during the year	-
	As at 31st March, 2021	1,50,00,000
	The company has issued redeemable non-convertible preference shares. The company to create Preference Share Redemption Reserve (PSRR) out of profits of the company available for payment of dividend. The Company has upfront created PSRR out of retained earnings and would be utilized at the time of redeemption of Preference Share.	
	Retained Earnings	
	As at 1st April, 2019	21,43,41,248
	Profit for the year	3,88,37,450
	Transfer from revaluation reserve to retained earnings	16,06,885
	Other Comprehensive Income (Re-measurement loss on defined benefit plans)	(21,36,846)
	As at 31st March, 2020	25,26,48,737
	Profit for the year	78,83,905
	Transfer from revaluation reserve to retained earnings	16,06,885
	Other Comprehensive Income (Re-measurement loss on defined benefit plans)	9,62,821
	As at 31st March, 2021	26,31,02,348
	Total Other Equity As at 31st March, 2021	40,71,75,412
	Total Other Equity As at 31st March, 2020	39,83,28,686
	Total Other Equity As at 1st April, 2019	36,16,28,082

HITESH PRAKASH SHAH & CO.
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MARUDHAR INDUSTRIES LIMITED

Notes to Financial Statements for the Year Ended 31st March, 2021

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
12	**Borrowings**		
	Long term Fund		
	7% Non-Cumulative Redeemable Preference Share Capital (Refer Note-10)	1,50,00,000	1,50,00,000
		1,50,00,000	**1,50,00,000**
	Short term Borrowings from Bank		
	-Secured Borrowings		
	Working Capital Loans - [Refer note No. (a) & (b)]	33,57,58,847	51,80,11,619
	Letter of Credit - [Refer note No. (a) & (b)]	22,05,25,494	12,00,67,824
	Buyers Credit - [Refer note No. (a) & (b)]	-	1,69,97,591
	-Unsecured Borrowings		
	Credit Card Loan -	2,38,15,484	1,42,54,318
	Short term Borrowings from Financial Institutions		
	-Secured Borrowings		
	Working Capital Loans - [Refer note No. (a) & (b)]	7,00,00,000	-
	Short term Borrowings		
	-Unsecured Borrowings		
	-From Subsidiary	2,14,57,850	2,14,57,850
		67,15,57,675	**69,07,89,202**
	Long Term Borrowing		
	-Secured Borrowings		
	Working Capital Term Loans - [Refer note No. (a) & (b)]	3,60,00,000	-
	-Unsecured Borrowings		
	-From Body Corporates	6,04,51,770	6,53,54,569
	-From Directors	5,49,34,248	10,32,42,471
		15,13,86,018	**16,85,97,040**
	Less: Current maturity of Long term Borrowings	60,00,000	-
	Total Borrowings	**83,19,43,693**	**87,43,86,242**
	Current	67,15,57,675	69,07,89,202
	Non-Current	16,03,86,018	18,35,97,040
	Total	**83,19,43,693**	**87,43,86,242**

a) Working Capital facilities from Banks and Financial Institution are secured by way of Hypothecation of Stock in Trade and Book Debts and personal Guarantee of some of the Directors of the Company.

b) Working Capital facilities obtained from Banks Namely HDFC Bank carrying interest rate 9.65% , Punjab National Bank carrying interest rate 10.60% and Bajaj Finance Ltd. carrying interest rate 8.25% are secured by pari-pasu/Joint charge by way of Hypothecation of Plant and Machinery, Factory Land and Building Plot no. 610-611 and 711 GIDC, Vatva Phase-IV, Ahmedabad and Equitable Mortgage of Factory Land and Building Plot of Sambhav Machinery Mfg. Pvt. Ltd. situated at 509, GIDC Phase IV, Vatva Ahmedabad and it is further secured by corporate guarantee of the company. Further the working capital loan is also secured by way of Hypothecation of residential property of Shri Naresh Jain situated at C-1101-Gala Interior, Opp. Drive In Cinema, Thaltej, Ahmedabad and residential property of Shri Bhavesh Jain situated at Flat No.-102, First Floor, Safal Param, Mauje Vejalpur, Ahmedabad. However, NOC for sharing the Pari passu charge in favour of Bajaj Finance Ltd. are pending from existing bankers.

c) Repayment schedule of long term borrowings

Particulars	Repayable in		
	< 1 year	1 - 3 years	> 3 years
-Secured Borrowiong			
Working Capital Term Loans	60,00,000	2,40,00,000	60,00,000
-Unsecured Borrowiong			
-From Body Corporates	-	-	6,04,51,770
-From Directors	-	-	5,49,34,248
-Long Term Fund			
-Redeemable Preference Share Capital	-	-	1,50,00,000
Total	60,00,000	2,40,00,000	13,63,86,018

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
13	**Trade Payables**		
	Dues to Micro, Small and Medium Enterprises	-	87,674
	Dues to Key Managerial Personnel	1,39,158	92,287
	Dues to Key Relatives of Key Managerial Personnel	1,48,084	1,57,156
	Dues to Other than above	13,00,85,952	9,32,25,458
	Total	13,03,73,194	9,35,62,575

a) Amount due to micro and small enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to micro and small enterprises is as below:

Particulars	As at 31-03-2021	As at 31-03-2020
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	87,674
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-

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MARUDHAR INDUSTRIES LIMITED

Notes to Financial Statements for the Year Ended 31st March, 2021

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
14	**Other Financial Liabilities**		
	Current maturity of Long term borrowings (Refer note-12)	60,00,000	-
	Interest Accrued and due	2,34,256	-
	Interest Accrued but not due	4,65,067	23,21,289
	Payables in respect of capital goods (Includes Secured Creditors of Rs. 7,42,62,559/- and as at 31-03-2020 of Rs. 10,04,00,100/- which are secured against their respective assets)	7,65,78,063	10,17,38,409
		8,32,77,386	10,40,59,698
	Current	3,87,19,857	3,23,45,332
	Non-Current	4,45,57,529	7,17,14,366
		8,32,77,386	10,40,59,698

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
15	**Other Current Liabilities**		
	Interest free Advance from Customers	2,09,81,934	58,54,387
	Statutory dues payable	32,40,891	35,75,487
		2,42,22,825	94,29,874

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
16	**Provisions**		
	- Provision for Employee Benefit (Refer note-29)	2,13,20,643	1,92,34,285
		2,13,20,643	1,92,34,285
	Current	1,04,94,218	1,07,65,131
	Non-Current	1,08,26,425	84,69,154
		2,13,20,643	1,92,34,285

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
17	**Deferred Tax**		
	Liability on accelerated depreciation for tax purpose	5,27,21,556	5,69,95,011
	Asset on expenses allowed in year of payment	(40,08,884)	(48,40,885)
	Other adjustments	-	(33,82,559)
		4,87,12,672	4,87,71,567

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
18	**Current Tax Liabilities**		
	- Provision for Income tax (Net of Advance tax)	-	78,94,357
		-	78,94,357

HITESH PRAKASH SHAH & CO. FRN: 127614W CHARTERED ACCOUNTANTS

MARUDHAR INDUSTRIES LIMITED

Notes to Financial Statements for the Year Ended 31st March, 2021

(Amount In Rupees)

Note No.	Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
19	**Revenue from operations**		
	Sales of Products (Finished Goods & Traded Goods)	2,14,71,41,802	2,09,52,60,451
	Revenue from Service Contracts	2,96,33,505	1,45,38,170
	Loss of Inventories on fire	3,26,33,636	
	Gross Revenue from operations	**2,20,94,08,943**	**2,10,97,98,621**
	Other Non-Operating Income		
	Duty Drawback	4,00,536	3,27,848
	Total Revenue from operations	**2,20,98,09,479**	**2,11,01,26,469**
i)	**Disaggregated revenue Information**		
	Type of Goods & Services		
	a) Aluminium Division	1,05,99,67,808	1,11,46,28,548
	b) Plastic Division	1,12,58,70,715	98,55,11,553
	c) Revenue From Service Contracts with Customers	2,96,33,505	1,45,38,170
	Gross Revenue	**2,21,54,72,028**	**2,11,46,78,271**
	Less : Inter Segment Revenue	(60,63,085)	(48,79,650)
	Total Revenue from operations	**2,20,94,08,943**	**2,10,97,98,621**
	India	2,15,90,04,477	2,08,23,26,020
	Outside India	5,04,04,466	2,74,72,601
	Total Revenue from operations	**2,20,94,08,943**	**2,10,97,98,621**

ii) Revenue from sale of products are recorded at a point of time of Rs. 2,17,97,75,438/- (March 31, 2020 Rs. 2,09,52,60,451/-) and those from sale of services are recognised over a period of time of Rs. 2,96,33,505/-(March 31, 2020 Rs. 1,45,38,170/-).

iii) **Set Out Below is the amount of revenue recognised from**

(Amount In Rupees)

Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
Amount Of Contract Liability (Advance Customers) at the beginning of the year	58,54,387	44,82,655
Perfomance obligation satisfied during the previous year	58,54,387	44,82,655

iv) **Contract Balances:-**

(Amount In Rupees)

Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
Trade Receivables	36,64,60,688	38,41,68,283
Contract Liabilities	2,09,81,934	58,54,387

(Amount In Rupees)

Note No.	Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
20	Other Income		
	Interest income on		
	Security Deposits	5,58,593	7,74,581
	Bank deposits	23,30,290	27,08,044
	Advances and other	2,38,403	-
	Foreign Exchange rate Fluctuation	-	13,60,912
	Other non-operating income		
	Insurance Claim	1,67,573	7,39,017
	Total	**32,94,859**	**55,82,554**

(Amount In Rupees)

Note No.	Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
21	Cost of raw material and components consumed		
	- Opening Inventory	4,98,85,337	8,97,27,491
	- Add: Purchases	1,84,03,68,181	1,69,87,67,333
		1,89,02,53,518	**1,78,84,94,824**
	- Less: Closing Inventory	12,54,06,862	4,98,85,337
	Cost of raw materials and components consumed	**1,76,48,46,656**	**1,73,86,09,487**

HITESH PRAKASH SHAH & CO. FRN: 127614W CHARTERED ACCOUNTANTS

MARUDHAR INDUSTRIES LIMITED

Notes to Financial Statements for the Year Ended 31st March, 2021

(Amount In Rupees)

Note No.	Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
22	**(Increase)/Decrease In Inventory**		
	Inventories at the end of the year		
	- Work in Progress	17,67,77,816	19,33,68,489
	- Finished Goods	16,74,49,970	12,87,38,968
		34,42,27,786	**32,21,07,457**
	Inventories at the beginning of the year		
	- Work in Progress	19,33,68,489	14,21,61,060
	- Finished Goods	12,87,38,968	7,86,26,831
		32,21,07,457	**22,07,87,891**
	(Increase)/Decrease In Inventory		
	- Work in Progress	1,65,90,673	(5,12,07,429)
	- Finished Goods	(3,87,11,002)	(5,01,12,137)
	Total	**(2,21,20,329)**	**(10,13,19,566)**

(Amount In Rupees)

Note No.	Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
23	**Employee Benefits**		
	Salaries, wages and bonus		
	-Remuneration Paid to Key Managerial Persons	29,98,700	33,44,590
	-Sitting Fees Paid to Key Managerial Persons	60,000	50,000
	-Paid to Others	7,71,42,656	8,44,50,007
	Contribution to provident and other funds	67,98,406	78,88,406
	Gratuity expense	40,54,967	32,10,758
	Staff welfare expenses	11,62,060	13,38,505
	Total	9,22,16,789	10,02,82,266

(Amount In Rupees)

Note No.	Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
24	**Finance Cost**		
	Interest on debts and borrowings	7,75,38,619	6,64,68,556
	Bank charges & Commission	1,09,07,575	80,89,489
	Interest others	44,08,924	74,58,204
	Interest on statutory Dues	28,08,102	-
	Total	9,56,63,220	8,20,16,249

(Amount In Rupees)

Note No.	Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
25	**Depreciation and Amortization Expenses**		
	Depreciation of tangible assets (Refer Note 3)	4,47,39,340	4,53,76,692
	Amortization of intangible assets (Refer Note 3)	5,54,462	5,54,462
	Total	4,52,93,802	4,59,31,154

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Notes to Financial Statements for the Year Ended 31st March, 2021

(Amount In Rupees)

Note No.	Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
26	**Other Expense**		
	Power and Fuel	9,28,94,680	9,35,76,261
	Repairs and Maintenance		
	- Plant & Machinery	1,02,27,927	67,06,931
	- Building	8,475	3,54,590
	- Others	4,06,963	8,40,853
	Stores Consumption	6,85,92,641	6,46,71,222
	Donation Expenses	1,25,100	7,24,400
	Factory General	5,40,907	4,66,008
	Security Expense	48,86,521	48,18,620
	Water Charges	2,18,350	2,91,830
	Rent	39,05,000	41,34,500
	Rates & Taxes	23,30,292	4,34,168
	Legal, Professional & Consultancy	36,47,617	48,88,835
	Telephone Expenses	2,79,452	3,44,043
	Travelling Expenses	3,63,802	12,96,291
	Insurance Charges	33,54,834	29,40,364
	Conveyance Expenses	7,63,429	11,25,628
	Payment to Statutory Auditor (Refer Note-a)	2,70,000	2,60,000
	Printing & Stationery	4,80,343	5,12,188
	Postage and Telegram	2,23,920	6,66,521
	General Expenses	15,39,670	13,11,041
	Freight Expenses	13,93,944	39,91,975
	Foreign Exchange rate Fluctuation Loss/(Gain)	24,08,977	-
	Loss on Sale of Property, Plant & Equipments	-	1,62,920
	Commission	17,48,247	20,98,073
	Advertisement & Sales Promotion	7,26,591	10,22,623
	Bad Debts & Vatav Kasar and Sundry Balance written Off (Net)	12,53,958	32,08,940
	Total	**20,25,91,640**	**20,08,48,825**
a)	Payments to Auditors		
	As Auditor:		
	- Audit Fee	2,40,000	2,40,000
		2,40,000	**2,40,000**
	In other capacity:		
	- Other Services	30,000	20,000
		30,000	**20,000**
	Total	**2,70,000**	**2,60,000**

(Amount In Rupees)

Note No.	Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
27	**Exceptional Items**		
	Loss of Stock by fire	(3,26,33,636)	-
	Total	**(3,26,33,636)**	**-**

a) On 19.03.2021 packaging division of the Company situated at 711, GIDC, Vatva, Ahmedabad was fully damaged due to fire whereby Building, Plant & Equipments and Inventories lying at the premises were destroyed and therefore the net block of the Property Plant & Equipments has been reduced by Rs. 4,08,34,135/-and shown as receivable from insurance company and the loss on account of fire in Inventory of Rs.3,26,33,636/- has reduced from the inventories and shown as an exceptional item.

The company has an insurance policy against the loss and as per the insurance policy, the company is entitled for the claim of the policy amount of reinstatement of cost of Building, plant & equipment and Inventory and since the amount of claim of the Fixed Assets and Inventories is under assessment and acceptance by the Insurance Company, effect of the amount of claim in respect of inventories has not been given in the accounts. Necessary remaining effect of the insurance claim in the accounts will be given on the receipts of claim amount and complete erection of the Unit.

