NOTE 31: NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 MARCH 2021

1. Corporate Information

The Company is a Public Limited Company domiciled in India and is incorporated under the provisions of the Companies Act 1956. The registered office of the Company is located at Dhun Building, III Floor, 827, Anna Salai, Chennai – 600002.

The equity shares of the Company are listed on two recognised stock exchanges in India i.e. BSE Limited and National Stock Exchange of India Limited.

The Company is a subsidiary company of M/s Kingfa Science & Technology Co. Ltd China.

The Company is engaged in the business of manufacturing and supply of high-quality reinforced polypropylene compounds, thermoplastics elastomers,fibre re-enforced composites and personal protective equipment (PPE) like mask and gloves.

The financial statements were approved by the Board of Directors and authorized for issue on 17June 2021.

2. Basis of preparation of Financial Statements

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as issued under the Companies (Indian Accounting Standards) Rules, 2015.

Thefinancial statements have been prepared to comply in all material respects with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014and the relevant provisions of the said Act.

The financial statements have been prepared on a historical cost basis, except for defined benefits plans- plan assets measured at fair value.

3. Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. This note provides an overview of the areas that involve a higher degree of judgments or complexities and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these judgments, estimates and assumptions is mentioned below.

Judgments, estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

(a) Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

1. Legal Contingencies

The Company has received various orders and notices from tax authorities in respect of direct and indirect taxes. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyzes current information about these matters and provides provisions for probable contingent losses including the estimate of legal expense to resolve the matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavorable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the Company or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

2. Segment Reporting

IND-AS 108 Operating Segments requires Management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources. The standard also requires Management to make judgments with respect to aggregation of certain operating segments into one or more reportable segment.

The Company has determined that the Chief Operating Decision Maker (CODM) is the Board of Directors (BoD), based on its internal reporting structure and functions of the BoD. Operating segments used to present segment information are identified based on the internal reports used and reviewed by the BoD to assess performance and allocate resources.

3. Leases

The company has applied provisions of IND AS 116 effective from 1st April 2019. The said standard provides for certain recognition exemptions for short term leases as well as provides for certain criteria when the lease contracts are non-enforceable. The determination of lease term for the purpose of availing such exemptions and evaluation of such criteria for non-enforceability of a contract involve significant judgment.

(b) Estimates and assumptions

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

1. Defined benefit plans

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on Indian Assured Lives Mortality (2012-14) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and benefit increases are based on expected future inflation rates. Further details about employee benefit obligations are given in Note 4.15.

2. Impairment of Financial Assets

The impairment provisions for financial assets disclosed under note 4.8.a(v) are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

3. Deferred Tax

Recognition of deferred tax assets and liabilities Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

4. Significant Accounting Policies

4.1. Current Vs Non-Current Classification

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

An asset is current when it is :

a. Expected to be realised or intended to be sold or consumed in normal operating cycle

b. Held primarily for the purpose of trading

c. Expected to be realised within twelve months after the reporting period, or

d. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non - current.

A liability is current when it is:

a. Expected to be settled in normal operating cycle

b. Held primarily for the purpose of trading

c. Due to be settled within twelve months after the reporting period, or

d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are treated as non - current.

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

4.2. Fair value measurement

The Company measures financial instruments such as Investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability

Or

- In the absence of a principal market, in the most advantageous market for the asset or liability.

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

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

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

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

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

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

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

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

External valuation experts are involved for valuation of significant assets and liabilities. Involvement of external valuation experts is decided upon annually by the management.

4.3. Property, Plant and Equipment

a. The Company has elected to continue with the carrying value of all of its property, plant and equipment measured as per the Indian GAAP as at31 March2016 and use those values as deemed cost as at the date of transition to IndAS i.e. 1 April 2016.

Property, plant and equipment; and construction in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses. Such cost includes the cost of replacing parts of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the Property, Plant and Equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

b. Capital work-in-progress comprises cost of fixed assets that are not yet installed and ready for their intended use at the balance sheet date.

c. Own manufactured assets are capitalized at cost including an appropriate share of allocable expenses.

Depreciation and Amortization

Depreciation is charged on the basis of useful life of assets on Straight Line method for Lease hold land, Buildings, Plant &Equipment and Right to use asset and written down value method for other assets.

Depreciation is charged on the basis of useful life as per following:

Asset Category	Life in Years	Basis for useful life
Leasehold Land		Amortized over lease period
Plant & Equipment	15	Useful life based on Number of Shifts as prescribed under Schedule-II of Companies Act, 2013
Buildings	30	Life as prescribed under Schedule-II of Companies Act, 2013
Computers		Life as prescribed under Schedule-II of Companies Act, 2013
Network	6	
End user devices, such as, desktops, laptops, etc.	3 to 6	
Servers	6	
Electrical Installations	10	Life as prescribed under Schedule-II of Companies Act, 2013
Furniture & Fixture Furniture, Fixtures and Electrical Fittings	10	Life as prescribed under Schedule-II of Companies Act, 2013
Office Equipment	5	Life as prescribed under Schedule-II of Companies Act, 2013
Vehicles	6	Life as prescribed under Schedule-II of Companies Act, 2013

- Depreciation on additions is provided from the date when asset is put to use.
- Depreciation on assets sold, discarded or demolished during the year is being provided at their respective rates on pro-rata basis up to the dateon which such assets are sold, discarded or demolished.
- Foreign exchange fluctuation gain/ loss on imported plant and equipment were chargedto Profit & Loss statement up to transition date of Ind AS.

The Company, based on technical assessments made by technical experts and management estimates, depreciates certain items of assetsover estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

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

4.4. Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in the statement of profit and loss as incurred.

An investment property is derecognized on disposal or on permanent withdrawal from use or when no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

Transfers are made to (or from) investment property only when there is a change in use. Transfers between investment property, owner-occupied property and inventories are at carrying amount of the property transferred.

