Casting the Future

August 25, 2021

To
The Manager
The Department of Corporate Services
BSE Limited
Floor 25, P. J. Towers,
Dalai Street, Mumbai — 400 001

Scrip Code: 531147

To
The Manager
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai — 400 051

Scrip Symbol: ALICON

Sub: Annual Report for the financial year 2020-21 and Notice of 31st Annual General Meeting

Sir/Madam,

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we are pleased to enclosed, a copy of the Annual Report of Alicon Castalloy Limited for the Financial Year 2020-2021, which inter alia comprises of :

a) Audited financial statements of accounts (standalone) along with Auditors' Report;
b) Audited financial statements of accounts (consolidated) along with Auditors' Report;
c) Cash flow statement
d) Directors' Report
e) Management's Discussion and Analysis
f) Notice convening the 31st Annual General Meeting of the Members of the Company at 11:00 a.m. (IST)on Friday, the September 17, 2021 through Video Conference / Other Audio Visual means.

Kindly take the above information on record.

Thanking you,

Yours faithfully,

For **Alicon Castalloy Ltd**

Swapnal Patane
Company Secretary

ALICON CASTALLOY LIMITED

alicon

Overcoming Adversity, Building Trust.

ANNUAL REPORT
2020-21

What's Inside

Find this report online at
www.alicongroup.co.in

Corporate Information

BOARD OF DIRECTORS

Mr. S. Rai
Managing Director

Mrs. Pamela Rai
Director

Mr. Junichi Suzuki
Director

Mr. A. D. Harolikar
Independent Director

Mr. Vinay Panjabi
Independent Director

Mr. Ajay Nanavati
Independent Director

Mrs. Veena Mankar
Independent Director

Statutory Auditors
M/s. Kirtane & Pandit LLP

Group CEO
Mr. Rajeev Sikand

Group CFO
Mr. Vimal Gupta

BANKERS

Bank of Maharashtra
State Bank of India
Kotak Mahindra Bank
IDFC First Bank
Bajaj Finance Ltd
HDFC Bank
Citi Bank

REGISTERED OFFICE

Gat No. 1426, Village - Shikrapur,
Taluka - Shirur,
District Pune - 412 208,
Maharashtra, India
Tel: +91 02137 677100
Email: investor.relations@alicongroup.co.in
Website: www.alicongroup.co.in

CORPORATE IDENTIFICATION NUMBER

L99999PN1990PLC059487

SHARE TRANSFER AGENT

Universal Capital Securities Pvt Ltd.
(100% subsidiary of Link Intime India Pvt. Ltd.)
C-101, 247 Park, 1st Floor, LBS Road,
Gandhi Nagar, Vikhroli (West),
Mumbai – 400 083.
Tel: +91 (22) 2820 7203-05 / 4918 6178-79
Email: gamare@unisec.in

WORKS

- Gat No. 1426, Village - Shikrapur, Taluka - Shirur, District Pune - 412 208, Maharashtra, India
- Plot No. 58/59, Block D II, MIDC Chinchwad, Pune - 411 019
- 57-58 KM Milestone, Delhi - Jaipur, NH 8, Industrial Area, Village - Binola, District - Gurugram, Haryana - 122 051
- Illichmann Castalloy s.r.o. Partizanska 81, 966 81, Zarnovica, Slovakia

Chinchwad LPDC Plant

Overcoming Adversity, Building Trust.

The reverberations of COVID-19 began to be felt from March 2020 onwards, causing widespread restrictions on economic activity. In face of these unprecedented developments, our Company's performance has been remarkably resilient, and we continued to build trust and foster strong relationships – due to our actions over the past few years to make ourselves future-ready, our response to the pandemic and the work of our people.

In such a challenging year it is especially important to reflect on what we did well. We had a very positive year in terms of customer retention and new business wins. We also expanded our product portfolio to serve the needs of our customers both in the domestic and export markets. We took several measures to improve our liquidity, including tight control of working capital and cost optimisation. As a result, we were able to maintain a very strong balance sheet through a period of extreme uncertainty. For our people, we invested in growing talent and delivering a range of health and wellbeing initiatives. And for our communities, we played our part in the fight against COVID-19 by contributing essentials and providing support to those in distress.

At the Company level, our impetus has been on encouraging the adoption of the '3R Mindset', which stands for Reflection, Resilience and Re-imagine. This approach has enabled us as an organisation to not only adapt to the new normal but also build a stronger entity, ready to drive new possibilities. Our people have been our inspiration and pride as, despite the many challenges, they have been committed to being a reliable partner to our customers, looking after each other and serving the communities in which we live and work.

The pandemic has only accelerated the structural changes in our industry, from the shift to ICE to EV mobility platform. There are significant new growth opportunities in sectors beyond automotive as well, as customers demand innovative, lightweight and value-added solutions. They also need trusted partners more than ever to help them transform and succeed. Our robust R&D capabilities, agile manufacturing prowess and proven track record have positioned us well to meet emerging needs in the automotive segment, including e-mobility, and other core sectors. As we look ahead, we are confident that our learnings and experiences from this difficult year and the trust we have built with all our stakeholders will help us power a stronger tomorrow.

Letter from the Chairman & Managing Director

Overcoming Adversity. Building Trust.

Dear Members,

The financial year 2020-21 began with the COVID-19 pandemic, an unprecedented crisis that brought the world to a standstill.

Before I begin to share with you my perceptions on Alicon's performance in the year gone by, I would like to extend my heartfelt gratitude to each and every employee for their hard work and dedication during this extremely challenging year. Sadly, thousands across the country have succumbed to the virus. On behalf of the Alicon Board, I offer my deepest condolences to all those who have lost loved ones. I also laud the commitment of our team to our customers, their support for one another and their contribution to the communities that we serve. This exemplary behaviour has been a constant source of inspiration and pride.

Compounded by the crippling effect of strict nationwide lockdowns, it was expected that the global economy would contract significantly and that this pandemic-induced stress would have a lasting impact. In order to alleviate the stress, policymakers around the world unleashed unprecedented fiscal and monetary measures. In India too, the Government announced a ₹ 20.9 lakh crore economic package, amounting to about 10% of Gross Domestic Product or GDP.

In the midst of these trying times, it was heartening to note the speedy development of multiple vaccines with impressive efficacy results – an incredible and laudable scientific achievement. While news of such vaccines seemed to lift spirits around the world, the task of vaccinating the world's second most populous country of 1.4 billion people would naturally prove to be an enormous challenge. Even as large-scale vaccination drives are conducted, the race between vaccination and new variants of the virus continues.

The pandemic unleashed the largest economic shock the world has experienced in decades, with an estimated global contraction of 3.3% in CY 2020. Like several other countries, India was hit hard by the pandemic, especially in the first quarter of FY 2021 with socio-economic activity being significantly impacted by the nationwide lockdown. For the full year, GDP is estimated to have contracted by 7.3% as consumer spending, private investments and exports plummeted sharply. As restrictions were eased, the Indian economy began slowly recovering from the third quarter of FY 2021. Strong festive sales and pent-up demand also contributed to growth.

India's automobile industry, which was already reeling under the impact of an economic slowdown, faced one of the toughest years due to the COVID-19 outbreak. For the first time in its history, the industry recorded a month of zero domestic sales (in April 2020). The deep structural slowdown in the industry even before the start of the pandemic further accentuated challenges.

Entering FY 2021, we knew that we were in for a tough year as the nationwide lockdown resulted in immediate suspension of our production and deliveries across domestic

“We are continually expanding our portfolio to include value-add categories to serve the needs of our customers. With the adoption of electric vehicles in international and domestic markets, our target is to increase our share of business from EVs”

Alicon Castalloy, Shikrapur Pune

and export markets till mid-May 2020. Further, the Chinchwad facility, being in a containment zone, only commenced partial operations from the second week of June. The unprecedented impact of COVID-19 and subsequent lockdown of business activities resulted in total revenue and EBITDA declining by 11% and 21% respectively when compared with the previous year.

Despite the loss of business volumes in the first half of the fiscal, I am pleased to share that we were able to record growth in the second half. In the fourth quarter, we delivered the highest-ever revenues on a quarterly basis and also returned a strong Profit After Tax. Our performance in the second half helped us to overcome the effects of the deep recession in the first half, enabling us to report positive profitability for the year. The recovery was driven by improved volume growth, healthy realisations and a richer product mix. Strong performance in our domestic auto business, robust pick up in international business and improving contribution from the electric vehicle segment contributed to our volume growth. During the year, we have recorded significant order wins with multiple OEMs across domestic and international markets, which we are confident will provide us with healthy growth in the years to come.

What I find particularly gratifying is that our strong rebound in the second half of the fiscal demonstrates that the strategic growth pillars we had identified and worked towards over the past few years have enabled us to bounce back strongly and hopefully positioned us well to capitalise on new opportunities as economic activity begins to recover. We continue to focus on our strategic growth pillars of legacy auto business, electric vehicles, technology agnostic solutions, non-auto segment and value-added solutions.

Our quick recovery was also a reflection of our ability to adapt to the new normal. Plans were formulated for various possible business scenarios to ensure an agile response to the fluid situation and maintain robust cash flows. Further, supporting and connecting with our people, as we maintained continued focus on their health and safety, has been central to our way of managing the crisis. In this regard, our 'Guardian System', wherein twenty people were enlisted under a single head to provide them with all forms of assistance, has been highly effective in helping our people navigate through these tough times and maintain a positive outlook. At the Company level, our impetus has been to encourage the adoption of the '3R Mindset', which stands for Reflection, Resilience and Reimagination to adapt to the new normal.

Looking forward in the auto segment, personal mobility is steadily gaining preference following the pandemic-induced social distancing. Additionally, the announcement of favourable policies such as the Performance-Linked Incentive Scheme (PLI) and Vehicle Scrappage Policy will usher in long-term benefits and growth opportunities for the auto industry. The improved allocation towards road infrastructure will also help in boosting demand for new vehicles. These developments augur well for us, and we are ready and determined to make the most of these unfolding prospects.

We are continually expanding our portfolio to include value-add categories to serve the needs of our customers. With the adoption of electric vehicles in international and domestic markets, our target is to increase our share of business from EVs. We believe our experience in thermal engineered aluminium castings will provide us with an opportunity to become one of the frontrunners in this segment. This niche solution is a significant value-add and requires a high level of engineering. During the year, we have received orders from several leading OEMs for their EV platforms, reaffirming our growing capabilities in this area. Armed with our technical know-how and significant exposure in the European markets, we look forward to adding new customers for our thermal engineering solutions in the electric vehicle space. Further, we are also adding more technology-agnostic, i.e. used both in conventional and EV vehicle components, to our portfolio.

While many things have changed during COVID-19, one constant is the necessity for strong customer relationships. The appointment of representatives in the US and European markets has helped us to get closer to existing customers and make valuable inroads with potential customers. We are also looking at growing our global footprint by establishing partnerships with leading mobility providers and tapping emerging niche opportunities in newer markets.

As I write this, the nation is currently emerging from the easing of state level lockdowns imposed after a brutal second wave of the pandemic began in March 2021. While the economic impact in the first quarter of the financial year 2021-22 is not expected to be as severe as in the prior fiscal, we hope that there are no further disruptions to economic activity and loss of life on account of the much feared third wave.

As the market environment remains challenging, we are consciously following a measured and calibrated capital allocation strategy. The guiding principle will be to undertake investments that generate healthy value accretion in the longer run while always fulfilling our financial discipline criteria.

In line with this strategy, our capex spend stood at ₹ 46 crore during FY 2021. We had sought and obtained your approval for proposed equity raise, which has been successfully concluded. This brings on Board marquee investors who have demonstrated their belief in the Alicon Story. The funds from these proceeds will augment our long-term resources to balance our working capital requirements and also support our growth initiatives. This capital raise also serves to enhance our liquidity and balance sheet position.

With the economy slated to grow in the second half of FY 2022, we hope that the pent up demand would enable a robust pickup in business and economic activities. Further, a growth-centric and expansionary Union Budget announced for FY 2021-22 bodes well for infrastructure growth over the next few years. The Indian automobile sector is recognised for its competitiveness and is being viewed favourably as a manufacturing destination globally, auguring well for focussed and specialised companies like us. Backed by our comprehensive product portfolio, deep innovation and R&D capabilities, agile manufacturing abilities and a robust financial framework, we hope to emerge stronger as the economy gathers steam.

As we look towards an exciting journey ahead of us, we continue to stay focussed on our objective of being future-ready while also being a consistent, trustworthy and reliable partner to our strong and growing customer base. We also aim to be a trusted partner to all our stakeholders, including our employees, suppliers, contract workers and our local communities. I take this opportunity to extend my gratitude to the Board and the Management team for their constant support and guidance. I would also like to thank all members of the Alicon family, our customers, business associates, bankers and all stakeholders. We are grateful for your support and loyalty during these challenging times.

Stay safe, stay healthy.

S. Rai
Chairman & Managing Director

About Us

Alicon Castalloy is a leading provider of end-to-end aluminium casting solutions across multiple user industries. We operate one of the largest aluminium foundries in India. We are also credited for pioneering the processes of Low-Pressure Die Casting (LPDC) and Gravity Die Casting (GDC) in India. Our high-quality total engineering solutions, consistently delivered over the past five decades, have earned us the trust of our marquee customer base across automotive and other core sectors in India as well as in international markets.

We continue to invest in our talent and technology to devise innovative solutions. Our future readiness is reflected in our successful foray into the electric vehicle segment, where we are developing several components and solutions to meet emerging needs.

PART OF THE ALICON GROUP

We are part of the Alicon Group, a global consortium of companies engaged in Rapid Prototyping, Designing, In-house Tool Manufacturing, Engineering, Die Casting, Machining and Assembly, Painting and Surface Treatment of Aluminium Components. The Group is one of the largest integrated aluminium casting manufacturers globally.

True to the origins of its name (Aluminium + Icon), the Alicon Group is helping cast the most iconic lightweight alloy solutions for customers across the world by amalgamating European engineering, Japanese quality and Indian innovation.

FAST FACTS

88
Customers with 744 Live Parts

4
Manufacturing units

81
Product innovations during FY 2021

18
Countries

820
Employees

Quality Certifications
TS 16949:2009
ISO 9001:2008
ISO 14001:2004
BS OHSAS 18001:2007

CAPABILITIES AND EXPERIENCE THAT BUILD TRUST

ALICON GROUP COMPANIES

ALICON CASTALLOY
Operating largest foundry in India and offering ingenious yet cost-efficient engineering solutions

ILLICHMANN CASTALLOY
Our European subsidiary, improving Alicon's presence in the US and European markets

ATLAS CASTALLOY
Providing support in engineering, tool designing and manufacturing

Guiding Us through Adversity and Advancement

Illichmann Castalloy, Slovakia

Our Vision

Become the globally preferred supplier for Light Alloy Casting Solutions.

Our Mission

- Grow the employees, associates and suppliers
- Ensure total customer satisfaction
- Increase shareholder value

Our Values

- Quality, Integrity and Respect
- Encourage Entrepreneurship
- Ownership and Accountability
- Commitment to the Environment and Community

Our Business Philosophy

Fewer, Bigger & Bolder

THE ALICON DNA

We Encourage Decisive Leaders at All Levels	We Encourage Leaders to Nurture Their Teams	We Empower Our People and Always Maintain Positive Environment
We Follow the Alicon Vector	We Greet Everyone with a Smile and in High Spirit	We Approach Everything We Do with Sincerity and Integrity
We Practice LDD (Light, Direct and Deep Communication)	We Believe in Continuous Improvement and Benchmarking	We Aim at Delighting Our Customers with Innovation
We use DES – BEP to Establish Lucrative Goals and Practices	We are Visionary and Set High Targets for Ourselves	We are Flexible and Adapt to Shifts in the Market
We Create an Organic Environment and Give Back to our Society	We Imbibe 5S As a Way of Life	We are Agile, Disciplined and Decisive in Our Work
We Stay True to Our Purpose	We Encourage Perseverance in Case of Failures	We Advocate Ownership and Accountability

Overcoming Adversity through Diversity

We have a wide product range, customer base, sectoral presence and geographic footprint. In an exceptional year, this diversity has proven even more valuable in growing our sales, finding new revenue streams, improving our profitability and limiting the impact of volatility in any one area, sector or market.

CATERING ACROSS AUTOMOTIVE SEGMENTS

We are the preferred manufacturer for all the major local and many international OEMs in the automotive sector. We also serve automotive customers in Europe and the US through our European subsidiary Illichmann Castalloy.

- Two Wheelers
- Three Wheelers
- Passenger Cars
- Multi Utility Vehicles
- Multi-Purpose Vehicles
- Small Commercial Vehicles
- Light Commercial Vehicles
- Medium & Heavy Commercial Vehicles

PRESENT IN THE E-MOBILITY SEGMENT

Staying at the forefront of new industry trends and technologies, we are steadily increasing our offering for the fast-growing e-mobility segment.

- Medium and Heavy Commercial Vehicles
- Passenger Cars
- Two Wheelers

SERVING A DIVERSIFIED CUSTOMER BASE

Our broad customer base, with none of the customers contributing over 15% to our turnover, mitigates exposure to any one customer.

TWO-WHEELER OEM

Ather, Bajaj Motorcycles, Hero, KTM, Honda, Indian Motorcycle, Mahindra 2 Wheelers, Polaris, Royal Enfield, Suzuki, Triumph, Yamaha

FOUR-WHEELER OEM

Ashok Leyland, Audi, Daimler, Eicher, Fiat, Honda, Hyundai, Maruti Suzuki Way of Life!, Mahindra, Renault Nissan, Piaggio, Tata, Toyota, Volkswagen, Volvo

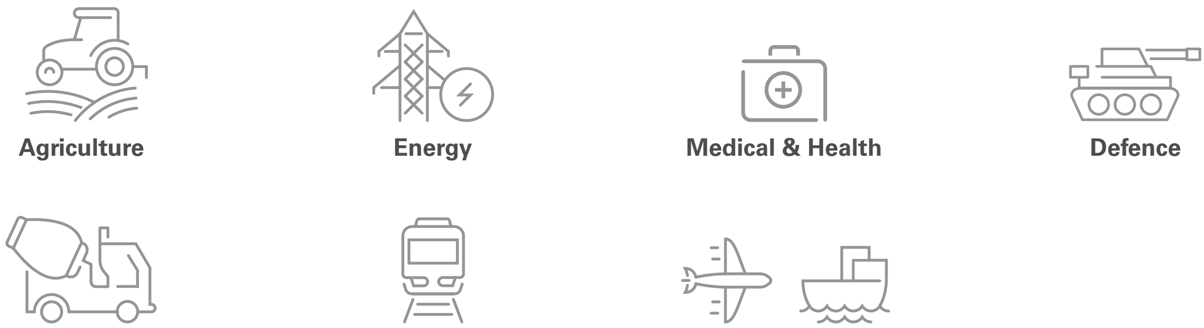
TIER 1 & NON-AUTO

Alstom, Atlas Copco, AVTEC, BorgWarner Emissions Systems, Bosch, Concentric, Cummins, Doppelmayr, Eaton, motive, Enercon, Faiveley Transport, GE, Greaves, Garrett Advancing Motion, Hör Technologie, Ingersoll Rand, VTL Group, Jaguar, JCB, John Deere, KION Group, Knorr-Bremse, Kirloskar, Liebherr, Magneti Marelli, Mahle Driven by performance, Mann+Hummel, Mideo, Modine, New Holland, Golaer Group, POSH, Philips sense and simplicity, Rotax, Samsung, Samsung SDI, Siemens, Stabeg, TBK, Titanx, UQM Technologies, ZF

AND MANY MORE…

MEETING NEEDS ACROSS SECTORS

We are leveraging our expertise of over five decades in aluminium casting to deliver innovative solutions to a diverse range of industries.