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Notes to Financial Statements for the Year Ended 31st March, 2021

(Amount in Rupees)

Note No.	Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
28	**Income Tax**		
	The major component of income tax expense for the years ended 31st March, 2021 and 31st March, 2020 are :		
	Statement of Profit and Loss		
	Current tax		
	Current income tax	(12,621)	98,29,351
	Deferred tax		
	Deferred tax expense/(benefit)	(58,895)	(16,75,544)
	Tax in respect of Earlier years	(9,63,201)	23,49,351
	MAT Credit Entitlement of earlier years	(48,70,264)	-
	Income tax expense reported in the Statement of Profit and Loss	**(59,04,981)**	**1,05,03,158**
	Other comprehensive income (OCI)		
	Deferred tax related to items recognised in OCI during the year		
	Re-measurement loss on defined benefit plans	(3,71,095)	7,18,679
	Deferred tax credited to OCI	**(3,71,095)**	**7,18,679**
	Total Income Tax for the year ended	**(55,33,886)**	**97,84,479**

a) Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended **31st March, 2021 and 31st March,**

(Amount in Rupees)

Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
Accounting Profit before tax	**19,78,924**	**4,93,40,608**
Enacted income tax rate in India applicable to the Company	27.82	25.17
Tax using the Company's domestic tax rate	**5,50,537**	**1,24,18,044**
Tax effects of :		
Non-deductible expenses	4,57,562	14,37,478
Others	(65,41,985)	(40,71,043)
Total Income Tax for the year ended	**(55,33,886)**	**97,84,479**

b) **Deferred Tax**

(Amount in Rupees)

Particulars	Statement of Profit and Loss	
	Year Ended 31-03-2021	Year Ended 31-03-2020
Liability on accelerated depreciation for tax purpose	(42,73,455)	(9,32,167)
Asset on expenses allowed in year of payment	8,32,001	(8,93,574)
Other adjustments	33,82,559	1,50,197
Total	**(58,895)**	**(16,75,544)**

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Notes to Financial Statements for the Year Ended 31st March, 2021

29 **Employee Benefits Expense**

29.1 **A. Defined contribution plans:**

Amount of Rs. 67,98,406/- (31st March, 2020: Rs. 78,88,406/-) is recognised as expenses and included in Note No. 23 "Employee benefits expense"

Particulars	Year ended 31-03-2021	Year ended 31-03-2020
Provident Fund	56,40,467	63,82,378
Contributory employee Safety Insurance	11,57,939	15,06,028
Subtotal A	**67,98,406**	**78,88,406**
Gujarat Labour Welfare Fund	8,568	9,840
Subtotal B	**8,568**	**9,840**
Total [A+B]	**68,06,974**	**78,98,246**

B. Defined benefit plans:

The Company operates gratuity plan in the nature of defined benefit plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service. The gratuity plan is governed by the payment of Gratuity Act,1972.

31st March, 2021 : Changes in defined benefit obligation and plan assets

(Amount In Rupees)

Particulars	1st April, 2020	Service cost	Net interest expense	Sub-total included in Statement of Profit and Loss (Note 23)	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	31st March, 2021
Gratuity												
Defined benefit obligation	3,75,69,098	30,62,112	25,88,511	56,50,623	(13,99,926)	-	-	79,543	(16,63,261)	(15,83,718)	-	4,02,36,077
Fair value of plan assets	2,31,59,019	-	15,95,656	15,95,656	(13,99,926)	(2,49,802)	-	-	-	(2,49,802)	-	2,31,04,947
Benefit liability	1,44,10,079	30,62,112	9,92,855	40,54,967	-	2,49,802	-	79,543	(16,63,261)	(13,33,916)	-	1,71,31,130
Total benefit liability	**1,44,10,079**	**30,62,112**	**9,92,855**	**40,54,967**	**-**	**2,49,802**	**-**	**79,543**	**(16,63,261)**	**(13,33,916)**	**-**	**1,71,31,130**

31st March, 2020 : Changes in defined benefit obligation and plan assets

(Amount In Rupees)

Particulars	1st April, 2019	Service cost	Net interest expense	Sub-total included in Statement of Profit and Loss (Note 23)	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	31st March, 2020
Gratuity												
Defined benefit obligation	3,04,96,325	24,96,452	23,75,664	48,72,116	(4,63,407)	-	-	31,44,576	(4,80,512)	26,64,064	-	3,75,69,098
Fair value of plan assets	2,20,92,854	-	17,21,033	17,21,033	(4,63,407)	(1,91,461)	-	-	-	(1,91,461)	-	2,31,59,019
Benefit liability	84,03,471	24,96,452	6,54,631	31,51,083	-	1,91,461	-	31,44,576	(4,80,512)	28,55,525	-	1,44,10,079
Total benefit liability	**84,03,471**	**24,96,452**	**6,54,631**	**31,51,083**	**-**	**1,91,461**	**-**	**31,44,576**	**(4,80,512)**	**28,55,525**	**-**	**1,44,10,079**

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Notes to Financial Statements for the Year Ended 31st March, 2021

29.2 The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	As at 31-03-2021	As at 31-03-2020
Insurance Funds	2,31,04,947	2,31,59,019
(%) of total plan assets	100.00%	100.00%

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Year ended 31-03-2021	Year ended 31-03-2020
Discount rate	6.87%	6.89%
Future salary increase	7.00%	7.00%
Expected rate of return on plan assets	6.87%	6.89%
Employee Turnover Rate	3.00%	3.00%
Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality rate after employment	N.A	N.A

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity

(increase) / decrease in defined benefit obligation (Impact)

Particulars	Sensitivity level	As at 31-03-2021	As at 31-03-2020
Discount rate	1% increase	(36,74,662)	(34,66,410)
	1% decrease	43,39,064	40,97,523
Salary increase	1% increase	39,97,589	37,63,137
	1% decrease	(35,04,647)	(33,11,607)
Employee turnover	1% increase	(20,637)	(16,396)
	1% decrease	15,175	10,641

The followings are the expected future benefit payments for the defined benefit plan :

Particulars	As at 31-03-2021	As at 31-03-2020
Within the next 12 months (next annual reporting period)	38,58,407	40,69,527
Between 2 and 5 years	73,19,106	60,94,149
Beyond 5 years	8,45,98,364	8,02,86,086
Total expected payments	9,57,75,877	9,04,49,762

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	As at 31-03-2021	As at 31-03-2020
	Years	Years
Gratuity	15	15

The followings are the expected contributions to planned assets for the next year:

Particulars	As at 31-03-2021	(Amount in Rs.) As at 31-03-2020
Gratuity	63,04,705	59,40,925

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30 COMMITMENTS AND CONTINGENCIES

a) Contingent Liabilities :-

(Amount In Rupees)

Sr. No.	Particulars	As at 31-03-2021	As at 31-03-2020
a)	Bills discounted and not matured	-	3,513,677
b)	Bank Guarantee	1,907,237	9,997,136
c)	Income-tax (without interest)	2,172,900	2,172,900

b) Capital Commitment

Estimated amount of contracts remaining to be executed on capital account (net of advances) & not provided for Rs. 1,05,13,449/- (31-03-2020 Rs. 1,69,36,763/-)

31 Segment Information

The segment report is given in consolidated financial statements.

32 Related Party disclosures

As required by Indian Accounting Standard - 24 "Related Parties Disclosures" the disclosure of transactions with related parties are given below :

A Relationships

	Key Management Personnel		
	Mr. Naresh S Jain	Managing Director	
	Mr. Bhaveh S Jain	Director	
	Mr. Satish Sampatraj Shah	Director	resigned w.e.f 13th Nov 2020
	Ms. Darsha R. Kakani	Director	
	Mr. Narendra Navalakha	Director	
	Mr. Paresh P. Prajapati	Chief Financial Officer	
	Mr. Paras R. Shah	Company Secretary	Resigned w.e.f 31st Dec 2020
	Mr. Aziz H. Gohil	Company Secretary	Appointed w.e.f 1st July 2021
B	**Relatives of Key Management Personnel**		
	Mrs. Amanpreetkaur B Jain	Spouse of Bhavesh S Jain	
	Mrs. Nimisha N. Jain	Spouse of Naresh S Jain	
C	**Associate Concern**		
	Sambhav Machinery Private Limited	Subsidiary Company	

(Amount In Rupees)

Particulars	2020-21	2019-20
Remuneration Paid :		
-Mr. Naresh S. Jain	1,245,715	1,332,652
-Mr. Bhavesh S. Jain	1,245,715	1,332,652
Receipt of Loan		
-Mr. Naresh S. Jain	36,000	40,435,000
-Mr. Bhavesh S. Jain	-	45,000,000
Repayment of loan		
-Mr. Naresh S. Jain	48,200,559	10,652,222
-Mr. Bhavesh S. Jain	3,383,665	2,975,000
Salary		
-Mrs. Amanpreetkaur B Jain	1,745,142	1,745,142
-Mrs. Nimisha N. Jain	943,724	1,009,585
-Mr. Paresh P. Prajapati	257,279	288,449
-Mr. Paras R. Shah	249,991	390,837
Rent Paid		
-Mr. Naresh S. Jain	1,800,000	1,800,000
-Mr. Bhavesh S. Jain	1,800,000	1,800,000
-Sambhav Machinery Private Limited	305,000	300,000
Sitting Fees		
- Mr. Narendra Navalakha	60,000	-
- Ms. Darsha R. Kikani	-	50,000
Sambhav Machinery Private Limited		
-Machinery Purchase	1,225,700	1,156,000
-Job work Expenses	1,151,300	1,399,000
-Raw Material Purchase	1,655,000	-
Advances given for Material, Capital Goods & Others		
Sambhav Machinery Private Limited	155,539,257	22,583,420
Advances received back given for Material, Capital Goods & Others		
Sambhav Machinery Private Limited	149,340,000	-

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Outstanding as at year end	As at 31-03-2021	As at 31-03-2020
Payable		
-Mr. Naresh S. Jain (Loan)	76,24,179	5,41,68,737
-Mr. Bhavesh S. Jain (Loan)	4,73,10,069	4,90,73,734
-Sambhav Machinery Private Limited (Loan)	2,14,57,850	2,14,57,850
-Mrs. Amanpreetkaur B Jain (Salary)	93,620	1,23,000
-Mr. Naresh S. Jain (Remuneration)	59,880	29,433
-Mr. Bhavesh S. Jain (Remuneration)	59,880	29,433
-Mrs. Nimisha N. Jain	54,464	34,156
-Mr. Paresh P. Prajapati	19,398	12,852
-Mr. Paras R. Shah	-	20,569
Receivable		
-Sambhav Machinery Private Limited (Advances)	2,84,53,277	2,25,83,420

Note : The remuneration to the key managerial personnel does not include the provisions made for gratuity, as it is determined on an actuarial basis for the company as a whole.

Terms and conditions of transactions with related parties

Outstanding balances at the year-end are unsecured . There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March 2021 the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31st March 2020: Rs. Nil). This assessment is undertaken at each financial year through examining the financial position of the related party and the market in which the related party operates.

33 Additional Information

a) During the Financial year 2018-19, the company has imported Capital Goods under Zero duty EPCG Scheme and saved duty amounting to Rs. 44,923,065/- . Against the said duty saved, the company has exported goods worth six times of the duty saved and filed necessary documents with DGFT,however Export Obligation Discharge Certificate is still pending.

b) In the opinion of the Board of Directors, the current assets are approximately of the value stated, if realized in the ordinary course of the business. There is no contingent liability other than stated above and provisions for all known liabilities are adequate. Few of the accounts of trade payables, trade receivables and Income Tax Receivable are subject to confirmation from the respective parties and necessary adjustments and/or proper classification thereof, if any, will be made on its reconciliation and/or settlement. The classification / grouping of items of the accounts are made by the management, on the basis of the available data with the company and which has been relied upon by the auditors. Accounts of Receivables / Payables in respect of Goods and Service Tax, Service Tax, CENVAT, and VAT are subject to reconciliation, submission of its return for its claim and/or its Audit/Assessment/reversal of any claim on fire, if any.

c) The Company has considered the possible effects that may result from the global pandemic relating to COVID-19 on the financial statements of the Company. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information. The Company has performed an analysis on the assumptions used and based on current estimates expects that the carrying amount of it's assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

d) Lease

The following are the expenses recognised in profit and loss

Particulars	Amount in Rs.
Depreciation Expenses of Right of Use Assets	16,24,682
Interest Expenses on Lease Liability	-
Total	16,24,682

The Company has taken certain land on lease for factory purposes. Since these are entirely prepaid, the Company does not have any future lease liability towards the same and therefore they are shown under Property, Plant and Equipments.

e) Net Debt Reconciliation

Particulars	Long term Borrowings	Short Term Borrowings	Interest Expenses
As at 01-04-2019	13,66,94,693	61,88,84,723	7,65,368
Interest Expenses	-	-	6,64,68,556
Foreign Exchange Adjustment	-	25,91,725	-
Inflow	4,69,02,347	6,93,12,754	-
Outflow	-	-	(6,49,12,635)
As at 31-03-2020	18,35,97,040	69,07,89,202	23,21,289
Interest Expenses	-	-	7,80,78,809
Foreign Exchange Adjustment	-	29,990	-
Inflow	3,60,00,000	7,00,00,000	-
Outflow	(5,32,11,022)	(8,92,61,517)	(7,97,00,775)
As at 31-03-2021	16,63,86,018	67,15,57,675	6,99,323

34 Earnings Per Share (EPS):

Particulars		2020-21	2019-20
Profit for the year		78,83,905	3,88,37,450
Weighted average No. of shares for EPS computation for Basic and Diluted EPS (Nos)		1,02,27,625	1,02,27,625
Earnings per Share (Basic and Diluted)	(Rs.)	0.77	3.80
Nominal Value of Shares	(Rs.)	10	10

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35 **Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management**

35.1 **Category-wise Classification of Financial Instruments:**

(Amount In Rupees)

Particulars	Refer Note	As at 31-03-2021		
		Fair Value through profit or loss	Amortized cost	Carrying Value
Financial assets				
Investments in unquoted equity shares of subsidiary company	4	-	31,11,872	31,11,872
Investments in Co. Op. Society	4	5,000	-	5,000
Investments in quoted equity shares	4	500	-	500
Trade receivables	6	-	36,64,60,688	36,64,60,688
Cash and cash equivalents	7	-	5,94,43,278	5,94,43,278
Other bank balance	8	-	3,74,28,937	3,74,28,937
Loans	4	-	31,37,231	31,37,231
Other financial assets	4	-	5,70,89,590	5,70,89,590
Total		5,500	52,66,71,596	52,66,77,096
Financial liabilities				
Borrowings	12	-	83,19,43,693	83,19,43,693
Trade payables	13	-	13,03,73,194	13,03,73,194
Other financial liabilities	14	-	8,32,77,386	8,32,77,386
Total		-	1,04,55,94,273	1,04,55,94,273

(Amount In Rupees)

Particulars	Refer Note	As at 31-03-2020		
		Fair Value through profit or loss	Amortized cost	Carrying Value
Financial assets				
Investments in unquoted equity shares of subsidiary company	4	-	31,11,872	3111872
Investments in Co. Op. Society	4	5,000	-	5000
Investments in quoted equity shares	4	500	-	500
Trade receivables	6	-	38,41,68,283	384168283
Cash and cash equivalents	7	-	12,53,50,687	125350687
Other bank balance	8	-	2,98,73,150	29873150
Loans	4	-	19,92,967	1992967
Other financial assets	4	-	1,76,21,794	17621794
Total		5,500	56,21,18,753	56,21,24,253
Financial liabilities				
Borrowings	12	-	87,43,86,242	87,43,86,242
Trade payables	13	-	9,35,62,575	9,35,62,575
Other financial liabilities	14	-	10,40,59,698	10,40,59,698
Total		-	1,07,20,08,515	1,07,20,08,515

35.2 **Category-wise Classification of Financial Instruments:**

(a) Quantitative disclosures fair value measurement hierarchy for financial assets and financial liabilities

Level:1 Input are quoted prices (unadjusted) in the active market for identical asset and liability

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level:3 Input are not based on observable market data (unobservable inputs). Fair value are determine in whole or in part using the valuation method based on the assumption that are neither supported by price from observable in the current market transactions in the same instruments nor are they based on available market data.