4.5. Intangible Assets

The Company has elected to continue with carrying value for all of the intangible assets and use those values as deemed cost as at the date of transition to Ind-AS i.e. 1 April, 2016

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Internally generated intangibles, excluding capitalized developments costs, are not capitalized and the related expenditure is reflected in the statement of profit and loss for the period in which expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite. The amortization period and amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with finite useful lives are amortized by using Written down value over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset maybe impaired. Amortization of Intangible assets is included in the depreciation and amortization in the statement of Profit and Loss.

Sr. No.	Asset category	Life in years
1	Computer Software	3-6

Intangible assets with indefinite useful lives, if any are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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

Intangible assets are recorded at the consideration paid for acquisition. In case of internally generated intangible assets, expenditure incurred in development phase, where it is reasonably certain that the outcome of development will be commercially exploited to yield future economic benefits to the Company, is considered as an intangible asset. Such developmental expenditure is capitalized at cost including a share of allocable expenses.

4.6. Borrowing Cost

Borrowing Costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized till the month in which the asset is ready to use, as part of the cost of that asset. Other borrowing costs are recognized as expenses in the period in which these are incurred.

4.7. Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication due to internal or external factors that an asset or a group of assets comprising a Cash Generating Unit (CGU) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount of the assets or the recoverable amount (economic value in use) of the CGU to which the asset belongs is less than the carrying amount of the assets or the CGU as the case may be, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the profit and loss account. If at any subsequent balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at recoverable amount subject to a maximum of depreciated historical cost and is accordingly reversed in the profit and loss account.

4.8. Financial instruments – initial recognition and subsequent measurement

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

a) Financial assets

(i) Initial recognition and measurement of financial assets

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets.

(ii) Subsequent measurement of financial assets

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

- Financial assets at amortized cost
- Financial assets at fair value through other comprehensive income (FVOCI)
- Financial assets at fair value through profit or loss (FVTPL)
- Financial assets at amortized cost :

A financial asset is measured at amortized cost if:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured by applying the effective interest rate (EIR) to the gross carrying amount of a financial asset if applicable. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.

- Financial assets at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets, until they are derecognized or reclassified, are subsequently measured at fair value with unrealized gains or losses recognized in other comprehensive income except for interest income, impairment gains or losses and foreign exchange gains and losses which are recognized in the statement of profit and loss.

- Financial assets at fair value through profit or loss

  A financial asset is measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income.

  In addition, the Company may elect to classify a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

  After initial measurement, such financial assets are subsequently measured at fair value with unrealized gains or losses recognized in the statement of profit and loss.

(iii) Derecognition of financial assets

A financial asset is derecognized when:

- the contractual rights to the cash flows from the financial asset expire,

  or

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

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

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

(iv) Reclassification of financial assets

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

The following table shows various reclassifications and how they are accounted for.

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in the statement of Profit and loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to statement of profit and loss at the reclassification date.

(v) Impairment of financial assets

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

- Financial assets that are debt instrumentsand are measured at amortized cost.
- Financial assets that are debt instruments and are measured as at FVOCI
- Lease receivables
- Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables, if they do not contain a significant financing component
- Trade receivables or contract assets that contain a significant financing component, if the Company applies practical expedient to ignore separation of time value of money, and
- All lease 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 initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Company is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected in a separate line in the P&L as an impairment gain or loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost, contract assets and lease receivables: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not derecognize impairment allowance from the gross carrying amount.
- Loan commitments: ECL is presented as a provision in the balance sheet, i.e. as a liability.

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

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

b) Financial Liabilities

(i) Initial recognition and measurement of financial liabilities

All financial liabilities are recognized initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the issue of the financial liabilities.

(ii) Subsequent measurement of financial liabilities

For the purposes of subsequent measurement, financial liabilities are classified and measured as follows:

- Financial liabilities at fair value through profit or loss

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

  Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

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

- Loans and Borrowings at amortized Cost

  Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/(losses).

(iii) Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognized from its balance sheet when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

4.9. Foreign Currency Transactions

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (`the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

a. Initial Recognition

Foreign currency transactions are recorded in Indian currency, by applying the exchange rate between the Indian currency and the foreign currency at the date of the transaction.

b. Conversion

Current assets and current liabilities, Secured Loans, being monetary items, designated in foreign currencies are revalorized at the rate prevailing on the date of Balance Sheet or forward contract rate or other appropriate rate.

c. Exchange Differences

Exchange differences arising on the settlement and conversion of foreign currency transactions are recognized as income or as expenses in the year in which they arise.

4.10. Leases

Lease is a contract that provides to the customer (lessee) the right to use an asset for a period in exchange for consideration.

a. Company as a lessee

A lessee is required to recognize assets and liabilities for all leases and to recognize depreciation of leased assets separately from interest on lease liabilities in the statement of Profit and Loss. The Company uses the practical expedient to apply the requirements of this standard to a portfolio of leases with similar characteristics if the effect on the financial statements of applying to the portfolio does not differ materially from applying the requirement to the individual leases within that portfolio.

However according to Ind AS 116, for leases with a lease term of?12 months or less (short-term leases) and for leases for which the underlying asset is of low value, not to recognize a right-of-use asset and a lease liability. The Company applies both recognition exemptions. The lease payments associated with those leases are generally recognized as an expense on a straight-line basis over the lease term or another systematic basis if appropriate.

Right to use asset

Right-of-use assets, which are included under property, plant and equipment, are measured at cost less any accumulated depreciation and, if necessary, any accumulated impairment. The cost of a right-of-use asset comprises the present value of the outstanding lease payments plus any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and an estimate of costs to be incurred in dismantling or removing the underlying asset. In this context, the Company also applies the practical expedient that the payments for non-lease components are generally recognized as lease payments. If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the right-of-use asset is depreciated to the end of the useful life of the underlying asset. Otherwise, the right-of-use asset is depreciated to the end of the lease term.

