

K.C. MALHOTRA & CO.
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Members of Isgec Exports Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Isgec Exports Limited ("the Company"), which comprise the Balance sheet as at March 31 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit, and total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the 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 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 Ind AS financial statements.

Emphasis of Matter

We draw attention to Note 19 to the standalone financial statements which describes the management's evaluation of impact of uncertainties related to COVID-19 and its consequential effects on the operations of the Company. Our opinion is not modified in respect of this matter.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report 2020-21, but does not include the Standalone Ind AS financial



statements and our auditor's 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS 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.

Responsibility of Management for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 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 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 Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the 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 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 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, 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 the such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 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;



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- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) The matter described in Emphasis of Matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
- (f) On the basis of the written representations received from the directors as on March 31, 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (g) With respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (h) In our opinion and to the best of our information and according to the explanations given to us, the provisions of section 197 read with Schedule V of the Act are not applicable to the company for the year ended 31st March, 2021.
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For K.C. Malhotra & Co.
Chartered Accountants
(Firm Regn.No.000057N)



(Ramesh Malhotra)

Partner

Membership Number: 013624

UDIN: 21013624AAAABF9549

Place of Signature: New Delhi

Date: 12th.May,2021

K.C. MALHOTRA & CO.
CHARTERED ACCOUNTANTS

R-79, GREATER KAILASH-I,
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Annexure 'A' to the Independent Auditors' Report

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

- i) The Company does not have any property, plant and equipment as at March 31, 2021 and, accordingly, the requirements under paragraph 4(i) of the Order are not applicable to the Company.
- ii) The Company's business does not involve inventories and accordingly the requirements paragraph 4(ii) of the Order are not applicable to the Company.
- iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to, companies, Limited Liability Partnership, firms 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.
- iv) In our opinion and according to the information and explanations given to us, the company has not granted any loans, investments, guarantees, and security in terms of Section 185 and 186 of the Companies Act, 2013. Hence, reporting under clause 3(iv) of the order is not applicable to the company.
- v) The Company has not accepted any deposits during the year and therefore, the provisions of the clause 3(v) of the order are not applicable to the company.
- vi) The maintenance of cost records has not been prescribed to the company by the Central Government under Section 148(1) of the Companies Act, 2013. Thus reporting under clause 3(vi) of the order is not applicable to the company.
- vii) According to the information and explanations given to us, in respect of statutory dues:
 - a) The company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, cess and other material statutory dues applicable to it. The provisions relating to provident fund, employees' state insurance, duty of custom, duty of excise, value added tax and goods and service tax are not applicable to the company.
 - b) There were no undisputed amounts payable in respect of income- tax, cess and other material statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable. The provisions relating to provident fund, employees' state insurance, duty of custom, duty of excise, value added tax and goods and service tax are not applicable to the company.
 - c) There are no dues of income tax, sales tax, service tax, excise duty and value added tax which have not been deposited on account of any dispute. The provisions relating to provident fund, Employees state insurance, customs duty, duty of excise, value added tax and goods and service tax are not applicable to the company.
- viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has issued any debentures. Hence reporting under clause 3 (viii) of the order is not applicable to the company.
- ix) The Company has not raised any money by way of initial public offer / further public offer (including debt instruments) or term loans during the year and hence, reporting under clause (ix) of the order is not applicable to the Company,



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- x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- ~~x1) The provisions of section 197 read with Schedule V to the Companies Act, 2013 are not applicable to the Company. Therefore, the requirements under paragraph 3(xi) of the Order are not applicable to the company.~~
- xii) In our opinion, the Company is not a nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii) According to the information and explanations given by the management, there are no transactions with the related parties during the year under audit and accordingly reporting under clause 3(xiii) in so far as relates to section 188 of the Act is not applicable to the company. The provisions of section 177 are not applicable to the company and accordingly reporting under clause 3(xiii) in so far as it relates to section 177 of the Act is not applicable to the Company.
- xiv) During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit and hence reporting under clause 3(xiv) of the Order is not applicable.
- xv) In our opinion, and according to the information and explanations given to us, the Company has not entered into any non - cash transactions with directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

For K.C.Malhotra & Co.
Chartered Accountants
(Firm Regn.No.000057N)


(Ramesh Malhotra)
Partner

Membership No.013624
UDIN: 21013624AAAABF9549
Place of Signature: New Delhi
Date: 12th.May,2021



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Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Isgec Exports Limited of even date)

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

We have audited the internal financial controls over financial reporting of Isgec Exports limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended March 31, 2021

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K.C.Malhotra & Co
Chartered Accountants
(Firm Regn.No.000057N)


(Ramesh Malhotra)