Agriculture

Energy

Medical & Health

Defence

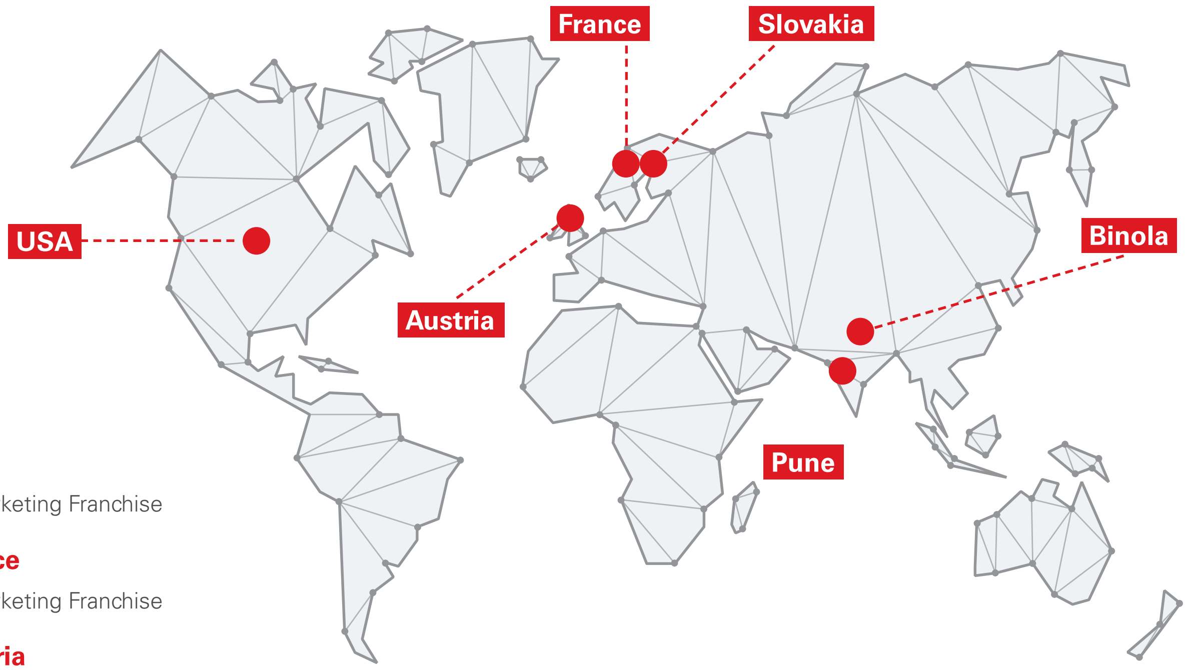
Infrastructure

Locomotive

Aero & Marine

SPREADING OPERATIONS ACROSS GEOGRAPHIES

Our locational advantage enhances speed-to-market, optimises costs and drives efficiencies. In India, our foundries are situated near major automotive clusters. Our strategic global presence makes it easier and more convenient for our customers in 18+ countries to work with us.



USA

- Marketing Franchise

France

- Marketing Franchise

Austria

- International Marketing Office

Slovakia

- Manufacturing Plant
- Tool Room
- Product Validation Lab

Chinchwad, Pune Maharashtra

- Manufacturing Plant
- Tool Room
- Product Validation Lab
- Machine Shop

Shikrapur, Pune Maharashtra

- Manufacturing Plant
- Technology Centre
- Product Validation Lab
- Machine Shop

Binola, Haryana

- Manufacturing Plant
- Product Validation Lab

Strengths that Build Trust

Our strengths enable us to solve ingeniously, innovate faster and manufacture world-class products. Our strengths enable us to deliver quickly, consistently, and efficiently. Our strengths build our reputation among our customers.

ROBUST R&D

Creating new solutions that respond to customer needs

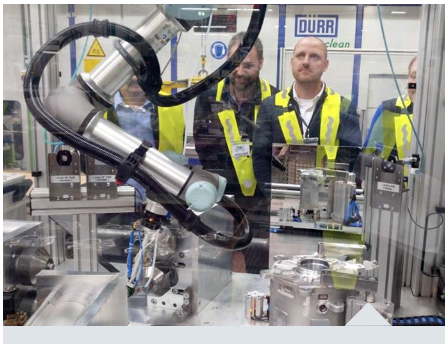
We aim to be a partner of choice to customers by bringing to market innovative and technically differentiated solutions. This relentless commitment inspires our continued investments in research and development (R&D). Our Technology Centre is equipped with the latest instruments and equipment. A dedicated team of 200 highly talented researchers are driving innovation at the facility, enabling us to bring breakthrough products and processes, which are also economical and environment-friendly. We work in close collaboration with our customers, from the stage of concept to design, for bespoke product development.

R&D Centre

WORLD-CLASS MANUFACTURING

Pushing boundaries in production

We have four state-of-the-art manufacturing facilities, three of which are located in India and one in Slovakia (Europe). Advanced, globally sourced equipment and machineries, such as CNC-MAKINO, MICRON, HARTFORD and EDM; globally competent Tool Manufacturing facility (manufacturing 250 tools yearly); Quality & Testing laboratories at each location; and a full-fledged Machine Shop (including a sub-assembly facility) underpin our manufacturing excellence. Continuous operational improvement is being driven through lean and agile manufacturing processes. We are also increasingly embedding mechanised/automated processes and disruptive technologies to improve our performance across the key metrics of productivity, quality, costs and safety. Real-time information in plant operations enables us to minimise product rejections and boost productivity. Our manufacturing capabilities support the production of small to large-sized components. Along with high volume manufacturing, the facilities also cater to small batch sizes as product lifecycles get shorter, in tandem with OEMs growing trend to offer newer and more product variants.



Robotic operations - Illichmann

PEOPLE EDGE

Attracting and retaining talent

At the core of our success are our people. It is their talent, skill, commitment, and hard work that enables us to meet customer expectations. Our people philosophy is focussed on the mantra of 'Challenging the Now', so that we can successfully partner our customers in developing tomorrow's solutions. In consonance with this mantra, we are growing the capabilities of our people through upskilling, cross-functional training, leadership development and exposure to emerging technologies and global processes. We remain focussed on building a learning organisation that attracts, retains, engages, develops and inspires talent. Our people-centric policies ensure individual growth and that collectively as an organisation, we are empowered to serve a broad suite of sectors and new segments such as e-mobility.

Quality Assurance

QUALITY

Delivering products of the highest international standards

Our rigorous focus on quality systems and processes enables us to deliver world-class products and solutions. Our Quality & Testing Laboratories are equipped with the most advanced Quality Assurance machinery (CMM, FARO ARM) and a Bench Flow Testing Machine to test the intake and exhaust ports of cylinder heads. The implementation of the Kaizen methodology and principles of PQCDDMSE (Productivity, Quality, Cost, Delivery, Development, Management, Safety and Environment) drive all-round operational excellence. We are also continuously improving our manufacturing and management systems and processes by adopting the principles and benchmarks set by our Japanese counterpart. Our robust quality procedures minimise product quality and safety issues, thereby winning our customers' trust and building long-term relationships.

Quality Lab, Shikrapur

Overcoming Adversity, Building Trust

Driven by our Strategic Growth Pillars

Over the past few years, significant focus has been put on our five strategic growth pillars. They underpin our success in overcoming the adversities of this exceptional year and favourably positioning ourselves for capitalising on future growth trends.

PILLAR 1: AUTO BUSINESS

We are supplying aluminium casting solutions to major local and many international OEMs in the automotive sector. While cylinder head is our flagship offering, we have built a strong product portfolio over the years, comprising suspension parts, wheel hubs, bridge fork top, outer tubes and inlet pipes, among others. During the year, we added 39 parts from 13 existing customers in the domestic market and 42 parts from 9 existing customers in overseas markets.

In recent years, the sector's thrust has been on reducing overall vehicle weight to improve fuel economy. The challenge is to make light-weighted components cost-effectively while meeting stringent safety and performance standards. Identifying this growing need, our R&D team has stayed focussed on the light-weighting of components. The use of the Low-Pressure Die Casting technique vis-à-vis High-Pressure Casting in our manufacturing process has ensured cost-effectiveness without compromising product quality. We continue to explore the possibilities for new components that can be made with aluminium.

Amidst the pandemic, personal transportation is gaining popularity in the domestic markets. The announcement of favourable policies such as the Performance-Linked Incentive Scheme and Vehicle Scrappage Policy also augur growth opportunities for the Indian auto industry. Leveraging our learnings and experience in supplying BS-VI components to the developed markets, we are focussed on facilitating a smoother transition for domestic auto manufacturers. Led by our superior products and our trusted relationships, we also remain determined to grow our auto business in the export markets.

With the BS-VI regime in India, we are also supplying our customers with suspension parts and other relevant offerings, in addition to cylinder heads. With this, our content per vehicle will go up by 18-20% in FY 2021-22.

PILLAR 2: ELECTRIC VEHICLES

The continuous global focus on climate change has resulted in mainstream automobile players focussing their energies on the electric vehicle (EV) space. Technological improvements have narrowed the cost of ownership between ICE vehicles and EVs, encouraging more customers to shift to e-mobility. The US and European markets are already witnessing growing production and adoption of EVs. Closer home too, we are witnessing a steady pick-up in consumption of e-mobility.

Staying ahead of the emerging shift from internal combustion engines (ICE) to electric propulsion, we have focussed our R&D efforts on converting this threat into an opportunity. Several auto components, which, in present combustion engines, are in cast iron or steel fabrication or similar composite material, are likely to be converted into aluminium or other low-density material in the electric vehicle. Aluminium and other low-density materials enable a weight reduction of the component as much as 46%, enabling EV efficiencies. Additionally, as vehicles are converted from ICE to EV platform, it is anticipated that aluminium usage will see a 2-2.5-fold increase per vehicle. Our experience in aluminium castings provides us with a significant advantage to capitalise on the prospects.

During the year, we converted over 40 components and are working on more than 100 components in the EV space. We are already supplying battery housing to Samsung who supply onward to JLR in the EV space. We have also received orders from Dana Corporation, Mahindra & Mahindra, Graziano and Ashwood for their e-mobility platforms.

A few years ago, we were ramping up our processes and R&D capabilities and now we have successfully demonstrated a niche solution offering for the EV space. Our target is to clock 25% of our revenues from E-mobility by FY 2025-26. In line with this ambition, EV has been accorded priority status in our portfolio. We have also identified players who can be our future customers.

PILLAR 3:
NON-AUTO BUSINESS

We are aggressively targeting sectors beyond auto to build a more resilient and stronger business. In sectors such as defence, aerospace, agriculture and energy, there is a growing demand for light-weighted components. For instance, the Indian defence sector is currently refurbishing tank wheels with lightweight aluminium parts to lower the tank's overall weight.

Armed with our Low-Pressure Die Casting process, we are the only Indian supplier for these wheels. We are also supplying cylinder heads for defence trucks. In agriculture, our aluminium components are being used by tractors. Our continued endeavour towards driving product differentiation and building trust has enabled us to also secure orders from several leading players in energy and aerospace.

With die-casting becoming an increasingly viable and relevant solution across multiple sectors, we expect the demand for our products to gather momentum. Our strategy remains to actively identify such opportunities and diversify our presence beyond the auto sector.

PILLAR 4:
TECHNOLOGY AGNOSTIC SOLUTIONS

Various aspects of the vehicle remain common across ICE, EV and hybrid platforms and would remain relevant even in case of the emergence of alternative technology. An important aspect of our growth strategy is thus building our portfolio of technology-agnostic solutions by leveraging our core competencies.

For example, previously, the material chassis and suspension components in ICE were in forged steel but with an increasing focus towards light-weighting driven by electric mobility, these components are now being made in aluminium. In addition, we are also getting increased enquiries from several OEMs for the development of frames and control arms following our successful completion of the order with (JLR) / global OEM for the same product basket.

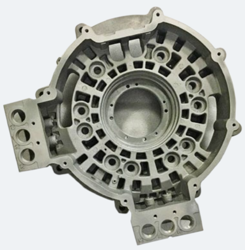
As chassis, suspension, frames and control arms and other parts are increasingly made from aluminium to stay ahead of technological disruption, we anticipate that the aluminium contribution in a four-wheeler will increase from 30 Kgs to around 100 Kgs. This will bring new opportunities for growth for Alicon.

PILLAR 5:
SOLUTION PROVIDER

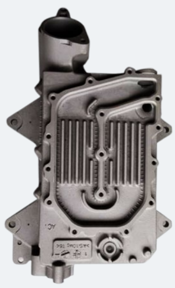
Our fifth growth pillar is focussed on being a solution provider through our premium offerings. In EVs, components like motors and batteries generate considerable heat during operation, which impacts the end-product performance. We have recently devised a thermal engineering solution for EVs, through our European Subsidiary, to help alleviate this impact. This thermal engineering solution is a value-add and premiumised offering, which gives us competitive technical know-how. We have already partnered with Bosch and Samsung/ e-mobility technology leaders for these thermal-management solutions and have gained significant exposure in the European markets. We are now leveraging our IP and are collaborating with Dana Corporation / a leading global supplier of fully integrated drivetrain and electrified propulsion systems to develop products embedded with ready-to-use technology. This will enable us to be the preferred partner of choice for our customers across their ICE and EV initiatives. We are also expanding our product portfolio to include several niche and value-enhancing offerings as well as increasing the proportion of machined components.

We bagged a prestigious global order from a leading global OEM/Toyota for cylinder heads during the year. This is the first time that our customer is outsourcing these components. Further, Alicon is the only Indian supplier, a testimony to the strong trust we have built for our products.

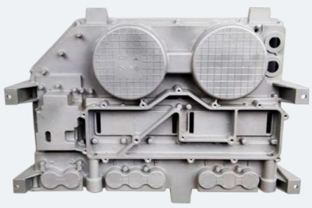
SOLUTIONS TO EV SPACE



Back Housing



Fuel Cell Tank



Inverter Housing

Overcoming Adversity, Building Trust With Our Operational Response

The unprecedented period of the COVID-19 pandemic demanded an unprecedented response. We have risen to the challenge, with our priorities being ensuring the safety of our people and our operations, supporting our customers and keeping our business running, thereby strengthening the bonds of trust with all our stakeholders.

J Suzuki San Visit

KEEPING MANUFACTURING GOING

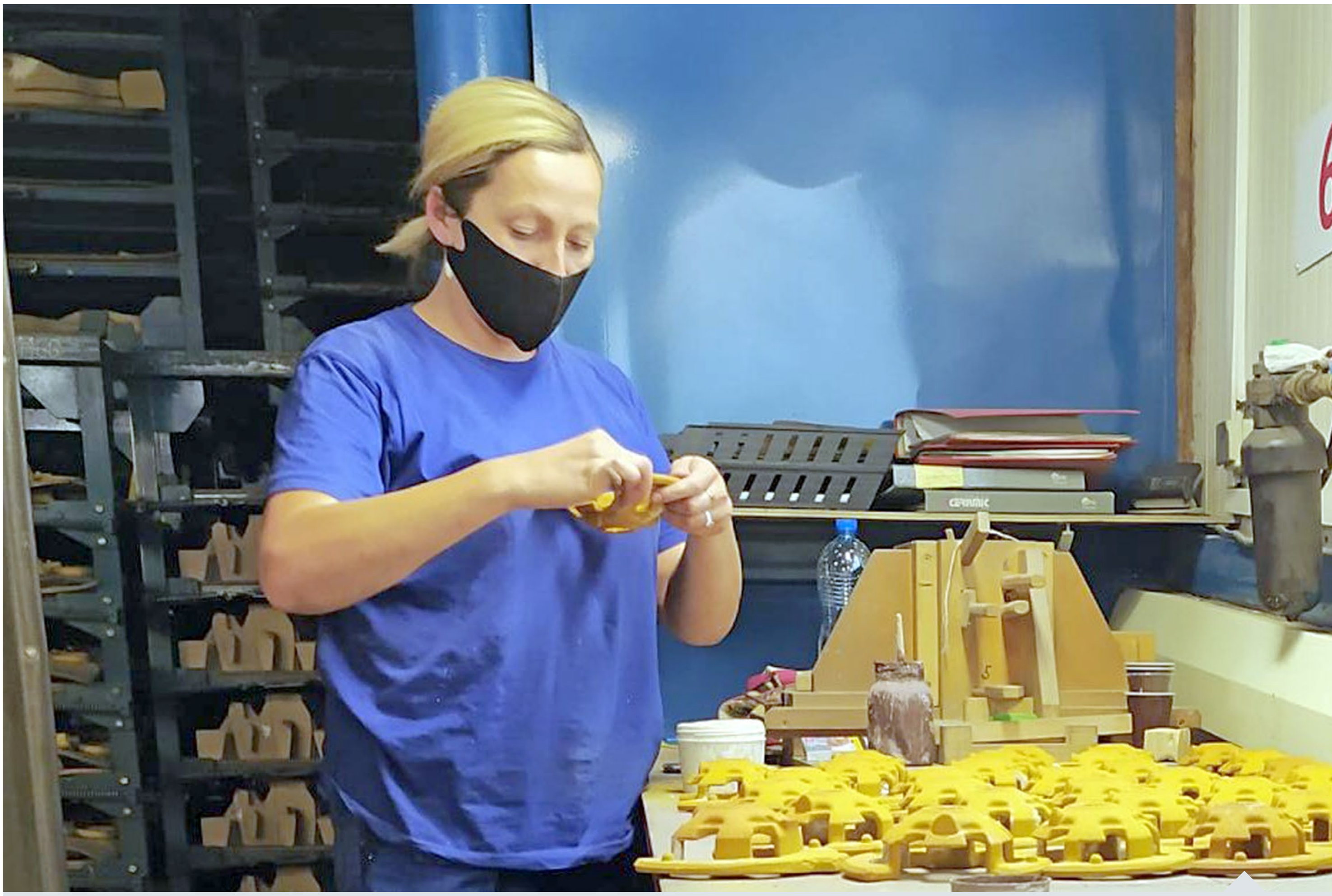
The nationwide lockdown from March 2020 resulted in the complete shutdown of all our manufacturing units in India. With the unlocking of the economy from the beginning of May, we restarted our operations in a phase-wise manner. Since then, we have been stringently adhering to the regulatory guidelines to ensure safe and uninterrupted operations throughout the year.

Our strong focus on safety has enabled us to keep our manufacturing going even during the virulent second wave of the pandemic in the country. With Pune city, where a considerable part of our manufacturing facilities are located, being in the epicentre of the second COVID-19 outbreak, the challenges were exceptional. During such times, our apex team minutely monitored all compliances to ensure that our operations were not disrupted. Across the Company, we remain committed to employee safety and continue to follow strict adherence to social distancing and hygiene protocols.

CONSISTENTLY ENGAGING WITH CUSTOMERS

We regularly engage with our customers to ensure that we have a deep understanding of their evolving expectations and to update them on our capabilities and offerings. Despite the difficulties posed by the pandemic, our customer engagements remained solid across both domestic and international markets. Frequent virtual interactions enabled us to maintain continuity in deliveries to existing customers and make progress against new leads.