Lease liability

Lease liabilities, which are assigned to financing liabilities, are measured initially at the present value of the lease payments. Subsequent measurement of a lease liability includes the increase of the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

b. Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalized within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognized in the Statement of profit and Loss on a straight-line basis over the term of the lease.

4.11. Inventories

a. Raw materials, components, stores and spares are valued at cost or net realizable value whichever is lower. Cost includes all cost of purchase and incidental expenses incurred in bringing the inventories to their present location and condition. Cost is ascertained using weighted average cost method.

b. Work-in-process including finished components and finished goods are valued at cost or realizable value whichever is lower. Cost includes direct materials, labor costs and a proportion of manufacturing overheads based on the normal operating capacity.

c. Materials-in-transit and materials in bonded warehouse are valued at actual cost incurred up to the date of balance sheet.

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

4.12. Cash and cash equivalents

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

4.13. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amounts expected to be recovered from or paid to the taxation authorities; on the basis of the taxable profits computed for the current accounting period in accordance with Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized in other comprehensive income or directly in equity is recognized in other comprehensive income or in equity, respectively, and not in the statement of Profit and Loss. The Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit or taxable profit or loss;

Deferred tax assets are recognized for all deductible temporary differences including, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

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

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

Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Goods & Service Tax (GST)

Expenses and assets are recognized net of the amount of GST, except:

- When theGST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the GST is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

4.14. Non-Current Assets held for sale and Discontinuing operations

A. Non-Current Assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate use in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

B. Discontinuing operations

Discontinuing operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss account.

Assets and liabilities classified as held for distribution are presented separately from others assets and liabilities in the balance sheet.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

a) Represents a separate major line of business or geographical area of operations,

b) Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations

Or

c) Is a subsidiary acquired exclusively with a view to resale

An entity does not depreciate (or amortize) a non-current asset while it is classified as held for sale or while it is part of a disposal group classified as held for sale.

4.15. Employee Benefits

a) Short Term Employee Benefits

The distinction between short term and long term employee benefits is based on expected timing of settlement rather than the employee's entitlement benefits. All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex-gratia, performance pay etc. and are recognized in the period in which the employee renders the related service.

b) Post-Employment Benefits

(i) Defined contribution plan

The Company makes payment to state government provident fund scheme and employee state insurance scheme which are defined contribution plans. The contribution paid/payable under the schemes is recognized in the statement of profit and loss during the period in which the employee renders the related service. The Company has no further obligations under these schemes beyond its periodic contributions.

(ii) Defined benefit plan

The employee's gratuity fund scheme is Company's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on a net basis.

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

Past service costs are recognized in the statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring cost

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

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

The Employee Group Gratuity Fund and the Employee Superannuation Fund respectively have been constituted through Kingfa Science and Technology (India) Limited Employees Group Gratuity Trust and Kingfa Science and Technology (India) Limited Employee Superannuation Trust in which Company Secretary is a Trustee.

(iii) Other long term employment benefits:

The employee's long term compensated absences are Company's other long term benefit plans. The present value of the obligation is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation, to recognize the obligation on a net basis.

In regard to other long term employment benefits, the Company recognizes the net total of service costs; net interest on the net defined benefit liability (asset); and re-measurements of the net defined benefit liability (asset) in the statement of profit and loss.

(iv) The company does not offer any Termination benefits to its employees.

4.16. Provisions and Contingencies

Necessary provisions are made for the present obligations that arise out of past events entailing future outflow of economic resources. Such provisions reflect best estimates based on available information.

However a disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

4.17. Revenue Recognition

a. The Company manufactures and sells thermoplastic compounds. Sales are recognized when control of the products has been transferred, when the products are delivered to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the company has objective evidence that all criteria for acceptance have been satisfied.

A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. Sales are stated net of discounts, rebates and returns. It also excludes Goods and Service Tax.

b. Revenue from export incentives are accounted for on export of goods if the entitlements can be estimated with reasonable assurance and conditions precedent to claim are fulfilled.

c. Interest income from - debt instruments is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable, which 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.

4.18. Government Grant

Grants and subsidies from the government are recognized if the following conditions are satisfied,

- There is reasonable assurance that the Company will comply with the conditions attached to it.
- Such benefits are earned and reasonable certainty exists of the collection.

However, company has opted for recording non monitory government grants at nominal value as per the Companies (India Accounting Standards) second amendment rule 2018 notified as on 20th September 2018

4.19. Cash dividend

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

Non-cash distributions, if any, are measured at the fair value of the assets to be distributed with fair value re-measurement recognized directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognized in the statement of profit and loss.

4.20. Earnings Per Share

Earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

4.21. Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non cash nature and any deferral or accruals of past or future cash receipts or payments. The cash flows from regular operating, investing and financing activities of the Company are segregated.

4.22. Segment Reporting

The business of the Company falls under a single primary segment i.e. "Reinforced Polypropylene" for the purpose of Ind AS 108.

5. Additional Notes to the Financial Statements

5.1. Contingent Liabilities

(₹ in Lakhs)

		As at 31 Mar 2021	As at 31 Mar 2020
(A)	Contingent Liabilities not provided for		
a.	Disputed Sales Tax Demands	752.57	44.41
b.	Disputed Income Tax Demands	0.00	33.66
c.	Disputed Excise duty and Service tax Demands	55.84	55.84
d.	Export obligation for capital goods imported against EPCG license.	3634.13	3,540.19
5.2.	Estimated amount of Contracts remaining to be executed on capital account and not provided for (Net of advances)	894.01	1,008.51
5.3.	Aggregate amount of Letters of Credit outstanding	4126.55	3,385.45

5.4. Payment to Auditors (Net of Goods Service Tax)

(₹ in Lakhs)