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities:

(Amount In Rupees)

Particulars	As at 31-03-2021		As at 31-03-2020	
	Significant observable Inputs (Level 1)	Significant observable Inputs (Level 3)	Significant observable Inputs (Level 1)	Significant observable Inputs (Level 3)
Financial Assets (measured at FVTPL) (Refer Note 4)				
Investments in quoted equity shares	500	-	500	-
Investments in Co. Op. Society	-	5,000	-	5,000

(b) Financial Instrument measured at Amortized Cost

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

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35.3 **Financial instruments risk management objectives and policies**

The Company's principal financial liabilities, other than derivatives, comprise borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include investments, loans given, trade and other receivables and cash & short-term deposits that derive directly from its operations.

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company does not enter in to any derivative financial instruments, such as foreign exchange forward contracts.

The Company's risk management is carried out by the corporate finance. The corporate finance identifies and evaluates risks in close co-operation with the Company's Business Heads. The board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative, financial instruments, and investment of excess liquidity.

(a) **Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk , currency risk and Commodity risk. Financial instruments affected by market risk include borrowings, deposits, investments, trade and other receivables, trade and other payables.

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of Profit and Loss may differ materially from these estimates due to actual developments in the global financial markets.

i) Interest rate risk

The Company is exposed to change in interest rate due to its financing and cash management activities. The risk arising from interest rates movements arise from borrowings with variable interest rates. The company manages interest risk by having a balance portfolio of fixed and variable rates loans and borrowings.

The company's risk management activities are subject to management, direction and control of the treasury team under the framework of risk management policy for interest rate risk. The treasury team ensure appropriate financial risk, governance framework for the company through appropriate policies and procedures and that finance risk are identified, measured and managed in accordance with the polices and risk objectives.

For company total borrowings, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis points increase or decrease is used which represents management assessment for the reasonability possible change in the interest rates.

(Amount in Rupees)

Particulars	As at 31st March 2021	As at 31st March 2020
Total Borrowings	741,551,595	729,685,921

In case fluctuation in interest rates by 50 basis points and all other variable were held constant, the company's profit for the year would increase or decrease as follows:

(Amount In Rupees)

Particulars	For the Year ended on 31-03-2021	For the Year ended on 31-03-2020
Impact on profit for the year	3,707,758	3,648,430

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company does not enters into forward exchange contracts to hedge against its foreign currency exposures relating to the recognized underlying assets/liabilities and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

Foreign Currency exposure not covered by derivative instruments or otherwise as at 31st March is as under:

Particulars	Currency	Amount in Foreign Currency		Equivalent Indian Rupees	
		As at 31-03-2021	As at 31-03-2020	As at 31-03-2021	As at 31-03-2020
Trade Receivables	USD	82,959	8,248	6,073,105	621,248
	EURO	-	-	-	-
Trade Payables	USD	-	-	-	-
	EURO	-	-	-	-
Borrowing, Buyers Credit & Letter of Credit	USD	864,237	1,209,931	74,262,559	100,400,100
	EURO	44,760	881,542	3,276,880	66,397,752
Net Balance	USD	-	-	-	-
	EURO	38,199	(873,294)	2,796,226	(65,776,504)
		(864,237)	(1,209,931)	(74,262,559)	(100,400,100)

The Company is mainly exposed to changes in USD & EURO. The below table demonstrates the sensitivity to a 1% increase or decrease in the USD & EURO against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 1% represents management's assessment of reasonably possible change in foreign exchange rate.

Particulars	Impact on Profit before tax in Indian Currency For the year ended 31-03-21	31-03-20
USD Sensitivity		
RUPEES / USD – Increase by 1%	27,962	(657,765)
RUPEES / USD – Decrease by 1%	(27,962)	657,765
EURO Sensitivity		
RUPEES / USD – Increase by 1%	(742,626)	(1,004,001)
RUPEES / USD – Decrease by 1%	742,626	1,004,001

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iii) Commodity risk

Commodity Price Risk is the risk that future cash flow of the Company will fluctuate on account of changes in market price of key raw materials.

The prices of Aluminium & Granules are subject to wide fluctuations due to unpredictable factors such as whether, government policies, changes in global demand resulting from population growth and global production of similar and competitive nature. The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company manage exposure to fluctuations in the prices of the key raw materials used in operations. The Company enters into contracts for procurement of materials, most of the transactions are short term fixed price contract.

(b) **Credit Risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. Credit risk arising from other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognized financial institutions with high credit ratings assigned by the international credit rating agencies.

Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive evaluation and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

Concentrations of Credit Risk form part of Credit Risk

During the year ended 31st March, 2021, sales to a customer approximated Rs. 3241.69 Lacs or 14.89 % of net revenue (for the year ended 31st March 2020, sales to customer approximated Rs. 1750.40 Lacs or 8.30 % of net revenue). Accounts receivable from such customer approximated Rs. 715.31 Lacs at 31st March, 2021. (Rs. 718.33 Lacs at 31st March, 2020)

(c) **Liquidity risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including, debt and overdraft / credit facilities from both domestic and international banks at an optimized cost. It also enjoys strong access to domestic capital markets across equity.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(Amount In Rupees)

Particulars	On Demand	Less than 1 year	1 to 3 years	More than 3 year	Total
Year ended 31st March, 2021					
Borrowings	671,557,675	6,000,000	24,000,000	136,386,018	837,943,693
Trade payables	130,373,194	-	-	-	130,373,194
Other financial liabilities	3,014,827	29,705,030	44,557,529	-	77,277,386
Year ended 31st March, 2020					
Borrowings	690,789,202		-	183,597,040	874,386,242
Trade payables	93,562,575	-	-	-	93,562,575
Other financial liabilities	3,659,598	28,685,735	71,714,366	-	104,059,699

35.4 **Capital Management**

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholders value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders. The Capital structure of the Company is as follows:

(Amount In Rupees)

Particulars	As at 31-03-2021	As at 31-03-2020
Equity share capital	102,276,250	102,276,250
Other Equity	407,175,412	398,328,686
Total Equity	509,451,662	500,604,936

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MARUDHAR INDUSTRIES LIMITED

Notes to Financial Statements for the Year Ended 31st March, 2021

36 **Disclosure of significant interest in subsidiaries as per paragraph 17 of Ind AS 27**

Name of Entity	Relationship	Place of Business	Ownership%
Sambhav Machinery Private Ltd.	Subsidiary	Ahmedabad, Gujarat	100.00%

Note : Method of accounting investment in subsidiary is at cost.

37 **Events occurred after the Balance Sheet Date**

The Company evaluates events and transactions that occur subsequent to the Balance Sheet date but prior to the approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 21st Aug, 2021 there were no subsequent events to be recognized or reported that are not already previously disclosed.

As per our report of even date
For, Hitesh Prakash Shah & Co.
Chartered Accountants
ICAI Registration No: 127614W

HITESH PRAKASH SHAH & CO. CHARTERED ACCOUNTANTS FRN: 127614W

Hitesh P. Shah
Partner
Membership No. 124095

For, and on behalf of
Marudhar Industries Limited

Naresh S. Jain
Managing Director
DIN:00714499

Bhavesh S. Jain
Director
DIN:03091444

Aziz H. Gohil
Company Secretary

P. P. Prajapati

Paresh P. Prajapati
Chief Financial Officer

Place : Ahmedabad
Date : 21st August 2021
UDIN No:- 21124095AAAAEO2596

Hitesh Prakash Shah & Co,
Chartered Accountants

B-31,Ghantakarana Market
Near New Cloth Market,
Sarangpur, Ahmedabad – 380002
Mobile No.9998610352
Email ID: shahitesh@gmail.com

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To,
The Members of
MARUDHAR INDUSTRIES LIMITED
Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the Consolidated Ind AS Financial Statements of MARUDHAR INDUSTRIES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including other comprehensive income), Statement of changes in equity and the Statement of Cash Flows for the year then ended and notes to the Consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, read with the notes to accounts, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its Profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

(a) We draw attention to note No 33(b) relating to balance confirmation / reconciliation and grouping of some of the third-party accounts & balance with the government agencies.
(b) We draw attention on Note No 27(a) relating to fire at the packaging division of the company, wherein property, plant & equipment and Inventories were substantially damaged/destroyed and for which insurance claim has not been accepted/settled/paid by the Insurance Company and therefore, the final effect of the insurance claim will be given on its receipt.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended 31st March, 2021. We have determined that there is no key audit matter to be communicated in our report.

Information Other than on Financial Statements and Auditors' Report thereon

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

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

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In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the state of affairs, performance and other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind As) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 the 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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FRN: 127614W
CHARTERED ACCOUNTANTS

We communicate with those charged with governance of the Holding Company consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended 31st March, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

We did not audit the financial statements and other financial information, in respect of one subsidiary, whose financial statements include total assets of Rs. 24,004,542/- as at 31st March, 2021 and total revenues of Rs. 4,032,000 and net cash inflow of Rs.4,06,320/- for the year ended on that date. These financial statements and other financial information have been audited by other auditor whose reports have been furnished to us by the management and our opinion and conclusion on the statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of the other auditor and the proceedures performed by us as stated under Auditor's responsibilities section above.

Report on Other Legal and Regulatory Requirements

(A) As requires by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditor on standalone Financial Statements, as applicable, of such subsidiary as the same were audited by other auditor and as noted in the "Other Matter" paragraph, we report, to the extent applicable for the year under consideration:

(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 relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books;

(c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended including the Companies (Indian Accounting Standards) Amendment Rules, 2019;

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the group Companies, are disqualified as on 31st March, 2021 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 and the operating effectiveness of such controls, refer to our separate report in Annexure 1, which is based on the auditor's report of the holding and subsidiary company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding and subsidiary companies, internal financial control over financial reporting.

(g) In our opinion, the managerial remuneration for the year ended 31st March, 2021 has been paid / provided by the group Company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(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:

- The Group has disclosed the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 30(a) to the consolidated financial statements;

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- The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
- There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the group Companies during the year ended 31st March, 2021.

FOR, HITESH PRAKASH SHAH & CO.
Firm's Registration No. 127614W
CHARTERED ACCOUNTANTS

HITESH PRAKASH SHAH & CO.
FRN: 127614W
CHARTERED ACCOUNTANTS

Hitesh Prakash Shah
Partner
Membership No.:124095

Place: Ahmedabad
Date:21st August 2021
UDIN:21124095AAAAES1918

Annexure 1 referred to in Paragraph A(f) of report on other legal and regulatory requirements of our report of even date of the year ended March 31, 2021 of MARUDHAR INDUSTRIES LIMITED.

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")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March 2021, we have audited the Internal financial controls over financial reporting of Marudhar Industires Limited (Hereinafter referred to as "holding") and its subsidiary company as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Group is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group 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 the 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, 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 with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these consolidated Ind AS financial statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these consolidated Ind AS financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the

HITESH PRAKASH SHAH & CO. FRN: 127614W CHARTERED ACCOUNTANTS

internal financial controls over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group has maintained in all material respects, except stated otherwise or reported to the Group adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding 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.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as its relates to one subsidiary company is based solely on the corresponding reports of the auditors of such company.
Our opinion is not modified in respect of the above matters.

FOR, HITESH PRAKASH SHAH & CO.
Firm's Registration No. 127614W
CHARTERED ACCOUNTANTS

HITESH PRAKASH SHAH & CO.
FRN: 127614W
CHARTERED ACCOUNTANTS

Hitesh Prakash Shah
Partner
Membership No.:124095

Place: Ahmedabad
Date:21st August 2021
UDIN:21124095AAAAES1918

MARUDHAR INDUSTRIES LIMITED

CIN No: L91110GJ1983PLC022203

Consolidated Balance Sheet as at 31st March 2021

(Amount In Rupees)

Particulars	Notes	As at 31-03-2021	As at 31-03-2020
ASSETS			
Non-current assets			
Property, plant and equipment	3	535,895,504	589,176,535
Intangible assets	3	5,406,011	5,960,473
Financial assets	4		
(i) Investments		5,500	5,500
(ii) Loans		3,493,695	1,818,626
(iii) Other financial assets		15,752,286	16,407,665
Other non-current assets	9	8,185,326	9,091,229
Total non-current assets		**568,738,322**	**622,460,028**
Current assets			
Inventories	5	520,203,605	422,406,880
Financial assets			
(i) Trade receivables	6	366,460,688	384,168,283
(ii) Cash and cash equivalents	7	59,528,343	125,617,094
(iii) Bank balances other than (ii) above	8	37,428,937	29,873,150
(iv) Loans	4	1,830,347	586,083
(v) Other financial assets	4	41,778,086	1,654,911
Other current assets	9	45,727,545	62,796,013
Total current assets		**1,072,957,551**	**1,027,102,414**
TOTAL ASSETS		**1,641,695,873**	**1,649,562,442**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10	101,531,250	101,531,250
Other equity	11	409,112,670	399,851,760
Total other Equity		**409,112,670**	**399,851,760**
Total Equity		**510,643,920**	**501,383,010**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	12	169,386,018	192,597,040
(ii) Other financial Liabilities	14	44,557,529	71,714,366
Provisions	16	13,770,482	11,237,154
Deferred tax liabilities (net)	17	48,789,382	48,853,906
Total non-current liabilities		**276,503,411**	**324,402,466**
Current liabilities			
Financial liabilities			
(i) Borrowings	12	650,099,825	669,331,352
(ii) Trade payables	13		
-Due to Micro and Small Enterprises		-	87,674
-Due to Other than Above		130,831,213	93,798,255
(iii) Other financial liabilities	14	38,719,857	32,345,332
Other current liabilities	15	24,234,565	9,432,054
Provisions	16	10,602,558	10,863,704
Current tax liabilities (net)	18	60,524	7,918,595
Total current liabilities		**854,548,542**	**823,776,966**
TOTAL EQUITY AND LIABILITIES		**1,641,695,873**	**1,649,562,442**
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements

As per our report of even date
For, Hitesh Prakash Shah & Co.
Chartered Accountants
ICAI Registration No: 127614W

