CA Sanjay Khandelwal & Co.
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
EMT MEGATHERM PRIVATE LIMITED

Report on the Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **EMT MEGATHERM PRIVATE LIMITED**, ("the Company"), which comprise the Balance Sheet as at 31st March, 2022 and the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information. (Hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March 2022, and its profit and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's responsibilities for the audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the Director's report and Management Discussion and Analysis of Annual report, but does not include the Standalone Financial Statements and our report thereon. The Directors report and Management Discussion and Analysis of Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Standalone Financial Statements does not cover the other information and we will 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 identified above when it becomes available to us and, in doing so, consider

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whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

When we read such other information as and when made available to us and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

1.Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error audit procedures, design and perform 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

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error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls

3. Evaluate the appropriateness of accounting policies used and the reasonable ness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

5. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and event s 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the 'Companies (Auditor's Report) Order, 2020', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), we give in the Annexure 'I' a statement on the matters specified in paragraphs 3 and 4 of the Order.

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2. As required by Section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors as on 31st March, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) In view of notification of Ministry of corporate affairs dated 13th June 2017, clause (i) of Section 143(3) of the Act is not applicable on the company.

   (g) Managerial remuneration has been paid/provided during the year by the company in terms of Section 197 of 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, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company does not have any pending litigations which would impact its financial position.

      ii. According to the information and explanations provided to us, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There have been no amounts, required to be transferred during the year, to the Investor Education and Protection Fund by the Company.

      iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested during the year (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company

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("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received during the year by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. (a) The company has not proposed and declared any final dividend in the previous year. Hence this clause is not applicable.

(b) The company has not declared and paid any interim dividend during the year. Hence this clause is not applicable.

(c) The Board of Directors of the Company have not proposed any final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Hence this clause is not applicable.

For Sanjay Khandelwal & Co
Chartered Accountants
(Firm Registration No. 323311E)

Sanjay Khandelwal

Sanjay Khandelwal & Co. Chartered Accountants Kolkata S.K

(Sanjay Khandelwal)
Proprietor
Membership No 054451

Place: - Kolkata
Dated: - 28th September 2022

udin: 22054451BAOWFG1198

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ANNEXURE "A" REFERRED TO IN CLAUSE 1 TO THE INDEPENDENT AUDITOR'S REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF EMT MEGATHERM PRIVATE LIMITED FOR THE YEAR ENDED 31.03.2022

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

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a)The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Intangible assets.

b) As explained to us, fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. As in informed to us no material discrepancies were noticed on such physical verification.

c) As information and explanation given to us the immovable property being building constructed on the Land provided by Railway authorities is not registered in the name of the company.

d) The Company has not revalued any of its Property, Plant and Equipment and/or intangible assets during the year.

e) As informed to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. A) As explained to us physical verification has been conducted by the management at reasonable intervals in respect of inventories of finished goods, stores, spare parts and raw materials. We were explained that no material discrepancies have been noticed on physical verification.

b) The company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause (ii) (b) of the order is not applicable.

iii. The Company has not made any investments or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, hence reporting under clause (iii) (a) to (f) of the order are not applicable.

iv. According to the information and explanations given to us, during the year, the company has not provided any loan, security, guarantee and investments covered under the provisions of Section 185 and Section 186 of the Act.

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Chartered Accountants
Kolkata

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v. In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 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. In respect of business activities of the company, maintenance of cost records has not been specified by the Central Government under sub-section (l) of section 148 read with rules framed thereunder of the Companies Act 2013.

vii. a) The company is generally regular in depositing undisputed statutory dues including income-tax and any other statutory dues with the appropriate authorities, *except minor delay in few cases*. There are no outstanding statutory dues as at the last day of the financial year under audit for a period of more than six months from the date they became payable.

b) Based on the records of the company and according to the information and explanations given to us, there were following dues of Income Tax, Sales Tax and excise duty which were unpaid as at the end of the financial year owing to disputes pending adjudication at various forums.

Particulars	***Year***	***Amount (in Lacs)***
West Bengal Sales Tax(VAT)	2009-10	82.92
Central Sales Tax	2009-10	42.19
West Bengal Sales Tax	2010-11	6.90
Central Sales Tax	2010-11	7.38
West Bengal Sales Tax	2011-12	2.99
Central Sales Tax	2011-12	897.00
Central Sales Tax	2013-14	28.02
Central Sales Tax	2015-16	73.98
West Bengal Vat Act.	2016-17	14.66
Central Sales Tax	2016-17	26.64
Central Sales Tax (till June'2017)	2017-18	2.65

Assessment Year	***Amount***	***Forum***
2009-10	*1,60,395*	*Interest demand*
*2010-11**	*3,65,09,022*	*CIT(A)*
2016-17	*4,30,620*	*AO*
2018-19	*12,48,010*	*CIT(A)*
2019-20	8,56,690	CIT(A)

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viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken term loan during the year but there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is applicable.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have, prima facie, has not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly the provision of clause 3(x)(b)of the order is not applicable.

xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) There are no whistle blower complaints received by the Company during the year and up to the date of this report.

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xx. (a) The provisions related to CSR under Companies Act 2013 is not applicable to the company during the year. Hence no reporting is required under this clause.

xxi. This clause is not applicable on audit report on standalone financial statements.

For Sanjay Khandelwal & Co
Chartered Accountants
(Firm Registration No. 323311E)

Sanjay Khandelwal

(Sanjay Khandelwal)
Proprietor
Membership No 054451

Place: - Kolkata
Dated: - 28th September 2022

udin. 22054451BAOWFG1198

Sanjay Khandelwal & Co. ★ Chartered Accountants ★ Kolkata
SK

CA Sanjay Khandelwal & Co.
Chartered Accountants

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Annexure "B" referred in clause 2(f) to the independent Auditor's report on the Standalone Financial Statements of EMT Megatherm Private Limited for the year ended 31.03.2021

We have audited the internal financial control over financial reporting of the company as of 31st March 2021 in conjunction with our audit of the financial statement of the company for the year ended on that date.