Partner

Membership No: 013624

UDIN: 21013624AAAABF9549

Place of signature: New Delhi

Date: 12th.May,2021



Isgec Exports Limited
CIN: U51909DL1996PLC076750
Balance Sheet as at 31st March, 2021

(IN INR)

| | Note | 31.03.2021 | 31.03.2020 |
|---|------|--------------------|--------------------|
| ASSETS | | | |
| Non - current assets | | | |
| (a) Property, plant and equipment | | - | - |
| (b) Financial assets | | - | - |
| (i) Investments | | - | - |
| (ii) Trade receivables | | - | - |
| (iii) Loans | | - | - |
| (iv) Other financial assets | | - | - |
| (c) Deferred tax assets (net) | | - | - |
| (d) Other non - current assets | | - | - |
| Total non-current assets | | - | - |
| Current assets | | | |
| (a) Inventories | | - | - |
| (b) Financial assets | | - | - |
| (i) Investments | | - | - |
| (ii) Trade receivables | | - | - |
| (iii) Cash and cash equivalents | 4 | 1,00,87,325 | 1,00,88,673 |
| (iv) Loans | | - | - |
| (v) Other financial assets | 5 | 29,57,579 | 24,36,968 |
| (c) Current tax assets (net) | 9 | 8,539 | 5,597 |
| (d) Other current assets | | - | - |
| Total current assets | | 1,30,53,443 | 1,25,31,238 |
| Total assets | | 1,30,53,443 | 1,25,31,238 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity share capital | 6(a) | 10,00,000 | 10,00,000 |
| (b) Other equity | 6(b) | 1,20,23,943 | 1,15,01,738 |
| Total equity | | 1,30,23,943 | 1,25,01,738 |
| LIABILITIES | | | |
| Non - current liabilities | | | |
| (a) Financial liabilities | | - | - |
| (i) Borrowings | | - | - |
| (ii) Trade payables | | - | - |
| (iii) Other financial liabilities | | - | - |
| (b) Provisions | | - | - |
| (c) Deferred tax liabilities (net) | | - | - |
| (d) Other non - current liabilities | | - | - |
| Total non-current liabilities | | - | - |
| Current liabilities | | | |
| (a) Financial liabilities | | - | - |
| (i) Borrowings | | - | - |
| (ii) Trade payables | | - | - |
| a) Total outstanding dues of micro enterprises and small Enterprises | | - | - |
| b) Total outstanding dues of creditors other than micro enterprises and small Enterprises | 7 | 29,500 | 29,500 |
| (iii) Other financial liabilities | | - | - |
| (b) Other current liabilities | 8 | - | - |
| (c) Provisions | | - | - |
| (d) Current tax liabilities (net) | 9 | - | - |
| Total current liabilities | | 29,500 | 29,500 |
| Total equity and liabilities | | 1,30,53,443 | 1,25,31,238 |

The accompanying notes form an integral part to the financial statements

In terms of our report of even date
For K.C.Malhotra & Co.
Chartered Accountants
(Firm Regn.No. 000057N)

(Ramesh Malhotra)
Partner
Membership No. 013624
Place: New Delhi
Date: May 12, 2021



For and on behalf of the Board of directors

(Vinod Kumar Luthra)
Director
DIN: 02837289

(Kishore Chatnani)
Director
DIN: 07805465

Isgec Exports Limited
CIN: U51909DL1996PLC076750
Statement of Profit and Loss for the year ended 31st March, 2021

(IN INR)

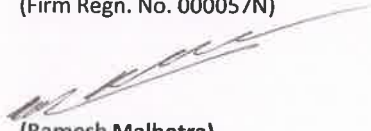
| | Note | 31.03.2021 | 31.03.2020 |
|---|------|-----------------|-----------------|
| | | Audited | Audited |
| Revenue from contracts with customers Other Income | 10 | 7,30,215 | 7,06,758 |
| Total income | | 7,30,215 | 7,06,758 |
| Expenses | | | |
| Other expenses | 11 | 32,378 | 35,269 |
| Total expenses | | 32,378 | 35,269 |
| Profit before tax | | 6,97,837 | 6,71,489 |
| Income tax expense | 12 | 1,75,632 | 1,69,000 |
| Profit for the year | | 5,22,205 | 5,02,489 |
| Other comprehensive income | | - | - |
| Total comprehensive income for the year | | 5,22,205 | 5,02,489 |
| Earnings per equity share Basic & Diluted | 13 | 5.22 | 5.02 |

The accompanying notes form an integral part to the financial statements

In terms of our report of even date

For **K.C.Malhotra & Co.**

Chartered Accountants
(Firm Regn. No. 000057N)



(Ramesh Malhotra)