Sr. No.	Particulars	2020-21	2019-20
A	Statutory Auditors		
	a. As Auditors		
	Audit & Assurance Fees	6.50	6.50
	Tax Audit Fees	-	-
	GST Audit Fees FY- 2017-2018	2.75	4.25
	GST Audit Fees FY- 2018-2019	9.00	0.00
	b. Limited Review	1.50	1.50
	c. Reimbursement of expenses	0.05	0.57
	d. Certification & others (Group Reporting)	1.30	1.30
	TOTAL (A)	**21.10**	**14.12**
B	Cost Auditors		
	a. As auditors	3.33	1.25
	b. In other capacity		
	Certification fees/XBRL	0.50	0.25
	Reimbursement of expenses	0.00	0.17
	TOTAL (B)	**3.83**	**1.67**
	Grand Total (A+B)	**24.93**	**15.79**

5.5 Provision for Employee

A. Defined contribution plan : The company has recognised following amount in the statement of profit and loss.

Particular	March 31, 2021	March 31, 2020
Contribution to employee superannuation fund	1.54	4.81
Contribution to providend fund	74.47	68.50
Total	**76.01**	**73.31**

B. Defined Benefit Plan :

The Company has following post employment benefit with are in the nature of defined benefit plan

- Gratuity
- Leave Encashment

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

₹ in lakhs

	Cost charged to statement of profit and loss				Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2020	Service Cost	Net Interest Expense	Sub-total included in statement of profit and loss (Note 26)	Benefit paid	Return on plan assets excluding amount recognised in interest income Gain / (Loss)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	March 31, 2021
Gratuity												
Defined benefit obligation	(171.29)	(27.28)	(10.15)	(37.43)	30.23	-	-	(1.84)	14.62	12.78	-	(165.70)
Fair value of plan assets	165.49	-	10.29	10.29	(30.23)	(4.22)	(1.08)	-	-	(5.29)	15.79	156.04
Benefit liability	(5.79)	(27.28)	0.14	(27.14)	-	(4.22)	(1.08)	(1.84)	14.62	7.49	15.79	(9.66)
Leave Encashment												
Defined benefit obligation	(71.11)	(11.78)	(4.35)	(16.14)	8.29	-	-	(2.22)	-	(2.22)	-	(81.18)
Fair value of plan assets	34.13	-	2.12	2.12	(8.29)	(0.41)	(0.19)	-	-	(0.60)	5.27	32.64
Benefit liability	(36.98)	(11.78)	(2.23)	(14.02)	-	(0.41)	(0.19)	(2.22)	-	(2.82)	5.27	(48.54)
Total benefit liability	**(42.77)**	**(39.06)**	**(2.10)**	**(41.16)**	**-**	**(4.62)**	**(1.27)**	**(4.05)**	**14.62**	**4.67**	**21.06**	**(58.20)**

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

₹ in lakhs

	Cost charged to statement of profit and loss				Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2019	Service Cost	Net Interest Expense	Sub-total included in statement of profit and loss (Note 26)	Benefit paid	Return on plan assets, excluding amount recognised in interest income Gain / (Loss)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	March 31, 2020
Gratuity												
Defined benefit obligation	(127.90)	(20.39)	(8.98)	(29.37)	9.78	-	-	(6.49)	(17.32)	(23.81)	-	(171.29)
Fair value of plan assets	131.14	-	9.43	9.43	(9.78)	0.70	(0.89)	-	-	(0.19)	34.90	165.49
Benefit liability	3.24	(20.39)	0.45	(19.94)	-	0.70	(0.89)	(6.49)	(17.32)	(24.00)	34.90	(5.79)
Leave Encashment												
Defined benefit obligation	(51.15)	(8.78)	(3.69)	(12.48)	1.10	-	-	(8.58)	-	(8.58)	-	(71.11)
Fair value of plan assets	32.99	-	2.37	2.37	(1.10)	0.03	(0.15)	-	-	(0.12)	-	34.13
Benefit liability	(18.17)	(8.78)	(1.33)	(10.11)	-	0.03	(0.15)	(8.58)	-	(8.70)	-	(36.98)
Total benefit liability	**(14.93)**	**(29.17)**	**(0.88)**	**(30.05)**	**-**	**0.73**	**(1.04)**	**(15.07)**	**(17.32)**	**(32.70)**	**34.90**	**(42.77)**

The major categories of plan assets of the fair value of the total plan assets of Gratuity and Leave Encashment are as follows:

₹ in lakhs

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Special Deposit Scheme	-	-
(%) of total plan assets	-	-
Insured managed funds	188.68	199.63
(%) of total plan assets	100%	100%
Others	-	-
(%) of total plan assets	-	-

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Discount rate	6.30%	6.50%
Future salary increase	8.00%	8.00%
Expected rate of return on plan assets	6.50%	7.30%
Expected average remaining working lives (in years)	6.22	6.23
Withdrawal rate (based on grade and age of employees)	15.00%	15.00%

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Discount rate	6.30%	6.50%
Future salary increase	8.00%	8.00%
Expected rate of return on plan assets	6.50%	7.30%
Expected average remaining working lives (in years)	6.22	6.23
Withdrawal rate (based on grade and age of employees)	15.00%	15.00%

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

Gratuity ₹ in lakhs

		(increase) / decrease in defined benefit obligation (Impact)	
Particulars	Sensitivity level	Year ended March 31, 2021	Year ended March 31, 2020
Discount rate	0.5% increase	4.52	4.11
	0.5% decrease	-4.76	-4.33
Future salary increase	0.5% increase	-3.89	-3.47
	0.5% decrease	3.73	3.33
Attrition rate	5% increase	0.38	0.30
	5% decrease	-0.40	-0.31

Leave Encashment ₹ in lakhs

		(increase) / decrease in defined benefit obligation (Impact)	
Particulars	**Sensitivity level**	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Discount rate	0.5% increase	1.86	1.39
	0.5% decrease	-1.95	-1.45
Future salary increase	0.5% increase	-1.53	-1.12
	0.5% decrease	1.47	1.08
Attrition rate	5% increase	-1.52	-1.31
	5% decrease	1.56	0.86