HITESH PRAKASH SHAH & CO. FRN: 127614W CHARTERED ACCOUNTANTS

Hitesh P. Shah
Partner
Membership No. 124095

Place : Ahmedabad
Date : 21st August 2021
UDIN No:- 21124095AAAAES1918

For, Marudhar Industries Limited

Naresh S. Jain
Managing Director
DIN:00714499

Bhavesh S. Jain
Director
DIN:03091444

Aziz H. Gohil
Company Secretary

Paresh P. Prajapati
Chief Financial Officer

MARUDHAR INDUSTRIES LIMITED

CIN No: L91110GJ1983PLC022203

Consolidated Statement of Profit and Loss for the Year Ended on 31st March, 2021

(Amount In Rupees)

Particulars	Notes	Year Ended 31-03-2021	Year Ended 31-03-2020
Revenue			
Revenue From Operation	19	2,211,035,179	2,111,282,469
Other income	20	3,294,859	5,582,554
Total income		**2,214,330,038**	**2,116,865,023**
Expenses			
Cost of raw materials and components consumed	21	1,764,868,286	1,739,230,933
Changes in inventories of finished goods & work-in-progress	22	(27,304,933)	(108,613,270)
Employee benefits expenses	23	96,429,205	106,253,364
Finance costs	24	95,670,037	82,021,688
Depreciation and amortisation expenses	25	45,398,272	46,038,457
Other expenses	26	204,354,761	202,396,859
Total expenses		**2,179,415,628**	**2,067,328,031**
Profit before exceptional items and tax		**34,914,410**	**49,536,992**
Exceptional items	27	(32,633,636)	-
Profit before tax		**2,280,774**	**49,536,992**
Tax expense			
Current tax		(47,903)	(9,843,383)
Excess/ (Short) provision for current tax of earlier years		946,083	(2,316,885)
MAT Credit Entitlement of earlier years		4,870,264	-
Deferred tax	28	64,523	1,695,040
Total tax expense		5,832,967	(10,465,228)
Profit for the year		**8,113,741**	**39,071,764**
Other comprehensive income			
A. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement loss on defined benefit plans		1,518,264	(2,943,057)
Income tax effect		(371,095)	718679
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		1,147,169	(2,224,378)
Other comprehensive income for the year, net of tax		1,147,169	(2,224,378)
Total comprehensive income for the year, net of tax		**9,260,910**	**36,847,386**
Earnings per equity share [nominal value per share Rs. 10/- (March 31, 2020: Rs.10/-)]			
Basic & Diluted	34	**0.80**	**3.85**
Summary of significant accounting policies	2.1		
The accompanying notes are an integral part of the financial statements			

As per our report of even date
For, Hitesh Prakash Shah & Co.
Chartered Accountants
ICAI Registration No: 127614W

HITESH PRAKASH SHAH & CO. FRN: 127614W CHARTERED ACCOUNTANTS

Hitesh P. Shah
Partner
Membership No. 124095

Place : Ahmedabad
Date : 21st August 2021
UDIN No:- 21124095AAAAES1918

For, Marudhar Industries Limited

Naresh S. Jain
Managing Director
DIN:00714499

Bhavesh S. Jain
Director
DIN:03091444

Aziz H. Gohil
Company Secretary

P.P. Prajapati

Paresh P. Prajapati
Chief Financial Officer

MARUDHAR INDUSTRIES LIMITED

CIN No: L91110GJ1983PLC022203

Consolidated Cash Flow Statement for the Year Ended on 31st March 2021

(Amount In Rupees)

Particulars	Year ended 31-03-2021	Year ended 31-03-2020
A: CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax & Other Comprehensive income	2,280,774	49,536,992
Adjustments to reconcile profit before tax to net cash flows:		
(Gain)/Loss on Sale/Discard of property, plant and equipment & Capital Work-in-progress (net)	-	162,920
Depreciation on property, plant, equipment & Amortisation of Assets	45,398,272	46,038,457
Finance income (including fair value changes in financial instruments)	(3,127,286)	(2,708,044)
Finance costs (including fair value changes in financial instruments)	95,670,037	82,021,688
Re-measurement loss on defined benefit plans	1,518,264	(2,943,057)
Operating Profit before working capital changes	**141,740,061**	**172,108,956**
Working capital adjustments:		
Decrease/(Increase) in trade receivables	17,707,595	25,714,870
Decrease/(Increase) in inventories	(97,796,725)	(77,529,478)
Decrease/(Increase) in loans	(2,919,333)	(92,745)
Decrease/(Increase) in other non-current financial assets	655,379	(1,540,010)
Decrease/(Increase) in other non-financial assets	18,389,569	(13,822,389)
(Decrease)/Increase in trade payables	36,945,284	20,242,616
(Decrease)/Increase in other current non-financial liabilities	14,802,511	(923,073)
Increase in provisions	2,272,182	6,464,005
Cash generated from operations	**131,796,523**	**130,622,752**
Direct taxes paid (net)	(3,781,823)	(10,358,017)
Net Cash (used in) generated from operating activities	**128,014,700**	**120,264,735**
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets, including CWIP and capital advances	(56,651,358)	(40,718,534)
Proceeds from sale of fixed assets	-	211,000
Redemption/(investment) in bank deposits (having original maturity of more than three months)	(7,555,787)	(6,430,012)
Interest income	3,838,246	2,545,115
Net Cash (used in) generated from investing activities	**(60,368,899)**	**(44,392,431)**
C: CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term borrowings	(53,211,022)	-
Receipt of Long term Borrowings	36,000,000	46,902,347
Repayment of Short term borrowings	(89,231,527)	-
Receipt of Short term Borrowings	70,000,000	71,904,479
Finance cost paid	(97,292,003)	(80,465,767)
Net Cash (used in) generated from financing activities	**(133,734,552)**	**38,341,059**
Net (Decrease)/ Increase in Cash and Cash Equivalents	**(66,088,751)**	**114,213,363**
Cash and Cash Equivalents at the beginning of the year	125,617,094	11,403,731
Cash and Cash Equivalents at the end of the year (Refer note-7)	59,528,343	125,617,094

a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard 7 "Cash Flow Statement".

As per our even date report attached

For, Hitesh Prakash Shah & Co.
Chartered Accountants
ICAI Registration No: 127614W

HITESH PRAKASH SHAH & CO. FRN: 127614W CHARTERED ACCOUNTANTS

Hitesh P. Shah
Partner
Membership No. 124095

Place : Ahmedabad
Date : 21st August 2021
UDIN No:- 21124095AAAAES1918

For, Marudhar Industries Limited

Naresh S. Jain
Managing Director
DIN:00714499

Bhavesh S. Jain
Director
DIN:03091444

Aziz H. Gohil
Company Secretary

P.P. Prajapati

Paresh P. Prajapati
Chief Financial Officer

MARUDHAR INDUSTRIES LIMITED

Consolidated Statement of Change in Equity for the year ended 31st **March, 2021**

A. Equity Share Capital	**Numbers**	**Amt In Rupees**
Equity shares of Rs. 10 each issued, subscribed and fully paid		
As at 1st April, 2019	10,153,125	101,531,250
Issue of Equity Share Capital	-	-
As at 31st March, 2020	**10,153,125**	**101,531,250**
Issue of Equity Share Capital	-	-
As at 31st **March, 2021**	**10,153,125**	**101,531,250**

B. Other Equity

(Amount In Rupees)

Particulars	**Reserves & Surplus**						
	Capital Reserve	**Capital Redemption Reserve**	**General Reserve**	**Revaluation Reserve**	**Preference Share Redemption Reserve**	**Retained Earnings**	**Total Other Equity**
As at 1st April, 2019	**26,630,365**	**1,401,000**	**1,186,300**	**103,994,534**	**15,000,000**	**214,792,176**	**363,004,375**
Profit for the year	-	-	-	-	-	39,071,764	**39,071,764**
Transfer from revaluation reserve to retained earnings	-	-	-	(1,606,885)	-	1,606,885	-
Other Comprehensive Income (Re-measurement loss on defined benefit plans)	-	-	-	-	-	(2,224,378)	**(2,224,378)**
Total Comprehensive Income	-	-	-	**(1,606,885)**	-	**38,454,271**	**36,847,386**
As at 31st March, 2020	**26,630,365**	**1,401,000**	**1,186,300**	**102,387,649**	**15,000,000**	**253,246,447**	**399,851,761**
Profit for the year	-	-	-	-	-	8,113,741	**8,113,741**
Transfer from revaluation reserve to retained earnings	-	-	-	(1,606,885)	-	1,606,885	-
Other Comprehensive Income (Re-measurement loss on defined benefit plans)	-	-	-	-	-	1,147,169	**1,147,169**
Total Comprehensive Income	-	-	-	**(1,606,885)**	-	**10,867,795**	**9,260,910**
As at 31st March, 2021	**26,630,365**	**1,401,000**	**1,186,300**	**100,780,764**	**15,000,000**	**264,114,242**	**409,112,671**

As per our report of even date
For, Hitesh Prakash Shah & Co.
Chartered Accountants
ICAI Registration No: 127614W

HITESH PRAKASH SHAH & CO. CHARTERED ACCOUNTANTS FRN: 127614W

Hitesh P. Shah
Partner
Membership No. 124095

Place : Ahmedabad
Date : 21st August 2021
UDIN No:- 21124095AAAAES1918

For, Marudhar Industries Limited

Naresh S. Jain
Managing Director
DIN:00714499

Bhavesh S. Jain
Director
DIN:03091444

Aziz H. Gohil
Company Secretary

Paresh P. Prajapati
Chief Financial Officer

MARUDHAR INDUSTRIES LIMITED

CIN No: L91110GJ1983PLC022203

Notes to Consolidated Financial Statements for the Year ended 31st March, 2021

Note No.-3 Property, Plant and Equipment, Intangible Assets and Capital work-in-progress
(a) Property, Plant and Equipment

(Amount In Rupees)

Particulars	Right to use of Assets (Lease Hold Land)	Free Hold Land	Buildings	Plant & Machinery	Office Equipment	Computer	Furniture & Fixtures	Vehicles	Total
Cost									
As at 1st April, 2019	110,067,810	848,780	16,209,610	583,166,363	1,235,302	854,975	378,960	3,970,547	716,732,347
Additions	-	-	1,504,500	11,293,068	225,782	-	-	718,281	13,741,631
Deductions	-	-	-	-	-	-	-	719,173	719,173
As at 31st March, 2020	110,067,810	848,780	17,714,110	594,459,431	1,461,084	854,975	378,960	3,969,655	729,754,805
Additions	-	-	1,269,494	30,036,925	404,891	474,605	-	211,000	32,396,915
Deductions	-	-	2,263,454	58,955,512	502,089	496,705	-	-	62,217,760
As at 31st March , 2021	110,067,810	848,780	16,720,150	565,540,843	1,363,886	832,875	378,960	4,180,655	699,933,960
Depreciation/Amortization and Impairment									
As at 1st April, 2019	4,874,046	-	3,040,623	84,995,241	634,652	312,801	222,896	1,359,269	95,439,528
Depreciation/Amortization for the year	1,624,682	-	623,218	42,235,599	192,515	132,017	44,762	631,202	45,483,995
Deductions	-	-	-	-	-	-	-	345,253	345,253
As at 31st March, 2020	6,498,728	-	3,663,841	127,230,840	827,167	444,818	267,658	1,645,218	140,578,270
Depreciation/Amortization for the year	1,624,682	-	662,709	41,741,870	196,083	127,637	13,452	477,377	44,843,810
Deductions	-	-	454,715	20,219,566	433,969	275,375	-	-	21,383,625
As at 31st March , 2021	8,123,410	-	3,871,835	148,753,144	589,281	297,080	281,110	2,122,595	164,038,455
Net Block									
As at 31st March , 2021	101,944,400	848,780	12,848,315	416,787,699	774,605	535,795	97,850	2,058,060	535,895,504
As at 31st March, 2020	103,569,082	848,780	14,050,269	467,228,591	633,917	410,157	111,302	2,324,437	589,176,535
As at 1st April, 2019	105,193,764	848,780	13,168,987	498,171,122	600,650	542,174	156,064	2,611,278	621,292,819

Note 1: On 19.03.2021 there was a fire at the packaging division situated at 711, GIDC, Vatva, Ahmedabad. In this incident certain property, plant and equipment were completely damaged. The group\ has written off net book value of assets damaged of Rs. 4,08,34,135/- Rs (Gross block of Rs. 6,22,17,760/-) and shown as receivable from insurance company.

(b) Intangible Assets

(Amount In Rupees)

Particulars	Rights & Title
Cost	
As at 1st April, 2019	8,178,321
Additions	-
Deductions	-
As at 31st March, 2020	8,178,321
Additions	-
Deductions	-
As at 31st March , 2021	8,178,321
Amortisation and Impairment	
As at 1st April, 2019	1,663,386
Amortisation for the year	554,462
As at 31st March, 2020	2,217,848
Amortisation for the year	554,462
As at 31st March , 2021	2,772,310
Net Block	
As at 31st March , 2021	5,406,011
As at 31st March, 2020	5,960,473
As at 1st April, 2019	6,514,935

HITESH PRAKASH SHAH & CO. FRN: 127614W CHARTERED ACCOUNTANTS

MARUDHAR INDUSTRIES LIMITED

Notes to Consolidated Financial Statements for the Year Ended 31st March, 2021

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
4	**Financial Assets**		
	Investments		
	Quoted Investments		
	2500 (P.Y. 2500) Equity Shares of Rs.10/-each of Pennar Aluminium Ltd.	500	500
	Non-Trade Investments		
	The Green Enviromental Service.Co-op Society	5,000	5,000
	Total	5,500	5,500
	Current	-	-
	Non-Current	5,500	5,500
	Total	5,500	5,500
	Aggregate Carrying value of Unquoted Investments	5,000	5,000
	Aggregate Carrying value and Market value of Quoted Equity Shares	500	500
	Total	5,500	5,500
	Loans (Unsecured, Considered Good)		
	Loans to Employees	4,949,042	2,029,709
	Loans to Others	375,000	375,000
	Total	5,324,042	2,404,709
	Current	1,830,347	586,083
	Non-Current	3,493,695	1,818,626
	Total	5,324,042	2,404,709
	Other Financial Assets		
	Interest Accrued	943,951	1,654,911
	Insurance Claim on Loss of Fixed Asset	40,834,135	-
	Security deposits	15,752,286	16,407,665
	Total	57,530,372	18,062,576
	Current	41,778,086	1,654,911
	Non-Current	15,752,286	16,407,665
	Total	57,530,372	18,062,576

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
5	**Inventories**		
	Raw materials		
	Raw materials and components	125,406,862	49,885,337
	[Including Goods in transit as at 31-03-2021 of Rs. 3,18,42,069/- (as at 31-03-2020 of Rs. 1,70,92,373/-)]		
	Work-in-progress	196,017,274	207,423,343
	Finished goods	167,449,970	128,738,968
	Stores and spares	31,329,499	36,359,232
	Total	520,203,605	422,406,880

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
6	**Trade Receivables**		
	Trade receivables		
	- Unsecured, considered good	366,460,688	384,168,283
	Total	366,460,688	384,168,283
a)	No trade or other receivables are due from directors or other officers of the group either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.		