We continued to invest in building our global team to stay close to our customers. The appointment of global representatives in the US and European markets has helped our Company to penetrate global markets more effectively. Having these teams has elevated connectivity with existing customers and opened up opportunities to mine new customers for future business.



Sand Core Manufacturing, Illichmann

MANAGING SUPPLY CHAIN CHALLENGES

The COVID-19 pandemic had significant ramifications for supply chains. Staying agile to the evolving environment, several strategic initiatives were undertaken to restore and maintain the movement of goods through dealership networks and vendors. We also collaborated with our suppliers to ensure COVID-19 safety at their facilities and share best practices. Truck sanitisation at entry and exit points, thermal scanning of drivers and delivery personnel, and implementation of COVID-19 protocols for consignments received from vendors were among the precautions taken to ensure the safety of our people and operations.

SCENARIO-BASED PLANNING

With COVID-19 unleashing a global crisis that has never been seen before, we have adopted scenario-based planning to help us plan for uncertain futures. We have identified three / a set of plausible future states in terms of demand – ranging from optimistic to pessimistic scenarios. This helps us to widen our thinking around possible responses and outcomes and develop proactive strategies for dealing with the pandemic. Our scenario-based planning is enabling us to make better decisions and better manage our cash flow and liquidity during the crisis.

MAINTAINING A STRONG FINANCIAL FRAMEWORK

We instituted cost optimisation initiatives across our business model and improved process efficiencies. Focussed efforts were also made towards managing our working capital efficiently. The combination of these prudent practices has led to improved cash flow and financial position, despite the severe disruptions witnessed during the year.

Keeping the uncertain environment in perspective, we are consciously following a measured and calibrated capital allocation strategy. Our focus is first to efficiently utilise our current installed capacity of 42,000 MTPA at optimal levels before undertaking any new expansions. Investments will be emphasised in areas that deliver long-term growth while meeting our set financial discipline criteria.

DRIVING EMPLOYEE EMPOWERMENT

We continued to provide our people with learning and development opportunities to build their skills and capabilities. Special engagement sessions were held with Alicon's Emerging Leaders team to enhance their leadership qualities.

Overcoming Adversity, Building Trust

Supporting our People

The health and safety of our people has been our foremost priority throughout this ongoing pandemic. We are also focussed on the wellbeing of our wider ecosystem, including our employees' families, our suppliers and local communities.

Since the onset of the COVID-19 breakout, we have followed government health and safety measures across all our plants and offices. Social distancing, temperature checking, and sanitisation were strictly implemented.

We have also put additional measures in place to support the health and wellbeing of all our employees in these uncertain times, including:

Creating a guardian system where each designated guardian acts as a caretaker for 15 to 20 associates, providing all possible help in times of lockdown, medical exigency or any other difficult situations; nurturing the emotional and mental wellbeing of our employees and their families; and communicating comprehensively on COVID-19 developments.

Providing counselling and support through experts and professionals to create an environment free from fear and anxiety. Our regular inspirational sessions were also aimed at developing capacity and resilience for navigating these challenging times. Special sessions were also held for women employees, contract associates and employees' families.

As we cared for our team, we continued to integrate our local and wider communities through the provision of ration kits. We have encouraged our team to be directly engaged in initiatives including cleanliness drives and education in the community on safety, hygiene for personal wellbeing, building social-emotional resilience especially in women and children who have been deeply impacted in these times.

In wake of the severe second wave of the COVID-19 outbreak in India, we further intensified our focus on supporting our people and other stakeholders. The key initiatives included:

HIGHLY CHARGED GUARDIAN SYSTEM: Our successful guardian system was stepped up to support our people through this extraordinary period. The management held daily online guardian meetings at every location covering all Plant Heads, HR Staff and Contract Supervisors. Exceptional issues were discussed in the meeting, and wherever required, help was taken from the management team to guide the guardians. The guardians, in turn, had regular meetings with their wards.

Design Centre

COVID-19 MARSHALS: COVID-19 marshals were appointed to daily monitor our contract associates for following all the safety rules prescribed by the Company, such as walkway instructions at the time of change in shifts, social distancing, etc. Safety mock drill activities were reinforced in full motion to create more seriousness towards safety. The usage of safety PPEs was made mandatory for all/relevant employees.

LOCKDOWN PREPARATION: Regular meetings were held with our employees to ensure readiness for a possible lockdown. All the checkpoints were listed for our manufacturing sites and the status regularly updated.

COVID-19 AWARENESS: Awareness sessions were also held to impart COVID-19 do's and don'ts, such as maintaining social distancing, avoid visiting public places and family/ friend functions, safety while travelling, etc. The focus was on comprehensive communications to keep our people as safe and well as possible.

VACCINATION AWARENESS: To create awareness of the COVID-19 vaccination drive of the Indian Government and to reduce vaccine hesitancy, an informative session was held with a leading medical professional / Dr. Suchita of Dinanath Hospital, Pune. During her session, detailed information was given about the availability of vaccines in the market, vaccination success rate, government rules for vaccination, vaccination registration procedures, hospitals conducting vaccination, etc. She also clarified questions raised by employees. Co-morbidity surveys were organised for our employees and their families to know their health conditions. The vaccination trend is being monitored daily at our Company to encourage more people to take the vaccines. We have also set up a help desk to provide support to any employee who is facing difficulty in getting the vaccination.

REGULAR FUMIGATION: Infection control measures through sanitisation were stepped up across our operations. Fumigation was also carried out in our associates' living area.

HEALTH CHECK-UP: In addition to communication and fumigation, as a precautionary measure, medical check-ups were held at our employee colonies to pre-empt any suspected case for isolation.

Overcoming Adversity, Building Trust

Supporting our Communities

An unprecedented time... called for a spontaneous compassionate response - COVID-19 relief work by Alicon

As the COVID-19 pandemic impacted human life with both social and economic disruptions, the Alicon team responded with speed, to reach out to daily wage earners and migrant workers in the neighbourhood of all the 3 locations. Providing food ration kits, cooked food and masks to individuals and families and in the winter this included blankets. Later the circle of our intervention spread to areas where Alicon's social programmes have been ongoing. Yerwada, Shikrapur in Pune & the villages of Ratnagiri.

To address the social and emotional needs of our people and their families and those in our communities, a series of sessions were led by Uma Mane of Kshitij, BK Sarita of the Brahma Kumaris and a pan India youth group to help overcome fear, build resilience and awareness.

EDUCATION INITIATIVES

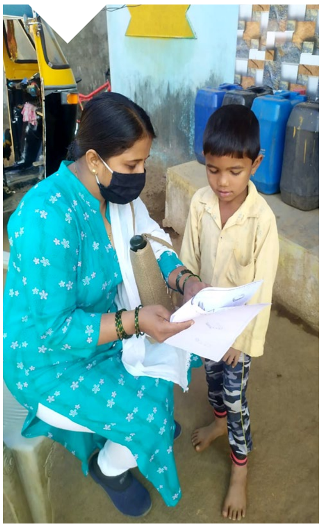
Pi JAM FOUNDATION:

In the 3rd year of our partnership, the Pi Lab program with Pi Jam was at a low income private school in Pune, across grade 6 to 9 which impacted 240 students. Conducted digitally, it equipped the children from underserved background to use affordable technology and computer science concepts to develop essential skills like programming, problem solving and design thinking through a hands-on STEM approach.

ASEEMA

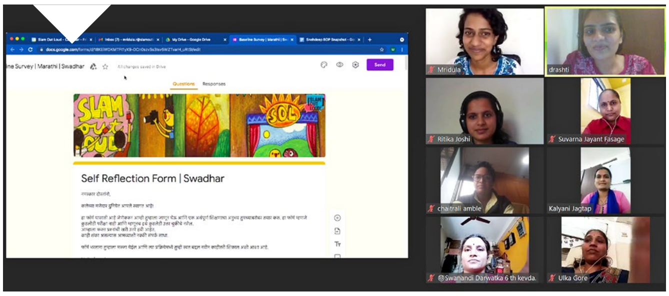
We renewed our support to Aseema's pre-primary education program for first generation learners in the tribal region of Igatpuri, Maharashtra. It supports our strong focus on pre-school education that has a pivotal role in a child's emotional, social, physical and personal growth and development.

In the past year, teachers and social workers at Aseema had to engage individually with each parent to guide them to support their children's learning through day-to-day life activities. In order to ensure that the learning curve of students is uninterrupted, they restructured the curriculum and adopted a remote learning model for children.



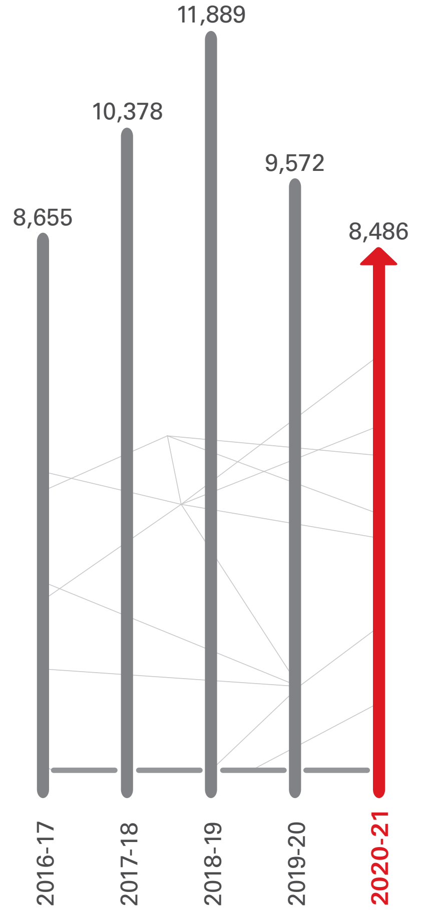
FOUNDATION OF ARTS FOR SOCIAL CHANGE IN INDIA (Slam Out Loud)

Slam Out Loud uses different art forms to help disadvantaged children aged 6-17 find their voice through creative expression. Their vision is that 'Every individual will have a voice that empowers them to change lives'. Their programmes uses art forms like Storytelling, Theatre, Visual Art, Poetry, to enable children from vulnerable communities to build Creative Confidence - a combination of 21st Century and SEL Skills including self-esteem and critical thinking. Their COVID-response project, leverages art and low tech mediums to deliver well-being and Social Emotional Learning. This is the 1st year of our partnership, working with over 700 children across government and affordable private schools in Pune.

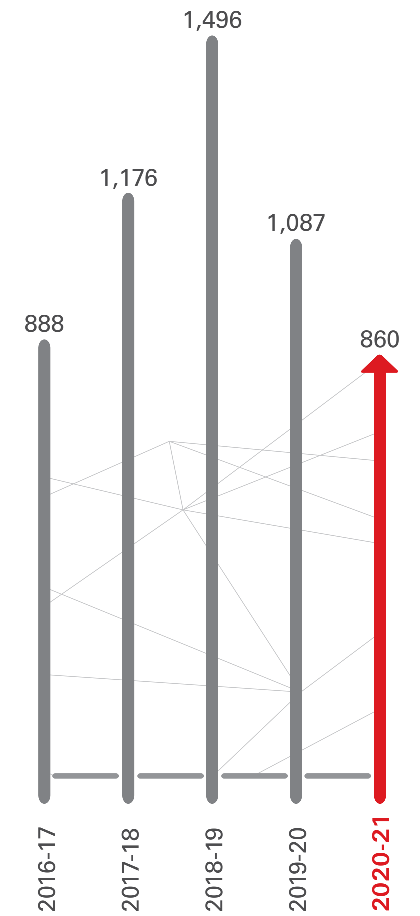


Financial Highlights

Revenue from Operations (Net)
(₹ in Million)

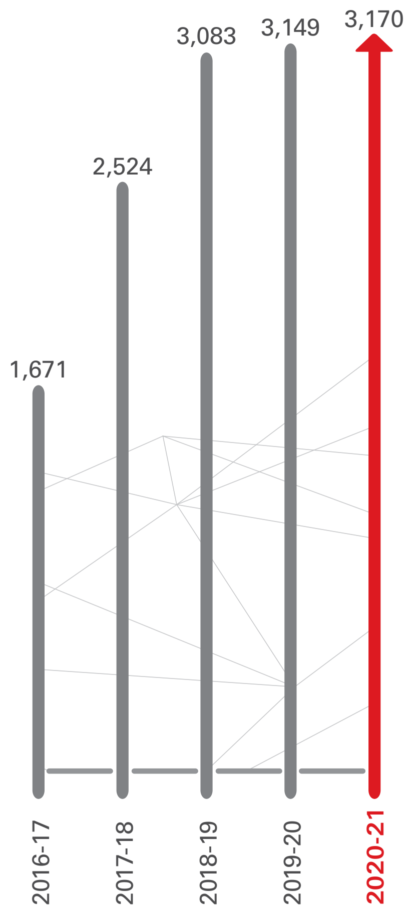


EBITDA
(₹ in Million)

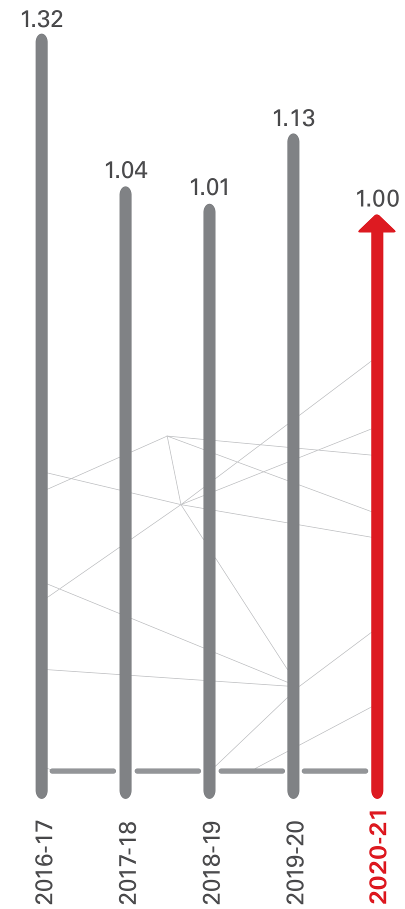


COST AND PROFIT AS A PERCENTAGE OF TOTAL REVENUE

NET WORTH
(₹ in Million)



DEBT EQUITY RATIO
(No. of times)



REVENUE MIX - FY 2021

MANAGEMENT DISCUSSION AND ANALYSIS

Tool Room Chinchwad

ECONOMIC REVIEW

In CY 2020, the world economy contracted 3.3% as the outbreak of the COVID-19 pandemic led to a severe global recession. The International Monetary Fund (IMF) has projected the global economy to grow 6.0% in calendar year 2021 and 4.4% in 2022 on the back of the fiscal and monetary support provided by governments across the world. In addition, widespread vaccination drives being carried across the globe has helped ease pressure on economies. Social distancing measures introduced to slow the transmission of the pandemic has had an uneven impact on various sectors, with tourism, travel and some other social sectors facing maximum pressures.

In India, FY 2020-21 was expected to be a challenging year given the national lockdown imposed on account of the pandemic. The consensus was that GDP growth in FY 2021 would not only be negative but also would constitute the greatest fall in growth since 1979-80. In fact, the growth shock in GDP was much larger than expected. For April-June 2020, real GDP contracted by a massive 24.4%. India had never recorded a quarter of negative growth since it began issuing such data publicly in 1996. In the second quarter, July-September 2020, GDP again contracted by 7.3%. The consensus was that growth in the second half of the fiscal year would be far less than what was needed to erase the effect of the deep recession in the first half. Fortunately, the third quarter (October to December 2020) recorded a GDP growth of 0.4%. As per the National Statistics Office, the second advance estimates of National Income for FY 2020-21 indicate real GDP contraction of 8% for FY 2020-21.

In response to the pandemic, the Government of India announced a ₹ 20.9 lakh crore economic package (or about 10% of GDP). Of this 1.2% of GDP comprised direct fiscal spending and the rest consisted of (i) loans and guarantee schemes of ₹ 10.4 lakh crore, or about 5% of GDP and (ii) the RBI's liquidity measures of ₹ 8.01 lakh crore, or about 3.8% of GDP.

In addition to the above, the growth-centric and expansionary Union Budget announced for FY 2021-22, schemes like the Centre's Production-Linked Incentive (PLI) scheme, and the recently announced vehicle scrappage policy coupled with an increased demand for personal mobility post the pandemic has revived hopes for a robust revival in the Indian economy and the automotive sector.

Unfortunately, the nation is currently emerging from the easing of state level lockdowns imposed after a brutal second phase of the pandemic, which began in early March 2021. While the economic impact in the first quarter of the financial year 2021-22 (FY 2022) is not going to be as severe as in the previous fiscal, we hope that there are no further disruptions to economic activity and loss of life on account of the much feared third wave.

As per the World Bank, India's GDP growth is estimated to be 8.3% during FY 2021-22 depending on the success of vaccination campaign, uncertainty caused by second and third wave of restrictions, requirement of restrictions to mobility, and global economic recovery. As economic activity normalises domestically and in key export markets, we look forward to growth in the second half of FY 2022 and beyond.

Source: IMF WEO April 2021, World Bank

INDUSTRY OVERVIEW

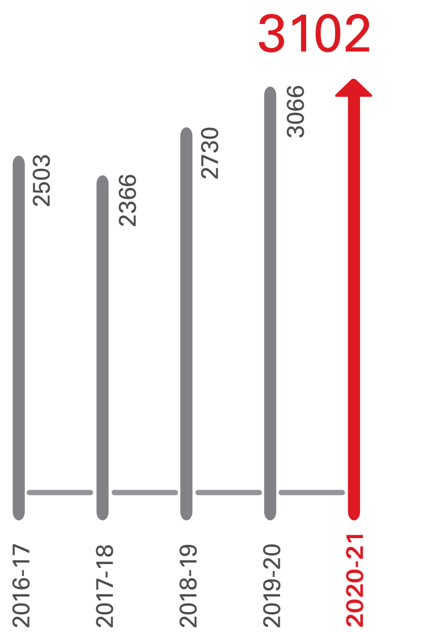
According to the 54th World Casting Census published by Modern Castings USA in January 2021, total global casting production stood at 109.05 million metric tonnes in CY 2020, declining 3.2% as compared to 112.7 million metric tonnes in CY 2019. China, India and the US continued to be the top three producers. China reported 1.2% decrease in production. India, the second largest producer of castings in the world, witnessed 14.2% decrease in production impacted by the COVID-19 pandemic.

The Indian foundry industry is witnessing rapid growth driven by increasing demand in automotive, tractor, railways, machine tools, sanitary, pipe fittings, defence equipment, aerospace, earthmoving, textile, cement, electrical, power machinery, pumps / valves, wind turbine generators etc. Foundry industry has a turnover of approximately USD 19 billion with export approximately USD 3.1 billion in FY 2019-20. The Indian casting production in volume terms stood at 11.49 metric tonnes. There are close to 4,500 units out of which 85% can be classified as small scale units, 10% as medium and 5% as large scale units. Auto sector has a significant share in the casting and casting components industry, which in itself would play a vital role for sustainable growth in auto and other engineering sectors.