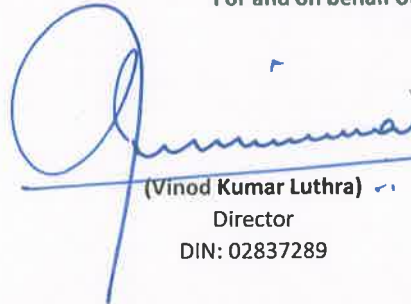
Partner

Membership no. - 013624

Place: New Delhi

Date: May 12, 2021

For and on behalf of the Board of directors



(Vinod Kumar Luthra)

Director

DIN: 02837289



(Kishore Chatnani)

Director

DIN: 07805465



Isgec Exports Limited
 CIN: U51909DL1996PLC076750
 Cash flow statement for the year ended 31st March, 2021

(IN INR)

| | Note | 31.03.2021 | 31.03.2020 |
|---|----------|--------------------|--------------------|
| Cash flow from operating activities | | | |
| Profit before tax | | 6,97,837 | 6,71,489 |
| Profit before tax | | 6,97,837 | 6,71,489 |
| Adjustment for: | | | |
| Interest income | 10 | (7,30,215) | (7,06,758) |
| Change in operating assets and liabilities | | | |
| Decrease /(increase) in other financial assets | 5 | (5,20,611) | (6,20,491) |
| Increase /(decrease) in trade and other payables | 7 | - | - |
| Increase / (decrease) in current tax assets (net) | 9 | (2,942) | 24,249 |
| Increase / (decrease) in other current liabilities | 8 | - | - |
| Income tax paid | 12 | (1,75,632) | (1,69,000) |
| | | (7,31,563) | (8,00,511) |
| Cash flow from Investing activities | | | |
| Interest income | 10 | 7,30,215 | 7,06,758 |
| Cash flow used in investing activities | | - | - |
| Net cash in inflow (outflow) from investing activities (B) | | 7,30,215 | 7,06,758 |
| Cash flow from financing activities | | | |
| Net cash inflow (outflow) from financing activities (C) | | - | - |
| Net increase (decrease) in cash and cash equivalents (A+B+C) | | (1,348) | (93,753) |
| Cash and cash equivalents at the beginning of the year | 5 | 1,00,88,673 | 1,01,82,426 |
| Cash and cash equivalents at the end of six month period | 5 | 1,00,87,325 | 1,00,88,673 |
| Components of cash and cash equivalents | | | |
| Balance with banks | | 1,87,325 | 88,673 |
| Bank fixed deposit | | 99,00,000 | 1,00,00,000 |
| Cash and cash equivalents | | 1,00,87,325 | 1,00,88,673 |

Notes:

- The above cash flow statement has been prepared under the Indirect method set out in Indian Accounting Standard (Ind AS) 7.
- Reconciliation of liabilities arising from financing activities

| Particulars | Short-term borrowings |
|---------------------------------------|-----------------------|
| Opening balance as on 1st.April,2020 | - |
| Non-cash changed due to: | - |
| -Interest expense | - |
| -Others | - |
| Cash flows during the year | - |
| Closing balance as on 31st march,2021 | - |

In terms of our report of even date

For K.C.Malhotra & Co.
 Chartered Accountants
 (Firm Regn. No. 000057N)

For and on behalf of the Board of directors

(Ramesh Malhotra)

Partner

Membership no. - 013624

Place: New Delhi

Date: May 12, 2021

(Vinod Kumar Luthra)

Director

DIN: 02837289

(Kishore Chatnani)

Director

DIN: 07805465



Isgec Exports Limited

Notes to financial statements for the year ended 31st March, 2021

Statement of changes in equity

A : Equity share capital

(IN INR)

| | |
|---------------------------------|-----------|
| As at 01.04.2019 | 10,00,000 |
| Changes in equity share capital | - |
| As at 31.03.2020 | 10,00,000 |
| Changes in equity share capital | - |
| As at 31.03.2021 | 10,00,000 |

B: Other equity

(IN INR)

| Particulars | Reserves and Surplus | | | Total |
|-----------------------------------|----------------------|-----------------|-------------------|--------------------|
| | Securities premium | General reserve | Retained earnings | |
| As at 01.04.2019 | 58,64,688 | - | 51,34,561 | 1,09,99,249 |
| Profit for the year | - | - | 5,02,489 | 5,02,489 |
| Other comprehensive income | - | - | - | - |
| Total comprehensive income | 58,64,688 | - | 56,37,050 | 1,15,01,738 |
| As at 31.03.2020 | 58,64,688 | - | 56,37,050 | 1,15,01,738 |
| Balance as at 01.04.2020 | 58,64,688 | - | 56,37,050 | 1,15,01,738 |
| Profit for the year | - | - | 5,22,205 | 5,22,205 |
| Other comprehensive income | - | - | - | - |
| Total comprehensive income | 58,64,688 | - | 61,59,255 | 1,20,23,943 |
| As at 31.03.2021 | 58,64,688 | - | 61,59,255 | 1,20,23,943 |

The accompanying notes form an integral part to the financial statements

In terms of our report of even date

For K. C. Malhotra & Co.