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

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

₹ in lakhs

Particulars	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Within the next 12 months (next annual reporting period)		
Gratuity	22.42	29.46
Leave Encashment	10.39	14.20
Between 2 and 5 years		
Gratuity	102.17	111.88
Leave Encashment	35.57	31.49
Beyond 5 years		
Gratuity	152.97	122.85
Leave Encashment	28.27	18.61
Total expected payments	**351.79**	**328.49**

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

Particulars	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Gratuity	8.63	7.92
Leave Encashment	5.42	4.52

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

Particulars	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Gratuity	16.00	35.00
Leave Encashment	-	-

5.6. Related parties have been identified as defined under Clause 9 of Accounting Standard (Ind AS 24) "Related Party Disclosures"

(A) Description of Related Parties

i) Name of the related party and nature of relationship where control exists :

Sr. No.	Related Party Category	Company
1	Holding Company	Kingfa Science & Tech. Co. Ltd
2	Fellow Subsidiaries	Shanghai Kingfa Science and Tech Co Ltd
		JaingsuKingfa Science & Tech Advance Material Co Ltd
		Hong Kong Kingfa Development Co Ltd
		Tianjin Kingfa Advanced Materials Co Ltd
		Kingfa Science & Tech (Europe) Gmbh
		Kingfa Science & Technology Inc, (USA)
		Zhuhai Wantong Special Engineering Plastics Co., Ltd.
		Kingfa Science & tech. (Thailand) Co. Ltd.
		Kingfa Science & tech. (Malaysia)Sdn. Bhd.
		Chengdu Kingfa Technology New Material Co., Ltd.
		Guangdong Kingfa Technology Co., Ltd.

ii) Key Management Personnel

Sr. No.	Name
A	Mr. Bo Jingen, Managing Director
B	Mr. Wu Xiaohui, Whole-time Director
C	Mr. Balaji D, Whole-time Director
D	Mr. Xie Dongming, Chief Financial Officer
E	Mr. Nirnoy Sur, Company Secretary

(B) Transactions with Related Parties

(₹ in Lakhs)

Sr. No.	Nature of the transaction / relationship / major parties	2020-21		2019-20	
		Amount	Amount	Amount	Amount
1	**Gross Sales**				
	Holding Company	**698.05**		**15.05**	
	Kingfa Science & Technology Co. Ltd		698.05		15.05
	Fellow Subsidiaries	**524.69**		**237.79**	
	Shanghai Kingfa Science and Tech Co Ltd		53.48		1.85
	Jiangsu Kingfa Technology Co., Ltd.		3.15		216.77
	Kingfa Science & Technology Inc,(USA)		215.28		
	Kingfa Science & Tech. (Malaysia) Sdn. Bhd.		29.97		
	Kingfa Sci.&Tech (Thailand).Co.,Ltd		222.81		19.17
	Total	**1,222.74**	**1,222.74**	**252.84**	**252.84**

2	**Material Purchases Net of Discount**				
	Holding Company	**2,303.83**		**2,850.23**	
	Kingfa Science & Technology Co. Ltd.		2,303.83		2,850.23
	Fellow Subsidiaries	**1,777.68**		**1,059.11**	
	Shanghai Kingfa Science and Tech Co Ltd		45.24		33.63
	Jaingsu Kingfa Science & Tech Advance Material Co Ltd		1,158.56		920.22
	Chengdu Kingfa Technology Co., Ltd.		10.67		0.00
	Tianjin Kingfa Advanced Materials Co Ltd		0.00		67.20
	Zhuhai Wantong Special Engineering Plastics Co., Ltd.		0.00		26.16
	Kingfa Sci. & Tech. (Europe), Gmbh		58.52		11.90
	Guangdong Kingfa Technology Co., Ltd.		504.69		0.00
	Total	**4,081.51**	**4,081.51**	**3,909.34**	**3,909.34**
3	**Capital Purchases Net of Discount**				
	Holding Company	**955.41**		**0.00**	
	Kingfa Science & Technology Co. Ltd.		955.41		0.00
	Fellow Subsidiaries	**708.81**		**0.00**	
	Guangdong Kingfa Technology Co., Ltd.		708.81		0.00
	Total	**1,664.22**	**1,664.22**	**0.00**	**0.00**
4	**Interest on ECB**				
	Holding Company	**67.81**		**93.91**	
	Kingfa Science & Technology Co. Ltd.		67.81		93.91
5	**Rendering of Services from**				
	Key Management Personnel	**219.91**		**129.05**	
	Mr. Bo Jingen		82.04		22.86
	Mr. Wu Xiaohui		20.00		21.34
	Mr. XieDongming		25.58		19.05
	Mr. Nirnoy Sur		21.07		20.70
	Mr. Balaji D		71.22		45.10

		As at 31 March 2021		As at 31 March 2020	
	Outstanding				
1	**Accounts Payable**				
	Holding Company	**9,471.51**		**10,352.63**	
	Kingfa Science & Technology Co. Ltd		9,471.51		10,352.63
	Fellow Subsidiaries	**3,141.95**		**1,229.51**	
	Shanghai Kingfa Science and Tech Co Ltd		79.37		35.86
	Jaingsu Kingfa Science & Tech Advance Material Co Ltd		1,777.71		1,153.19
	Hong Kong Kingfa Development Co Ltd		1.05		1.08
	Kingfa Sci. & Tech. (Europe)		57.31		11.90
	Zhuhai Wantong Special Engineering Plastics Co., Ltd.		5.05		27.48
	Chengdu Kingfa Technology Co., Ltd.		10.71		0.00
	Guangdong Kingfa Technology Co., Ltd.		1,210.75		0.00
	Total	**12,613.46**	**12,613.46**	**11,582.14**	**11,582.14**