Sand Casting

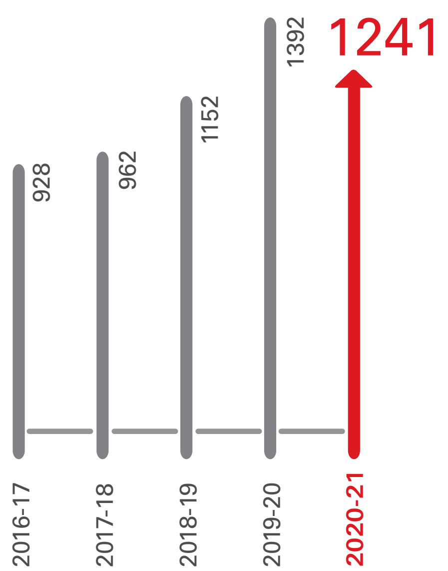
Export Data of Major Castings

(Fig. in Million USD)

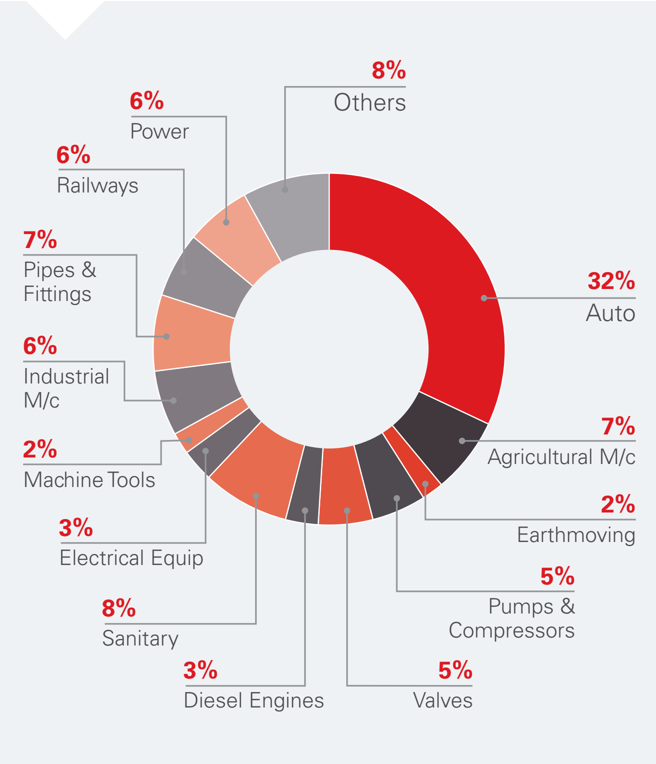


Import Data of Major Castings

(Fig. in Million USD)



Sectorwise Major Consumer of Casting



The foundry sector, highly labour intensive, provides employment to ~500,000 directly and 1,500,000 indirectly mainly from socially and economically weaker sections of society. It has potential to generate additional employment of 2 million in the next 10 years. The Indian casting industry has ambitious growth plans with new capacities being added at rapid pace.

(Source: http://www.foundryinfo-india.org/profile_of_indian.aspx)

STRENGTHS

- Skilled manpower available in abundance at low unit labour cost
- Strong globalised industry and emerging global competitiveness
- Abundance alloy supply
- Technically advanced in producing superior quality castings

WEAKNESS

- High cost of energy
- High import duty on pig iron and other raw materials
- Strict labour laws
- Highly competitive industry
- Revenue concentration on automobile sector

OPPORTUNITIES

- Technological upgradation
- Growing popularity of electric vehicles
- Growing demand from non-auto sectors
- Strong government focus on manufacturing industry and MSMEs with policies like PLI scheme, Make in India, Ease of doing business, Atmanirbhar Bharat, etc.
- Vehicle scrap policy, low interest rate on vehicle loan and preference for personal mobility amidst pandemic boosting growth in the automobile sector
- Introduction of Industry 4.0

THREATS

- Steep rise in raw material and energy costs
- Economic slowdown both in domestic and international markets

The automobile sector dominates the revenue mix for Alicon though the Company is striving to cater to opportunities to increase supply of aluminium castings to non-automobile sectors. Amidst COVID-19 pandemic, as automobile manufacturers look to rationalise global supply chains, the Company is well placed to leverage this opportunity to drive business growth. In addition, the Company is at the forefront of capitalising on emerging trends such as Electric Mobility and light-weight components in the automotive industry.

COMPANY OVERVIEW

The Alicon Group (the Company) is a blend of European engineering skills, Japanese quality and inherent Indian ingenuity and frugality. A conglomerate of Alicon Castalloy, Atlas Castalloy, Illichmann Castalloy and Silicon Meadows, with over 23 decades of cumulative experience, the Company has emerged as one of the largest integrated aluminium casting manufacturers. Leader in the development of Pro-Cast and Magma space in India, the Company is a one-stop shop for all engineering solutions for aluminium alloy casting needs across multiple user industries like automobile, infrastructure, aerospace, medical, energy and agriculture. The Company boasts of a diversified marquee customer base across core sectors in India coupled with steady rise in customer wins in international geographies.

The Company's four highly advanced plants are strategically located to enable shorter time-to-market and enhanced cost optimisation. The three domestic plants are located at Shikrapur in Maharashtra, Chinchwad in Maharashtra, and Binola in Haryana and the international plant is in Slovakia. The plants are equipped with high end machines. The Company's advanced technology centre, globally competent tool rooms, full-fledged machine shop including assembly facility, and laboratories for quality and testing purposes enable it to offer world-class services with a technological edge over the competition. Recently, the Company has established two marketing franchises in USA and France to penetrate the global business in US and Europe in line with the global business strategy.

The Company has been a supplier of choice for several domestic as well as international two and four-wheeler Original Equipment Manufacturers (OEMs), and several tier-I non-auto companies due to its strong track record of providing technologically-advanced cost-effective solutions across product life cycle beginning from the prototype stage. The Eight-Step process, developed and perfected in-house, is a key enabler in building strong brand equity. Led by continuous design and manufacturing enchantments, the performance of each component is enhanced resulting in substantially low rejection rate and timely deliveries.

OPERATIONAL AND FINANCIAL OVERVIEW

Though FY 2020-21 had a shaky start on account of an unprecedented level of disruption in operations due to the nationwide lockdown and restricted mobility, there was sharp recovery seen in the second half of the fiscal year on account of pent-up sales, festive push and higher preference towards personal mobility that partially offset the effect of the disruption in the first half. This enabled the Company to restrict the revenue decline by 11% from ₹ 957.19 crore in FY 2019-20 to ₹ 848.57 crore in FY 2020-21, with healthy contributions from the Indian operations and the European subsidiary. On the profitability front, EBITDA stood at ₹ 86.0 crore, with margins at 10.1%.

Particulars (₹ Crore)	Consolidated			Standalone		
	FY21	FY20	YoY Shift	FY21	FY20	YoY Shift
Revenue from Operations	848.57	957.19	-11%	731.84	856.21	-15%
Other Income	2.86	2.79	3%	2.57	2.51	2%
Total Income	851.43	959.98	-11%	734.41	858.72	-14%
EBITDA	86.01	108.69	-21%	74.68	104.31	-28%
EBITDA Margins	10%	11%	-122 bps	10%	12%	-198 bps
PBT	1.08	25.32	-96%	-5.52	24.85	-
PAT	-1.92	17.03	-	-7.46	16.83	-
PAT Margins	0%	2%	-	-1%	2%	-

The Company's focus on managing working capital efficiently paid rich dividends. The slightly higher inventory level was offset by the reduction in receivables leading to improved cash flow in the backdrop of a highly challenging year. This efficient management of working capital helped reduce net debt thereby resulting in slight improvement in net debt to equity ratio.

The Company followed a measured and calibrated capital allocation strategy. With imminent strong business momentum and solid new wins, the Company prioritised the efficient utilisation of current installed capacity of 42,000 MTPA at optimal levels before undertaking any new expansions. In order to optimally utilise casting capacity, there will be need to scale up melting and machining capacities requiring investments in developing capacities for special purpose equipment and process improvements, depending upon customer requirements. The Company will be consciously rebalancing its existing capacity in a phased manner in the next 3-4 years, so as to achieve optimum output across all focus areas.

With all mainstream automobile players focussing their energies on the EV space, technological improvements have narrowed the cost of ownership between ICE vehicles and EVs. Both in international markets of US & Europe and domestic market, there has been increased production and adoption of electric vehicles. Several auto-components, used in combustion engines are in cast iron or steel fabrication or similar composite material, which have the potential to be converted into aluminium or other low-density material like magnesium alloys enabling weight reduction and improving efficiencies. Since the last few years, the Company has been ramping up processes and R&D capabilities and have successfully demonstrated a niche solution offering. The Company is in good stead to capitalise on more such opportunities from several customers in the EV space.

The long-term agenda is to emphasise on investments for healthy value accretion in the longer run. From product development perspective, with evolution of EVs, the Company is undertaking technological developments and focussing on innovative agnostic parts to achieve sustainable growth.

In this year, we appointed additional global representatives in US and European market namely, TBS in US and Gifavi in Europe. This is part of the strategy to enhance its global presence in key markets and position itself better to win a higher share of global business. Having these teams in close proximity to customers has elevated connectivity with existing customers and opened up opportunities to mine new customers for future business. The onboarding has started showing results with increased enquiries and discussion and we anticipate higher traction in business wins in these regions as we get the opportunity to demonstrate the value we can offer. The Company is working on partnering with PSA in US, entering the markets in Mexico and Brazil as well as leveraging entry into the Japanese market with Flextronic. Engagement with players like Titanix and Eaton has led to developmental programmes for the India business. In addition, there are niche opportunities emerging in the Middle East, China and South Korea to significantly elevate the global footprint.

KEY INDUSTRY HIGHLIGHTS FY 2020-21:

Domestic auto:

- Sales across OEMs witnessed a rebound in the second half of the fiscal year, from a low base with strong demand emanating from pandemic-driven preference for personal mobility and new launches
- Passenger vehicles and two-wheeler sales witnessed healthy improvement in sales on a month-over-month basis from the beginning of the third quarter of FY 2020-21
- Commercial Vehicles also witnessed increased sales on the back of improved sentiments, steadier freight rates and rebound in economic activity leading to improving demand from road construction and mining

International auto:

- Key export geographies in the US and Europe reported healthy auto sales despite re-imposition of constraints in some parts of Europe due to concerns surrounding the second and third wave of COVID-19 cases

Strategic Growth Pillars:

The Company continues to refocus and re-orient its R&D focus, capabilities, capacities and human resources to capitalise on growth trends in the global auto industry. The Company's ability to post a strong rebound following the COVID-19 impact has been contributed by five key strategic growth pillars:

- **Auto business:** The segment witnessed sequential volume improvement with healthy client engagements in both domestic and export markets. During FY 2020-21, the Company added 81 parts from 12 existing customers and 7 new customer in domestic and exports market. These order wins amount to lifetime sales value of ₹ 1,300 Crores, with an average yearly sales of ₹ 260 Crores. With personal transportation gaining popularity in the domestic markets, two wheelers emerged as the preferred mode of transportation, especially in the rural and semi-urban areas. Added support from favourable policies such as PLI Scheme and Vehicle Scrappage Policy is expected to usher in long-term benefits and growth opportunities
- **Electric vehicle division:** Electric vehicle division: The Company is well poised to become one of the front runners in the EV space. The Company has started supplying battery housing to Samsung who supply onward to JLR in the EV space. The Company also provided OEMs with thermal engineering solutions for EVs to alleviate the heat generated due to motors and batteries. This innovative solution was led by the European Subsidiary. This thermal engineering solution is a value-add and pre-immunised offering, providing competitive technical know-how. The Company partnered with Bosch and Samsung for these thermal-management solutions and have gained significant exposure in the European markets. Leveraging IP, it is also partnering with Dana to develop products embedded with ready-to-use technology. From 81 parts added this year 29 parts are from EV segment from global and domestic customers. The Company bagged orders from Dana Corporation, Mahindra & Mahindra, Eaton, Flextronics, Danfoss for their e-mobility platforms amounting to lifetime sales value of ₹ 250 crore, with an average yearly sales ₹ 49 crore. EV as a segment is now looking more promising than was initially anticipated. The Company aims to increase revenue contribution to over 25% from the electric vehicle division on a growing revenue base by FY 2025-26
- **Technology agnostic platforms:** The Company is focussed on steadily adding parts required in each vehicle irrespective of the technology platform. Components such as the chassis and suspension components in combustion engines made in forged steel are now changing over to aluminium to be used in EVs due to light weight. This presents another growth opportunity for the Company. In addition, following successful completion of order with JLR for development of frames and control arms, the Company is getting increased enquiries from other OEMs. The Company has also received RFQ for the new generation vehicle of JLR

- **Non-auto segment:** There has been healthy growth in demand across sectors such as defence, aerospace, agriculture and energy, which is expected to strengthen in near future. The Company has received orders from Honeywell Automation India and ABB India as they expand their businesses in the domestic and export markets. The Company has also bagged repeat business win from Ingersoll Rand for supplying their products in the China market. The Company is also expecting an order from BEML for supplying cylinder heads for the 10,000 TATA trucks. This is also indigenously designed and developed and is now in a ramp-up phase

- **Increasing customer wallet share:** The Company is well positioned as a solutions provider amply demonstrated in recent thermal engineering solutions to existing customers for EVs. The Company is strongly equipped to be the preferred partner of choice for customers across their ICE and EV initiatives. There is constant focus on diversifying and expanding product portfolio to include several niche and value-enhancing offerings and increasing the proportion of machined components too. During the year, value addition per Kg improved by 6%

  All the strategic growth initiatives enable the Company to capitalise on the opportunities synergistic with economic revival.

WAY FORWARD:

Alicon's endeavour is towards encouraging the adoption of the '3R Mindset' - Reflection, Resilience and Reimagination, across the organisation. This approach has enabled the Company to adapt to the new normal amidst challenging business environment. The Company embarked on a multi-pronged focus towards strengthening existing customer base, adding new clients across markets and ramping up its product basket towards high-margin and value-add categories. During the year, the Company bagged several wins with multiple OEMs, providing healthy growth visibility for future. The Company is future-ready and continues to be a strategic, consistent and trustworthy partner to its strong and growing customer base. It is well-positioned to harness the growth potential by efficiently leveraging upon its comprehensive product portfolio, strong innovation & R&D capabilities, agile manufacturing abilities and a strong reference base, both in the domestic and global markets.

RISKS, CONCERNS AND MITIGATION

Growth opportunities are emerging across segments and geographies due to the transformation underway across the industry. However, the business operations face both internal and external risks which need to be managed well to ensure business continuity.

Machine Shop

Geopolitical risk: Trade tensions between large economies lead to disruption of global supply chain which may impact business risk.

Mitigation: The Company closely monitors geo-political events and accordingly manages its inventory and business operations. The Company is able to tackle such challenges due its geographical diversification and global competitiveness.

Demand slowdown risk: Adverse macro-economic developments, like COVID-19 pandemic, impact the growth of all sectors including infrastructure, automobile and casting thereby impacting business operations.

Mitigation: The Company's business operations are well diversified with constant focus on increasing revenue from different sectors, exports and international business. In addition, the Company endeavours to introduce innovative products catering to latest technological developments thereby minimising risk to business operations.

Raw material cost fluctuations: Fluctuation in price of major raw materials lead to significant increase in costs thereby impacting profitability.

Mitigation: The Company strives to use minimal possible alloy variants following standardisation of alloys policy which enables it to consolidate raw materials purchased with a minimal number of alloys. The Company benchmarks its sale price to raw material costs thereby insulating profitability from any volatility in price of raw materials used.

Competitive pressure: Led by strong growth prospects of casting demand in the country, competition has significantly stepped up in the industry.

Mitigation: The Company has created its moat with strong brand equity, technical competence, efficient operations, excellent service with a robust track record of timely deliveries and an expert in-house Research and Development team. Government policies to encourage domestic production helps to minimise competition from foreign players.

High dependence on a single sector: Over-dependence on a single sector leads to concentration risk.

Mitigation: The Company caters to multiple categories in the auto sector such as 2 Wheelers, 3 Wheelers, Passenger Vehicles and Commercial Vehicles, so that slowdown in anyone category can be offset by supplies to another. Further, the Company caters to both domestic customers and international customers so that impact in any particular geography can be mitigated by growth in others. The Company is also at the forefront of emerging trends such as EV and light-weighting which may continue to witness growth even as the volumes of Internal Combustion Engines are projected to peak sometime in the next decade. By catering to next generation technology, the Company ensures that it is able to deliver growth even if the industry as a whole begins to witness stagnation.

Quality Inspection

HUMAN RESOURCE MANAGEMENT

As of March 31, 2021, the Company had a total employee base of 820 full-time employees. The Company considers human capital to be a key pillar of growth. Its skilled and professional management team is a strong driving force. The HR policies are based on fair practices, which continually strive towards attracting, retaining, and developing the best talent required for the business to grow and accelerate the journey in the next normal scenario. All employees exhibit unparalleled commitment, competence and dedication towards this journey. The Company boasts of well-defined HR policies which take care of both personal and professional growth of its employees. Policies nurture a culture that leads to alignment of employee goals with that of the Company. The HR initiatives strive to groom future leaders.

Every employee is required to apply and contribute through the 3R framework which is Reflection, Resilience and Reimagination thinking as a way of life in the next normal scenario in conjunction with the Alicon Cultural Pillars of Agility, Innovate and Passion. The strong organisational DNA is a result of these workings by the employees resulting in enhanced efficiency and cost optimisation.

The Company ensures a safe, conducive and productive work environment for the employees and the community through following steps:

- **Creation of safety SOPs:** Stringent SOPs and guidelines were made compulsory for employees to be followed right from home to work, and from work to home to ensure the highest standards for safety & health. The 'Alicon - Safety & Health Manual' undergoes regular updation and implementation. The Company ensured communication, training and deployment of SOPs for restarting operations.
- Location Heads constituted a committee to conduct audits for assessing the compliance to the guidelines. Approval and arrangement of sufficient stock for PPEs

and disinfectants, medicines, fumigation, chemicals by location heads who are also responsible of compiling and ascertaining all the requirements and consumptions of PPE, sanitisers, disinfectants, medicines, fumigation, chemicals and availability of paramedical team.

- **Vaccination Awareness Sessions:** To create awareness of the vaccination drive of the Indian Government and to reduce the fear and anxiety of employees from getting vaccinated, the Company arranged session with Dr. Suchita of Dinanath Hospital, Pune.
- **COVID Marshals Activities:** Marshals daily monitor contract associates for flowing all the safety rules prescribed by the Company like walkway instruction at the time of shift change over. Marshals were also responsible for safety mock drills, ensure mandatory usage of safety PPEs, and monitoring social distancing across plants.
- **Guardian System:** All employees including all contractual workers are mapped to a Line Leader / immediate Supervisor who acts as Guardian / Care Taker. Each line leader is entrusted with the responsibility of an average about 20 such employees / workers. He is responsible for the welfare of each member in terms of leading a normal life, medicine or any other requirement of the family by contacting the team twice a day. This guardian system has enabled to strengthen the bond of trust.
- **Preparedness through Mock drills:** Mock drills are conducted daily in all our plants to be war-ready in the eventuality of any COVID-19 positive case being reported among our employees. This is enabling to build resilience to hit the ground running for restart. At the three domestic plant locations, a total of 66 Crisis Management Team (CMT) members are trained with minimum 4 members per shift in each plant.

INTERNAL CONTROL SYSTEMS

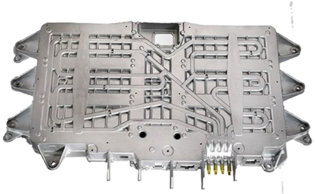
The internal control systems are designed to safeguard the Company's assets, ensure efficient productivity and protection against unauthorised use. The systems and corporate governance practices are adequate for the size of business and industry in which it operates. Well-defined processes, guidelines and procedures and adequate internal information systems enable the Company to enhance the internal controls. The framework is further strengthened by strong governance, vigilant finance function and independent internal reviews. The internal audit function independently analyses the audit plans, for critical audit areas, which are approved by the Audit Committee. Business strategy formulation incorporates the risk evaluation exercise which highlights the major risks posing threats to business.