Chartered Accountants

(Firm Regn. No. 000057N)

For and on behalf of the Board of directors



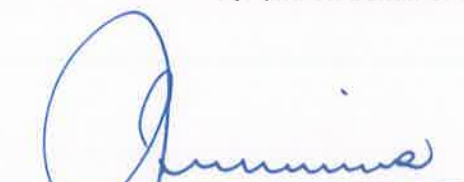
(Ramesh Malhotra)

Partner

Membership No. - 013624

Place: New Delhi

Date: May 12, 2021


(Vinod Kumar Luthra)
Director
DIN: 02837289


(Kishore Chatnani)
Director
DIN: 07805465

Isgec Exports Limited

Note 1 :Corporate information

The company is a limited company domiciled in India with its registered office at D-860 New Friends Colony, New Delhi-110065 and is incorporated on under the provisions of the Companies Act, 2013 as applicable in India for carrying on export business but no commercial activities has been carried on during the year. The company is the wholly owned subsidiary company of Isgec Heavy Engineering Limited holding the entire share capital alongwith its nominees.

Note 2 : Summary of Significant Accounting Policies

(a) Basis of preparation and Statement of Compliance

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).

Accounting policies 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 hitherto in use.

These financial statements have been prepared under the historical cost convention on the accrual basis, except for certain financial instruments and provisions which are measured at fair values at the end of each reporting period, as explained in the accounting policies below (as applicable). The financial statements were authorised for issue by the company's Board of Directors on 12th May, 2021.

(b) Accounting estimates, assumptions and judgements

The preparation of financial statements requires 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 upon management's best knowledge of current events and actions, Uncertainty about these assumptions and estimates could result in outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future period. The area involving critical estimate or judgment is recognition of deferred tax assets for carried forward losses, impairment of trade receivables and estimation of tax expense.

b (i) Impact of uncertainties related to COVID-19 (Global pandemic) –

Refer note 17 to the Standalone financial statements

(c) Current versus Non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification. An asset is treated as current when it is:

*Expected to be realised in normal operating cycle,

*Held primarily for the purpose of the trading,

*Expected to be realised 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 classified as current when:

*It is expected to be settled in normal operating cycle,



Isgec Exports Limited
Significant accounting policies contd.

*It is held primarily for the purpose of the 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.

(d) Cash and cash equivalents

Cash and cash equivalents includes cash on hand and deposit with banks. Cash equivalents are short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

The cash flow statement is prepared in accordance with the Indian Accounting Standard (Ind AS) -7 "Statement of Cash flows using the indirect method for operating activities.

(e) Provisions, Contingent Liability and Contingent Assets

Provisions are recognised 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. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A contingent liability is disclosed when a possible obligation from past events and whose existence will be confirmed only by occurrence or non-occurrence of one or uncertain events not wholly within the control of the entity; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of obligation be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by occurrence or non-occurrence of one or more uncertain events not wholly within the control of the entity.

Contingent liabilities and contingent asset are not recognised but are disclosed in notes.

(f) Taxes

Current income tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961 current income tax is charged at the end of reporting year to statement of profit and loss.

Current income tax relating to items recognised outside statement of profit or loss is recognised outside statement of profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognised 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.



Isgec Exports Limited
Significant accounting policies contd.

Deferred tax

Deferred tax has not been recognized since there are no temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting at the reporting date.

(g) Revenue recognition

Revenue from contracts with customers

In accordance with accounting standard, revenue is recognised upon transfer of control of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The application of revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the bases used to measure revenue recognised over a period. Additionally, new revenue accounting standard contains certain disclosures which involves accuracy of recognition presentation and disclosure of revenues and other related balances and collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

The revenue accounting standard is not applicable to the company as the company has not been carrying on any commercial activities thus, there are no sales and therefore no disclosures are to be provided on account of revenue accounting standard other than those provided in the financial statements.

Interest income

Interest income is accounted on a time proportion basis taking into account outstanding and the effective interest rate(EIR).Effective rate of interest is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(h) Earning per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the Weighted average number of Equity shares outstanding during the year.

(i) Borrowing costs

Borrowing costs consists of interest and other costs, and are expensed in the period in which they are incurred.

(j) Financial instruments

(i) Measurement

An initial recognition, the company measures a financial asset at its fair value plus, in the case of financial asset not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.



Debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and cash flow characteristics of the asset. There are three measurement categories into which the company classifies its debt instruments:

***Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognized in profit and loss when the asset is derecognized or impaired these. Interest income from these financial assets is included in finance income using the effective interest rate method.