2	**Accounts Receivable**				
	Holding Company	**239.61**		**6.23**	
	Kingfa Science & Technology Co. Ltd		239.61		6.23
	Fellow Subsidiaries	**294.71**		**248.42**	
	Shanghai Kingfa Science and Tech Co Ltd		17.00		(1.13)
	Kingfa Science & Technology,(USA)		159.82		229.18
	Jiangsu Kingfa Technology New Material Co., Ltd.		3.02		0.05
	Kingfa Sci.&Tech(Thailand).Co.,Ltd		114.87		20.32
	Total	**534.32**	**534.32**	**254.65**	**254.65**
3	**Loan outstanding**				
	Holding Company	**1,757.51**		**1,815.96**	
	Kingfa Science & Technology Co. Ltd		1,757.51		1,815.96
	Total	**1,757.51**	**1,717.51**	**1,815.96**	**1,815.96**
4	**Interest Payable**				
	Holding Company	**125.67**		**93.91**	
	Kingfa Science & Technology Co. Ltd		125.67		93.91
	Total	**125.67**	**125.67**	**93.91**	**93.91**

Terms and conditions of transactions with related parties

Transactions entered into with related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2020: ₹Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

The amounts disclosed in the table are the amounts recognized as an expense during the reporting period related to key management personnel.

The above figures do not include provision for leave encashment and gratuity, as actuarial valuation of such provision for the Key Management Personnel is included in the total provision for Leave encashment & gratuity.

5.7. Earnings Per Share (Basic and Diluted)

Particulars	**2020-21**	**2019-20**
Profit for the year after taxation (₹ in Lakhs)	532.18	2,461.65
Total number of equity shares at the end of the year	121.11	121.11
Weighted average number of equity shares for the purpose of computing Earnings Per Share	121.11	121.11
Basic and Diluted Earnings Per Share (in ₹)	4.39	20.33

Earnings per share are calculated in accordance with Accounting Standard (Ind AS 33) "EarningsPer Share".

5.8. Fair value disclosures for financial assets and financial liabilities

The management believes that the fair values of non-current financial assets (e.g. loans and others),current financial assets (e.g., cash and cash equivalents, trade and other receivables, loans), non-current financial liabilities and current financial liabilities(e.g. Trade payables and other payables and others) approximate their carrying amounts.

5.9. Financial instruments risk management objectives and policies

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

The company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Audit Committee and Board review financial risks and the appropriate risk governance framework for the company's financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

a) Market risk

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

The sensitivity analyses in the following sections relate to the position as at 31 March 2021 and 31 March 2020.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity provisions.

The following assumption has been made in calculating the sensitivity analyses:

- The sensitivity of the relevant statement of profit and loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2021 and 31 March 2020.

i) Interest rate risk

a. Exposure

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

(₹ in Lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Long Term Fixed Interest Loans		
Short Term Fixed Interest Loans	-	-
Long Term Floating Interest Loans	4,757.51	1,815.96
Short Term Floating Interest Loans	1,000.00	-

b. Interest Rate Sensitivity

(₹ in Lakhs)

Financial Year	Change in Interest rate	Effect on profit before tax	Effect on pre-tax equity
March 31, 2021	+50 bps	15.61	15.61
	-50 bps	(15.61)	(15.61)
March 31,2020	+50 bps	15.87	15.87
	-50 bps	(15.87)	(15.87)

ii) **Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

Amounts in Foreign Currencies

Nature of Exposure	Currency	31-Mar-21	31-Mar-20
Receivable	USD	7,42,675	2,32,389
	CNY	525	35,430
	EUR	0	4,500
Payable	USD	1,96,68,376	1,72,45,685
	EUR	0	1,71,289
	CNY	1,21,34,558	11,03,601
Cash and cash equivalent	USD	877	875
	CNY	0	2

The Company is in the process of managing its foreign currency risk by hedging transactions related to sales & purchases.

a) **Foreign currency sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR&CNYexchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The impact on the Company's pre-tax equity is due to changes in the fair value of forward exchange contracts designated as cash flow hedges and net investment hedges. The Company's exposure to foreign currency changes for all other currencies is not material.

(₹ in Lakhs)

Financial Year	Change in USD rate	Effect on profit before tax	Effect on pre-tax equity
31 March, 2021	+7%	13.25	13.25
	-7%	(13.25)	(13.25)
31 March 2020	+7%	901.07	901.07
	-7%	(901.07)	(901.07)

Financial Year	Change in CNY rate	Effect on profit before tax	Effect on pre-tax equity
31 March 2021	+7%	8.49	8.49
	-7%	(8.49)	(8.49)
31 March 2020	+7%	8.43	8.43
	-7%	(8.43)	(8.43)

Financial Year	Change in EURO rate	Effect on profit before tax	Effect on pre-tax equity
31 March 2021	+7%	0.00	0.00
	-7%	(0.00)	(0.00)
31 March 2020	+7%	10.02	10.02
	-7%	(10.02)	(10.02)

iii) **Commodity price risk**

The Company is affected by the price volatility of certain commodities. Its operating activities require the on-goingmanufacture of and therefore require a continuous supply of polypropylene.However, the company being indirect user of these commodities and based on past trend to pass on those volatility to customers, does not have direct impact on profitability over a period of time.

iv) **Other Price Risk**

The company does not hold investments in equity or mutual fund as on the date of Balance Sheet and hence it is not exposed to any such risks.

v) **Equity price risk**

The Company has not made any investment in equity instruments and hence, the Company do not foresee any risk from this unlisted equity shares.