The Audit Committee of the Board keeps a close eye on business operations and functioning of the internal audit function. The findings of the audit function are reviewed by the Committee at regular intervals. Appropriate actions, as deemed necessary to ensure sustainability and future growth prospects of the Company, are taken in a timely fashion. The internal controls facilitate prompt detection and redressal of any deviations in business operations.

CAUTIONARY STATEMENTS

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations which may be forward-looking statements. These statements are made within the meaning of applicable securities laws, and regulations are based on informed judgements and estimates. Past performance of the Company is not necessarily indicative of its future results, and actual results could materially differ from those expressed or implied. Important factors that could make a difference to its operations may include but are not limited to economic conditions affecting demand/supply, price conditions in the domestic and international markets in which it operates, changes in Government regulations, tax laws and other statutes. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements based on any subsequent development, information or events.

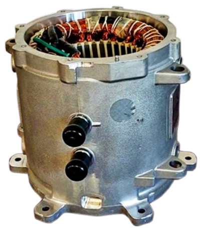
VERSATILE PRODUCT BASKET



Battery Housing

Electric Car Battery Housing

Swing Arm



Electric Car Motor Housing

Cylinder Head

Housing

Directors Report

Dear Members,

Your Directors have pleasure in presenting the Thirty 31st Annual Report on business and operations of your Company along with the audited financial statements for the financial year ended March 31, 2021.

FINANCIAL HIGHLIGHTS:

(₹ in Lacs)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Revenue from operations (Net)	73,184	85,621	84,857	95,719
Other Income	257	251	286	279
Total Income	**73,441**	**85,872**	**85,143**	**95,998**
Earnings before interest, tax, depreciation, and amortization (EBITDA)	**7,467**	**10,426**	**8,601**	**10,869**
Less: Depreciation and amortization expense	4,568	4,095	4,879	4,403
Earnings before interest and tax (EBIT)	**2,900**	**6,336**	**3,722**	**6,466**
Less: Finance costs	3,451	3,846	3,614	3,934
Profit/ (loss) before tax (PBT)	**(552)**	**2,485**	**108**	**2,532**
Less: Tax expense	195	801	301	828
Profit/ (loss) after tax (PAT)	**(747)**	**1,684**	**(193)**	**1,704**
Other comprehensive income/ (loss), Net of Tax	(2)	(4)	83	(66)
Total comprehensive income/(loss), Net of Tax	**(749)**	**1,680**	**(110)**	**1,638**
Earnings per share (In ₹)				
Basic	(5.38)	12.27	(1.39)	12.41
Diluted	(5.38)	12.10	(1.39)	12.24

OPERATIONAL PERFORMANCE

Company's operations and financial results for the year ended March 31, 2021 have been adversely impacted by the outbreak of COVID-19 pandemic and the consequent lockdown announced by the Government of India due to which the operations were suspended for part of the year and gradually resumed with requisite precautions. The results for the year are, therefore, not comparable with those for the previous year.

The Company continued to actively manage its business during COVID-19 pandemic and has not yet experienced any significant changes on the business impact than estimated earlier. In assessing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, nothing has come to the attention of the Company through internal and external sources, which warrants a reassessment of carrying amounts of financial and non-financial assets on the expected future performance of the Company.

On standalone basis, the Company achieved a total income of ₹ 73,441 Lacs including other income of ₹ 257 lacs for the financial year ended March 31, 2021 as against ₹ 85,872 lacs in the previous year, a fall of about 14.4%. Despite several odds, the Company incurred a loss of ₹ 552 lacs as against a pre-tax profit of ₹ 2,485 lacs for the earlier year. EBIDTA for the year under review was positive at ₹ 7,467 lacs.

On a consolidated basis, the total income for the year under review was ₹ 85,143 lacs including other income of ₹ 286 lacs as against ₹ 95,998/- lacs in the last year and Profit before tax was ₹ 108 lacs as against ₹ 2,532/- lacs a year ago.

The Board of Directors has not proposed to transfer any amount to reserves.

A detailed analysis on the working of the Company and also various challenges faced by the Company during the year under review and current scenario is given separately under Management Discussion and Analysis, which forms parts of this report.

DIVIDEND:

Considering the loss for the financial year 2020-21, pandemic situation as also exigencies of funds, Directors did not recommend any dividend.

DIVIDEND DISTRIBUTION POLICY:

In line with Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016, your Company has formulated a Dividend Distribution Policy, which is available at the Company's website i.e. https://www.alicongroup.co.in/wpcontent/uploads/2021/06/Dividend-Distribution-Policy.pdf

SHARE CAPITAL:

During the year under review, on August 25, 2020, 135,000 Equity Shares of ₹ 5/- each were allotted to the employees of the Company on their exercising Options granted to them under Employee Stock Options Scheme-2017. Consequently, the issued, subscribed and paid-up share capital of the Company as on March 31 2021 stood enhanced at ₹ 69,550,605/- divided into 13,910,121 Equity Shares of ₹ 5/- each.

In the current year, on May 20, 2021, 52,378 Equity Shares of ₹ 5/- each were allotted to the employees of the Company against Employees Stock Options Scheme-2015 and on June 15, 2021, 1,35,000 Equity Shares were allotted under Employee Stock Options Schemes-2017.

Your Directors are pleased to report that the Company successfully completed Qualified Institutional Placement (QIP) of 14,81,481 Equity Shares of ₹ 5/- each at a premium of ₹ 535/- per share and raised in aggregated ₹ 79,99,99,740/- on July 01, 2021. After this QIP issue, the Issued, Subscribed and Paid-up Share Capital of your stands enhanced at ₹ 7,78,94,900/- divided into 1,55,78,980 Equity Shares of ₹ 5/- each.

The Company has not issued any Equity Shares with differential voting rights. Hence, no information as required under Section 43(a) (ii) of the Companies Act, 2013 read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014 is furnished. The Company has only one class of Equity Shares having face value of ₹ 5/- each.

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Financial Statements are prepared in accordance with the Indian Accounting Standard (IND AS) based on the financial statements of the subsidiary companies. The said consolidated accounts form part of this report and accounts.

SUBSIDIARY COMPANIES:

Your Company has three foreign subsidiaries viz. Alicon Holding GmbH, Illichmann Castalloy S.R.O. and Illichmann Castalloy GmbH. Alicon Holding GmbH is a 100% subsidiary of your Company, who in turn holds 100% capital of Illichmann Castalloy S.R.O. Illichmann Castalloy GmbH is a 100% subsidiary of Illichmann Castalloy S.R.O. Pursuant to the provisions of Section 136 of the Act, the Consolidated Financial Statements along with relevant documents and separate audited financial statements in respect of Subsidiaries are available on the website of the Company.

A statement containing the performance and financial position of each of the subsidiaries in Form AOC-1 is annexed as **Annexure** I and forms part of this report.

FUTURE OUTLOOK:

The nation is still slowly and cautiously coming out of state level lockdowns imposed after a brutal second phase of the pandemic, which began in early March 2021. Though it appears that impact of this lock down will not be as adverse as witnessed in the earlier financial year 2020-21, uncertainly still prevails on account of much feared third wave of pandemic. Various stimulus being provided by the Government of India in form of ₹ 20.90 lakhs crores economic package, growth centric budget for 2021-22 and push to infrastructure projects, will enable the economy to come back to its growth trajectory in coming period. World Bank too has estimated India's GDP growth of 8.3% in current financial year subject to success of vaccination, level of restriction on mobility and global economic recovery.

Successful completion of fund raising exercise by QIP issue and preferential issue to the Promoters and foreign collaborators in the current year will enable the Company to reduce financial cost and improve leverage. Further, unabated cost reduction initiatives at various levels of the operations will enable the Company to improve profit margin.

Your Directors are hopeful barring unforeseen circumstances, your Company will post a significant better performance in terms of both top line and bottom line in the current year.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Management's Discussion and Analysis on working of your Company, industry and economic scenario etc. is set out separately in this Annual Report and forms part of this report.

MATERIAL CHANGES AND COMMITMENT

No material change and commitment, which could affect your Company's financial position, has occurred between the end of the financial year 2020 - 21 and the date of this report.

CHANGE IN THE NATURE OF BUSINESS

There was no change in nature of the business of the Company during the financial year ended March 31, 2021.

INTERNAL FINANCIAL CONTROLS AND ADEQUACY

The Company has a comprehensive internal control system to provide reasonable assurance about the achievement of its objective, reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources. Appropriate review and control mechanisms are built in place to ensure that such control systems are adequate and are operating effectively. The monitoring and reporting of financial transactions is supported by a web-based system SAP, which helps in obtaining accurate and complete accounting records and timely preparation of reliable financial disclosures at all levels of the organization. The Company has engaged the services of an independent internal auditors, who carries-out internal audit of various functions of the Company and reports directly to the Audit Committee.

Risk Management Policy: The Company has adopted an Enterprise Risk Management policy and established a risk management framework with an objective of timely identification, mitigation and control of the risks, which may threaten the existence of the Company.

CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standard of Corporate Governance and adhere to Corporate Governance guidelines as prescribed in the SEBI Listing Regulations. All the Directors and the Senior Management personnel have affirmed in writing their compliance with and adherence to the Code of Conduct as adopted by the Company.

The annual report of the Company contains a certificate by the Managing Director in terms of SEBI Listing Regulations on the compliance declarations received from the Directors and the Senior Management personnel.

A separate report on Corporate Governance is annexed to this Report as **Annexure II**.

The Statutory Auditors of the Company have examined the requirements of Corporate Governance with reference to SEBI Listing Regulations and have certified the compliance as required under SEBI Listing Regulations. The Certificate in this regard is annexed to this Report.

The Chief Executive Officer and Chief Financial Officer certification as required under the SEBI Listing Regulations is also annexed to this Report.

BUSINESS RESPONSIBILITY REPORT

As stipulated under Regulation 34 of the SEBI Listing Regulations, the Business Responsibility Report describing the initiatives taken by the Company from environmental, social and governance perspective is annexed to this Report as **Annexure III**.

RELATED PARTY TRANSACTION AND POLICY:

All contracts/arrangements/transactions entered into by the Company with Related Parties were in ordinary course of business and at arm's length basis. All transactions with related parties were reviewed and approved by the Audit Committee and are in accordance with the Policy on Related Party Transactions formulated by the Company.

The details of the Related Party Transactions as per IND AS - 24 are set out in Notes to the Financial Statements of the Company. Since all the transactions with related parties entered into by the Company were in ordinary course of business and on arm's-length basis, Form AOC-2 is not applicable to the Company.

The Company has formulated a policy on Related Party Transactions, which is available on the Company's website at https://www.alicongroup.co.in/wpontent/uploads/2018/10/ Related_Party_Transactions_Policy.pdf.

There was no materially significant related party transaction entered into by the Company with Promoters, Directors or Key Managerial Personnel or their relatives, which may have a potential conflict in the interest of the Company at large.

WHISTLE BLOWER POLICY AND VIGIL MECHANISM

Your Company has established a "Vigil Mechanism" for its employees and Directors, enabling them to report any concerns of unethical behaviours, suspected fraud or violation of the Company's 'Code of Conduct'.

To this effect, the Board has adopted a 'Whistle Blower Policy' (WBP), which is overseen by the Audit Committee. The policy interalia provides safeguards against victimization of the Whistle Blower. Employees and other stakeholders have direct access to the Chairperson of the Audit Committee for lodging concerns if any, for review. The said policy has been uploaded on the website of the Company at https://www.alicongroup.co.in/wp-content/uploads/2018/10/Whistle_Blower_Policy.pdf.

SECRETARIAL STANDARDS

During the year under review, your Company has complied with the provisions of the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India. The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and such systems are adequate and operating effectively.

DIRECTORS & KEY MANAGERIAL PERSONNEL

To comply with the requirement of the Companies Act,2013 and Articles of Association of the Company, Mr. J Suzuki, Director (DIN: 02628162) shall retire by rotation at the forthcoming Annual General Meeting and being eligible has offered himself for re-appointment.

Information and brief profile of Directors seeking re-appointment is provided in the separate annexure to the Notice, convening 31st annual general meeting. This annexure forms part of this Annual Report.

During the year under review, none of the Non-executive Directors had any pecuniary relationship or transaction with the Company.

Mr. S. Rai is the Managing Director, Mr. Rajeev Sikand is Chief Executive Officer, Mr. Vimal Gupta is the Chief Finance Officer and Mrs. Swapnal Patane is the Company Secretary of the Company.

DECLARATION BY INDEPENDENT DIRECTORS

In compliance with the provisions of Section 149 (6) of The Companies Act, 2013 requisite declarations have been received from the Independent Directors regarding their meeting the criteria of Independence.

BOARD MEETINGS AND COMMITTEES OF BOARD

The Board of Directors met five (5) times during the Financial Year under review viz. on June 26, 2020, July 27, 2020, October 26, 2020, December 02, 2021 & January 29, 2021. A separate meeting of Independent Directors was also held on March 29, 2021. The details on attendance of Directors in each Board Meetings and other Committee Meetings of Board of Directors are provided in Corporate Governance Report, which forms part of this Directors' Report.

AUDIT COMMITTEE & COMPOSITION

The composition of the Audit Committee is in terms of requirements of the Companies Act, 2013 read with the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details pertaining to the audit committee are included in the Corporate Governance Report, which forms part of this report.

THE NOMINATION AND REMUNERATION POLICY

The Board has adopted a policy on Nomination, Remuneration and Board Diversity, which sets out the criteria for determining qualifications, positive attributes and independence of a Director.

The Company's Policy relating to appointment of Directors, payment of managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters is annexed to this Report as an **Annexure IV** and is also hosted on the Company's website viz. www.alicongroup.co.in.

PERFORMANCE EVALUATION OF BOARD, COMMITTEE AND DIRECTORS

In accordance with applicable provisions of the Companies Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the evaluation of the Board as a whole, Committees and all the Directors was conducted, as per the internally designed evaluation process approved by the Board.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to be best of their knowledge, confirm that –

a) in the preparation of the accounts the applicable accounting standards have been followed along with proper explanations relating to material departure;

b) appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;

c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the annual accounts have been prepared on a going concern basis;

e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF EMPLOYEES

Information on Particulars of Employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms an integral part of this Report as **Annexure V**.

EMPLOYEES STOCK OPTION SCHEME (ESOS)

Disclosure as required under Section 62(1)(b) of the Companies Act,2013 read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules and Regulations 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014 is given in **Annexure VI** to this report. The Company has received a certificate from the statutory auditors of the Company, stating that Alicon Castalloy Ltd. - Employees Stock Option Scheme, 2015 and Alicon Castalloy Ltd. – Employees Stock Option Scheme, 2017 have been implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014.

RECEIPT OF REMUNERATION BY MANAGING DIRECTOR FROM SUBSIDIARY COMPANIES

Mr. S. Rai, Managing Director of the Company, has not received any remuneration from any of its subsidiary companies.

STATUTORY AUDITOR

M/s. Kirtane & Pandit LLP, Chartered Accountants (ICAI Registration No. 105215W/W100057), were appointed as the Statutory Auditors of the Company to hold the office for a term of five (5) years from the conclusion of the 27th Annual General Meeting until the conclusion of the 32nd Annual General Meeting of the Company to be held in the year 2022.

According to Board of Directors, there is no adverse remark made by Statutory Auditors in their report. Notes to the accounts are self-explanatory to comments/observation made by the auditors in their report. Hence, no separate explanation is given.

Further, no fraud was reported by the auditors of the Company under Section 143(12) of the Companies Act,2013.

SECRETARIAL AUDIT REPORT

Secretarial Audit was carried out by Mr. Upendra C. Shukla, Practicing Company Secretary, Mumbai, for the financial year 2020-21. The report on the Secretarial Audit is appended as **Annexure VII** to this report. According to the Board of Directors the report does not have any adverse remark.

COST RECORDS

As per the Board of Directors of the Company, maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is not applicable to the Company. Though we are maintaining cost proper records.

ANNUAL RETURN

Pursuant to the provisions of Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 a copy of the Annual Return of the Company for the year ended March 31, 2021 is placed on the Website of the Company, www.alicongroup.co.in.

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY AND INITIATIVES

Your Company is closely engaged in various endeavors to serve the communities. The key focus remains on education and community development. The management of your Company do believe that sustainability is its collective responsibility.

Your Company undertakes majority of its activities relating to corporate social responsibilities through Bansuri Foundation. It also works closely with other trusts and NGOs.

Brief outline on the Corporate Social Responsibility (CSR) Policy of the Company and the initiative undertaken by the Company on CSR activities during the year under review are set out in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 and is annexed as **Annexure VIII** to this report. The CSR Policy is hosted on the Company's website www.alicongroup.co.in.

PUBLIC DEPOSITS

During the year under review, the Company has not accepted any Deposit under Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans and guarantees given and investments made are given in the Notes to financial statements.

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

Disclosure of information relating Conservation of Energy, Research & Development, Technology Absorption and Foreign Exchange Earning and Outgo etc. under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is annexed separately as **Annexure – IX**, which forms part of this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There was no significant and material order passed by the Regulators / Courts / Tribunals, which would impact the going concern status of the Company and its future operations.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

In compliance with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has duly constituted an internal complaint committee. The Committee has formulated policy to ensure protection to its female employees.

INDUSTRIAL RELATIONS

Industrial relations across all the manufacturing locations of your Company were cordial through the year under review.

In order to develop skills and foster togetherness at the work place, various training programs were held, covering a wide range of topics such as stress managements, attitude, creativity, team spirit, quality, skill building, safety and environment, customer focus, etc.

ACKNOWLEDGEMENT

Your Directors wish to thank Enkei Corporation, Japan, our technical collaborator, for their valued support and guidance for development of new parts. Your Directors also take this opportunity to thank all the customers, vendors, bankers and other business associates for their unstinted support. Your Directors place on record hard work and committed contribution of employees at all levels to the sustained performance of the Company. Your Directors are grateful to all the Shareholders of the Company for their confidence reposed in the Management of the Company.

On behalf of the Board of Directors,

S. Rai
Chairman & Managing Director
DIN: 00050950

Place: Pune
Date: Auguset 05, 2021

Annexure I
Form AOC-I

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

Statement containing salient features of the financial statement of Subsidiaries:

(Information in respect of each subsidiary to be presented with amounts in ₹ in Lakhs)

Sl. No. **Name of the Subsidiary**	**1** **Alicon Holding GmbH**	**2** **Illichmann Castalloy GmbH**	**3** **Illichmann Castalloy S.R.O**
Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	April to March	April to March	April to March
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	1 Euro = INR86.10	1 Euro = INR86.10	1 Euro = INR86.10
Share Capital	1061.20	20.82	2.98
Reserves & Surplus	-62.96	524.43	90.73
Total Assets	1102.38	2593.14	5676.40
Total Liabilities	1102.38	2593.14	5676.40
Investments	1044.08	0	446.14
Turnover	0	6442.55	10596.44
Profit before Taxation	1.51	238.11	420.16
Provision for taxation	1.46	27.20	77.50
Profit after Taxation	0.05	210.91	342.66
Proposed Dividend	NIL	NIL	NIL
% of shareholding	100	100	100

This is to inform that, the all Subsidiaries have commenced their business and no Subsidiary has been liquidated or sold during the year.