***Fair value through other comprehensive income(FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI ,except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit and loss and recognized in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate.

***Fair value through profit or loss :** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instrument that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognized in profit or loss and presented net in the statement of profit and loss within other gain/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

(ii) Impairment of financial assets

In accordance with IND-AS 109, the company applies expected credit loss (ECL) mode for measurement and recognition of impairment loss on financial assets and credit risk exposures.

Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, deposits, trade receivables and bank balance. Financial assets that are debt instruments and are measured as at FVTOCI.

The company follows simplified approach for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its recognition.

(iii) Derecognition

Financial assets

A financial asset is derecognised only when the company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients when the entity has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.



Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Financial liabilities

A financial liability is derecognised 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(k) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

(l) Trade payables

The amount represents liabilities for services provided to the company prior to the end of the period which are unpaid. The amounts are unsecured non-interest bearings and are usually paid within 60 days of recognition. They are recognized at amortised cost, and the carrying amounts are reasonable approximation of fair value.

(m) Leases

The application of accounting standard Ind AS 116 effective from financial years beginning or after April 1st, 2019 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value.

The leases accounting standard IND AS 116 is not applicable to the company as the Company is not having long-term and therefore no disclosures are to be provided on account of this accounting standard.

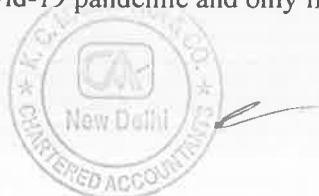
n) New and amended standards and interpretations

Ind AS 116 Leases

Amendments to Ind AS 116: Covid-19-Related Rent Concessions.

The amendments to Ind AS 116 provides a practical expedient to lessees in accounting for rent concessions that are a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a covid-19 related rent concession from a lessor is a lease modification.

A lessee that makes this election accounts for any change in lease payments resulting from the covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The practical expedient applies only to rent concessions occurring as a direct consequence of the covid-19 pandemic and only if all of the following conditions are met:



- i) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.
- ii) Any reduction in lease payments affects only payments originally due on or before 30 June 2021 (for example, a rent concession would meet this condition if it results in reduced lease payments before 30 June 2021 and increased lease payments that extend beyond 30 June 2021).
- iii) There is no substantive change to other terms and conditions of the lease.

The new and amended accounting standard is not applicable to the company.

The MCA has not carried out any amendment to other accounting standards, which have significant impact on the Ind AS financial statements.



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Isgec Exports Limited
Notes to financial statements for the year ended 31st March, 2021

Note 4 : Cash and cash equivalents

(IN INR)

| Particulars | 31.03.2021 | | 31.03.2020 | |
|--|--------------|--------------------|--------------|--------------------|
| | Non- Current | Current | Non- Current | Current |
| Balances with banks | | | | |
| -in current account | - | 1,87,325 | - | 88,673 |
| Bank fixed deposit with maturity- | | | | |
| -Within one year | - | 99,00,000 | - | 1,00,00,000 |
| Total cash and cash equivalents | - | 1,00,87,325 | - | 1,00,88,673 |

Cash at bank earns interest at bank deposit rates.

Note 5 : Other financial assets

| Particulars | 31.03.2021 | | 31.03.2020 | |
|--|-------------|------------------|-------------|------------------|
| | Non-current | Current | Non-current | Current |
| Interest accrued but not due on deposits | - | 29,57,579 | - | 24,36,968 |
| Total other financial assets | - | 29,57,579 | - | 24,36,968 |



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Isgec Exports Limited
Notes to financial statements for the year ended 31st, March, 2021

Note 6 (a) : Equity share capital

(IN INR)

| Particulars | 31.03.2021 | | 31.03.2020 | |
|---|-----------------|------------------|-----------------|------------------|
| | No. of shares | Amount | No. of shares | Amount |
| Authorised share capital | | | | |
| 100000 Equity shares of Rs.10/- each with voting rights | 1,00,000 | 10,00,000 | 1,00,000 | 10,00,000 |
| | 1,00,000 | 10,00,000 | 1,00,000 | 10,00,000 |
| Issued ,subscribed and paid up | | | | |
| Equity shares of Rs.10/-each fully paid up with voting rights | 1,00,000 | 10,00,000 | 1,00,000 | 10,00,000 |
| Total Equity share capital | 1,00,000 | 10,00,000 | 1,00,000 | 10,00,000 |

(i) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible to one vote per share held. The dividend proposed by the Board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of the preferential amounts in proportion to their shareholding.