b) **Credit risk**

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Trade receivables

Receivables are reviewed, managed and controlled for each class of customers separately. Credit exposure risk is mainly influenced by class /type of customers, depending upon their characteristics. Credit risk is managed through credit approval process by establishing credit limits along with continuous monitoring of credit worthiness of customers to whom credit terms are granted. Wherever required, credit risk of receivables is further covered through letter of credit, bank guarantee, business deposits and such other forms of credit assurance schemes.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are combined into homogenous category and assessed for impairment collectively. The calculation is based on actual incurred historical data. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are spread over vast spectrum.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Companyin accordance with the Company's policy. Investments of surplus funds are made as per the approved investment policy. Investment limits are set to minimise the concentration of risks and therefore mitigate financial loss if any.

c) **Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of underlying businesses, company's treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecast of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at the local level in the operating companies of the group in accordance with the practice and limits set by the company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(i) The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	On demand	less than 3 months	3 months to 1 year	1 year to 5 years	more than 5 years	Total
Year ended 31 March, 2021						
Interest bearing borrowings	776.26	1,000.00	2,320.01	2,437.50	-	6,533.77
Other financial liabilities	38.03	111.99	49.99	470.49	-	670.50
Trade payables	-	11,861.68	4,347.15	5,551.41	-	21,760.24
Derivatives						
	814.29	**12,973.67**	**6,717.16**	**8,459.40**	**-**	**28,964.52**
Year ended 31 March, 2020						
Interest bearing borrowings	2,694.22	-	-	1,815.96	-	4,510.18
Other financial liabilities	125.83	20.01	-	470.49	-	616.33
Trade payables	-	12,895.27	6,170.78	-	-	19,066.05
Derivatives						
	2,820.05	**12,915.28**	**6,170.78**	**2,286.45**	**-**	**24,192.56**

(ii) Net Debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt for the year ended 31 March 2021and 31 March 2020.

Particulars	**31 March 2021**	**31 March 2020**
Cash and cash equivalents	373.66	228.91
Current borrowings	(1,776.26)	(2,694.22)
Non-current borrowings	(4,757.51)	(1,815.96)
Net Debt	**(6,160.11)**	**(4,281.27)**

Particulars	**Cash and cash equivalents**	**Current borrowings**	**Non-current borrowings**	**Total**
Net debt as on 1 April 2020	**228.91**	**(2,694.22)**	**(1,815.96)**	**(4,281.27)**
Cash flows	144.74	917.97	(2,941.55)	(1,878.84)
Net debt as on 31 March 2021	**373.65**	**(1,776.25)**	**(4,757.51)**	**(6,160.11)**

5.10. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 31 March 2020.

5.11. Leases

Company as a lessee

The Company applies Ind AS 116 for the first time at 1stApril 2019. In compliance with the transition regulations, the Company adopted the modified retrospective method and did not adjust the prior-year figures and has presented the not significant accumulated transitional effects in retained earnings.

The Company as lessee uses the following practical expedients at the date of initial application:

- The lease liability is measured at the present value of the outstanding lease payments only for leases according to IND AS 17 which are discounted using incremental borrowing rate at 1st April 2019. The weighted average incremental borrowing rate was 8.5% (For FY-2019-20 was 10%). The respective write of use asset is generally recognized at an amount equal to a lease liability.
- An impairment review is not performed. Instead, a right-of-use asset is adjusted by the amount of any provision for onerous leases recognized in the Balance Sheet as at 31stMarch 2019.
- Regardless of their original lease term, leases for which the lease term ends at the latest on 31 March 2021 are recognized as short-term leases.
- At the date of initial application, the measurement of a right-of-use asset excludes the initial direct costs.
- Information in hindsight is given due consideration when determining the lease term if the contract contains options to extend or terminate the lease.
- The difference between the lease commitment disclosed under IND AS 17 as at 31st March 2019 and the lease liability recognized in the balance sheet as at 1st April 2019 are in respect of discounting of such lease payments.

The following table shows impact of IND AS 116 on balance sheet and statement of profit or loss:

Rs in Lakhs

Particulars	2020-21	2019-20
Initial measurement of right-of-use assets including reclassification under IND AS 116	469.32	180.29
De-recognition of balance right-of-use asset due to termination of lease contract during the year	0.00	18.67
Initial measurement of lease liability	469.32	233.58
De-recognition of balance lease liability due to termination of lease contract during the year	0.00	22.22
Amount credited to profit and loss account in result of termination of lease contract		
during the year	0.00	3.55
Depreciation charged on right-of-use asset	85.44	94.68
Interest expense on lease liability	14.73	17.84
Expense for short term leases/ low value leases	101.88	92.84
Cash outflow for leases	120.81	131.32
Carrying amount of right-of-use asset at the end of period	450.80	66.93
Carrying amount of lease liability at the end of period	461.12	97.88

Company as a lessor

Company has not entered into any finance lease as well as operating lease during the financial year as a lessor.

5.12. Expenditure on CSR Activities

(₹ in Lakhs)

1	Gross amount required to be spent by the company during the year	70.71
2	Amount spent during the year 2020-21	70.96

NOTE 32: Impact of COVID-19

1. Uncertainty relating to global health pandemic

The outbreak of novel Corona Virus (Covid-19) has impacted the business operations of the Company by way of interruption in production activities, supply chain and availability of manpower. Also as demand from Automotive Industry has been reduced significantly company sale has been impacted adversely.

From predominance of Automotive sector Company also looking into opportunities into non-automotive sector, such as raw material requirements of health and allied services.

a. Ability to maintain operations including the factories / units / office spaces functioning and closed down :

Company has taken all precaution and safety while starting the operations with limited manpower; the Company is adhering to the guidelines as specified by the Government of India and respective state government.

b. Schedule, if any, for restarting the operations :

Since the Company's operations are functional with limited manpower, this question does not arise.

c. Steps taken to ensure smooth functioning of operations :

The Company has put in place strict monitoring process for covid-19 ensuring the Thermal screening of all employees and visitors, sanitizing the premises and vehicles on regular basis, maintaining social distancing at all work places, implemented wearing of mask and regular cleaning of hand for all employees and visitors, regular update of the health of all the employee and their families, requesting all employees to have AarogyaSetu App.

d. Estimation of the future impact of CoVID-19 on its operations ;

The Company is presently running its operations with reduced capacity and with limited manpower. The regular demand of the company is missing; this is resulting into reduced sale to the Company during the current quarter which may continue for the next few quarters also.