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
7	**Cash and Cash Equivalents**		
	Balances with Banks		
	- In Current accounts	32,663,693	99,400,969
	- Deposits with original maturity of three months or less	26,478,584	25,719,619
	Cash in Hand	386,066	496,506
	Total	59,528,343	125,617,094

HITESH PRAKASH SHAH & CO. FRN: 127614W CHARTERED ACCOUNTANTS

MARUDHAR INDUSTRIES LIMITED

Notes to Consolidated Financial Statements for the Year Ended 31st March, 2021

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
8	**Other Bank Balances**		
	Balances with Banks		
	- Deposits with original maturity of more than three months but less than 12 Months	37,428,937	29,873,150
	Total	**37,428,937**	**29,873,150**

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
9	**Other Assets**		
	Capital advances	7,599,326	8,505,229
	Prepaid expense	1,792,769	2,498,493
	Advance receivable in cash or kind		
	Advance for material and others		
	-To Subsidiary	-	-
	-To Others	25,070,589	50,871,720
	Balance With Revenue Authority	19,450,187	10,011,800
	Total	**53,912,871**	**71,887,242**
	Current	45,727,545	62,796,013
	Non-Current	8,185,326	9,091,229
	Total	**53,912,871**	**71,887,242**
a)	Advances given to subsudiary are for the purchase of Goods and other business activities.		

RITESH PRAKASH SHAH & CO. FRN: 127614W CHARTERED ACCOUNTANTS

MARUDHAR INDUSTRIES LIMITED

Notes to Consolidated Financial Statements for the Year Ended 31st March, 2021

Note No.	Particulars	Numbers	Amount In Rupees
10	**Share Capital**		
	Authorised Share Capital		
	Equity shares of Rs. 10 each		
	As at 1st April, 2019	10,589,000	105,890,000
	Increase/(decrease) during the year	-	-
	As at 31st March, 2020	10,589,000	105,890,000
	Increase/(decrease) during the year	-	-
	As at 31st March, 2021	**10,589,000**	**105,890,000**
	11% Non- Convertible Preference Shares of Rs. 100 each		
	As at 1st April, 2019	16,100	1,610,000
	Increase/(decrease) during the year	-	-
	As at 31st March, 2020	16,100	1,610,000
	Increase/(decrease) during the year	-	-
	As at 31st March, 2021	**16,100**	**1,610,000**
	10% Non- Convertible Preference Shares of Rs. 100 each		
	As at 1st April, 2019	200,000	20,000,000
	Increase/(decrease) during the year	-	-
	As at 31st March, 2020	200,000	20,000,000
	Increase/(decrease) during the year	-	-
	As at 31st March, 2021	**200,000**	**20,000,000**
	7% Non- Convertible Preference Shares of Rs. 100 each		
	As at 1st April, 2019	225,000	22,500,000
	Increase/(decrease) during the year	-	-
	As at 31st March, 2020	225,000	22,500,000
	Increase/(decrease) during the year	-	-
	As at 31st March, 2021	**225,000**	**22,500,000**
	Issued Share Capital		
	Equity shares of Rs. 10 each issued, subscribed and fully paid		
	As at 1st April, 2019	10,153,125	101,531,250
	Increase/(decrease) during the year	-	-
	As at 31st March, 2020	10,153,125	101,531,250
	Increase/(decrease) during the year	-	-
	As at 31st March, 2021	**10,153,125**	**101,531,250**

Details of Shareholders holding more than 5% Equity Shares in the Group

	As at 31-03-2021		As at 31-03-2020	
Name of the Shareholder	**No. of Shares**	**% held**	**No. of Shares**	**% held**
Shri Naresh S Jain	5,189,000	51.11%	5,189,000	51.11%
Shri Bhavesh S Jain	4,789,625	47.17%	4,789,625	47.17%

a) Rights, preference and restriction attached to Equity Shares

-The Group has only one class of equity shares having a face value of Rs 10/- per share.

-Each holder of equity shares is entitled to one vote per share.

-The Group declares and pay dividends in Indian rupees.

-The proposed dividend recommended by the Board of Directors is subject to the approval of the Sharesholders at the ensuing Annual General Meeting.

-During the year ended 31st March, 2021, the amount of per share dividend recognized as distributions to equity shareholders was Rs Nil (31 March, 2020: Rs Nil).

-In the event of liquidation of the group, the holder of equity shares will be entitled to receive remaining assets of the group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

As per records of the group, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents legal ownerships of shares.

b) Rights, preference and restriction attached to Preference shares

The Group has three different class of Non Cumulative Redeemable Preference shares having a face value of Rs. 100/- each. Each class of shares carry different rate of dividend. The group declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of Shareholders at the ensuing Annual General Meeting.

Each holder of Preference share is entitled to one vote per share only on resolutions placed before the group which directly affect the rights attached to the Preference shares.

In the event of liquidation of the group, the holders of Non Cumulative Preference shares will have priority over equity share in the payment of dividend and repayment of capital.

(i) The 7% Non Cumulative redeemable Preference shares are redeemable by Financial Year 2025-26.

c) There were no shares reserved at the year-end for issue under options and contracts / commitments for the sale of shares / disinvestment.

d) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash or by way of bonus shares or equity shares bought back for the period of 5 years immediately preceding the balance sheet date:

Particulars	As at 31-03-2021	As at 31-03-2020	As at 01-04-2019
NIL			

HITESH PRAKASH SHAH & CO. FRN: 127614W CHARTERED ACCOUNTANTS

MARUDHAR INDUSTRIES LIMITED

Notes to Consolidated Financial Statements for the Year Ended 31st March, 2021

Note No.	Particulars			Amount in Rupees
11	**Other Equity**			
	Other Reserves			
		On Account of Forfeiture of Preference Shares	**Acquistion of Sambhav Machinery Private Limited**	
	Capital Reserve			
	As at 1st April, 2019	25,705,000	925,365	**26,630,365**
	Increase/(decrease) during the year	-	-	-
	As at 31st March, 2020	25,705,000	925,365	**26,630,365**
	Increase/(decrease) during the year	-	-	-
	As at 31st March, 2021	25,705,000	925,365	**26,630,365**
	Capital reserve is mainly used to record the amounts forfeited towards the forfeited of Preference Shares. This reserve is utilised in accordance with the provisions of the Companies Act, 2013			
	General Reserve			
	As at 1st April, 2019			**1,186,300**
	Increase/(decrease) during the year			-
	As at 31st March, 2020			**1,186,300**
	Increase/(decrease) during the year			-
	As at 31st March, 2021			**1,186,300**
	Capital Redemption Reserve			
	As at 1st April, 2019			**1,401,000**
	Increase/(decrease) during the year			-
	As at 31st March, 2020			**1,401,000**
	Increase/(decrease) during the year			-
	As at 31st March, 2021			**1,401,000**
	Capital Redemption Reserve is created by transfer from Preference Share Redemption Reserve an amount equal to face value of Shares bought back. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.			
	Revaluation Reserve			
	As at 1st April, 2019			**103,994,534**
	Increase/(decrease) during the year			(1,606,885)
	As at 31st March, 2020			**102,387,649**
	Increase/(decrease) during the year			(1,606,885)
	As at 31st March, 2021			**100,780,764**
	Revaluation Reserve is created out of Revaluation of Lease hold Land and it will be utilised in accordance with the provisions of the Companies Act, 2013.			
	Preference Share Redemption Reserve			
	As at 1st April, 2019			**15,000,000**
	Increase/(decrease) during the year			-
	As at 31st March, 2020			**15,000,000**
	Increase/(decrease) during the year			-
	As at 31st March, 2021			**15,000,000**
	The group has issued redeemable non-convertible preference shares. The group to create Preference Share Redemption Reserve (PSRR) out of profits of the company available for payment of dividend. The group has upfront created PSRR out of retained earnings and would be utilized at the time of redeemption of Preference Share.			
	Retained Earnings			
	As at 1st April, 2019			**214,792,175**
	Profit for the year			39,071,764
	Transfer from revaluation reserve to retained earnings			1,606,885
	Other Comprehensive Income (Re-measurement loss on defined benefit plans)			(2,224,378)
	As at 31st March, 2020			**253,246,446**
	Profit for the year			8,113,741
	Transfer from revaluation reserve to retained earnings			1,606,885
	Other Comprehensive Income (Re-measurement loss on defined benefit plans)			1,147,169
	As at 31st March, 2021			**264,114,241**
	Total Other Equity As at 31st March, 2021			**409,112,670**
	Total Other Equity **As at 31st March, 2020**			399,851,760
	Total Other Equity **As at 1st April, 2019**			363,004,374

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MARUDHAR INDUSTRIES LIMITED

Notes to Consolidated Financial Statements for the Year Ended 31st March, 2021

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
12	**Borrowings**		
	Long term Fund		
	7% Non-Cumulative Redeemable Preference Share Capital (Refer Note-10)	15,000,000	15,000,000
		15,000,000	**15,000,000**
	Short term Borrowings from Bank		
	-Secured Borrowings		
	Working Capital Loans - [Refer note No. (a) & (b)]	335,758,847	518,011,619
	Letter of Credit - [Refer note No. (a) & (b)]	220,525,494	120,067,824
	Buyers Credit - [Refer note No. (a) & (b)]	-	16,997,591
	-Unsecured Borrowings		
	Credit Card Loan -	23,815,484	14,254,318
	Short term Borrowings from Financial Institutions		
	-Secured Borrowings		
	Working Capital Loans - [Refer note No. (a) & (b)]	70,000,000	-
		650,099,825	**669,331,352**
	Long Term Borrowing		
	-Secured Borrowings		
	Working Capital Term Loans - [Refer note No. (a) & (b)]	36,000,000	-
	-Unsecured Borrowings		
	-From Body Corporates	69,451,770	74,354,569
	-From Directors	54,934,248	103,242,471
		160,386,018	**177,597,040**
	Less: Current maturity of Long term Borrowings	6,000,000	-
	Total Borrowings	**819,485,843**	**861,928,392**
	Current	650,099,825	669,331,352
	Non-Current	169,386,018	192,597,040
	Total	**819,485,843**	**861,928,392**

a) Working Capital facilities from Banks and Financial Institution are secured by way of Hypothecation of Stock in Trade and Book Debts and personal Guarantee of some of the Directors of the Group.

b) Working Capital facilities obtained from Banks Namely HDFC Bank carrying interest rate 9.65% , Punjab National Bank carrying interest rate 10.60% and Bajaj Finance Ltd. carrying interest rate 8.25% are secured by pari-pasu/Joint charge by way of Hypothecation of Plant and Machinery, Factory Land and Building Plot no. 610-611 and 711 GIDC, Vatva Phase-IV, Ahmedabad and Equitable Mortgage of Factory Land and Building Plot of Sambhav Machinery Mfg. Pvt. Ltd. situated at 509, GIDC Phase IV, Vatva Ahmedabad and it is further secured by corporate guarantee of the company. Further the working capital loan is also secured by way of Hypothecation of residential property of Shri Naresh Jain situated at C-1101-Gala Interior, Opp. Drive In Cinema, Thaltej, Ahmedabad and residential property of Shri Bhavesh Jain situated at Flat No.-102, First Floor, Safal Param, Mauje Vejalpur, Ahmedabad. However, NOC for sharing the Pari passu charge in favour of Bajaj Finance Ltd. are pending from existing bankers.

c) Repayment schedule of long term borrowings

Particulars	Repayable in		
	< 1 year	1 - 3 years	> 3 years
-Secured Borrowiong			
Working Capital Term Loans	6,000,000	24,000,000	6,000,000
-Unsecured Borrowiong			
-From Body Corporates	-	-	69,451,770
-From Directors	-	-	54,934,248
-Long Term Fund			
-Redeemable Preference Share Capital	-	-	15,000,000
Total	**6,000,000**	**24,000,000**	**145,386,018**

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
13	**Trade Payables**		
	Dues to Micro, Small and Medium Enterprises	-	87,674
	Dues to Key Managerial Personnel	139,158	92,287
	Dues to Key Relatives of Key Managerial Personnel	148,084	157,156
	Dues to Other than above	130,543,971	93,548,812
	Total	**130,831,213**	**93,885,929**

a) Amount due to micro and small enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the group. The disclosures relating to micro and small enterprises is as below:

Particulars	As at 31-03-2021	As at 31-03-2020
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	87,674
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year		-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made		

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Notes to Consolidated Financial Statements for the Year Ended 31st March, 2021

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
14	**Other Financial Liabilities**		
	Current maturity of Long term borrowings (Refer note-12)	6,000,000	-
	Interest Accrued and due	234,256	-
	Interest Accrued but not due	465,067	2,321,289
	Payables in respect of capital goods (Includes Secured Creditors of Rs. 7,42,62,559/- and as at 31-03-2020 of Rs. 10,04,00,100/- which are secured against their respective assets)	76,578,063	101,738,409
		83,277,386	**104,059,698**
	Current	38,719,857	32,345,332
	Non-Current	44,557,529	71,714,366
		83,277,386	**104,059,698**

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
15	**Other Current Liabilities**		
	Interest free Advance from Customers	20,981,934	5,854,387
	Statutory dues payable	3,252,631	3,577,667
		24,234,565	**9,432,054**

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
16	**Provisions**		
	- Provision for Employee Benefit (Refer note-29)	24,373,040	22,100,858
		24,373,040	**22,100,858**
	Current	10,602,558	10,863,704
	Non-Current	13,770,482	11,237,154
		24,373,040	**22,100,858**

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
17	**Deferred Tax**		
	Liability on accelerated depreciation for tax purpose	52,798,266	57,077,350
	Asset on expenses allowed in year of payment	(4,008,884)	(4,840,885)
	Other adjustments	-	(3,382,559)
		48,789,382	**48,853,906**

(Amount In Rupees)

Note No.	Particulars	As at 31-03-2021	As at 31-03-2020
18	**Current Tax Liabilities**		
	- Provision for Income tax (Net of Advance tax)	60,524	7,918,595
		60,524	**7,918,595**

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MARUDHAR INDUSTRIES LIMITED

Notes to Consolidated Financial Statements for the Year Ended 31st March, 2021

(Amount In Rupees)

Note No.	Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
19	**Revenue from operations**		
	Sales of Products (Finished Goods & Traded Goods)	2,148,367,502	2,096,416,451
	Revenue from Service Contracts	29,633,505	14,538,170
	Loss of Inventories on fire	32,633,636	-
	Gross Revenue from operations	**2,210,634,643**	**2,110,954,621**
	Other Non-Operating Income		
	Duty Drawback	400,536	327,848
	Total Revenue from operations	**2,211,035,179**	**2,111,282,469**
i)	**Disaggregated revenue Information**		
	Type of Goods & Services		
	a) Aluminium Division	1,059,967,808	1,114,628,548
	b) Plastic Division	1,125,870,715	985,511,553
	c) Other	4,032,000	2,555,000
	d) Revenue From Service Contracts with Customers	29,633,505	14,538,170
	Gross Revenue	**2,219,504,028**	**2,117,233,271**
	Less : Inter Segment Revenue	(8,869,385)	(6,278,650)
	Total Revenue from operations	**2,210,634,643**	**2,110,954,621**
	India	2,160,230,177	2,083,482,020
	Outside India	50,404,466	27,472,601
	Total Revenue from operations	**2,210,634,643**	**2,110,954,621**

ii) Revenue from sale of products are recorded at a point of time of Rs. 2,18,10,01,138/- (March 31, 2020 Rs. 2,09,64,16,451/-) and those from sale of services are recognised over a period of time of Rs. 2,96,33,505/- (March 31, 2020 Rs. 1,45,38,170/-).