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

| Particulars | 31.03.2021 | | 31.03.2020 | |
|---------------------------------|-----------------|------------------|-----------------|------------------|
| | No. of shares | Amount | No. of shares | Amount |
| Equity shares | | | | |
| At the commencement of the year | 1,00,000 | 10,00,000 | 1,00,000 | 10,00,000 |
| Add: issued during the year | - | - | - | - |
| At the end of the period | 1,00,000 | 10,00,000 | 1,00,000 | 10,00,000 |

(iii) Equity Shares of the company held by the holding company

| Particulars | 31.03.2021 | 31.03.2020 |
|-----------------------------------|------------|------------|
| Isgec Heavy Engineering Limited * | 1,00,000 | 1,00,000 |

(iv) Detail of shares held by share holders holding more than 5% shares of total number of equity shares

| Particulars | 31.03.2021 | | 31.03.2020 | |
|---|------------------|--------------|------------------|--------------|
| | Number of shares | % of holding | Number of shares | % of holding |
| Equity shares with voting rights | | | | |
| Isgec Heavy Engineering Limited * | 1,00,000 | 100 | 1,00,000 | 100 |

* Out of 100000 equity shares held by Isgec Heavy Engineering Limited, 9 equity shares are held by nine individuals holding 1 equity share each as nominee of Isgec Heavy Engineering Limited.



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Isgec Exports Limited
Note to financial statements for the year ended 31st March, 2021

Other equity

6 (b) Reserves and Surplus

(IN INR)

| Particulars | 31.03.2021 | 31.03.2020 |
|------------------------|--------------------|--------------------|
| General reserve (i) | 58,64,688 | 58,64,688 |
| Retained earnings (ii) | 61,59,255 | 56,37,050 |
| Total surplus | 1,20,23,943 | 1,15,01,738 |

(i) General reserve

| Particulars | 31.03.2021 | 31.03.2020 |
|--------------------------------|------------------|------------------|
| Opening balance | 58,64,688 | 58,64,688 |
| Additions during the year | - | - |
| Less: utilised during the year | - | - |
| Closing balance | 58,64,688 | 58,64,688 |

(ii) Retained earnings

| Particulars | 31.03.2021 | 31.03.2020 |
|------------------------|------------------|------------------|
| Opening balance | 56,37,050 | 51,34,561 |
| Profit for the year | 5,22,205 | 5,02,489 |
| Closing balance | 61,59,255 | 56,37,050 |

General reserve

This represents appropriation of profit after taxes by the company

Retained earnings

This comprise company's undistributed profit after taxes.



Isgec Exports Limited

Note to financial statements for the year ended 31st March, 2021

Note 7 : Trade payables

(IN INR)

| Particulars | 31.03.2021 | | 31.03.2020 | |
|---|--------------|---------------|--------------|---------------|
| | Non- Current | Current | Non- Current | Current |
| Dues to micro, small and medium enterprises # | - | - | - | - |
| Payables Other than MSME | - | 29,500 | - | 29,500 |
| Total Trade payables | - | 29,500 | - | 29,500 |

Disclosures as per Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

| Particulars | 31.03.2021 | 31.03.2020 |
|--|------------|------------|
| Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end | - | - |
| 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 | - | - |
| Further interest remaining due and payable for earlier years | - | - |

Note 8 : Other current liabilities

(IN INR)

| Particulars | 31.03.2021 | 31.03.2020 |
|---|------------|------------|
| Advances | - | - |
| Total current tax assets / (liabilities) (net) | - | - |

Note 9 : Current tax assets / (liabilities) (net)

(IN INR)

| Particulars | 31.03.2021 | 31.03.2020 |
|---|--------------|--------------|
| Taxes paid | 7,17,800 | 5,39,227 |
| Less : current tax payable for the year | (7,09,261) | (5,33,630) |
| Total current tax assets / (liabilities) (net) | 8,539 | 5,597 |



Isgec Exports Limited

Note to financial statements for the year ended 31st March, 2021

Note 10 : Other income

| Particulars | (IN INR) | |
|---------------------------|-----------------|-----------------|
| | 31.03.2021 | 31.03.2020 |
| Interest income | | |
| - On fixed deposits | 7,30,215 | 7,05,608 |
| - On income Tax Refund | - | 1,150 |
| Total other income | 7,30,215 | 7,06,758 |

Note 11 : Other expenses

| Particulars | 31.03.2021 | 31.03.2020 |
|-----------------------------|---------------|---------------|
| Filing Fee | - | - |
| Bank Charges | 1,298 | 1,309 |
| Professional Expenses | 1,580 | 4,460 |
| Audit fee * | 29,500 | 29,500 |
| Total other expenses | 32,378 | 35,269 |
| * Includes GST | 4,500 | 4,500 |