As part of Companies Vision and Mission and also as per corporate strategy, the Company constantly evaluates various opportunities improving the operations and business of the Company. As and when any proposal of business and operations are considered by the Board of Directors of the warranting disclosures, the Company shall comply with the obligations under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulation").

e. Details of impact of CoVID-19 on Company (capital and financial resources, profitability, liquidity position, ability to service debt and other financing arrangements, assets, internal financial reporting and control, supply chain, demand of its products/services)

As regular demand of Companies product missing due to suspension of operation, it may impact the profitability for the current quarter. The Company is currently in comfortable liquidity position to meet its financial and other commitments. Company will continue to monitor the liquidity situation and if required, take appropriate steps to augment it further. Also, companies import clearance got affected due to continuous lock down, supply chain of the company also impacted.

In order to mitigate some of the impact, company has taken various initiatives to manage its costs across the organization and also took cost reduction measure.

f. **Existing contracts/agreements where non-fulfillment of the obligations by any party will have significant impact on the listed entity's business:**

At present, we do not anticipate that any contract/arrangements will have significant material impact on the business in case of non-fulfillment of obligations by any party.

NOTE 33 : Standards issued but not yet effective:

Following exposure drafts have been issue by the Institute of Chartered Accountants of India :

1. **Amendment to Ind AS 116, "Leases" - Covid-19-Related Rent Concessions beyond 30 June 2021**

On24 July 2020, the MCA issued the Companies (Indian Accounting Standard) Amendment Rules, 2020 which amended Ind AS 116 to provide relief for lessees in accounting for eligible rent concessions upto 31 July 2021 that are a direct consequence of COVID-19. The exposure draft on amendments to Ind AS 116 issued by the Institute of Chartered Accountants of India proposes amendments to extend the relief for lessees in accounting for eligible rent concessions upto 31 July 2022.

2. **Amendment to Ind AS 116, "Leases" - Interest Rate Benchmark Reform: Phase 2**

The exposure draft on amendments to Ind AS 116 issued by the Institute of Chartered Accountants of India proposes amendments to include a practical expedient in respect of all lease modifications that change the basis for determining future lease payments as a result of interest rate benchmark reform.

3. **Amendments to Ind AS 37, "Provisions, Contingent Liabilities and Contingent Assets"– Onerous Contracts**

The exposure draft on amendments to Ind AS 37 issued by the Institute of Chartered Accountants of India proposes amendments regarding costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous.

4. **Amendments to Ind AS 16, "Property, Plant and Equipment"– Proceeds before Intended Use**

The exposure draft on amendments to Ind AS 16 issued by the Institute of Chartered Accountants of India proposes amendments regarding proceeds from selling items produced while bringing an asset into the location and condition necessary for it to be capable of operating in the manner intended by management.

5. **Amendments to Ind AS 103, "Business Combinations"– Reference to the Conceptual Framework**

The exposure draft on amendments to Ind AS 103 issued by the Institute of Chartered Accountants of India proposes amendments to change out updated reference to "Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards" and update it with reference to "Conceptual Framework for Financial Reporting under Indian Accounting Standards". It also proposes certain consequential amendments.

6. **Amendments to 101, "First-time Adoption of Indian Accounting Standards"– Subsidiary as a First-time Adopter**

The exposure draft on amendments to Ind AS 101 issued by the Institute of Chartered Accountants of India proposes amendments to simplify the application of Ind AS 101 by a subsidiary that becomes a first-timeadopter after its parent in relation to the measurement of cumulative translation differences.

7. **Amendments to 41, "Agriculture"– Taxation in Fair Value Measurements**

The exposure draft on amendments to Ind AS 41 issued by the Institute of Chartered Accountants of India proposes amendments to remove a requirement to exclude cash flows from taxation when measuring fair value thereby aligning the fair value measurement requirements in Ind AS 41 with those in other Ind AS's.

8. **Amendments to Ind AS 109, "Financial Instruments" and Ind AS 107, "Financial Instruments: Disclosures" - Interest Rate Benchmark Reform: Phase 2**

The exposure draft on amendments to Ind AS 109 and Ind AS 107 issued by the Institute of Chartered Accountants of India proposes amendments to assist entities in providing useful information about the effects of the transition to alternative benchmark rates and support preparers in applying the requirements of IndAS's when changes are made to contractual cash flows or hedging relationships as a result of the transition to an alternative benchmark interest rate.

9. New Indian Accounting Standard (Ind AS) 117, Insurance Contracts

The exposure draft of Ind AS 117 is issued by the Institute of Chartered Accountants of India as replacement for Ind AS 104 Insurance Contracts.

The above exposure drafts have not been notified by the Ministry of Corporate Affairs ('MCA') to be applicable from1 April, 2021 as at the date of approval of these financial statements. On issue of the amendment by MCA, the Company would evaluate the impact of the change in the standalone financial statements.

NOTE 34 : PREVIOUS YEAR'S FIGURES HAVE BEEN RE-GROUPED WHEREVER CONSIDERED NECESSARY TO MAKE THEM COMPARABLE WITH THOSE OF THE CURRENT YEAR.

Signatures to Note 1 to 34, forming part of the Financial Statements.

As per our attached report of even date

For M/S. P. G. BHAGWAT LLP
Chartered Accountants
Firm Registration
Number : 101118W / W100682

PURVA KULKARNI
Partner
Membership Number : 138855

Pune : 17June 2021

For and on behalf of the board of directors

BO JINGEN
Managing Director
DIN : 0006617986

D. BALAJI
Executive Director
DIN : 08256342

XIE DONGMING
Chief Financial Officer

NIRNOY SUR
Company Secretary