Management Responsibility for Internal Financial Controls

The company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering essential components on 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(ICAI).These responsibilities include the design ,implementation and maintenance of adequate internals financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of it's assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records ,and timely preparation of reliable financial information as required under the companies act 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the guidance Note on Internal Financial Controls over financial reporting(The guidance Note) and the standards on Auditing ,issued by ICAI and deemed to be prescribed under section 143(10)of the companies Act,2013 to the extent applicable to an audit of internal financial controls .Those standards and 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 were effectively in all material respects.

Our audit involves performing procedures to obtain evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material mis-statement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's Internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's Internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that ,in reasonable details, accurately and fairly reflect the transaction and dispositions of the assets of the company.(2) Provide reasonable assurance that the transactions are recorded as necessary to permit preparations of financial

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statements in accordance with generally accepted accounting principles ,that receipts and expenditure of the company are being made only in accordance with authorizations of the 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 material effect on the financial statements.

Inherent Limitations of Internal Financial controls over Financial Reporting

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

OPINION

In our opinion, the company has, in all material respects, an adequate financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021,based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by ICAI.

For Sanjay Khandelwal & Co
Chartered Accountants
(Firm Registration No. 323311E)

Sanjay Khandelwal

Sanjay Khandelwal & Co. Kolkata Chartered Accountants
S.K

(Sanjay Khandelwal)
Proprietor
Membership No 054451

Place: - Kolkata
Dated: - 28th September 2022

Udin: 22054451BAOWFG1198

EMT Megatherm Private Limited
Balance Sheet as at 31st March 2022

megatherm

Rs in Lakhs

	Note No.	31st March 2022	31st March 2021
I. EQUITY AND LIABILITIES			
1) Shareholders' funds			
(a) Share capital	3	590.71	590.71
(b) Reserves and surplus	4	(1,251.70)	(756.42)
		(660.99)	(165.71)
2) Non-current liabilities			
(b) Deferred tax liabilities (net)	5	113.71	113.71
(c) Long-term provisions	6	1.56	2.03
		115.27	115.74
3) Current liabilities			
(a) Short-term borrowings	7	1,373.64	1,185.16
(b) Trade payables	8		
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,725.72	1,750.43
(c) Other current liabilities	9	107.53	297.54
(d) Short-term provisions	6	3.45	3.45
		3,210.34	3,236.58
TOTAL		2,664.62	3,186.61
II. ASSETS			
1) Non-current assets			
(a) Property, Plant and Equipment Property and Intangible assets			
(i) Property, Plant and Equipment	10	628.70	1,094.52
(ii) Intangible fixed assets	10	17.67	18.13
(iii) Capital work-in-progress	11	-	-
		646.37	1,112.65
(b) Long-term loans and advances	12	16.06	14.72
(c) Other non-current assets	13	-	43.94
		662.43	1,171.31
2) Current assets			
(a) Inventories	14	1,108.10	1,166.96
(b) Trade receivables	15	108.47	156.60
(c) Cash and bank balances	16 a	1.65	11.08
(d) Other bank balances	16 b	174.20	86.19
(e) Short-term loans and advances	17	594.56	589.96
(f) Other current assets	18	15.21	4.51
		2,002.19	2,015.30
TOTAL		2,664.62	3,186.61
Significant accounting policies	2		
Notes to financial statements	1 to 37		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For Sanjay Khandelwal & Co
Chartered Accountants
Firm's Registration Number. 323311E

Sanjay Khandelwal

Sanjay Khandelwal & Co. Kolkata Chartered Accountants

(CA Sanjay Khandelwal)
Proprietor
Membership No. - 054451

Place: Kolkata
Date : 28.09.2022

For and on behalf of the Board of Directors of
EMT Megatherm Private Limited
CIN: U29299WB1988SGC044800

Vikas Varshneya
Director
DIN: 00963081

EMT Megatherm Pvt. Ltd. Kolkata 700 088 1, Taratala Road

Gurpreet Kaur

Gurpreet Kaur
Director
DIN: 00963191

udin: 22054451BAOWFG1198

EMT Megatherm Private Limited

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

Rs in Lakhs

	Note No.	31st March 2022	31st March 2021
I. Revenue from operations	19	401.53	2,771.60
II. Other Income	20	211.11	226.38
III. Total revenue (I + II)		612.64	2,997.98
IV. Expenses			
Cost of materials consumed	21	720.10	1,557.87
Changes in inventories of finished goods and work-in-progress	22	(36.88)	1,700.85
Employee benefits expense	23	75.86	106.32
Finance costs	24	72.57	290.17
Depreciation and amortisation expense	25	75.50	95.41
Other expenses	26	200.77	773.87
Total expenses		1,107.92	4,524.49
V. Profit / (Loss) before tax & exceptional items		(495.28)	(1,526.51)
VI. Tax expenses			
Current tax		-	-
MAT credit (entitlement)/reversal		-	-
Deferred tax charge/(credit)		-	-
Net current tax		-	-
VII. Profit / (Loss) for the year		(495.28)	(1,526.51)
VIII. Earnings/(Loss) per equity share [nominal value of share **Rs 1,000** each (previous year Rs 1,000 each)]	27		
Basic and Diluted		(838.45)	(2,584.20)
Significant accounting policies	2		
Notes to financial statements	1 to 37		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached
For Sanjay Khandelwal & Co
Chartered Accountants
Firm's Registration Number. 323311E