iii) **Set Out Below is the amount of revenue recognised from** (Amount In Rupees)

Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
Amount Of Contract Liability (Advance Customers) at the beginning of the year	5,854,387	4,482,655
Perfomance obligation satisfied during the previous year	5,854,387	4,482,655

iv) **Contract Balances:-** (Amount In Rupees)

Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
Trade Receivables	366,460,688	384,168,283
Contract Liabilities	20,981,934	5,854,387

(Amount In Rupees)

Note No.	Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
20	**Other Income**		
	Interest income on		
	Security Deposits	558,593	774,581
	Bank deposits	2,330,290	2,708,044
	Advances and other	238,403	-
	Foreign Exchange rate Fluctuation	-	1,360,912
	Other non-operating income		
	Insurance Claim	167,573	739,017
	Total	**3,294,859**	**5,582,554**

(Amount In Rupees)

Note No.	Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
21	**Cost of raw material and components consumed**		
	- Opening Inventory	49,885,337	89,727,491
	- Add: Purchases	1,840,389,811	1,699,388,779
		1,890,275,148	**1,789,116,270**
	- Less: Closing Inventory	125,406,862	49,885,337
	Cost of raw materials and components consumed	**1,764,868,286**	**1,739,230,933**

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MARUDHAR INDUSTRIES LIMITED

Notes to Consolidated Financial Statements for the Year Ended 31st March, 2021

(Amount In Rupees)

Note No.	Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
22	**(Increase)/Decrease In Inventory**		
	Inventories at the end of the year		
	- Work in Progress	196,017,274	207,423,343
	- Finished Goods	167,449,970	128,738,968
		363,467,244	**336,162,311**
	Inventories at the beginning of the year		
	- Work in Progress	207,423,343	148,922,210
	- Finished Goods	128,738,968	78,626,831
		336,162,311	**227,549,041**
	(Increase)/Decrease In Inventory		
	- Work in Progress	11,406,069	(58,501,133)
	- Finished Goods	(38,711,002)	(50,112,137)
	Total	**(27,304,933)**	**(108,613,270)**

(Amount In Rupees)

Note No.	Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
23	**Employee Benefits**		
	Salaries, wages and bonus		
	-Remuneration Paid to Key Managerial Persons	2,998,700	3,344,590
	-Sitting Fees Paid to Key Managerial Persons	60,000	50,000
	-Paid to Others	80,559,579	89,649,470
	Contribution to provident and other funds	7,168,578	8,271,224
	Gratuity expense	4,054,967	3,210,758
	Staff welfare expenses	1,587,381	1,727,322
	Total	**96,429,205**	**106,253,364**

(Amount In Rupees)

Note No.	Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
24	**Finance Cost**		
	Interest on debts and borrowings	77,538,619	66,468,556
	Bank charges & Commission	10,914,374	8,094,928
	Interest others	4,408,942	7,458,204
	Interest on statutory Dues	2,808,102	-
	Total	**95,670,037**	**82,021,688**

(Amount In Rupees)

Note No.	Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
25	**Depreciation and Amortization Expenses**		
	Depreciation of tangible assets (Refer Note 3)	44,843,810	45,483,995
	Amortization of intangible assets (Refer Note 3)	554,462	554,462
	Total	**45,398,272**	**46,038,457**

HITESH PRAKASH SHAH & CO. FRN: 127614W CHARTERED ACCOUNTANTS

MARUDHAR INDUSTRIES LIMITED

Notes to Consolidated Financial Statements for the Year Ended 31st March, 2021

(Amount In Rupees)

Note No.	Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
26	**Other Expense**		
	Power and Fuel	92,894,680	93,576,261
	Repairs and Maintenance		
	- Plant & Machinery	10,238,927	6,723,731
	- Building	8,475	384,774
	- Others	417,483	845,142
	Stores Consumption	68,592,641	64,671,222
	Donation Expenses	125,100	724,400
	Factory General	832,863	785,838
	Security Expense	4,886,521	4,818,620
	Water Charges	244,840	322,718
	Rent	3,600,000	3,834,500
	Rates & Taxes	2,330,292	434,168
	Legal, Professional & Consultancy	3,687,617	4,911,885
	Telephone Expenses	295,840	357,949
	Travelling Expenses	363,802	1,307,571
	Insurance Charges	3,354,834	2,940,364
	Conveyance Expenses	763,429	1,125,628
	Payment to Statutory Auditor (Refer Note-a)	270,000	260,000
	Printing & Stationery	488,714	518,436
	Postage and Telegram	224,020	666,721
	General Expenses	3,198,711	2,681,505
	Freight Expenses	1,393,944	3,991,975
	Foreign Exchange rate Fluctuation Loss/(Gain)	2,408,977	-
	Loss on Sale of Property, Plant & Equipments	-	162,920
	Commission	1,748,247	2,098,073
	Advertisement & Sales Promotion	726,591	1,022,623
	Bad Debts & Vatav Kasar and Sundry Balance written Off (Net)	1,258,213	3,229,835
	Total	**204,354,761**	**202,396,859**
a)	Payments to Auditors		
	As Auditor:		
	- Audit Fee	240,000	240,000
		240,000	**240,000**
	In other capacity:		
	- Other Services	30,000	20,000
		30,000	**20,000**
	Total	**270,000**	**260,000**

(Amount In Rupees)

Note No.	Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
27	**Exceptional Items**		
	Loss of Stock by fire	(32,633,636)	-
	Total	**(32,633,636)**	**-**

a)

On 19.03.2021 packaging division situated at 711, GIDC, Vatva, Ahmedabad was fully damaged due to fire whereby Building, Plant & Equipments and Inventories lying at the premises were destroyed and therefore the net block of the Property Plant & Equipments has been reduced by Rs. 4,08,34,135/-and shown as receivable from insurance company and the loss on account of fire in Inventory of Rs.3,26,33,636/- has reduced from the inventories and shown as an exceptional item.

The group has an insurance policy against the loss and as per the insurance policy, the group is entitled for the claim of the policy amount of reinstatement of cost of Building, plant & equipment and Inventory and since the amount of claim of the Fixed Assets and Inventories is under assessment and acceptance by the Insurance Company, effect of the amount of claim in respect of inventories has not been given in the accounts. Necessary remaining effect of the insurance claim in the accounts will be given on the receipts of claim amount and complete erection of the Unit.

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MARUDHAR INDUSTRIES LIMITED

Notes to Consolidated Financial Statements for the Year Ended 31st March, 2021

(Amount in Rupees)

Note No.	Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
28	**Income Tax**		
	The major component of income tax expense for the years ended 31st March, 2021 and 31st March, 2020 are :		
	Statement of Profit and Loss		
	Current tax		
	Current income tax	47,903	9,843,383
	Deferred tax		
	Deferred tax expense/(benefit)	(64,523)	(1,695,040)
	Tax in respect of Earlier years	(946,083)	2,316,885
	MAT Credit Entitlement of earlier years	(4,870,264)	-
	Income tax expense reported in the Statement of Profit and Loss	**(5,832,967)**	**10,465,228**
	Other comprehensive income (OCI)		
	Deferred tax related to items recognised in OCI during the year		
	Re-measurement loss on defined benefit plans	(371,095)	718,679
	Deferred tax credited to OCI	**(371,095)**	**718,679**
	Total Income Tax for the year ended	**(5,461,872)**	**9,746,549**

a) Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended 31st **March, 2021 and 31st March, 2020:**

(Amount in Rupees)

Particulars	Year Ended 31-03-2021	Year Ended 31-03-2020
Accounting Profit before tax	**2,280,774**	**49,536,992**
Enacted income tax rate in India applicable to the Company	27.82	25.17
Tax using the group's domestic tax rate	**634,511**	**12,467,470**
Tax effects of :		
Non-deductible expenses	457,562	1,437,478
Others	(6,553,945)	(4,158,399)
Total Income Tax for the year ended	**(5,461,872)**	**9,746,549**
	-	

b) **Deferred Tax**

(Amount in Rupees)

Particulars	Statement of Profit and Loss	
	Year Ended 31-03-2021	Year Ended 31-03-2020
Liability on accelerated depreciation for tax purpose	(4,279,083)	(951,663)
Asset on expenses allowed in year of payment	832,001	(893,574)
Other adjustments	3,382,559	150,197
Total	**(64,523)**	**(1,695,040)**
	-	-

HITESH PRAKASH SHAH & CO. CHARTERED ACCOUNTANTS FRN: 127614W

29 **Employee Benefits Expense**

29.1 **A. Defined contribution plans:**

Amount of Rs. 72,23,319/- (31st March, 2020: Rs. 83,19,836/-) is recognised as expenses and included in Note No. 23 "Employee benefits expense"

Particulars	Year ended 31-03-2021	Year ended 31-03-2020
Provident Fund	6,065,380	6,813,808
Contributory employee Safety Insurance	1,157,939	1,506,028
Subtotal A	**7,223,319**	**8,319,836**
Gujarat Labour Welfare Fund	8,976	9,840
Subtotal B	**8,976**	**9,840**
Total [A+B]	**7,232,295**	**8,329,676**

B. Defined benefit plans:

The group operates gratuity plan in the nature of defined benefit plan wherein every employee is entitled to the benefit as per scheme of the group, for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service. The gratuity plan is governed by the payment of Gratuity Act,1972.

31st March, 2021 : Changes in defined benefit obligation and plan assets
Funded

(Amount In Rupees)

Particulars	1st April, 2020	Service cost	Net interest expense	Sub-total included in Statement of Profit and Loss (Note 23)	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	31st March, 2021
Gratuity												
Defined benefit obligation	37,569,098	3,062,112	2,588,511	5,650,623	(1,399,926)	-	-	79,543	(1,663,261)	(1,583,718)	-	40,236,077
Fair value of plan assets	23,159,019	-	1,595,656	1,595,656	(1,399,926)	(249,802)	-	-	-	(249,802)	-	23,104,947
Benefit liability	14,410,079	3,062,112	992,855	4,054,967	-	249,802	-	79,543	(1,663,261)	(1,333,916)	-	17,131,130
Total benefit liability	**14,410,079**	**3,062,112**	**992,855**	**4,054,967**	**-**	**249,802**	**-**	**79,543**	**(1,663,261)**	**(1,333,916)**	**-**	**17,131,130**

31st March, 2020 : Changes in defined benefit obligation and plan assets
Funded

(Amount In Rupees)

Particulars	1st April, 2019	Service cost	Net interest expense	Sub-total included in Statement of Profit and Loss (Note 23)	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	31st March, 2020
Gratuity												
Defined benefit obligation	30,496,325	2,496,452	2,375,664	4,872,116	(463,407)	-	-	3,144,576	(480,512)	2,664,064	-	37,569,098
Fair value of plan assets	22,092,854	-	1,721,033	1,721,033	(463,407)	(191,461)	-	-	-	(191,461)	-	23,159,019
Benefit liability	8,403,471	2,496,452	654,631	3,151,083	-	191,461	-	3,144,576	(480,512)	2,855,525	-	14,410,079
Total benefit liability	**8,403,471**	**2,496,452**	**654,631**	**3,151,083**	**-**	**191,461**	**-**	**3,144,576**	**(480,512)**	**2,855,525**	**-**	**14,410,079**

31st March, 2021 : Changes in defined benefit obligation and plan assets
Non-Funded

(Amount In Rupees)

Particulars	1st April, 2020	Service cost	Net interest expense	Sub-total included in Statement of Profit and Loss (Note 23)	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	31st March, 2021
Gratuity												
Defined benefit obligation	2,866,573	174,098	196,074	370,172	-	-	-	(4,080)	(180,268)	(184,348)	-	3,052,397
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	2,866,573	174,098	196,074	370,172	-	-	-	(4,080)	(180,268)	(184,348)	-	3,052,397
Total benefit liability	**2,866,573**	**174,098**	**196,074**	**370,172**	**-**	**-**	**-**	**(4,080)**	**(180,268)**	**(184,348)**	**-**	**3,052,397**

31st March, 2020 : Changes in defined benefit obligation and plan assets
Non-Funded

(Amount In Rupees)

Particulars	1st April, 2019	Service cost	Net interest expense	Sub-total included in Statement of Profit and Loss (Note 23)	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	31st March, 2020
Gratuity												
Defined benefit obligation	2,435,143	156,636	187,262	343,898	(38,920)	[illegible]	-	167,241	(40,789)	126,452	-	2,866,573
Fair value of plan assets	-	-	-	-	-	[illegible]	-	-	-	-	-	-
Benefit liability	2,435,143	156,636	187,262	343,898	(38,920)	[illegible]	-	167,241	(40,789)	126,452	-	2,866,573
Total benefit liability	**2,435,143**	**156,636**	**187,262**	**343,898**	**(38,920)**	**-**	**-**	**167,241**	**(40,789)**	**126,452**	**-**	**2,866,573**

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29.2 The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	As at 31-03-2021	As at 31-03-2020
Insurance Funds	23,104,947	23,159,019
(%) of total plan assets	100.00%	100.00%

The principal assumptions used in determining above defined benefit obligations for the group's plans are shown below:

Particulars	Year ended 31-03-2021	Year ended 31-03-2020
Discount rate	6.87% & 6.86%	6.89% & 6.84%
Future salary increase	7.00%	7.00%
Expected rate of return on plan assets	6.87%	6.89%
Employee Turnover Rate	3.00%	3.00%
Mortality rate during employment	Lives Mortality (2006-08)	Lives Mortality (2006-08)
Mortality rate after employment	N.A	N.A

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity

(increase) / decrease in defined benefit obligation (Impact)

Particulars	Sensitivity level	As at 31-03-2021	As at 31-03-2020
Discount rate	1% increase	(3,866,887)	(3,661,488)
	1% decrease	4,555,657	4,317,435
Salary increase	1% increase	4,211,752	3,980,540
	1% decrease	(3,698,344)	(3,508,142)
Employee turnover	1% increase	(23,328)	(19,829)
	1% decrease	18,082	14,315

The followings are the expected future benefit payments for the defined benefit plan :

Particulars	As at 31-03-2021	As at 31-03-2020
Within the next 12 months (next annual reporting period)	3,966,747	4,168,100
Between 2 and 5 years	8,581,604	7,349,893
Beyond 5 years	88,610,659	84,141,074
Total expected payments	101,159,010	95,659,067

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	As at 31-03-2021	As at 31-03-2020
	Years	Years
Gratuity	15 & 9	15 & 9

The followings are the expected contributions to planned assets for the next year:

Particulars	As at 31-03-2021	(Amount in Rs.) As at 31-03-2020
Gratuity	6,304,705	5,940,925

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30 COMMITMENTS AND CONTINGENCIES

a) **Contingent Liabilities :-**

(Amount In Rupees)

Sr. No.	Particulars	As at 31-03-2021	As at 31-03-2020
a)	Bills discounted and not matured	-	35,13,677
b)	Bank Guarantee	76,59,07,237	77,39,97,136
c)	Income tax (without interest)	21,72,900	21,72,900

b) **Capital Commitment**

Estimated amount of contracts remaining to be executed on capital account (net of advances) & not provided for Rs. 1,05,13,449/- (31-03-2020 Rs. 1,69,36,763/-)

31 SEGMENT INFORMATION

Operating Segments:

The group is engaged in the business of Aluminum Foils & Strips & Plastic Packaging. In accordance with the requirements of Ind AS 108 "Operating Segments" group has identified these two segments as reportable segments.