Note 12 : Income tax expense

| Particulars | 31.03.2021 | 31.03.2020 |
|-----------------------------------|-----------------|-----------------|
| (a) Current tax | 1,75,632 | 1,69,000 |
| MAT Credit Entitlement | - | - |
| Tax relating to earlier year(net) | - | - |
| Total current tax expense | 1,75,632 | 1,69,000 |
| (b) Deferred tax | - | - |
| Total deferred tax expense | - | - |
| Total income tax expense | 1,75,632 | 1,69,000 |

Reconciliation of tax expense and accounting profit multiplied by tax rate

| Particulars | 31.03.2021 | 31.03.2020 |
|---|-----------------|-----------------|
| Profit before income tax expense | 6,97,837 | 6,71,489 |
| Tax @25.168 % 2020-21 (25.168% 2019-20) | 1,75,632 | 1,69,000 |
| Tax effect amounts which are not deductible in calculating taxable income | | |
| MAT Credit Entitlement | - | - |
| Tax relating to earlier year(net) | - | - |
| Income tax expense | 1,75,632 | 1,69,000 |



Note 13 : Earnings per share (EPS)

| Particulars | (IN INR) | |
|--|------------|------------|
| | 31.03.2021 | 31.03.2020 |
| Profit /(loss) attributable to equity shareholders | 522205 | 502489 |
| Weighted average number of equity shares | 100000 | 100000 |
| Nominal value of equity shares | 10 | 10 |
| Basic and Diluted earnings per share | 5.22 | 5.02 |

Note 14: Related party disclosures

| | |
|---|---|
| a) Enterprises exercising control | |
| i) Holding company | Isgec Heavy Engineering Limited |
| b) Enterprises where control exists | |
| i) Subsidiaries (Extent of holding) | Saraswati Sugar Mills (100%) Freelook Software Private Limited (100%) Isgec Covema Limited (100%) Isgec Engineering and projects Limited (100%) Eagle Press & Equipment Co. Limited , Canada (100%) Isgec Investments PTE Limited,Singapore (100%) |
| ii) Joint ventures | Isgec Hitachi Zosen Limited (51 % control) Isgec SFW Boilers Private Limited (51% control) Isgec Titan Metal Fabricators Private Limited (51% control) Isgec Redecam Enviro Solutions Private Limited (51% control) |
| c) Key management Personnel | |
| i) Non-executive directors | Mr. Kishore Chatnani Mr. Vinod Kumar Sachdeva Mr. Vinod Kumar Luthra |

Note 14.1 Related party transactions

No transactions were carried out between the company and parties during the year ended 31.03.2021 (Nil in previous year ended 31.03.2020)

Note 15 : Fair value measurements

| Financial instruments by category | Note | Carrying Value | | Fair value | |
|--|------|--------------------|--------------------|--------------------|--------------------|
| | | 31.03.2021 | 31.03.2020 | 31.03.2021 | 31.03.2020 |
| Financial assets at amortised cost | | | | | |
| Cash and cash equivalents | 4 | 1,00,87,325 | 1,00,88,673 | 1,00,87,325 | 1,00,88,673 |
| Other financial assets | 5 | 29,57,579 | 24,36,968 | 29,57,579 | 24,36,968 |
| Total financial assets | | 1,30,44,904 | 1,25,25,641 | 1,30,44,904 | 1,25,25,641 |
| Financial liabilities at amortised cost | | | | | |
| Trade payables | 7 | 29,500 | 29,500 | 29,500 | 29,500 |
| Total financial liabilities | | 29,500 | 29,500 | 29,500 | 29,500 |

The carrying amounts of trade payables, cash and cash equivalents and other financial assets are considered to be the same as their fair values, due to their short term nature.

Note 16 : Segment Information

The Company business activity falls within a single primary segment viz.export business,identified in accordance with principles enunciated in Indian Accounting Standard IND AS-108, Segment reporting. Hence,separate business segment information is not applicable.The Board of Directors of the Company has been identified as the Chief Operating Decision Maker (CODM) .The Company has not started its commercial activities and hence, there are no additional provided in the financial statements.



Note 17 : Financial risk management

The Company's financial liabilities comprise only trade payable for services. The main purpose of these financial liabilities is to manage finances for the Company's operations and financial assets include cash and cash equivalents and other financial assets measured at amortised cost. The Company is exposed to Market risk, credit risk and liquidity risk.

(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 prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits and derivative financial instruments.

(a) Credit risk

Credit risk is the risk that a counterparty will not meet the obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed from its financing activities including deposits with banks and other financial instruments. Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks. Investments primarily include certificates of deposits which are funds deposited at a bank for a specified time period.

The board of directors reviews and agrees policies for managing each of these risks. The limits are set to minimise the concentration of risks, and therefore mitigate loss through counterparty's potential failure to make payments.