Sanjay Khandelwal

Sanjay Khandelwal & Co. Chartered Accountants Kolkata

(CA Sanjay Khandelwal)
Proprietor
Membership No. - 054451
Place: Kolkata
Date : 28.09.2022

udin: 22054451BAOWFG1198

For and on behalf of the Board of Directors of
EMT Megatherm Private Limited
CIN: U29299WB1988SGC044800

Vikas Varshneya

Vikas Varshneya
Director
DIN: 00963081

EMT Megatherm Pvt. Ltd. Kolkata 700 088 1, Taratala Road

Gurpreet Kaur

Gurpreet Kaur
Director
DIN: 00963191

megatherm

EMT Megatherm Private Limited

Cash Flow Statement for the year ended 31st March, 2022

Rs in Lakhs

	Year ended 31st March, 2022		Year ended 31st March, 2021	
A. Cash Flow from Operating Activities				
Profit Before Provision for Taxation		(495.28)		(1,526.51)
Adjustments for :				
Depreciation & Amortisation	75.50		95.41	
Interest Expenses	72.57		290.17	
Interest Income	(9.87)		(27.88)	
(Profit)/Loss on Foreign Exchange fluctuation	(1.85)		4.01	
Deffered Revenue Expenditure	43.94		43.94	
Profit on sale of Fixed Assets	(107.81)		-	
		72.48		405.65
Operating Profit before Working Capital Changes		(422.80)		(1,120.86)
Adjustments for :				
Decrease/ (increase) in trade receivables	49.98		198.22	
Decrease/ (increase) in short term & long term loans and advances	(5.94)		316.31	
Decrease/ (increase) in current assets & non current asset	(10.70)		17.17	
Increase/(decrease) in trade payables	(24.71)		83.45	
Decrease/ (increase) in inventories	58.86		2,206.57	
Increase/(decrease) in long & short term provisions	(0.47)		(13.17)	
Increase/(decrease) in other current liabilities	(190.01)	(122.99)	(26.65)	2,781.90
Cash Generated from Operations		(545.79)		1,661.04
Direct Taxes Paid		-		-
Net Cash from Operating Activities		(545.79)		1,661.04
B. Cash Flow from Investing Activities				
Purchase of Fixed Assets	-		204.96	
Sale of Fixed Assets	498.59		-	
Interest received	9.87		27.88	
Net Cash used in Investing Activities		508.46		232.84
C. Cash Flow from Financing Activities				
Increase/Decrease in Cash Credit facility & other borrowings	188.48		(2,015.55)	
Interest paid	(72.57)		(290.17)	
Net Cash from Financing Activities		115.91		(2,305.72)
		78.58		(411.84)
Opening Cash and Cash Equivalents		97.27		509.11
Closing Cash and Cash Equivalents		175.85		97.27

	As at 31st March, 2022	As at 31st March, 2021
Cash and Cash Equivalents comprise:-		
Cash in hand	0.21	0.26
Bank Balances with Scheduled Banks :		
Current Account	1.44	10.82
Other bank balances	174.20	86.19
	175.85	**97.27**

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For Sanjay Khandelwal & Co
Chartered Accountants
Firm's Registration Number. 323311E

For and on behalf of the Board of Directors of
EMT Megatherm Private Limited
CIN: U29299WB1988SGC044800

Sanjay Khandelwal

Sanjay Khandelwal & Co. Kolkata SK Chartered Accountants

Vikas Varshneya

EMT Megatherm Pvt. Ltd. Kolkata 700 088 1, Taratala Road

Gurpreet Kaur

(CA Sanjay Khandelwal)
Proprietor
Membership No. - 054451

Vikas Varshneya
Director
DIN: 00963081

Gurpreet Kaur
Director
DIN: 00963191

Place: Kolkata
Date : 28.09.2022

udin: 22054451BAOWFG1198

EMT Megatherm Private Limited

Notes forming part of the Financial Statements for the year ended 31st March, 2022

1 ***General Information***

EMT Megatherm Pvt. Ltd. is primarily engaged in the business of manufacturing and selling of Capital Equipments like Induction Melting and Heating Equipments, Arc Melting Furnace, Ladle Refining Furnace, Continuous Casting Machines, Transformers etc. and various parts therof which are required by the Steel Making Industires, Foundry, Forging and Power sector. The company also carries on business of repairs and contractors for servicing and production, modification, reconstruction etc. of all types of Engineering goods, equipments, plant & machineries.

The Company has manufacturing plants in Kolkata and sells primarily in Domestic Markets. The Company is a Private Limited Company and a Subsidiary to Megatherm Electronics Pvt. Ltd.

2 ***Summary of Significant Accounting Policies***

2.01 ***Basis of preparation***

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis in compliance with all material aspects of the Accounting Standards (AS) notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014. The accounting policies adopted in the preparation of financial statements have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy until now (hitherto) in use with those of previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of business and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.02 ***Use of estimates***

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2.03 ***Property, Plant and Equipment***

Tangible assets

Tangible assets, capital work in progress are stated at cost, less accumulated depreciation, revaluation and impairment losses, if any. Cost comprises the purchase price, borrowing costs, if capitalization criteria are met and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during construction/ acquisition and exclusive Input tax credit (IGST/CGST and SGST) or other tax credit available to the Company.

When parts of an item of tangible assets have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure relating to tangible assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

An item of Property, Plant and Equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognized in the Statement of Profit and Loss.

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Sanjay Khandelwal & Co. Kolkata Chartered Accountants

Intangible assets

An intangible asset is recognized when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during development / acquisition and exclusive of Input tax credit (IGST/CGST and SGST) or other tax credit available to the Company.