Identification of Segments:

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as Unallocable expenditure (net of allocable income).

Segment Assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipments, trade receivables, Inventory and other operating assets. Segment liabilities primarily includes trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segment are shown as Unallocable assets / liabilities.

Summary of segment information is given below:

Primary Reportable Segment (Business Segment)

(Amount In Rupees)

Particulars	Aluminum Foils, Strips and Coils	Plastic films, Laminated Printed Pouch & Laminated Printed Fims	Unallocated	Total
Revenue				
Total Sales	1,06,07,31,424	1,15,51,41,140	40,32,000	2,21,99,04,564
	(1,11,48,06,205)	(1,00,01,99,914)	(25,55,000)	(2,11,75,61,119)
Less: Inter Segment Sales	11,57,627	49,05,458	28,06,300	88,69,385
	(44,78,740)	(4,00,910)	(13,99,000)	(62,78,650)
External Sales	1,05,95,73,797	1,15,02,35,682	12,25,700	2,21,10,35,179
	(1,11,03,27,465)	(99,97,99,004)	(11,56,000)	(2,11,12,82,469)
Total Revenue	1,05,95,73,797	1,15,02,35,682	12,25,700	2,21,10,35,179
	(1,11,03,27,465)	(99,97,99,004)	(11,56,000)	(2,11,12,82,469)
Results				
Segment Results before Interest and Finance Costs	(6,72,78,678)	10,11,72,929	9,59,71,887	12,98,66,138
	(10,74,51,241)	(1,89,28,380)	16,39,29,087	3,75,49,466
Interest & Dividend Income & Fair value gain on financial instruments at fair value through profit & loss	28,42,866	2,84,420	-	31,27,286
	(30,91,297)	(3,91,328)	-	(34,82,625)
Foreign Exchange (Gain) / Loss on Buyers Credit (net)	(95,399)	25,04,376	-	24,08,977
	(70,32,064)	83,92,976	-	13,60,912
Interest and Finance Costs	-	-	9,56,70,037	9,56,70,037
	-	-	(8,20,21,688)	(8,20,21,688)
Exceptional items	-	3,26,33,636	-	3,26,33,636
	-	-	-	-
Net Profit Before Tax	(6,43,40,413)	6,63,19,337	3,01,850	22,80,774
	(11,75,74,602)	(1,09,26,732)	7,89,64,342	(4,95,36,992)
	-			
Other Information				
Segment Assets	1,44,23,64,875	17,53,66,551	2,39,64,447	1,64,16,95,873
	(97,88,48,219)	(65,33,94,526)	(1,73,19,697)	(1,64,95,62,442)
Segment Liabilities	12,57,55,411	10,90,47,214	89,62,49,328	1,13,10,51,953
	(5,62,75,713)	(15,56,00,641)	(93,63,03,078)	(1,14,81,79,432)
Net Segment Assets	1,31,66,09,464	6,63,19,337	(87,22,84,881)	51,06,43,920
	(92,25,72,506)	(49,77,93,885)	91,89,83,381	(50,13,83,010)
Segment Depreciation	2,41,75,527	2,11,18,275	1,04,470	4,53,98,272
	(2,50,90,313)	(1,25,62,306)	(83,85,838)	(4,60,38,457)

Note: Figures in brackets represent previous year's amount.

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Secondary Reportable Segment (Geographical by Customers)

Particulars	In India	Outside India	Total
Segment Revenue			
2020-21	2,16,02,30,177	5,04,04,466	2,21,06,34,643
2019-20	2,08,34,82,020	2,74,72,601	2,11,09,54,621
Segment Assets			
As at 31st March, 2021	1,63,56,22,768	60,73,105	1,64,16,95,873
As at 31st March, 2020	1,64,89,41,194	6,21,248	1,64,95,62,442
Segment Liabilities			
As at 31st March, 2021	1,05,35,12,514	7,75,39,439	1,13,10,51,953
As at 31st March, 2020	98,13,81,579	16,67,97,852	1,14,81,79,432

32 RELATED PARTY DISCLOSURES

As required by Indian Accounting Standard - 24 "Related Parties Disclosures" the disclosure of transactions with related parties are given below :

Relationships

A	**Key Management Personnel**		
	Mr. Naresh S Jain	Managing Director	
	Mr. Bhaveh S Jain	Director	
	Mr. Satish Sampatraj Shah	Director	resigned w.e.f 13th Nov 2020
	Ms. Darsha R. Kakani	Director	
	Mr. Narendra Navalakha	Director	
	Mr. Hemraj Suthar	Director	
	Mr. Paresh P. Prajapati	Chief Financial Officer	
	Mr. Paras R. Shah	Company Secretary	Resigned w.e.f 31st Dec 2020
	Mr. Aziz H. Gohil	Company Secretary	Appointed w.e.f 1st July 2021
B	**Relatives of Key Management Personnel**		
	Mrs. Amanpreetkaur B Jain	Spouse of Bhavesh S Jain	
	Mrs. Nimisha N. Jain	Spouse of Naresh S Jain	

(Amount In Rupees)

Particulars	2020-21	2019-20
Remuneration Paid		
-Mr. Naresh S. Jain	12,45,715	13,32,652
-Mr. Bhavesh S. Jain	12,45,715	13,32,652
-Mr. Hemraj Suthar	-	6,32,484
Receipt of Loan		
-Mr. Naresh S. Jain	36,000	4,04,35,000
-Mr. Bhavesh S. Jain	-	4,50,00,000
Repayment of loan		
-Mr. Naresh S. Jain	4,82,00,559	1,06,52,222
-Mr. Bhavesh S. Jain	33,83,665	29,75,000
Salary		
-Mrs. Amanpreetkaur B Jain	17,45,142	17,45,142
-Mrs. Nimisha N. Jain	9,43,724	10,09,585
-Mr. Paresh P. Prajapati	2,57,279	2,88,449
-Mr. Paras R. Shah	2,49,991	3,90,837
Rent Paid		
-Mr. Naresh S. Jain	18,00,000	18,00,000
-Mr. Bhavesh S. Jain	18,00,000	18,00,000
Sitting Fees		
- Mr. Narendra Navalakha	60,000	-
- Ms. Darsha R. Kikani	-	50,000

Outstanding as at year end	As at 31-03-2021	As at 31-03-2020
Payable		
-Mr. Naresh S. Jain (Loan)	76,24,179	5,41,68,737
-Mr. Bhavesh S. Jain (Loan)	4,73,10,069	4,90,73,734
-Mrs. Amanpreetkaur B Jain (Salary)	93,620	1,23,000
-Mr. Naresh S. Jain (Remuneration)	59,880	29,433
-Mr. Bhavesh S. Jain (Remuneration)	59,880	29,433
-Mrs. Nimisha N. Jain	54,464	34,156
-Mr. Paresh P. Prajapati	19,398	12,852
-Mr. Paras R. Shah	-	20,569

Note : The remuneration to the key managerial personnel does not include the provisions made for gratuity, as it is determined on an actuarial basis for the group as a whole.

Terms and conditions of transactions with related parties

Outstanding balances at the year-end are unsecured . There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March 2021 the group has not recorded any impairment of receivables relating to amounts owed by related parties (31st March 2020: Rs. Nil). This assessment is undertaken at each financial year through examining the financial position of the related party and the market in which the related party operates.

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33 ADDITIONAL INFORMATION

a) During the Financial year 2018-19, the group has imported Capital Goods under Zero duty EPCG Scheme and saved duty amounting to Rs. 44,923,065/- . Against the said duty saved, the group has exported goods worth six times of the duty saved and filed necessary documents with DGFT,however Export Obligation Discharge Certificate is still pending.

b) In the opinion of the Board of Directors, the current assets are approximately of the value stated, if realized in the ordinary course of the business. There is no contingent liability other than stated above and provisions for all known liabilities are adequate. Few of the accounts of trade payables, trade receivables and Income Tax Receivable are subject to confirmation from the respective parties and necessary adjustments and/or proper classification thereof, if any, will be made on its reconciliation and/or settlement. The classification / grouping of items of the accounts are made by the management, on the basis of the available data with the company and which has been relied upon by the auditors. Accounts of Receivables / Payables in respect of Goods and Service Tax, Service Tax, CENVAT, and VAT are subject to reconciliation, submission of its return for its claim and/or its Audit/Assessment/reversal of any claim on fire, if any.

c) The group has considered the possible effects that may result from the global pandemic relating to COVID-19 on the financial statements of the group. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the group, as at the date of approval of these financial statements has used internal and external sources of information. The group has performed an analysis on the assumptions used and based on current estimates expects that the carrying amount of it's assets will be recovered. The impact of COVID-19 on the group's financial statements may differ from that estimated as at the date of approval of these financial statements.

d) **Lease**

The following are the expenses recognised in profit and loss

Particulars	Amount in Rs.
Depreciation Expenses of Right of Use Assets	1,624,682
Interest Expenses on Lease Liability	-
Total	1,624,682

The group has taken certain land on lease for factory purposes. Since these are entirely prepaid, the group does not have any future lease liability towards the same and therefore they are shown under Property, Plant and Equipments.

e) **Net Debt Reconciliation**

Particulars	Long term Borrowings	Short Term Borrowings	Interest Expenses
As at 01-04-2019	145,694,693	597,426,873	765,368
Interest Expenses	-	-	66,468,556
Foreign Exchange Adjustment	-	2,591,725	-
Inflow	46,902,347	69,312,754	-
Outflow	-	-	(64,912,635)
As at 31-03-2020	192,597,040	669,331,352	2,321,289
Interest Expenses	-	-	78,078,809
Foreign Exchange Adjustment	-	29,990	-
Inflow	36,000,000	70,000,000	-
Outflow	(53,211,022)	(89,261,517)	(79,700,775)
As at 31-03-2021	175,386,018	650,099,825	699,323

34 EARNINGS PER SHARE (EPS):

Particulars		2020-21	2019-20
Profit for the year		8,113,741	39,071,764
Weighted average No. of shares for EPS computation for Basic and Diluted EPS (Nos)		10,153,125	10,153,125
Earnings per Share (Basic and Diluted)	(Rs.)	0.80	3.85
Nominal Value of Shares	(Rs.)	10	10

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35 Financial Instruments, Fair Value Measurements, Financial Risk and Capital Management

35.1 Category-wise Classification of Financial Instruments:

(Amount In Rupees)

Particulars	Refer Note	As at 31-03-2021		
		Fair Value through profit or loss	Amortized cost	Carrying Value
Financial assets				
Investments in Co. Op. Society	4	5,000	-	5,000
Investments in quoted equity shares	4	500	-	500
Trade receivables	6	-	366,460,688	366,460,688
Cash and cash equivalents	7	-	59,528,343	59,528,343
Other bank balance	8	-	37,428,937	37,428,937
Loans	4	-	5,324,042	5,324,042
Other financial assets	4	-	57,530,372	57,530,372
Total		**5,500**	**526,272,382**	**526,277,882**
Financial liabilities				
Borrowings	12	-	819,485,843	819,485,843
Trade payables	13	-	130,831,213	130,831,213
Other financial liabilities	14	-	83,277,386	83,277,386
Total		-	**1,033,594,442**	**1,033,594,442**

(Amount In Rupees)

Particulars	Refer Note	As at 31-03-2020		
		Fair Value through profit or loss	Amortized cost	Carrying Value
Financial assets				
Investments in Co. Op. Society	4	5,000	-	5,000
Investments in quoted equity shares	4	500	-	500
Trade receivables	6	-	384,168,283	384,168,283
Cash and cash equivalents	7	-	125,617,094	125,617,094
Other bank balance	8	-	29,873,150	29,873,150
Loans	4	-	2,404,709	2,404,709
Other financial assets	4	-	18,062,576	18,062,576
Total		**5,500**	**560,125,812**	**560,131,312**
Financial liabilities				
Borrowings	12	-	861,928,392	861,928,392
Trade payables	13	-	93,885,929	93,885,929
Other financial liabilities	14	-	104,059,698	104,059,698
Total		-	**1,059,874,019**	**1,059,874,019**

35.2 Category-wise Classification of Financial Instruments:

(a) **Quantitative disclosures fair value measurement hierarchy for financial assets and financial liabilities**

Level:1 Input are quoted prices (unadjusted) in the active market for identical asset and liability

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level:3 Input are not based on observable market data (unobservable inputs). Fair value are determine in whole or in part using the valuation method based on the assumption that are neither supported by price from observable in the current market transactions in the same instruments nor are they based on available market data.

The following table provides the fair value measurement hierarchy of the group's financial assets and liabilities:

(Amount In Rupees)

Particulars	As at 31-03-2021		As at 31-03-2020	
	Significant observable Inputs (Level 1)	Significant observable Inputs (Level 3)	Significant observable Inputs (Level 1)	Significant observable Inputs (Level 3)
Financial Assets (measured at FVTPL) (Refer Note 4)				
Investments in quoted equity shares	500	-	500	-
Investments in Co. Op. Society	-	5,000	-	5,000

(b) **Financial Instrument measured at Amortized Cost**

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

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35.3 **Financial instruments risk management objectives and policies**

The group's principal financial liabilities, other than derivatives, comprise borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the group's operations and to support its operations. The group's principal financial assets include Investments, loans given, trade and other receivables and cash & short-term deposits that derive directly from its operations.

The group's activities expose it to market risk, credit risk and liquidity risk. The group does not enter in to any derivative financial instruments, such as foreign exchange forward contracts.

The group's risk management is carried out by the corporate finance. The corporate finance identifies and evaluates risks in close co-operation with the group's Business Heads. The board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative, financial instruments, and investment of excess liquidity.

(a) **Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk , currency risk and Commodity risk. Financial instruments affected by market risk include borrowings, deposits, Investments, trade and other receivables, trade and other payables.

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of Profit and Loss may differ materially from these estimates due to actual developments in the global financial markets.

i) Interest rate risk

The group is exposed to change in interest rate due to its financing and cash management activities. The risk arising from interest rates movements arise from borrowings with variable interest rates. The group manages interest risk by having a balance portfolio of fixed and variable rates loans and borrowings.

The group's risk management activities are subject to management, direction and control of the treasury team under the framework of risk management policy for interest rate risk. The treasury team ensure appropriate financial risk, governance framework for the group through appropriate policies and procedures and that finance risk are identified, measured and managed in accordance with the polices and risk objectives.

For group total borrowings, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis points increase or decrease is used which represents management assessment for the reasonability possible change in the interest rates.