(b) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and its liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through the use of short term bank deposits. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the Company's liquidity position through rolling, forecast on the basis of expected cash flows.

Maturities of financial liabilities

The following table summarises the maturity profile of the Company's financial liabilities at the reporting date based on contractual undiscounted payments. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

(IN INR)

| Contractual maturities of financial liabilities | less than three months |
|---|------------------------|
| As at 31st march,2021 | |
| Trade payables | 29,500 |
| Total | 29,500 |
| As at 31st March, 2020 | |
| Trade payables | 29,500 |
| Total | 29,500 |

Note 18: The Company is not having any contingent liabilities, commitments and litigations as on 31.03.2021

Note 19: The company has considered possible effects that may arise from the pandemic relating to COVID 19 on the carrying amounts of assets. 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 the financial statements has used internal and external sources of related information including cutting interest rates on fixed deposits, and considered such impact to the extent known and available currently. However, the impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration. The Company expects that carrying amounts of these assets will be realised.

In terms of our report of even date

For K.C.Malhotra & Co.

Chartered Accountants

(Firm Regn.No. 000057N)

(Ramesh Malhotra)

Partner

Membership no. 013624

Place: New Delhi

Date: May 12, 2021

For and on behalf of the Board of directors


(Vinod Kumar Luthra)
Director
DIN: 02837289


(Kishore Chatnani)
Director
DIN: 07805465



Isgec Exports Limited
Statement of Audited Special purpose financial information for the year ended March 31,2021
(All amounts are in Indian Rupees, unless otherwise stated)

| Particulars | For the Quarter Jan-March,2021 | For the Quarter Oct Dec,2020 | For the Quarter Jan-March,2020 | For the year ended March 31,2021 | For the year ended March 31,2020 |
|--|-----------------------------------|---------------------------------|-----------------------------------|-------------------------------------|-------------------------------------|
| | Audited | Unaudited | Audited | Audited | Audited |
| Income | | | | | |
| Revenue from operations | - | - | - | - | - |
| Other income | 2,46,498 | 1,61,239 | 1,76,402 | 7,30,215 | 7,06,758 |
| Total income | 2,46,498 | 1,61,239 | 1,76,402 | 7,30,215 | 7,06,758 |
| Expenses | | | | | |
| Other expenses | 30,798 | - | 30,799 | 32,378 | 35,269 |
| Total Expenses | 30,798 | - | 30,799 | 32,378 | 35,269 |
| Profit/(Loss) before tax | 2,15,700 | 1,61,239 | 1,45,603 | 6,97,837 | 6,71,489 |
| Tax Expense | | | | | |
| (1) Current tax | 54,288 | 40,580 | 36,645 | 1,75,632 | 1,69,000 |
| (2) Deferred Tax charge/(credit) | - | - | - | - | - |
| Income Tax Expense | 54,288 | 40,580 | 36,645 | 1,75,632 | 1,69,000 |
| Profit/(Loss) for the Period/Year | 1,61,412 | 1,20,659 | 1,08,958 | 5,22,205 | 5,02,489 |
| Other comprehensive Income not to be reclassified to profit or loss : | | | | | |
| Re-measurements gains/(losses) on defined benefit plans | - | - | - | - | - |
| Income Tax on above | - | - | - | - | - |
| Total Comprehensive Income for the period/ Year (Net of Taxes) | 1,61,412 | 1,20,659 | 1,08,958 | 5,22,205 | 5,02,489 |
| Paid-up equity share capital (face value Rs 10 per share) | 10,00,000 | 10,00,000 | 10,00,000 | 10,00,000 | 10,00,000 |
| Other Equity as per the audited balance sheet | | | | | 1,15,01,738 |
| Earning per equity share (EPS) | | | | | |
| Basic and Diluted | 1.61 | 1.21 | 1.09 | 5.22 | 5.02 |

- The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and as amended thereafter.
- The Company business activity falls within a single primary business segment viz. export business, identified in accordance with principles enunciated in Indian Accounting Standard Ind AS-108, Segment Reporting. Hence separate business segment information is not applicable.
- These Special purpose financial information have been reviewed and approved by the Board of Directors at its meeting held on May 12, 2021. The Statutory Auditors have conducted the audit of the Special purpose financial information and have expressed an unqualified audit opinion.
- The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of assets. 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 sources of information including cutting of interest rates on fixed deposit and considered such impact to the extent known and available currently. However, the impact of COVID 19 is a continuing process given the uncertainties associated with nature and duration. The Company expects that the carrying amount of its assets will be realized.
- Figures for the previous period has been regrouped/reclassified to conform to the figures for the current period.

Date : 12-05-2021
Place: Noida

For Isgec Exports Limited

(Anshore Chatnani)
Director
DIN: 07805465