Subsequent expenditure relating to intangible assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized as income or expense in the Statement of Profit and Loss.

2.04 ***Depreciation on property, plant and equipments***

Based on management's evaluation, useful life prescribed in Schedule II of the Companies Act, 2013 represent actual useful life of property, plant and equipment. The Company uses Straight Line Methods and has used following useful lives to provide depreciation of different class of its property, plant and equipment and Intangible assets.

Particulars	**Year ended March 31, 2022 (Useful life in years)**	**Year ended March 31, 2021 (Useful life in years)**
Leasehold Land	99	99
Buildings	30	30
Plant and Machinery	15	15
Electrical Installation	10	10
Furniture and fixtures	10	10
Computer	3	3
Furniture and fixtures	10	10
Office equipment	3-5	3-5
Vehicle'	8	8

The depreciation charge for each year is recognized in the Statement of Profit and Loss, unless it is included in the carrying amount of any other asset.

The Company has adopted Schedule II to the Companies Act, 2013 which requires identification and determination of separate useful life for each major component of the property, plant and equipment, if they have useful life that is materially different from that of the remaining asset. (Component Accounting)

Leasehold improvements are depreciated over their estimated useful life, or the remaining period of lease from the date of capitalization, whichever is shorter.

Depreciation on addition to tangible assets is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation on sale/discard from tangible assets is provided for upto the date of sale, deduction or discard of tangible assets as the case may be.

The useful life, residual value and the depreciation method are reviewed atleast at each year end. If the expectations differ from previous estimates, the changes are accounted for prospectively as a change in accounting estimate.

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2.05 ***Amortization of Intangible assets***

Amortization of intangible assets has been calculated on straight line basis at the following rates, based on management estimates, which in the opinion of the management are reflective of the estimated useful lives of the Intangible assets.

Particulars	**Year ended March 31, 2022 (Useful life in years)**	**Year ended March 31, 2021 (Useful life in years)**
Computer Softwares	3	3

Amortization on addition to intangible assets is provided on pro-rata basis from the date the assets are ready for intended use. Amortization on sale/discard from intangible assets is provided for upto the date of sale, deduction or discard of intangible assets as the case may be.

The amortization period and the amortization method are reviewed at least at each year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

2.06 ***Impairment of Assets***

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.
After impairment, depreciation/amortization is provided on the revised carrying amount of the asset over its remaining useful life.

2.07 ***Borrowing Costs***

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use or sale are capitalized until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized as expenditure in the period in which they are incurred.

2.08 ***Foreign currency translation***

Initial recognition:
Foreign currency transactions are recorded in the reporting currency by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent recognition:
Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when such values were determined.

Exchange differences:
Exchange differences arising on the settlement of monetary items or on reporting the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they occur.

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2.09 Revenue recognition

Revenue is recognized to the extent, that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from sale of goods

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods are transferred to the buyer and are recorded net of trade discounts, rebates, Sales Tax, Value Added Tax, Goods and Service Tax and gross of Excise Duty.

Revenue from services

Revenue from services is recognized pro-rata over the period of the contract as and when services are rendered and the collectability is reasonably assured. The revenue is recognized net of Goods and service tax.

Interest Income

Interest Income is recognized on a time proportion basis taking into account the amount outstanding and applicable interest rate.

Dividend Income

Dividend is recognized when the Company's right to receive dividend is established.

2.10 Retirement and other employee benefits

Defined contribution plan

The Company makes defined contribution to Government Employee Provident Fund, Government Employee Pension Fund, Employee Deposit Linked Insurance, ESI and Superannuation Schemes, which are recognized in the Statement of Profit and Loss on accrual basis.

Defined Benefit Plan- Gratuity

The Company provides for retirement benefits in the form of Gratuity. Benefits payable to eligible employees of the company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the Balance Sheet date. In accordance with the Payment of Gratuity Act, 1972, the plan provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost and fair value of plan assets as at the balance sheet date through which the obligations are to be settled. The resultant actuarial gain or loss on change in present value of the defined benefit obligation or change in return of the plan assets is recognized as an income or expense in the Statement of Profit and Loss.

2.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

2.12 Inventories

Raw materials, components, stores and spares, and packing material are valued at cost. However, these items are considered to be realizable at replacement cost if the finished goods, in which they will be used, are expected to be sold below cost.

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Cost of inventories is computed on a weighted-average basis. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition.

Work in progress and manufactured finished goods are valued at the lower of cost and net realizable value. Cost of work in progress and manufactured finished goods is determined on the weighted average basis and comprises direct material, Cost of conversion and other costs incurred in bringing these inventories to their present location and condition. Cost of traded goods is determined on a weighted average basis.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on item by item basis.

2.13 **Income Taxes**

Tax expense for the period comprises of current tax, deferred tax and Minimum alternate tax credit (Wherever applicable).

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income-tax Act, 1961.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts, and there is an intention to settle the asset and the liability on a net basis.

The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the reporting date.

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and are written-down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

At each reporting date, the Company reassesses the unrecognized deferred tax assets, if any.

Minimum alternate tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

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2.14 **Contingent Liability, Provisions and Contingent Asset**

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

The Company records a provision for decommissioning, restoration and similar liabilities that are recognized as cost of property, plant and equipment. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

Contingent assets are neither recorded nor disclosed in the financial statements.

2.15 **Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

The weighted average numbers of equity shares are adjusted for events such as bonus issue, bonus element in the rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without corresponding change in resources.

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

2.16 **Segment Reporting**

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Further, inter-segment revenue have been accounted for based on the transaction price agreed to between segments which is primarily market based.