Company doesn't have any associate or joint venture companies.

On behalf of the Board of Directors,

S. Rai
Chairman & Managing Director
DIN: 00050950

Place: Pune
Date: August 05, 2021

Annexure II
CORPORATE GOVERNANCE REPORT

[Pursuant to Regulation 34(3) read with Section C of Schedule V to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

1. COMPANY'S PHYLOSOPHY ON CODE OF GOVERNANCE

In India, Corporate Governance standards for listed companies are regulated by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015]. The Company has adopted best practices contained in SEBI (LODR) Regulations, 2015.

The Company believes that good corporate governance is essential to achieve long term corporate goals and to enhance shareholders' value. In this pursuit the Company is committed to conducting its business in accordance with the highest legal and ethical standards, superior product quality and services to its customers. The Company has adhered to such superior product policies to fulfill its corporate responsibilities and achieve its financial objectives.

2. BOARD OF DIRECTORS

The Board of Alicon Castalloy Limited consists of eminent persons with optimum balance of Executive Directors, Non-Executive Directors and Independent Directors having professional expertise from different fields such as technical, business strategy and management, marketing, finance, governance and thus meets the requirements of the Board diversity.

The Board monitors the strategic direction of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the Shareholders are being served. The Managing Director is assisted by senior managerial personnel in overseeing the functional matters of the Company.

a. Composition and category of Directors

The Board of Directors consisted of Seven (7) Directors. Out of these one (1) is Managing Director; two (2) Directors are Non- Executive Directors and Four (4) are Non-Executive Independent Directors including one woman independent director.

The said information as on March 31, 2021 is presented as below:

Sr. No.	Name of Director	Category
1	Mr. S. Rai	Managing Director
2	Mrs. Pamela Rai	Non-Executive Director
3	Mr. J. Suzuki	Non-Executive Director
4	Mr. A.D. Harolikar	Non-Executive Independent Director
5	Mr. Vinay Panjabi	Non-Executive Independent Director
6	Mr. Ajay Nanavati	Non-Executive Independent Director
7	Mrs. Veena Mankar	Non-Executive Independent Director

b. Number of Board Meetings held and Attendance each Directors at Board Meetings last Annual General Meeting (AGM)

The Board of Directors met five (5) times during the Financial Year ended March 31, 2021. The gap between any two meetings did not exceed one hundred and twenty days. In view of Covid-19 pandemic all these board meetings were held in video conferencing / other audit-visual mode as allowed under MCA Circular No.20/2020 dated 5th May, 2020 and SEBI SEBI/HO/CFD/CMD1/CIR/P/2020/79 12th May, 2020. The Attendance Record of Directors in Board Meeting and AGM for the Financial Year 2020-21 are tabulated below:

Sr. No.	Name of Directors	Attendance of Board Meetings					AGM 2019 - 20
		26.06.2020	27.07.2020	26.10.2020	02.12.2020	29.01.2021	26.08.2020
1	Mr. S. Rai	√	√	√	√	√	√
2	Mrs. Pamela Rai	√	√	√	√	√	√
3	Mr. J. Suzuki	•	•	√	•	√	•
4	Mr. A.D. Harolikar	√	√	√	√	√	√
5	Mr. Vinay Panjabi	√	√	√	√	√	√
6	Mr. Ajay Nanavati	√	√	√	√	√	√
7	Mrs. Veena Mankar	√	√	√	√	√	√

√ Present, • Absent

c. Board Procedure

The Board meets at regular intervals to discuss and decide on Company / Business policy and strategy apart from other Board business. The Board / Committee Meetings are pre-scheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings.

The Board business generally includes consideration of important corporate actions and events including:-

- Quarterly and annual result announcements.
- Oversight of the performance of the business;
- Declaration of dividends;
- Development and approval of overall business strategy;
- Review of the functioning of the Committees and
- Other strategic, transactional and governance matters as required under the Companies Act, 2013, Listing Regulations and other applicable legislations.

The notice of Board / Committee meeting is given well in advance to all the Directors. The Agenda of the Board / Committee Meetings is set by the Company Secretary in consultation with the Chairman and the Managing Director and CEO of the Company. The Agenda is circulated a week prior to the date of the meeting. The Agenda for the Board and Committee Meetings covers items set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable. The Agenda for the Board and Committee Meetings include detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

d. Number of other Directorships and Chairmanships/Memberships of Committees of each Director in various Companies as on March 31, 2021.

Sr. No.	Name of Directors	No. of Directorships in other Public Companies [1]	No. of Chairmanship/ Membership of Committee of Other Public Companies [2]	Relationship Interse
1	Mr. S. Rai [3]	3	NIL	Related as Husband of Mrs. Pamela Rai
2	Mrs. Pamela Rai	2	NIL	Related as wife of Mr. S. Rai
3	Mr. J. Suzuki 4	1	NIL	Not related to any Director
4	Mr. A.D. Harolikar	NIL	NIL	Not related to any Director
5	Mr. Vinay Panjabi	NIL	NIL	Not related to any Director
6	Mr. Ajay Nanavati	NIL	NIL	Not related to any Director
7	Mrs. Veena Mankar [5]	1	2- Members 1- Chairperson	Not related to any Director

1. Excludes Directorship in Foreign Companies and Companies Registered under Section 8 of the Companies Act, 2013 and includes directorship of subsidiaries of Public Limited Companies.
2. Committee positions of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship committee and Risk Management committee considered here
3. Mr. S. Rai is Director in one listed entity i.e Enkei Wheels (India) Ltd.
4. Mr. J. Suzuki is Director in one listed entity i.e Enkei Wheels (India) Ltd
5. Mrs. Veena Mankar is Independent Director in one listed entity i.e. RBL Bank Limited

e. Number of Shares and Convertible instruments held by Non-Executive Directors as on Financial Year ended March 31, 2021

Sr. No.	Name of Directors	No. of Shares
1	Mrs. Pamela Rai	0
2	Mr. J. Suzuki	0
3	Mr. A.D. Harolikar	200
4	Mr. Vinay Panjabi	0
5	Mr. Ajay Nanavati	0
6	Mrs. Veena Mankar	0

f. Separate meeting of Independent Directors

As stipulated by the code of Independent Directors under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 a separate meeting of Independent Directors of the Company was held on March 29, 2021 to review the performance of non-independent directors and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its committees, which is necessary to perform and discharge their duties effectively and reasonably.

g. Directors' Induction, Familiarization & Training of Board Members

As and when a new Director is appointed, the Company takes steps to familiarize the Director with the Company, his/her roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc.

The Directors are regularly offered visits to the Company's plant, where plant head makes them aware of the operational and sustainability aspects of the plants to enable them to have full understanding on the activities of the Company and initiatives taken on safety, quality, CSR, sustainability, etc.

At various Board meetings during the year, presentations are made to the Board on safety, health and environment and sustainability issue, risk management, Company policies, changes in regulatory requirement applicable to the corporate sector and to the industry in which it operates with areas of improvement and other relevant issues.

Quarterly presentations on operations made to the Board include information on business performance, operations, market share, financial parameters, working capital management, fund flows, senior management change, major litigation, compliances, subsidiary information, regulatory scenario, Covid impact on business etc.

The details of such Familiarization Programme for Independent Director are uploaded on the website of the Company and the web link of the same is provided hereunderhttps://www.alicongroup.co.in/wp-content/uploads/2019/03/Familiarisation-Program.pdf .

h. Core skills/expertise/competencies identified by the board of directors as required in the context of its business(es):

Following Core competencies defined by the Board of Directors to enhance the functioning of Management Team. By adopting these Competencies Management Team can achieve it's targets in more effective manner:

1. Strategic Business Orientation
2. Customer Focus
3. Innovation Lead Information
4. Drive for Result
5. Breakthrough Mindset
6. People Development

i. Board Independence

Our definition of 'Independence' of Directors is derived from Section 149(6) of the Companies Act, 2013 and Regulation 16 of the Listing Regulations. Based on the confirmation / disclosures received from all Independent Directors, they have met with criteria of their independence as mentioned in Regulation 16(1)(b) of the SEBI Regulations.

j. Code of Conduct

The Company has adopted a 'Code of Conduct' for its employees at all levels including Senior Management and Directors. The Code has also been posted on the Company's website. The Code serves as a guide to the employees of the Company to make informed and prudent decisions. As required under the Listing Regulations, the affirmation of compliance with the Code from Directors and Senior Management personnel has been obtained for Financial Year 2020-21. The Annual Report contains a declaration to this effect signed by the Managing Director of the Company.

3. COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities as mandated by applicable regulation, which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are performed by Members of the Board, as a part of good governance practice. The Chairman of the respective Committees informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

a. AUDIT COMMITTEE

i. Brief Description and terms of reference:

The Audit Committee has been constituted as per Section 177 of the Companies Act, 2013 and the guidelines set out in the Listing Regulations.The Audit Committee of the Company, inter-alia, provides assurance to the Board on the existence and adequacy of an effective Internal Control systems that ensures.

The terms of reference of the Audit Committee are in conformity with the requirements of SEBI Listing Regulations and Section 177(4) of the Companies Act, 2013. Further, the Audit Committee has powers which are in line with the SEBI Listing Regulations. The terms of reference of the Audit Committee include the following:

- Overseeing of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible Recommendation for appointment, remuneration and terms of appointment of auditors of the Company,
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

- Reviewing, with the Management, the annual financial statements and auditor's report thereon before submission to the Board for approval
- Reviewing with the Management, quarterly financial statements before submission to the Board for approval
- Evaluation of internal financial controls and risk management systems;
- Reviewing with the Management, performance of the statutory and internal auditors and adequacy of the internal control system
- Discussion with the internal auditors of any significant findings and follow-up thereon;
- Review the functioning of the vigil mechanism.
- Subsidiary company oversight

ii. Composition, Name of Members & Chairperson:

The Audit Committee comprises of two (2) Non-Executive Independent Directors and Managing Director. The Composition of the Audit Committee during the Financial Year April, 2020 to March, 2021 was as follows:

Sr. No.	Name of Directors	Status	Category of Membership
1	Mr. A.D. Harolikar	Chairman	Non –Executive Independent Director
2	Mr. Vinay Panjabi	Member	Non –Executive Independent Director
3	Mr. S. Rai	Member	Managing Director

iii. Meetings and attendance:

During the Financial Year 2020-21, five (5) Audit Committee Meetings were held on the following dates:

Sr. No.	Name of Directors	Attendance of Audit Committee Meetings				
		25.06.2020	25.07.2020	26.10.2020	02.12.2020	28.01.2021
1	Mr. A.D. Harolikar	√	√	√	√	•
2	Mr. Vinay Panjabi	√	√	√	√	√
3	Mr. S. Rai	√	√	√	√	√

√ Present, • Absent

The Statutory Auditors, Internal Auditors and Chief Financial Officer are permanent invitees to the Audit Committee Meetings. The Company Secretary acts as the Secretary to the Audit Committee.

b. NOMINATION AND REMUNERATION COMMITTEE

i. Brief description of terms of reference

The Nomination and Remuneration Committee has been constituted in accordance with the requirements of Statutes and their term of reference is in compliance with the governing provisions of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

The Committee constitutes to review and recommend payment of annual salaries, commission, service agreements and other employment conditions of the Executive Directors of the Company. The Committee fixes the remuneration after taking into consideration remuneration practices followed by Companies of similar size and standing in the Industry.

The role of Nomination and Remuneration Committee, inter alia, includes:-

- Determine / recommend the criteria for appointment of Executive, Non-Executive and Independent Directors to the Board;
- Determine / recommend the criteria for qualifications, positive attributes and independence of Director;
- Review and determine all elements of remuneration package of all the Executive Directors, i.e. salary, benefits, bonuses, stock options, pension etc.;
- Formulate criteria and carry out evaluation of each Director's performance and performance of the Board as a whole.

ii. Composition

As on March 31, 2021 the Nomination and Remuneration Committee comprises of three (3) Directors as its members. All the members of the Committee are Non-Executive Director and have sound knowledge of management practices. The Chairman of the Committee is a Non-Executive Independent Director nominated by the Board. The composition of the Nomination and Remuneration Committee Meeting during the Financial Year 2020 – 2021 is as under:

Name of Directors	Status	Category of Membership
Mr. A.D. Harolikar	Chairman	Non –Executive Independent Director
Mr. Vinay Panjabi	Member	Non –Executive Independent Director
Mr. J. Suzuki	Member	Non –Executive Director

iii. Meetings and Attendance

During the Financial Year 2020-21, one (1) Meeting was held on the following date:

Sr. No.	Name of Directors	Attendance 25.06.2020
1	Mr. A.D. Harolikar	√
2	Mr. Vinay Panjabi	√
3	Mr. J. Suzuki	•

√ Present, • Absent

iv. Performance Evaluation Criteria for Independent Directors

The Board is responsible for undertaking a Formal Annual Evaluation of its own performance, its Committees and individual Directors as per the provisions of Companies Act, 2013 and Listing Regulations, with a view to ensure that individual Directors and the Board as a whole work efficiently and effectively in achieving Company's objectives.

During the year, the Board with the assistance of Nomination and Remuneration Committee has completed the evaluation exercise as per the internally designed evaluation process approved by the Board. The Independent Directors were evaluated on various performance indicators including aspects relating to:

- Contribution to achievement of corporate objectives
- Understanding, strategic plan, and key issues
- Constructive contribution to resolution of issues at meetings
- Communicating expectations & concern clearly
- Promotion of company's interest externally
- Interpersonal relationships with other directors and management
- Attendance, confidentiality, and preparation for meetings

C. Share Transfer/Stakeholders Relationship Committee

In line with provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of Listing Regulations, the Company has constituted a Share Transfer/ Stakeholder Relationship Committee to oversee Investors grievances and redressal mechanism and recommends measures to improve the level of Investors' services and to investigate and decide matters pertaining to share transfers, duplicate share certificates and related matters.

Composition: The Committee comprises of Managing Director and Non-Executive Independent Directors. The composition of this Committee during the year April 01, 2020 to March 31, 2021 is as under:

Sr. No.	Name of Directors	Status	Category of Membership
1	Mr. A.D. Harolikar	Chairman	Non –Executive Independent Director
2	Mr. Vinay Panjabi	Member	Non –Executive Independent Director
3	Mr. S. Rai	Member	Managing Director

The functioning and terms of reference of the Committee are as prescribed under the Listing Regulations with reference to transfer, dematerialization and complaints of Shareholders etc. The Quorum for the functioning of the Committee is any two Members present. The board has delegated the authority for approving transfers, transmission etc. once in a fortnight to the Managing Director of the Company to approve Demat and physical transfer up to 5,000 shares of the Company. A summary of transfer, transmission of shares of the Company so approved by the Managing Director is placed at every Share Transfer/ Stakeholder Relationship Committee Meeting. The Company obtains from a Company Secretary in practice half-yearly certificate of Compliance with the share transfer formalities as required under Regulation 40(9) of Listing Regulations and files a copy of the certificate with the Stock Exchanges within the prescribed time.

ii. Name and Designation of Compliance Officer: Mrs. Swapnal Patane, Company Secretary and Compliance officer acts as Secretary to the said Committee.

iv. Status of Investor Complaints received, pending and resolved During the Financial Year 2020 -2021:

Sr. No.	Particulars	Status
1	No. of Complaints Received	2
2	No. of Complaints Resolved	2
3	No. Of Complaints Pending	NIL

v. Meetings and attendance:

During the Financial Year 2020-21, three (3) Committee Meetings were held on the following dates:

Sr. No.	Name of Directors	Attendance of Audit Committee Meetings		
		25.06.2020	25.07.2020	28.01.2020
1	Mr. A.D. Harolikar	√	√	•
2	Mr. Vinay Panjabi	√	√	√
3	Mr. S. Rai	√	√	√

√ Present, • Absent

D. Corporate Social Responsibility Committee (CSR)

The Company has set up a Corporate Social Responsibility (CSR) Committee to oversee discharging of obligations as a part of its Corporate Social Responsibility and as mandated under Section 135 of the Companies Act, 2013 along with relevant rules. The Committee consists of four (4) Directors including two (2) Independent Director.

Roles and Objectives: The Roles and Objectives of the Committee as defined by the Board of Directors of the Company are as under:

- Formulation of CSR Policy and recommending the same to the Board;
- Identification of activities to be undertaken by the Company
- Recommendation of amount of expenditure to be incurred on CSR activities; iv. Monitoring the CSR policy from time to time

i. **Composition:** The composition of this Committee during the year April 01, 2020 to March 31, 2021 is as under:

Sr. No.	Name of Directors	Status	Category of Membership
1	Mr. S. Rai	Chairman	Managing Director
2	Mrs. Pamela Rai	Member	Non –Executive Director
3	Mr. Vinay Panjabi	Member	Non –Executive Independent Director
4	Mrs. Veena Mankar	Member	Non-Executive Independent Directors

ii. **Meetings and Attendance:** During the Financial Year 2020-21, three (3) Corporate Social Responsibility Committee Meetings were held and the attendances of the Meetings are as under:

Sr. No.	Name of Directors	Attendance of Audit Committee Meetings		
		24.06.2020	03.02.2021	25.03.2021
1	Mr. S. Rai	√	•	•
2	Mrs. Pamela Rai	√	√	√
3	Mr. Vinay Panjabi	√	√	√
4	Mrs. Veena Mankar	√	√	√

√ Present, • Absent

4. REMUNERATION OF DIRECTORS:

The Nomination & Remuneration Committee determines and recommends to the Board of Directors, the remuneration payable to Executive and Non-Executive Directors of the Company.

i. **Remuneration paid to Executive Directors for the Financial Year 2020-21:**

(₹ In Lacs)

Sr. No.	Name of Director	Designation	Salary	Perquisite and allowances	Commis-sion	Total
1	Mr. S. Rai	Managing Director	35.24	0.03	12.61	47.88

ii. **Remuneration paid to Non- Executive Director for the Financial Year 2020-21 :**

(₹ In Lacs)

Sr. No.	Name of Director	Designation	Sitting Fees
1	Mrs. Pamela Rai	Non-Executive Director	1.20
2	Mr. J. Suzuki	Non-Executive Director	NIL
3	Mr. A.D. Harolikar	Non-Executive Independent Director	2.85
4	Mr. Vinay Panjabi	Non-Executive Independent Director	2.60
5	Mr. Ajay Nanavati	Non-Executive Independent Director	1.20
6	Mrs. Veena Mankar	Non-Executive Independent Director	1.60

iii. **All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity shall be disclosed in the annual report;**

Apart from reimbursement of expenses incurred in the discharge of their duties, payment of sitting fees Non-Executive Directors mentioned above, none of the Non-Executive Directors of your Company have any other material pecuniary relationships with the Company.

iv. **Criteria of making payments to Non-Executive Directors:**

Apart from sitting fees referred above, no payment by way of Commission, bonus, pension, incentives etc. is paid to any of the Non - Executive Directors.

v. **Employee Stock Option Schemes:**

During the year under review, according to ESOP Employees Scheme - 2017 and as per the earlier granted options, 135,000 Equity shares of ₹ 5/- each alloted to eligible employees upon payment of the exercise price during the exercise period. The exercise period commences from the date of vesting of the Options and expires at the end of five years from the date of such vesting.