(Amount In Rupees)

Particulars	As at 31st March 2021	As at 31st March 2020
Total Borrowings	741,551,595	729,685,921

In case fluctuation in interest rates by 50 basis points and all other variable were held constant, the group's profit for the year would increase or decrease as follows:

(Amount In Rupees)

Particulars	For the Year ended on 31-03-2021	For the Year ended on 31-03-2020
Impact on profit for the year	3,707,758	3,648,430

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The group does not enters into forward exchange contracts to hedge against its foreign currency exposures relating to the recognized underlying assets/liabilities and firm commitments. The group does not enter into any derivative instruments for trading or speculative purposes.

Foreign Currency exposure not covered by derivative instruments or otherwise as at 31st March is as under:

Particulars	Currency	Amount in Foreign Currency		Equivalent Indian Rupees	
		As at 31-03-2021	As at 31-03-2020	As at 31-03-2021	As at 31-03-2020
Trade Receivables	USD	82,959	8,248	6,073,105	621,248
	EURO	-	-	-	-
Trade Payables	USD	-	-	-	-
	EURO	864,237	1,209,931	74,262,559	100,400,100
Borrowing, Buyers Credit & Letter of Credit	USD	44,760	881,542	3,276,880	66,397,752
	EURO	-	-	-	-
Net Balance	USD	38,199	(873,294)	2,796,226	(65,776,504)
	EURO	(864,237)	(1,209,931)	(74,262,559)	(100,400,100)

The group is mainly exposed to changes in USD & EURO. The below table demonstrates the sensitivity to a 1% increase or decrease in the USD & EURO against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the group as at the reporting date. 1% represents management's assessment of reasonably possible change in foreign exchange rate.

Particulars	Impact on Profit before tax in Indian Currency For the year ended 31/03/2021	31/03/2020
USD Sensitivity		
RUPEES / USD – Increase by 1%	27,962	(657,765)
RUPEES / USD – Decrease by 1%	(27,962)	657,765
EURO Sensitivity		
RUPEES / Euro – Increase by 1%	(742,626)	(1,004,001)
RUPEES / Euro – Decrease by 1%	742,626	1,004,001

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iii) Commodity risk

Commodity Price Risk is the risk that future cash flow of the group will fluctuate on account of changes in market price of key raw materials.

The prices of Aluminium & Granules are subject to wide fluctuations due to unpredictable factors such as whether, government policies, changes in global demand resulting from population growth and global production of similar and competitive nature. The group is exposed to the movement in price of key raw materials in domestic and international markets. The group manage exposure to fluctuations in the prices of the key raw materials used in operations. The group enters into contracts for procurement of materials, most of the transactions are short term fixed price contract.

(b) **Credit Risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. Credit risk arising from other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognized financial institutions with high credit ratings assigned by the international credit rating agencies.

Credit risk arising from trade receivables is managed in accordance with the group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive evaluation and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

Concentrations of Credit Risk form part of Credit Risk

During the year ended 31st March, 2021, sales to a customer approximated Rs. 3241.69 Lacs or 14.66 % of net revenue (for the year ended 31st March 2020, sales to customer approximated Rs. 1750.40 Lacs or 8.30 % of net revenue). Accounts receivable from such customer approximated Rs. 745.31 Lacs at 31st March, 2021. (Rs. 718.83 Lacs at 31st March, 2020).

(c) **Liquidity risk**

Liquidity risk is the risk that the group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including, debt and overdraft / credit facilities from both domestic and international banks at an optimized cost. It also enjoys strong access to domestic capital markets across equity.

The table below summarizes the maturity profile of the group's financial liabilities based on contractual undiscounted payments:

(Amount In Rupees)

Particulars	On Demand	Less than 1 year	1 to 3 years	More than 3 year	Total
Year ended 31st March, 2021					
Borrowings	650,099,825	6,000,000	24,000,000	145,386,018	825,485,843
Trade payables	130,831,213	-	-	-	130,831,213
Other financial liabilities	3,014,827	29,705,030	44,557,529	-	77,277,386
Year ended 31st March, 2020					
Borrowings	669,331,352	-	-	192,597,040	861,928,392
Trade payables	93,885,929	-	-	-	93,885,929
Other financial liabilities	3,659,598	28,685,735	71,714,366	-	104,059,699

35.4 **Capital Management**

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the group. The primary objective of the group's capital management is to maximize the shareholders value. The group manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the group may adjust the dividend payment to shareholders. The Capital structure of the group is as follows:

(Amount In Rupees)

Particulars	As at 31-03-2021	As at 31-03-2020
Equity share capital	101,531,250	101,531,250
Other Equity	409,112,670	399,851,760
Total Equity	**510,643,920**	**501,383,010**

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36 **Additional information as required by paragraph 2 of the general instruction for preparation of Consolidated Finanical Statements to Schedule III to the Companies Act, 2013.**

Year ended as on 31st March 2021

Amount in Rs

Name of the Enterprise	Net Assets i.e. Total Assets Minus Total Liability		Share in Profit or (Loss)		Share in other Comprehensive Income		Share in Total Comprehensive Income	
	As % Net Assets	Amount	As % Profit	Amount	As % Profit or (Loss)	Amount	As % Profit or (Loss)	Amount
Parent								
- Marudhar Industries Limited	99.77%	509,451,662	97.17%	7,883,905	83.93%	962,821	95.53%	8,846,726
Subsidiaries-Indian								
- Sambhav Machinery Private Limited	0.85%	4,349,725	2.83%	229,836	16.07%	184,348	4.47%	414,184
Adjustment arising out of Consolidation	-0.62%	(3,157,467)	-	-	-	-	-	-
Total	**100.00%**	**510,643,920**	**100.00%**	**8,113,741**	**100.00%**	**1,147,169**	**100.00%**	**9,260,910**

Year ended as on 31st March 2020

Amount in Rs

Name of the Enterprise	Net Assets i.e. Total Assets Minus		Share in Profit or (Loss)		Share in other Comprehensive		Share in Total Comprehensive Income	
	As % Net Assets	Amount	As % Profit	Amount	As % Profit or (Loss)	Amount	As % Profit or (Loss)	Amount
Parent								
- Marudhar Industries Limited	98.03%	500,604,936	99.40%	38,837,450	96.06%	(2,136,846)	99.60%	36,700,604
Subsidiaries-Indian								
- Sambhav Machinery Private Limited	0.77%	3,935,541	0.60%	234,314	3.94%	(87,532)	0.40%	146,782
Adjustment arising out of Consolidation	-0.62%	(3,157,467)	-	-	-	-	-	-
Total	**98.19%**	**501,383,010**	**100.00%**	**39,071,764**	**100.00%**	**(2,224,378)**	**100.00%**	**36,847,386**

37 **Events occurred after the Balance Sheet Date**

The group evaluates events and transactions that occur subsequent to the Balance Sheet date but prior to the approval of the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 21st Aug, 2021 there were no subsequent events to be recognized or reported that are not already previously disclosed.

As per our report of even date
For, Hitesh Prakash Shah & Co.
Chartered Accountants
ICAI Registration No: 127614W

HITESH PRAKASH SHAH & CO. ★ CHARTERED ACCOUNTANTS ★ FRN: 127614W

Hitesh P. Shah
Partner
Membership No. 124095

Place : Ahmedabad
Date : 21st August 2021
UDIN No:- 21124095AAAAES1918

For, and on behalf of
Marudhar Industries Limited

Naresh S. Jain
Managing Director
DIN:00714499

Bhavesh S. Jain
Director
DIN:03091444

P. P. Prajapati

Aziz H. Gohil
Company Secretary

Paresh P. Prajapati
Chief Financial Officer

Notes to Consolidated Financial Statements for the Year Ended 31st March, 2021

1. CORPORATE INFORMATION:

The consolidated financial statements comprise of consolidated financial statements of **MARUDHAR INDUSTRIES LIMITED** (the "Holding Company") and its subsidiary (Collectively the "Group") for the year ended March 31, 2021. The Holding Company's shares are listed on Calcutta Stock Exchange Limited. The Group is engaged in the manufacturing of Aluminium Foils & Strips and Printed Plastics & Pouches. The Group caters to both domestic and international markets.

The financial statements were authorized for issue in accordance with a resolution passed in Board Meeting held on 21st August 2021.

2. BASIS OF PREPARATION:

The financial statements of the Group have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended including the Companies {Indian Accounting Standards} Amendment Rules,2019) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the standalone financial statement.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments) and derivative financial instruments.

The financial statements are presented in Rupees.

2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a. CURRENT VERSUS NON-CURRENT CLASSIFICATION:

The Group presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

The operating cycle is the time between acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve month as its operating cycle.

b. FOREIGN CURRENCIES:

The Group's financial statements are presented in Rupees, which is also the Group's functional currency.

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Transactions and balances

Transactions in foreign currencies are initially recorded in the Company's functional currency at the exchange rates prevailing on the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are restated in the functional currency at the exchange rates prevailing on the reporting date of financial statements.

Exchange differences arising on settlement of such transactions and on translation of monetary items are recognized in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates on the dates of the initial transactions.

c. **FAIR VALUE MEASUREMENT :**

The Group measures financial instruments, such as, derivatives at fair value at each Balance Sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

The Group's Management determines the policies and procedures for both recurring fair value measurement, such as derivative financial instruments and unquoted financial assets measured at fair value, and for non-recurring fair value measurement.

External valuers are involved for valuation of significant assets, such and unquoted financial assets. Involvement of external valuers is decided upon annually by the Management after discussion with and approval by the Group's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether

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professional standards are maintained. The Management decides, after discussions with the Group's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be premeasured or re-assessed as per the Group's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management, in conjunction with the Group's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant accounting judgments, estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortized cost)

d. PROPERTY, PLANT AND EQUIPMENT (PPE):

PPE and Capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price and borrowing costs if capitalization criteria are met, the cost of replacing part of the property, plant and equipment and directly attributable cost of bringing the asset to its working condition for the intended use. Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. This applies mainly to components for machinery. When significant parts of fixed assets are required to be replaced at intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major overhauling is performed, its cost is recognized in the carrying amount of the PPE as a replacement if the recognition criteria are satisfied. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of parts replaced, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

CWIP comprises of cost of PPE that are yet not installed and not ready for their intended use at the Balance Sheet date.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if applicable.

The Group calculates depreciation on items of property, plant and equipment on a straight-line basis using the rates arrived at based on the useful lives defined under Schedule II of the Companies Act, 2013, except in respect of following fixed assets:

(i) Long Term Lease hold land is amortized over a period of 99 years, being the lease term.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

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e. **INTANGIBLE ASSETS:**

Intangible Assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost, less any accumulated amortization and accumulated impairment losses, if any.

Intangible assets in the form of Rights & Titles are amortized over a period of 20 years on a straight-line basis. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

f. **IMPAIRMENT OF NON-FINANCIAL ASSETS:**

The Group assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

g. **BORROWING COSTS:**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

h. **LEASES:**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Group as a lessee:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. A leased asset is depreciated over the useful life of the asset.

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

i. **FINANCIAL INSTRUMENTS:**

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

Financial assets
Initial recognition and measurement

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All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Debt instruments - measured at amortized cost
- Debt instruments, derivatives and equity instruments - measured at fair value through Profit and Loss (FVTPL)
- Equity instruments - measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss. This category generally applies to trade, loans and other receivables.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Equity investments

Investments in subsidiaries are measured at cost as per Ind AS 27 - Separate Financial Statements. All equity investments in scope of Ind AS 109 are measured at fair value. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Group's Balance Sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has

HITESH PRAKASH SHAH & CO. FRN 127614W CHARTERED ACCOUNTANTS neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:
a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
b) Financial guarantee contracts which are not measured at FVTPL.

The Group follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables. Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss.

The Balance Sheet presentation for various financial instruments is described below:
Financial assets measured at amortized cost:
ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities
Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Statement of Profit and Loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including cash credit facilities from banks and derivative financial instruments.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

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Financial liabilities at fair value through Statement of Profit and Loss.

Financial liabilities at fair value through Profit and Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through Profit and Loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial liabilities designated upon initial recognition at fair value through statement of Profit and Loss are designated as such at the initial date of recognition and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the Statement of Profit and Loss. The Group has not designated any financial liability at FVTPL.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value through Statement of Profit and Loss (FVTPL), adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition

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

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

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Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

j. **INVENTORIES:**

Inventories are valued at the lower of cost and net realizable value after providing for obsolescence and other losses, wherever considered necessary. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Scrap is valued at net realizable value. Cost is determined on a Weighted Average method.

Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity, incurred in bringing them in their respective present location and condition.

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

k. **REVENUE:**

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The Group has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

The specific recognition criteria described below must also be met before revenue is recognized.

i) Sale of Goods

Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The normal credit term is 0 to 180 days upon delivery, usually backed by financial arrangements.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any). Revenue from the sale of goods is measured at the fair value of the consideration received or receivable,net of GST, trade discounts & other taxes, adjustments for late delivery charges, material returned/rejected and material sent for Job Work treated as sales.

ii) The Group accounts for pro forma credits, refunds of duty of customs or excise, or refunds of sales tax in the year of admission of such claims by the concerned authorities. Benefits in respect of Export Licenses are recognized on application. Export benefits are accounted for as other operating income in the year of export based on eligibility and when there is no uncertainty on receiving the same.

iii) Dividend is recognized when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

iv)Interest Income is recognized on time proportion basis taking into account the amounts outstanding and the rates applicable. Interest income is included under the head "other income" in the Statement of Profit and Loss.

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Contract balances

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in note (i) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities (Advance from customers)

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities (Advance from customers) are recognized as revenue when the Group performs under the contract.

l. RETIREMENT AND OTHER EMPLOYEE BENEFITS:

Retirement benefits in the form of provident fund and superannuation fund are defined contribution plans. The Group has no obligation, other than the contributions payable to provident fund and superannuation fund. The Group recognizes contribution payable to these funds as an expense, when an employee renders the related service.

In respect of gratuity liability, the Group operates defined benefit plan wherein contributions are made to a separately administered fund. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each reporting date being carried out using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs; and
- Net interest expense or income

The liability in respect of unused leave entitlement of the employees as at the reporting date is determined on the basis management discretion and the liability is recognized in the Statement of Profit and Loss. The Group presents the entire leave as a current liability in the Balance Sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

m. TAXES:

Tax expense comprises of current income tax and deferred tax.

Current income tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside the Statement of Profit and Loss is recognized outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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Deferred Tax:
Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

►When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable Profit and Loss.

► In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against the deductible temporary differences, except:

►When the deferred tax asset arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

► In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

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

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

Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized outside the Statement of Profit and Loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

n. PROVISIONS:
Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

o. EARNINGS PER SHARE:
Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

HITESH PRAKASH SHAH & CO.
FRN: 127614W
CHARTERED ACCOUNTANTS

p. CASH AND CASH EQUIVALENT:

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above as they are considered an integral part of the Group's cash management.

q. CASH DIVIDEND:

The Group recognizes a liability to make cash or non-cash distributions to equity holders of the Group when the distribution is authorized and the distribution is no longer at the discretion of the Group. As per the Companies Act, 2013, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

2.2 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS:

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for India.

Further details about gratuity obligations are given in note.

(b) Fair value measurement for financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

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