Unallocated items include general corporate income and expense items, which are not allocated to any business segment.

2.17 **Rounding off**

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest lakhs as per the requirements of Schedule III of the Act unless otherwise stated.

EMT Megatherm Pvt. Ltd. Kolkata 700 088 1, Taratala Road

Gurpreet Kaur

Sanjay Khandelwal & Co. Kolkata Chartered Accountants

Rs in Lakhs

	31st March 2022	31 March 2021
Note 3 - Share capital		
Authorised		
70,000 (previous year 70,000) equity shares of Rs 1,000 each	700.00	700.00
Issued, subscribed and fully paid up		
59,071 (previous year 59,071) equity shares of Rs 1,000 each	590.71	590.71

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

	31st March 2022		31 March 2021	
	Number	Amount	Number	Amount
Equity Shares				
At the commencement of the year	59,071	590.71	59,071	590.71
Add: Issued during the year	-	-	-	-
At the end of the year	59,071	590.71	59,071	590.71

b. Rights, preferences and restrictions attached to equity shares

Equity Shares : The Company has one class of equity shares having a par value of Rs. 1000/- per share. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets. The equity shares are entitled to receive dividend as declared from time to time The voting rights of a equity shareholders are in proportion to its share of the paid up equity capital of the company. The right to transfer the shares are restricted to its members whose numbers are limited to fifty. No invitation shall be issued to the public to subscribe for any shares or in debentures of the company and prohibits any invitation to or acceptance of deposits from persons other that its members, directors or their relatives. Provided that where two or more persons hold one or more shares in the Company jointly, they shall for the purpose of this clause, be treated as a single member. Provided further that right to transfer of equity shares is subject to the restrictions embedded in Joint Venture Transformation Agreement dated 15th February, 2005, amended on 24th October, 2005 and also on 9th Sepetember, 2010 entered into between The Govertment of West Bengal and Megatherm Electronics Pvt. Ltd. and its affiliates.

c. Shares held by holding/ultimate holdings company and/or their subsidiaries/associates

	31st March 2022		31 March 2021	
	Number	Amount	Number	Amount
Equity shares of Rs 1,000 each fully paid up held by: Megatherm Electronics Pvt. Ltd., Holding Company	48,011	480.11	48,011	480.11

d. Particulars of shareholders holding more than 5% shares of fully paid up equity shares

	31st March 2022		31 March 2021	
	Number	% of total shares in the class	Number	% of total shares in the class
Equity shares of Rs 1,000 each fully paid up held by:				
Megatherm Electronics Pvt. Ltd., the Holding Company	48,011	81.28%	48,011	81.28%
Govt. of West Bengal	5,868	9.93%	5,868	9.93%

	31st March 2022	31 March 2021
Note 4 - Reserves and surplus		
Capital reserve		
At the commencement and at the end of the year	200.00	200.00
Revaluation Reserve		
At the commencement and at the end of the year	51.12	51.12
General reserve		
At the commencement and at the end of the year	27.89	27.89
Surplus (Profit and loss balance)		
At the commencement of the year	(1,035.43)	491.08
Profit/(Loss) for the year	(495.28)	(1,526.51)
At the end of the year	(1,530.71)	(1,035.43)
Total Reserves and surplus	(1,251.70)	(756.42)

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Rs in Lakhs

	31st March 2022	31 March 2021
Note 5 - Deferred tax liabilities (net)		
Deferred tax liabilities		
Difference between book depreciation & tax depreciation	140.61	140.61
Deferred tax assets		
Expenses provided but allowable in Income Tax on payment basis	26.90	26.90
	26.90	26.90
Deferred tax liability (net)	113.71	113.71

	Long-term		Short-term	
	31st March 2022	31 March 2021	31st March 2022	31 March 2021
Note 6 - Provisions				
Provision for employee benefits:				
Gratuity	1.56	2.03	3.45	3.45
	1.56	2.03	3.45	3.45

	31st March 2022	31 March 2021
Note 7 - Short-term borrowings		
Working capital loans		
Rupee loans from others	-	920.00
From others (unsecured)		
Rupee loans from others	1,373.64	265.16
	1,373.64	1,185.16

	31st March 2022	31 March 2021
Note 8 - Trade payables		
Sundry Creditors	1,725.72	1,750.43
	1,725.72	1,750.43

31st March 2022	Current				
Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0	0	0	-	-
(ii) Disputed dues - MSME	-	-	-	-	-
(iii) Others	235.67	264.87	895.42	329.76	1,725.72
(iv)Disputed dues - Others	-	-	-	-	-
Total	235.67	264.87	895.42	329.76	1,725.72

31 March 2021	Current				
Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Disputed dues - MSME	-	-	-	-	-
(iii) Others	738.32	492.23	165.92	353.96	1,750.43
(iv)Disputed dues - Others	-	-	-	-	-
Total	738.32	492.23	165.92	353.96	1,750.43

	31st March 2022	31 March 2021
Note 9 - Other current liabilities		
Interest accrued and due on borrowings	64.71	1.75
Goods and Service Tax Payable	0.17	-
TDS Payable	2.18	5.59
Other Statutory Dues	1.57	2.20
Advances received from customers	23.43	256.93
Other payables#	15.47	31.07
	107.53	297.54

Includes amount due towards Employee benefits expense and others

EMT Megatherm Pvt. Ltd. Kolkata 700 088 1, Taratala Road

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EMT Megatherm Private Limited

Notes forming part of the Financial Statements for the year ended 31st March, 2022