During the year under review, according to ESOP Employees Scheme - 2015, Share application money received from eligible employees and an allotment for 52,378 Equity Shares to eligible employees is in process.

vi. **Service Contracts, Notice Periods, Severance Fees**

The appointment of the Managing Director is governed by resolutions passed by the Board and the Shareholders of the Company, which cover the terms and conditions of such appointment, read with the service rules of the Company. A separate Service Contract is not entered into by the Company with those elevated to the Board from the management cadre since they already have a Service Contract with the Company. Letters of appointment have been issued by the Company to the Independent Directors, incorporating their roles, duties, and responsibilities etc., which have been accepted by them.

There is no separate provision for payment of severance fee under the resolutions governing the appointment of Executive Directors who have all been drawn from amongst the management cadre. The statutory provisions will however apply. With respect to notice period of Directors, the statutory provisions will also apply.

vii. **There are no Security/Instruments of the Company pending for conversion into Equity Shares.**

5. GENERAL BODY MEETINGS:

a. The details of Annual General Meetings (AGMs) held in the last three years are as follows:

Financial Year	Date	Time	Venue
2019 - 20	26.08.2020	11:00 a.m.	Video Conferencing (VC) / Other Audio-Visual Means (OAVM)
2018 -19	26.07.2019	12.30 p.m.	Gat No.1426, Village Shikrapur, Tal. Shirur, Dist. Pune – 412208, Maharashtra
2017-18	22.09.2018	12.30 p.m.	Gat No.1426, Village Shikrapur, Tal. Shirur, Dist. Pune – 412208, Maharashtra

b. Details of Special Resolutions passed in previous three Annual General Meetings (AGM):

i. **AGM held on August 26, 2020:**

a. Re-appointment of Mr. Ajay Nanavati (DIN: 02370729) as an Independent Director

ii. **AGM held on July 26, 2019:**

a. Approval of Re-classification of Promoters of the Company

iii. **AGM held on September 22, 2018:**

a. Approval for Amendment in Alicon Castalloy ESOS 2017

C. Extra – ordinary General Meeting :

The Company during the financial year conducted an Extraordinary General Meeting on December 29, 2020 through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) and passed a special resolution to –

i. Increase in Authorised Share capital of the Company from ₹ 8 Crores to 10 Crores

ii. Issue and allot such number of fully paid-up equity shares of the Company having a face value of ₹ 5/- (Rupees Five) each ("Equity Shares") in one or more tranches, by way of qualified institutions placement ("QIP") to eligible qualified institutional buyers ("QIBs") in terms of Chapter VI of the SEBI ICDR Regulations for an aggregate amount up to ₹ 100,00,00,000 (Rupees Hundred Crores only)

d. Resolution passed last year through Postal Ballot:

The Company during the financial year ended March 31, 2021 did not conduct any postal ballot and hence passing of special resolution through postal ballot does not arise.

3. MEANS OF COMMUNICATION

a. Quarterly Results

The Quarterly/ Half Yearly / Yearly Financial Results of the Company are published in leading and widely circulated English dailies viz. The Economic Times (English), The Free Press Journal (English), Business Standard (English) and Nav Shakti, a Marathi Daily.

The Company's financial results are displayed on the Company's website at www.alicongroup.co.in and the websites of BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE).

b. Investor Presentations / Press Releases

The presentations made to investors and Press releases of Company are displayed on the Company's website at www.alicongroup.co.in and are disseminated on the Stock exchanges where Company's equity is listed.

c. Occasional News Releases/ Conference Calls

The Directors and Senior Management hold quarterly briefs with analysts, shareholders, and major stakeholders, where Company performance is discussed. The official press releases, the presentation made to the Investor and the transcripts of the call with analysts for Quarterly/ Half Yearly /Annual Financial Results are available on the Company's website under 'Investors' section.

d. Website

The Company's website provides a comprehensive reference on its management, vision, mission, policies, corporate governance, updates and news. The section on 'Investors' gives complete financial details, annual reports, shareholding patterns, presentation made to investors, Registrar and Share Transfer Agents, etc.

The section also includes material events or information as detailed in Regulation 30 of the SEBI (LODR) Regulations, 2015 as disclosed to the Stock Exchanges. The Company has also uploaded the names of the Members and the details of the unclaimed dividend by the Members on its website. Information about unclaimed/ unpaid dividends and unclaimed shares to be transferred to IEPF is provided in the notes to the Notice of AGM.

e. Designated exclusive email-ids: The Company has designated the following email-ids exclusively for investor servicing:

(i) For Investor Grievances and Queries: investor.relations@alicongroup.co.in

(ii) For queries related to financial statement: tarun.vyas@alicongroup.co.in

7. GENERAL SHAREHOLDER INFORMATION

a. **Annual General Meeting:** The 31st Annual General Meeting is scheduled as under:

Date: September 17, 2021

Day: Friday

Time: 11:00 AM

Venue: VIRTUAL AGM

b. **Date of Book Closure:** September 10, 2021 to September 17, 2021

c. **Registered Office:** Gat No.1426, Village Shikrapur, Tal. Shirur, Dist. Pune – 412208, Maharashtra.

d. **Financial Year:** April 01 to March 31

e. **Dividend & Dividend Payment Date:**

The Board of Directors has not recommended any dividend for the FY 2020 -21.

f. **Name and Address of Stock Exchange, where Company's Equity is listed:**

Stock Exchange	Scrip Code
BSE Limited Phiroze Jee jee bhoy Towers, Dalal Street, Mumbai - 400 001.	531147
National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051	ALICON

Listing Fee for the financial year 2020 - 21 has been paid to the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) within applicable time-frame.

ISIN No: INE062D01024

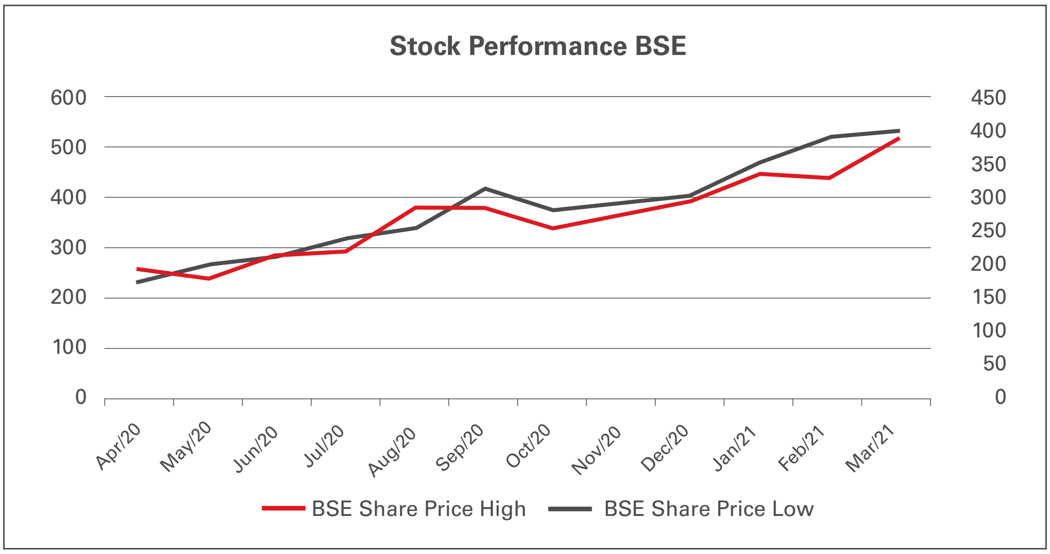
g. **Stock Market Data during the Financial Year 2020-21:**

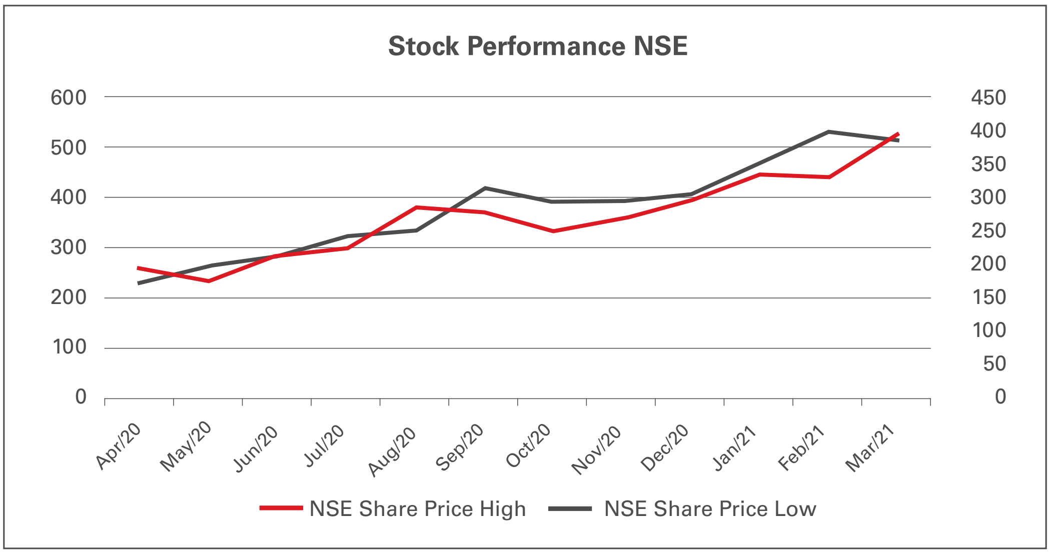
The monthly High and Low Prices of the Shares of the Company listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are as follows:

(Amount In ₹)

Month	BSE		NSE	
	Share Price		Share Price	
	High	Low	High	Low
Apr-20	257.35	174.50	257.90	172.65
May-20	239.95	200.70	234.90	198.00
Jun-20	285.10	214.00	284.00	212.00
Jul-20	295.00	239.50	298.90	241.55
Aug-20	380.25	255.00	379.85	250.00
Sep-20	380.00	312.45	369.95	312.95
Oct-20	340.35	282.15	334.00	292.65
Nov-20	364.00	295.65	360.00	294.25
Dec-20	393.75	305.00	394.90	304.10
Jan-21	449.35	353.20	447.50	352.60
Feb-21	438.45	390.00	439.75	398.00
Mar-21	519.00	399.45	523.60	384.30

h. **The details of the Stock Performance vis – a – vis S&P CNX Nifty in graphical manner and monthly closing share price on NSE & BSE from April, 2020 to March, 2021 is given below:**





i. In case the securities are suspended from trading, the Directors Report shall explain the reason thereof:

The trading in the equity shares of the Company was never suspended.

j. Registrars and Share Transfer Agent (For Physical as well as for Demat Segment)

Name & Address : Universal Capital Securities Private Limited
(Formerly Known as: Mondkar Computers Pvt. Ltd.)
21 ShakilNiwas,
Opp. Sai Baba Temple,
Mahakali Caves Road, Andheri (East),Mumbai – 400093
Tel : 022- 28307203
Email: gamare@unisec.in

k. Share Transfer System

All work related to Share Registry, both in physical form and electronic form, is handled by the Company's Registrar and Share Transfer Agent. The Company has appointed M/s Universal Capital Securities Private Limited as the Registrar & Share Transfer Agent. The Share transfers in physical form are approved by the Managing Director on fortnightly basis and the same are approved and ratified by the Share Transfer/ Stakeholder Relationship Committee.

l. Shareholding Pattern of the Company as on March 31, 2021:

Category	No. of Shares	% of Shareholding
Indian Promoters	87,09,938	62.62
Foreign Collaborators	19,60,000	14.09
Bodies Corporate	52,431	0.38
Indian Public	27,52,945	19.79
Directors & Relatives (other than Promoter Directors)	200	0
N.R.Is. / OCB's	1,09,560	0.79
Clearing Members	59,007	0.42
Others	2,66,040	1.91
Total	1,39,10,121	100

m. Dematerialization of Shares :

As per notifications issued by the Securities and Exchange Board of India (SEBI), the trading in Company's shares is permitted only in dematerialized form. In order to enable the Shareholders to hold their shares in electronic form and to facilitate scrip less trading, the Company has enlisted its shares with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company's shares are liquid and are actively traded on Stock Exchanges.

n. **Status of Dematerialization and Liquidity as on March 31, 2021 :**

Dematerialization:

Category	No. of Shares
Shares in Demat mode with NSDL	1,06,03,052
Shares in Demat mode with CDSL	32,58,047
Shares in Physical mode	49,022

Liquidity: The Numbers of Shares of the Company traded in the Stock Exchange for the financial year 2020-2021 is given below:

Particulars	BSE	NSE	Total
No of shares Traded	4,04,187	20,23,961	24,28,148
Percent of total Equity	2.91	14.55	17.46

o. **Outstanding GDRs/ADRs/Warrants or any convertible Instrument, Conversion Date and Likely impact on Equity**

The Company has not issued GDR/ADR/warrants or any convertible security.

p. **Certificate from a Company Secretary in Practice:**

The Company has obtained a Certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Company by the SEBI/Ministry of Corporate Affairs or any such statutory authorities.

q. **Commodity price risk or foreign exchange risk and hedging activities:**

The Company is exposed to the risk of price fluctuations of raw material, which are proactively managed by forward booking of materials, inventory management and vendor development practices. In case of foreign exchange risk, there is natural hedging of risk as our import and export generally remains at the same level.

r. **Plant Location :**

a) Gat No. 1426, Village Shikrapur,Taluka Shirur, Dist. Pune 412208, Maharashtra

b) Plot no. 58/59, Block- D II, MIDC, Chinchwad, Pune- 411019, Maharashtra

c) 57-58 Km Mile Stone, Delhi – Jaipur, NH-8, Industrial Area, Village - Binola, Gurgaon – 122051, Haryana

d) Illichmann Castalloy s.r.o., Partizanska 81, 966 81, Zarnovica, Slovakia

s. **Address for correspondence**

For transfer/dematerialization of shares, change of address of members and other queries relating to the shares of the Company:

Universal Capital Securities Pvt Ltd.
(100% subsidiary of Link Intime India Pvt. Ltd.)
C-101, 247 Park, 1st Floor, LBS Road,
Gandhi Nagar, Vikhroli (West),
Mumbai – 400 083.
T:+91 (22) 2820 7203-05 / 4918 6178-79
Contact person - Santosh Gamare
Email : gamare@unisec.in

8. OTHER DISCLOSURE :

a. **Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large :**

All transaction entered into by the Company with Related Parties during the Financial Year 2020-21 are in ordinary course of business and on arm's length basis.

The Company had not entered any materially significant Related Party Transactions i.e. transaction of the Company of material nature with its Promoters/ Director/Senior Employees or relatives etc., which could have a potential conflict with the interest of Company at large.

The Audit Committee reviews on a quarterly basis, the details of related party transactions entered into by the Company.

The policy on Related Party Transactions has been placed and can be accessed on the Company's website https://www.alicongroup.co.in/wpcontent/uploads/2018/10/Related_Party_Transactions_Policy.pdf

b. **Whistle Blower Policy:**

The Company has adopted a Whistle blower policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Directors and employees about unethical behavior, actual or suspected fraud or violation of the Company's Code of conduct. No person has been denied access to the Chairman of the Audit Committee. The said policy has been disclosed on the Company's website under the web link: https://www.alicongroup.co.in/wp-content/uploads/2018/10/Whistle_Blower_Policy.pdf

c. **Disclosure of pending cases/instances of non-compliance:**

There was no non-compliance by the Company and no instances of penalties and strictures imposed on the Company by the stock exchanges or SEBI or any other statutory authority on any matters related to the capital market during the last three years.

d. **Mandatory Requirements**

The Company is in compliance with all mandatory requirements of Listing Regulations.

e. **Non-Mandatory Requirements**

The Company has adopted the following non- mandatory requirements to the extent mentioned below:

- Shareholders rights – the quarterly results are uploaded on the website of the Company.
- Audit qualifications - the Company's financial statements are unqualified.
- Reporting of Internal Auditors – the Internal Auditors of the Company directly reports to the Audit Committee on functional matters. The Internal Auditors are invited to the meetings of the Audit Committee.

f. **Details of utilization of funds raised through preferential allotment**

The Company has not raised any funds through preferential allotment during the FY 2020 -21.

g. **Total fees for all services paid by the listed entity and its subsidiaries to Statutory Auditor on Consolidated basis for the F Y 2020 -21:**

Sr. No	Particulars	Amount (₹ in Lacs)
1	Statutory Audit fees	20.00
2	Limited Review	4.00
3	Consolidation Audit	5.00
4	Certifications	1.00
5	Out of Pocket Expenses	NIL

9. DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46:

Company has disclosed about the compliance of regulations in respect of corporate governance under the listing regulations on its website www.alicongroup.co.in. Compliance certificate for Corporate Governance from the Auditors of the Company is given as annexure to this report.

DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 17(5) OF SEBI (LODR) REGULATIONS, 2015

To,
Alicon Castalloy Limited
Gat No. 1426, Village Shikrapur,
Taluka Shirur, Dist. Pune,
Maharashtra

In accordance with Clause 17(5) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, I, Shailendrajit Rai, Managing Director of Alicon Castalloy Limited, hereby confirm that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2021.