Rs in Lakhs

Note 10 - Property, Plant and Equipment Property and Intangible assets

	Freehold Land	Leasehold Land	Buildings	Plant and Machinery	Electrical Installation	Tools & Equipments	Furniture and fixtures	Vehicles	Office equipments	Total Tangible Assets	Software	Total Intangible Assets	Total Assets
Balance as at 31 March 2020	130.51	196.37	1,116.17	939.74	84.99	14.88	130.75	6.53	176.16	2,796.10	182.96	**182.96**	2,979.06
Additions during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals/Discard	-	-	-	-	-	-	-	-	-	-	-	-	-
- Borrowing costs	-	-	-	-			-	-	-	-	-	-	-
Balance as at 31 March 2021	**130.51**	**196.37**	**1,116.17**	**939.74**	**84.99**	**14.88**	**130.75**	**6.53**	**176.16**	**2,796.10**	**182.96**	**182.96**	**2,979.06**
Additions during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals/Discard	130.51	-	341.57	98.79	-	-	-	-	-	**570.87**	-	-	570.87
Balance as at 31 March 2022	**-**	**196.37**	**774.60**	**840.95**	**84.99**	**14.88**	**130.75**	**6.53**	**176.16**	**2,225.23**	**182.96**	**182.96**	**2,408.19**
Depreciation													
Balance as at 31 March 2020	-	81.94	473.71	671.81	74.31	13.04	123.53	1.50	168.58	1,608.42	162.58	162.58	1,771.00
Depreciation for the year	-	-	30.32	52.78	4.43	0.59	1.57	0.95	2.52	93.16	2.25	2.25	95.41
Accumulated depreciation on disposals/discard	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	**-**	**81.94**	**504.03**	**724.59**	**78.74**	**13.63**	**125.10**	**2.45**	**171.10**	**1,701.58**	**164.83**	**164.83**	**1,866.41**
Depreciation for the year	-	-	22.84	48.79	1.88	0.28	0.64	-	0.61	**75.04**	0.46	**0.46**	75.50
Accumulated depreciation on disposals/discard	-	-	106.43	73.66	-	-	-	-	-	**180.09**	-	-	180.09
Balance as at 31 March 2022	**-**	**81.94**	**420.44**	**699.72**	**80.62**	**13.91**	**125.74**	**2.45**	**171.71**	**1,596.53**	**165.29**	**165.29**	**1,761.82**
Net Block													
Balance as at 31 March 2021	130.51	114.43	612.14	215.15	6.25	1.25	5.65	4.08	5.06	1,094.52	18.13	18.13	1,112.65
Balance as at 31 March 2022	**-**	**114.43**	**354.16**	**141.23**	**4.37**	**0.97**	**5.01**	**4.08**	**4.45**	**628.70**	**17.67**	**17.67**	**646.37**

Gurpreet Kaur

EMT Megatherm Pvt. Ltd. ★ 1, Taratala Road ★ Kolkata 700 088

Sanjay Khandelwal & Co. ★ Chartered Accountants ★ Kolkata

megatherm

Rs in Lakhs

	31st March 2022	31 March 2021
Note 11 - Capital work-in-progress		
At the beginning of the year	-	204.95
Incurred during the year	-	-
Charged during the year	-	(204.95)
At the end of the year	-	-

	31st March 2022	31 March 2021
Note 12 - Long-term loans and advances		
(Unsecured, considered good)		
To parties other than related parties		
Security and other deposits	8.42	7.08
Others	7.64	7.64
	16.06	14.72

	31st March 2022	31 March 2021
Note 13 - Other non-current assets		
(Unsecured, considered good)		
Deferred Revenue Expenditure	-	43.94
	-	43.94

	31st March 2022	31 March 2021
Note 14 - Inventories		
(Valued at cost)		
Raw materials *	801.22	896.96
Work-in-progress *	306.88	270.00
	1,108.10	1,166.96

	31st March 2022	31 March 2021
Note 15 - Trade receivables		
Other receivables		
(a) Unsecured, Considered good	108.47	156.60
	108.47	156.60

31st March 2022	Current				
Particulars	Outstanding for following periods from due date of payment				
	Less than 6 month	6 months - 1 year	1-2 years	2-3years	More than 3 years
(i) Undisputed Trade receivables - considered good	29.81	2.87	0.40	15.11	60.28
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-
(iii) Disputed Trade Receivables-considered good	-	-	-	-	-
(iv) Disputed Trade Receivables - considered doubtful	-		-	-	-
Less: Provision for doubtful receivable (Disputed + Undisputed)	-	-	-	-	-
Total	29.81	2.87	0.40	15.11	60.28

31 March 2021	Current				
Particulars	Outstanding for following periods from due date of payment				
	Less than 6 month	6 months - 1 year	1-2 years	2-3years	More than 3 years
(i) Undisputed Trade receivables - considered good	75.18	0.18	16.42	0.07	64.75
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-
(iii) Disputed Trade Receivables-considered good	-	-	-	-	-
(iv) Disputed Trade Receivables - considered doubtful	-		-	-	-
Less: Provision for doubtful receivable (Disputed + Undisputed)	-	-	-	-	-
Total	75.18	0.18	16.42	0.07	64.75

EMT Megatherm Pvt. Ltd. Kolkata 700 088 1, Taratala Road

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Sanjay Khandelwal & Co. Chartered Accountants Kolkata

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megatherm

Rs in Lakhs

	31st March 2022	31 March 2021
Note 16 a - Cash and cash equivalents		
Cash and cash equivalents		
Cash on hand	0.21	0.26
Balances with scheduled banks		
On current accounts	1.44	10.82
	1.65	11.08
Note 16 b - Other bank balances		
On deposit accounts	174.20	86.19
	174.20	86.19
	175.85	97.27

	31st March 2022	31 March 2021
Note 17 - Short-term loans and advances		
(Unsecured, considered good unless otherwise stated)		
To parties other than related parties		
Advances for supplies	313.93	408.17
Advance to employees	45.91	50.88
Advance income tax	54.09	38.79
MAT credit entitlement	10.22	12.08
Prepaid expenses	0.08	0.09
Balance with statutory/excise authorities	170.33	79.95
	594.56	589.96

	31st March 2022	31 March 2021
Note 18 - Other current assets		
Interest accrued on fixed deposits	6.32	-
Export incentive receivable	8.89	4.51
	15.21	4.51

	31st March 2022	31 March 2021
Note 19 - Revenue from operations		
Sale of finished goods	395.58	1,315.31
Sale of services	1.57	1.43
Other operating revenue		
Export incentives	4.38	0.08
Scrap Sale & Liab written Back	-	1,454.78
	401.53	2,771.60

	31st March 2022	31 March 2021
Note 20 - Other income		
Interest on fixed deposits with banks	8.86	27.18
Interest on others	1.01	0.70
Profit on foreign exchange fluctuation	1.85	-
Profit on sale of Fixed Asset	107.81	-
Service Income	85.51	-
Miscellaneous income	6.07	198.50
	211.11	226.38

	31st March 2022	31 March 2021
Note 21 - Cost of materials consumed		
Inventory of raw materials at the beginning of the year	896.97	1,402.69
Purchases	624.35	1,052.15
	1,521.32	2,454.84
Less: Inventory of raw materials at the end of the year	801.22	896.97
	720.10	1,557.87

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EMT Megatherm Pvt. Ltd. 1, Taratala Road Kolkata 700 088

Rs in Lakhs

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

	31st March 2022	31 March 2021
Opening stock		
Work-in-progress	270.00	1,970.85
	270.00	1,970.85
Closing stock		
Work-in-progress	306.88	270.00
	306.88	270.00
	(36.88)	1,700.85

Note 23 - Employee benefits expense

	31st March 2022	31 March 2021
Salaries, wages and bonus	65.99	94.62
Contribution to provident and other funds	3.18	6.21
Staff welfare expenses	6.69	5.49
	75.86	106.32

Note 24 - Finance costs

	31st March 2022	31 March 2021
Interest expense	70.05	279.65
Bank Charges	2.52	10.52
	72.57	290.17

Note 25 - Depreciation and amortisation expense

	31st March 2022	31 March 2021
Depreciation on Tangible Assets	75.04	93.16
Depreciation on Intangible Assets	0.46	2.25
	75.50	95.41

Note 26 - Other expenses

	31st March 2022	31 March 2021
Consumption of stores and spare parts	4.37	157.10
Power and fuel	47.27	38.85
Freight, clearing and forwarding	1.01	4.07
Rent (net)	-	101.72
Repairs to:		
Plant and machinery	1.07	151.17
Others	4.40	6.07
Insurance	3.67	15.53
Rates and taxes	2.41	15.66
Travelling and conveyance expenses	0.02	0.69
Legal and professional fees	3.56	11.53
Payment to auditors' (refer note (a) below)	0.72	0.80
Security Service Charges	2.51	2.28
Warranty Expenses	-	0.05
Printing and stationery	-	0.08
Telephone and communication expenses	0.90	2.43
Bad debts written off	16.80	166.26
Def.Revenue Exp.W-Off.	43.94	43.94
Selling Expenses	55.11	29.60
Loss on foreign exchange fluctuation	-	4.01
Payment of Old Liabilities	10.24	17.60
Miscellaneous expenses	2.77	4.43
	200.77	773.87

a. Payment to auditors':

	31st March 2022	31 March 2021
Statutory audit	0.50	0.50
Tax audit	0.20	0.30
Other Services	0.02	-
	0.72	0.80

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EMT Megatherm Pvt. Ltd. Kolkata 700 088 1 Taratala Road

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Note 27 - Earnings/(Loss) per share (EPS)

		31st March 2022	31 March 2021
Profit after tax as reported	(a)	(495.28)	(1,526.51)
Net Profit attributable to Equity Shareholders for calculation of basic and diluted (Rs in lakhs)	(b)	(495.28)	(1,526.51)
Weighted average number of equity shares outstanding during the year for calculation of basic and diluted EPS (in nos)	(c)	59,071	59,071
Basic and Diluted EPS of Rs 1,000 each	(d) = (b) / (c)	(838.45)	(2,584.20)
Nominal value of equity share (in Rs)		1,000.00	1,000.00

Note 28 - Information in accordance with the requirements of Accounting Standard 18 on Related Party Disclosures

(i) List of related party and relationship where control exists

(a) Enterprises having control over the Company with whcihc transaction has taken place during the year and previous year.
Megatherm Electronics Private Limited - Immediate holding company

(b) Fellow Subsidiaries (with whom transactions have taken place during the year and previous year):
Megatherm Induction Private Limited

(ii) Names of the other related parties with whom transactions have taken place during the year

(a) Key Managerial Personnel
Mr. Vikas Varshneya, Director
Mr. Gurpreet Kaur, Director

(iii) Details of transactions with related parties

Particulars	31st March 2022	31 March 2021
Relating to Profit and Loss account		
Sale of Products/services		
Megatherm Induction Private Limited	-	1,198.01
Purchase of Products/Services		
Megatherm Electronics Private Limited	2.93	76.13
Megatherm Induction Private Limited	564.22	699.02
Interest Expenses		
Megatherm Electronics Private Limited	69.95	1.90
Salaries/ Managerial Remuneration		
Mr. Gurpreet Kaur	3.84	3.13
Relating to Balance Sheet		
Loan received		
Megatherm Electronics Private Limited	278.00	920.00
Asset Sold		
Megatherm Induction Private Limited	138.77	-
Balances at the year end		
Closing Balance in Interest Payable		
Megatherm Electronics Private Limited	64.71	1.76
Closing Balance in Loan (Cr.)		
Megatherm Electronics Private Limited	1,108.47	920.00
Closing Credit Balance		
Megatherm Electronics Private Limited	-	428.70
Megatherm Induction Private Limited	757.48	185.12

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EMT Megatherm Pvt. Ltd. Kolkata 700 088 1, Taratala Road

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EMT Megatherm Private Limited
Notes forming part of the Financial Statements for the year ended 31st March, 2022

Note 29 -Ratios

S No.	Ratio	31 March 2022		31 March 2021		Ratio as on	Ratio as on	Variation	Reason (If variation is more than 25%)
		Numerator	Denominator	Numerator	Denominator	31 March 2022	31 March 2021		
(a)	Current Ratio	2,002.19	3,210.34	2,015.30	3,236.58	0.62	0.62	-0.16%	
(b)	Debt-Equity Ratio	1,373.64	(660.99)	1,185.16	(165.71)	(2.08)	(7.15)	70.94%	Company has tried to reduce its losses to some extend after Covid
(c)	Debt Service Coverage Ratio	(347.21)	70.05	(1,140.93)	279.65	(4.96)	(4.08)	-21.49%	
(d)	Return on Equity Ratio	(495.28)	590.71	(1,526.51)	590.71	(83.84)	(258.42)	67.55%	There is decrease in Return on Equity is mainly due to decrease in gross margin on product sold on account of hike in raw materials prices.
(e)	Inventory Turnover Ratio	720.10	1,137.53	1,557.87	2,270.26	0.63	0.69	7.75%	There is increase in Inventory Turnover ratio is mainly due to increase in raw material prices which leads to increase in values of stock.
(f)	Trade Receivables Turnover Ratio	401.53	132.54	2,771.60	257.72	3.03	10.75	71.83%	There is increase in Trade Receivable turnover ratio as the customers of the company has reduced the credit period as compare to last year.
(g)	Trade Payables Turnover Ratio	624.35	1,738.08	1,052.15	1,709.58	0.36	0.62	41.63%	There is increase in Trade payable turnover ratio as the suppliers of the company has reduced the credit period as compare to last year.
(h)	Net Capital Turnover Ratio	612.64	(1,201.60)	2,997.98	346.58	(0.51)	8.65	105.89%	There is increase in net capital turnover ratio as the company uses of limits of Working capital has been reduced during the year.
(i)	Net Profit Ratio	(495.28)	401.53	(1,526.51)	2,771.60	(1.23)	(0.55)	-123.96%	There is decrease in net profit ratio is mainly due to decrease in margins on product sold on account of hike in raw materials prices.
(j)	Return on Capital Employed	(567.85)	(545.72)	(1,816.68)	(49.97)	1.04	36.36	97.14%	There is decrease in Return on Capital employed is mainly due to decrease in margins on product sold on account of hike in raw materials prices.
(k)	Return on Investment	(495.28)	(660.99)	(1,526.51)	(165.71)	0.75	9.21	91.87%	There is decrease in Return on Investment is mainly due to decrease in margins on product sold on account of hike in raw materials prices.

EMT Megatherm Pvt. Ltd. * 1, Taratala Road * Kolkata 700 088

Gurpreet Kaur

Khandelwal & Co. Chartered Accountants Kolkata

Rs in Lakhs

Note 30 - Contingent liabilities and commitments
(to the extent not provided for)

	31st March 2022	31 March 2021
a) Contingent Liabilities:		
(i) Sales tax matters in dispute/ under appeal	**1,158.69**	1,158.69
(ii) Income Tax in dispute/ under appeal	**340.69**	392.05
(iii) Entry Tax Matter in dispite/under appeal	**273.70**	273.70

Note 31 - Earnings in foreign currency	31st March 2022	31 March 2021
F.O.B. value of exports	**244.55**	5.62

Note 32 - Undisclosed income
The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year or previous year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

Note 33 - Details of Crypto Currency or Virtual Currency
The Company has not traded or invested in Crypto currency or Virtual Currency during the current year or previous year.

Note 34 - Details of Benami Property held
The Company does not have any Benami property in current year or previous year, where any proceeding has been initiated or pending against the company for holding any Benami property.

Note - 35 The Social Security Code, 2020
The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued. The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note 36 - Segment information
Segments have been identified in line with the Accounting Standard 17 - Segment Reporting, taking into account the nature of products and services, the different risks and returns, the organisational structure and the internal financial reporting system. The Company is engaged in the business of manufacturing and sale of induction. It has manufacturing location in India only. Based on the dominant source and nature of risk and returns of the Company, its internal organisation and management structure and its system of internal financial reporting, business segment has been identified as the primary segment. The Company has only one business segment.

Note 37 - Previous year's figures have been regrouped / reclassified wherever necessary to conform to current year's classification/ disclosure.

As per our report of even date attached
For Sanjay Khandelwal & Co
Chartered Accountants
Firm's Registration Number. 323311E

Sanjay Khandelwal

(CA Sanjay Khandelwal)
Proprietor
Membership No. - 054451
Place: Kolkata
Date : 28.09.2022

Sanjay Khandelwal & Co. Kolkata Chartered Accountants SK

udin: 22054451BAOWFG1198

For and on behalf of the Board of Directors of
EMT Megatherm Private Limited
CIN: U29299WB1988SGC044800

Vikas Varshneya
Director
DIN: 00963081

EMT Megatherm Pvt. Ltd. Kolkata 700 088

Gurpreet Kaur

Gurpreet Kaur
Director
DIN: 00963081