S. Rai
Chairman & Managing Director
DIN : 00050950

Place: Pune
Date: August 05, 2021

CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY

We certify that –

We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2021 and that to the best of our knowledge and belief:

These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading:

These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated effectiveness of the internal control system of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the Auditors and the Audit Committee:

- significant changes in internal control over financial reporting during the year;
- significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Pune	Rajeev Sikand	Vimal Gupta
Date: August 05, 2021	GCEO	GCFO

CERTIFICATE AS PER CLAUSE 10 (I) OF PART C OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 BY PRACTICING COMPANY SECRETARY:

To,
The Board of Directors
Alicon Castalloy Limited
Survey No 1426
Village Shikrapur
Taluka - Shirur
Pune-412208

I have examined the registers, records, books, form, returns and disclosures received from the Directors of Alicon Castalloy Limited, (CIN L99999PN1990PLC059487), having Registered Office at Survey No 1426, Village Shikrapur, Taluka - Shirur, Pune - 412208 (the Company), produced before me by the Company for the purpose of issuing this Certificate in pursuance to Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verification (including Director Identification Number (DIN) status on MCA website) as considered necessary and explanation furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ended on March 31, 2021 has been debarred or disqualified from being appointed or continuing as Directors of the companies by the Securities and Exchange Board of India and/or Ministry of Corporate Affairs:

Sr. No:	Name of the Director	DIN	Date of Appointment in the Company
1)	Mr. Shailendrajit C. Rai (DIN: 00050950)	Managing Director	01/11/2014
2)	Mrs. Pamela S. Rai (DIN: 00050999)	Non- Executive Director	29/09/2014
3)	Mr. Junichi Suzuki (DIN: 02628162)	Non- Executive Director	29/10/2002
4)	Mr. Anil D. Harolikar (DIN: 00239460)	Independent Director	29/01/2003
5)	Mr. Vinay H. Panjabi (DIN: 00053380)	Independent Director	30/04/2005
6)	Mr. Ajay Nanavati (DIN: 02370729)	Independent Director	30/04/2015
7)	Mrs. Veena V. Mankar (DIN: 00004168)	Independent Director	15/10/2019

Note: Ensuring the eligibility for appointment/continuing as Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion based on verification of documents/ information available to me. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

UDIN: F002727C000738077
Place: MUMBAI
Date: August 05, 2021

(UPENDRA C. SHUKLA)
COMPANY SECRETARY
FCS: 2727/CP No: 1654

Annexure III
Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Sr. No.	Particulars	
1	Corporate Identity Number (CIN) of the Company	L99999PN1990PLC059487
2	Name of the Company	Alicon Castalloy Limited
3	Registered address	Survey No. 1426, Village Shikrapur, Taluka Shirur, District Pune, PIN: 412208 Maharashtra
4	Website	www.alicongroup.co.in
5	E-mail ID	investor.relations@alicongroup.co.in
6	Financial Year reported	2020 - 21
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacturing of aluminum alloy castings
8	List three key products/services that the Company manufactures/ provides (as in balance sheet)	Aluminum alloy castings
9	Total number of locations where business activity is undertaken by the Company:	
	(a) Number of International Locations (Provide details of major 5)	None
	(b) Number of National Locations	The Company has 3 plants – a) Gat No. 1426, Village – Shikrapur, Taluka – Shirur, District – Pune 412 208 b) D-II Block, Plot No.58/59, MIDC Chinchwad, Pune – 411 019 c) 57-58 KM Mile Stone, Delhi-Jaipur Highway, Industrial Area Binola Dist. Gurgaon (Haryana)- 123413
10	Markets served by the Company Local/State/National/International	Domestics as well as International

SECTON B: FINANCIAL DETAILS OF THE COMPANY AS ON MARCH 31, 2021:

1	Paid-up Capital (INR)	₹ 6,95,50,605 /-
2	Total Turnover (₹ In Lacs)	₹ 73,183.85 /-
3	Total profit after tax (₹ In Lacs)	₹ (746.14)/-
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	N.A.
5	List of activities in which expenditure in 4 above has been incurred	- Education - Community Development

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/Companies?	YES
2	Do the Subsidiary Company/Companies participate in the BR initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	NO
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30 – 60%, More than 60%]	NO

SECTION D: BR INFORMATION

1. Details of Directors/Directors Responsible for BR

A)	**DETAILS OF DIRECTOR/DIRECTORS RESPONSIBLE FOR IMPLEMENTATION OF THE BR POLICY/POLICIES**	
	DIN	00050950
	Name	Mr. S. Rai
	Designation:	Chairman & Managing Director
B)	**DETAILS OF THE BR HEAD**	
	DIN Number (if applicable)	Not Applicable
	Name	Mr. Rajeev Sikand
	Designation	Group Chief Executive Officer
	Telephone Number	
	Email Id	rajeev.sikand@alicongroup.co.in

2. (a) Principle-wise (as per NVGs) BR Policy/Policies (Reply in Y/N)

	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/ international standards? If yes, specify (50 words)	Yes, the Policy is based on National Voluntary Guidelines on Social, Environmental and Economic responsibilities of business issued by the Ministry of Corporate Affairs.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Internal policies are available for employees only. For other policies, refer to www.alicongroup.co.in								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

(b) If answer to Sr. No. 1 against any principle is 'No', please explain why: (Tick upto 2 options)

Sr. No.	Particulars	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the principles	**NOT APPLICABLE**								
2	The Company has not at a stage where it finds itself in a position to formulate and implement the policies on specific principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within next 1 year									
6	Any other reason (please specify)									

3. **Governance related to BR**

   i) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, annual, more than 1 year.**

   Yes. Annually.

   ii) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

   BR Report is being published as part of the Company's Annual Report, available at www.alicongroup.co.in.

SECTON E: PRINCIPLE-WISE PERFORMANCE

Principle 1 – Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/ Others?

   The Company's Code of Conduct and Ethics, which extends to the entire Group, addresses compliance with internal business conduct and ethics as well as regulatory requirements. The Company's Whistle Blower Policy encourages employees to bring instances of unethical behavior to the knowledge of the management. The Code doesn't apply to joint ventures, suppliers and contractors of the Company.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily dissolved by the management? If so, provide details thereof in about 50 words or so.

   Details of shareholders' complaints received and satisfactorily resolved during the year 2020-21 is disclosed in the Corporate Governance Report. In addition, other minor complaints from customers were resolved to their satisfaction.

Principle 2 – Businesses should provide goods and services that are safe and contribute sustainability throughout the life cycle.

1. List upto 3 of your products or services, whose design has incorporated social or environmental concerns, risk and/or opportunities.

   The Company has only one product viz. Aluminum Alloy Castings.

2. For each such product, provide the following details in respect of resource used (energy, water, raw-material etc.) per unit of product (optional):

   (a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain.

   (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year.

   Optimization of sourcing raw materials is a continuous exercise at the Company by procurement of suitable size of raw-material to minimize wastage.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

   (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

   The Company procures its main raw material from trusted and organized sources, with long term business relationships. Continuous interaction and planned tracking with transporters is also maintained to ensure timely delivery of the products and minimum usage of vehicles.

4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work?

   (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   Given the nature of the business activities of the Company, it is required to source its main raw materials from organized sources. We acknowledge and promote local procurement, which is generally used for our supporting services.

5. Does the Company have mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as < 5%, 5 – 10%, > 10%)? Also, provide details thereof in about 50 words or so.

   Yes. Alicon has a very well-established mechanism to recycle waste generated. Details of some of the wastes are mentioned below:

   - Recycling of rejected castings
   - Waste water recycling
   - Recycling of waste/used oil

Principle 3 – Businesses should promote the wellbeing of all employees

1. Please indicate the total number of employees? - 820
2. Please indicate the total Number of employees hired on temporary/contractual/casual basis? - 1,605
3. Please indicate the Number of women employees? - 78
4. Please indicate the Number of permanent employees with disabilities? - Nil
5. Do you have an employee association that is recognized by management? YES
6. What percentage of your permanent employees is members of this recognized employee association? – All permanent workers are members of this union and works committee.
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year. - Nil
8. What percentage of your under mention employees were given safety and skill up-gradation training in the last year?

   a) Permanent Employees: 82%

   b) Casual/Temporary/Contractual Employee: 68%

   c) Employees with Disabilities NA

Principle 4 – Businesses should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. Has the Company mapped its internal and external stakeholders? Yes/No

   Yes, the internal and external stakeholders of the Company are employees, vendors, customers, shareholders, partners, regulatory authorities and local community.

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?

   Yes.

3. Are there any special incentives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

   The Company carries out various CSR initiatives for the upliftment /growth and development of people living in the villages around its manufacturing facilities.

Principle 5 – Businesses should respect and promote human rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Join Ventures/ Suppliers/Contractors/NGOs/Others?

   The Company does not have a separate human right policy. However, these factors are covered under various HR Policies of the Company.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

   The Company has not received any complaint from any stakeholder pertaining to human rights.

Principle 6 – Businesses should respect, protect and make efforts to restore the environment

1. Does the Policy related to Principle 6 cover only the Company or extends to the Group/ Joint Ventures/Suppliers/ Contractors/NGOs/Others?

   It covers Alicon and its Group companies.

2. Does the Company have strategies/initiatives to address the global environmental issues such as climate change, global warming, etc.?

   To address environmental issues, the Company has initiatives such as –

   a) Energy conservation projects

   b) STP recycled water use for toilet flushing.

   c) Measures to check and control the pollutants discharged into environment

   d) Roof top Solar Panel Installation

   e) Solar Hybrid AC - Hybrid AC made of solar collectors which superheats the refrigerant and thereby reduce energy use.

   f) Reduce fork lift operation by more use of EOT and battery operated forklift.

   g) Replace all street lights with solar lights.

   h) Entered in SPV arrangement for Solar electricity generation

3. Does the Company identify and assess potential environmental risks? Y/N

   Yes

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

   NO.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N.

   - Provided the additional compressed air receivers in network to reduce energy consumption
   - Cable size upgrading to reduce transmission losses of electricity supply
   - Optimizing cooling tower fan motor running through water temperature interlock
   - Providing magnetic resonator in LPG & CBFS fire furnaces
   - Usage of melting cum holding furnace holding burner auto cut-off
   - Solar light replaced instead of conventional lights

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB /SPCB for the financial year being reported?

   YES.

7. Number of show cause / legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of the financial year.

   Nil

Principle 7 – Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your Company a member of any trade and chamber or association? If yes, Name only those major ones that your business deals with:

   Yes, the Company is the member of the following associations / bodies:

   a) ACMA

   b) CII

2. Have you advocated /lobbied through above associations for the advancement or improvement of public good? Yes/No: if yes, specify the broad areas (drop box: Governance and Administrations, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).

   No.

Principle 8 – Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

   Yes . The Company undertakes social projects, as mentioned in the CSR report forming part of this Annual Report.

2. Are the programs/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?

   The programs/ projects are undertaken primarily through Bansuri Foundation and external NGO.

3. Have you done any impact assessment of your initiative?

   Yes

4. What is your Company's direct contribution to community development projects? Amount in INR and the details of the projects undertaken.

   During the year 2020-21, the Company has spent ₹ 105.22 Lacs as part of CSR activities. For details, please refer to CSR Report, forming part of this Annual Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   The Community development initiative is undertaken on the basis of needs assessment, which is based on the feedback of the community itself. The Company initiates those initiatives which help them in becoming sustainable/ self-dependent. Thus, the Company ensures that its initiatives are successfully adopted by the community.

Principle 9 – Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

   Except some minor consumer complaints, which were generally on account of mishandling of the product, were dealt with, there was no major complaint.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

   Standard marking like IBR, BIS are stamped for domestic use and PED/CE in case of European Standard.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

   No

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

   Yes, the feedback of consumers of the Company is usually taken at the time of completion of respective job. However, the Company does not conduct specific surveys for the same.

Annexure IV

Alicon Castalloy Limited Nomination and Remuneration Policy

1. OBJECTIVE

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read with relevant rules thereto and Clause 49 of the Listing Agreement. The Key Objectives of the Committee are:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation by the Board.
- To recommend the Board on remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To devise a policy on Board diversity.
- To develop a succession plan for the Board and to regularly review the plan.

2. DEFINITIONS

a) 'Act' means the Companies Act, 2013 as amended from time to time and the Rules made thereunder.

b) 'Board' means Board of Directors of the Company.

c) 'Directors' mean Directors of the Company.

d) 'Key Managerial Personnel' means – (i) Chief Executive Officer or the Managing Director or Whole-time Director; (ii) Chief Financial Officer; (iii) Company Secretary; and (iii) such other officer as may be prescribed.

e) 'Senior Management' means personnel of the company who are members of its core management team excluding the Board of Directors but including Functional Heads.

3. ROLE OFCOMMITTEE

3.1 Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee–

3.1.1 Formulate the criteria for determining qualifications, positive attributes and independence of a director.

3.1.2 Identify persons who are qualified to become Director and persons, who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.

3.1.3 Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

3.2 Policy for appointment and removal of Director, KMP and Senior Management –

3.2.1 Appointment criteria and qualifications:

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

c) The Company shall not appoint or continue the employment of any person as Whole-time Director or Managing Director, who has attained the age of seventy years; Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

2.2.2 Term /Tenure

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Whole-time Director and designate them for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report.

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director;

  Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

3.2.3 Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

3.2.4 Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel, subject to the provisions and compliance of the said Act and rules made thereunder.

3.2.5 Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

3.3 Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

3.3.1 General

a) The remuneration / compensation / commission etc. to the Managing Director, Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission payable to Managing Director, Whole-time Director and Director shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

b) The remuneration and commission to be paid to the Managing Director, Whole-time Director and Directors shall be in accordance with the conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.

c) Increments/revision to the existing remuneration/ compensation payable to Managing Director, Whole-time Director and Directors may be recommended by the Committee to the Board, which should be within the limits approved by the Shareholders.

d) Where any insurance is taken by the Company on behalf of its Directors, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel; Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

3.3.2 Remuneration to Whole-time, Managing Director, Directors, KMP and Senior Management Personnel:

a) Fixed pay:

   The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

b) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director and Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

c) Provisions for excess remuneration:

If Managing Director and/or Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

3.3.3 Remuneration to Non-Executive/Independent Director:

a) Remuneration /Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

b) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof; Provided that the amount of such fees shall not exceed ₹ 1,00,000/- per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c) Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

d) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

4. MEMBERSHIP

4.1 The Committee shall consist of a minimum three (3) non-executive directors, majority of them being independent.

4.2 Minimum two (2) members shall constitute a quorum for the Committee meeting.

4.3 Membership of the Committee shall be disclosed in the Annual Report.

4.4 Term of the Committee shall be continued unless terminated by the Board of Directors.

5. CHAIRPERSON

5.1 Chairperson of the Committee shall be an Independent Director.

5.2 Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

5.3 In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

5.4 Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

7. COMMITTEE MEMBERS' INTERESTS

6.1 A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

6.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. DUTIES OFCOMMITTEE

A) The duties of the Committee in relation to nomination matters shall include:

8.1 Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;

8.2 Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment;

8.3 Identifying and recommending Directors, who are to be put forward for retirement by rotation.

8.4 Determining the appropriate size, diversity and composition of the Board;

8.5 Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;

8.6 Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;

8.7 Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

8.8 Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

8.9 Delegating any of its powers to one or more of its members or the Secretary of the Committee;

8.10 Recommend any necessary changes to the Board;and

8.11 Considering any other matters, as may be requested by the Board.

B) The duties of the Committee in relation to remuneration matters shall include:

8.12 To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract, retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

8.13 To approve the remuneration of the Senior Management including key managerial personnel of the Company, maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

8.14 To delegate any of its powers to one or more member(s) of the Committee.

9. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings shall be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

This Policy has been adopted by the Board of Directors of the Company at its meeting held on **October 31, 2014**.

Annexure V

STATEMENT OF DISCLOSURE OF REMUNERATION PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

A. **Ratio of the Remuneration of Managing Director to the Median Remuneration of the Employees of the Company for the Financial Year 2020-21:**

Sr. No.	Name of Directors & Key Managerial Personnel	Designation	Ratio of Remuneration to Median Remuneration of all employees
1	Mr. S. Rai	Chairman & Managing Director	7.76

B. **The percentage increase in Remuneration of Managing Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the Financial Year 2020-21:**

Sr. No.	Name of Directors & Key Managerial Personnel	Designation	% increase in Remuneration during the Financial Year 2020-21
1	Mr. S. Rai	Chairman & Managing Director	In view of the COVID pandemic, none of the Key Managerial Personnel of the Company were paid incremental remuneration for FY 2020-21 and therefore, percentage increase in remuneration in relation to Managing Director, GCEO, GCFO and Company Secretary is reported NIL
2	Mr. Rajeev Sikand	GCEO	
3	Mr. Vimal Gupta	GCFO	
4	Mrs. Swapnal Patane	Company Secretary	

C. The percentage increase in the median remuneration of Employees for the Financial Year 2020 - 21 was **NIL.**

D. The number of Permanent Employees on the rolls of the Company as on March 31, 2021 was **820.**

E. In view of the COVID pandemic, no increments were provided hence the percentage increase in average salary of the Employee is **NIL**.

F. **Affirmation that the remuneration is as per the Remuneration Policy of the Company:**

It is hereby confirmed that the remuneration is as per the Remuneration Policy of the Company.

ANNEXURE VI

DISCLOSURE AS REQUIRED UNDER SECTION 62(1)(B) OF THE COMPANIES ACT, 2013 READ WITH RULE 12 (9) OF THE COMPANIES (SHARE CAPITAL AND DEBENTURE) RULES, 2014 AND REGULATIONS 14 OF THE SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014

DETAILS RELATED TO ALICON CASTALLOY LTD - EMPLOYEES STOCK OPTION SCHEME, 2015

		Alicon Employees Stock Option Scheme – 2015 (ESOS-2015)
1	Date of Shareholders' approval	December 30, 2015
2	Total number of options approved under ESOS	612,800
3	Vesting Requirements	ESOS Scheme
4	Exercise price or pricing formula	-------
5	Maximum terms of options granted	5 Years
6	Source of shares	Primary
7	Variation in terms of option	No variation in the terms of option
8	Method of Option Valuation	Intrinsic value
9	Option Movement during the year	
	Number of Options outstanding at the beginning of the period	52,378
	Number of Options granted during the year	52,378
	Number of Options forfeited/lapsed during the year	-------
	Number of Options vested during the year	-------
	Number of Options exercised during the year	-------
	Number of shares arising as a result of exercise of options	-------
	Money realized by exercise of Options (Amount in ₹)	-------
	Loan repaid by the Trust during the year from exercise price received	-------
	Lapsed during the Year	NIL
	Number of Options outstanding at the end of the year	NIL
	Number of Options exercisable at the end of the year	NIL
10	Employee-wise details of Options granted :	NIL

i. **Senior Managerial Personnel:**

Name	Designation	Options Granted during the year	Exercise Price per Share
None			

ii. **Any other employee, who received a grant in any one year of option amounting to 5% or more of option granted during the year:**

Name	Designation	Options Granted during the year	Exercise Price per Share
None			

iii. **Identified employees, who were granted Options during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversations) of the Company at the time of grant:**

Name	Designation	Options Granted during the year	Exercise Price per Share
None			

Note: Other details as required under Regulation 14 of the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 read with SEBI circular bearing No: CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 forms part to the Notes to the Accounts of the Financial Statement in the Annual Report.

Further, the aforesaid details are also available on the Company's website at the link: www.alicongroup.co.in.

DETAILS RELATED TO ALICON CASTALLOY LTD - EMPLOYEES STOCK OPTION SCHEME, 2017

		Alicon Employees Stock Option Scheme – 2015 (ESOS-2015)
1	Date of Shareholders' approval	June 08, 2017
2	Total number of options approved under ESOS	675,000
3	Vesting Requirements	ESOS Scheme
4	Exercise price or pricing formula	Face Value
5	Maximum terms of options granted	4 Years
6	Source of shares	Primary
7	Variation in terms of option	No variation in the terms of option
8	Method of Option Valuation	Intrinsic value
9	Option Movement during the year	
	Number of Options outstanding at the beginning of the period	270,000
	Number of Options granted during the year	135,000
	Number of Options forfeited/lapsed during the year	------
	Number of Options vested during the year	------
	Number of Options exercised during the year	------
	Number of shares arising as a result of exercise of options	------
	Money realized by exercise of Options (Amount in ₹)	------
	Loan repaid by the Trust during the year from exercise price received	Not Applicable
	Number of Options outstanding at the end of the year	135,000
	Number of Options exercisable at the end of the year	------
10	Employee-wise details of Options granted :	Provided below:

iv. Senior Managerial Personnel:

Name	Designation	Options Granted during the year	Exercise Price per Share
a) Mr. Rajeev Sikand	CEO	96,000	₹ 5/-
b) Mr. Vimal Gupta	CFO	39,000	₹ 5/-

v. Any other employee, who received a grant in any one year of option amounting to 5% or more of option granted during the year:

Name	Designation	Options Granted during the year	Exercise Price per Share
None			

vi. Identified employees, who were granted Options during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversations) of the Company at the time of grant:

Name	Designation	Options Granted during the year	Exercise Price per Share
None			

Note: Other details as required under Regulation 14 of the Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 read with SEBI circular bearing No: CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 forms part to the Notes to the Accounts of the Financial Statement in the Annual Report.

Further, the aforesaid details are also available on the Company's website at the link: www.alicongroup.co.in

INDEPENDENT AUDITORS' CERTIFICATE IN CONNECTION WITH THE ALICON CASTALLOY LTD.

EMPLOYEES STOCK OPTION SCHEME – 2015 AND ALICON CASTALLOY LTD. – EMPLOYEES STOCK OPTION SCHEME– 2017

1. This certificate is issued in accordance with the terms of our engagement letter.

2. We were informed by Alicon Castalloy Ltd. ('the Company') that the Company requires a certificate from its Statutory Auditors for the year ended March 31, 2021 confirming that Alicon Castalloy Ltd. Employees Stock Option Scheme – 2015 and Alicon Castalloy Ltd. – Employees Stock Option Scheme– 2017 ('the Schemes') were implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 read with the circular CIR/ CFD/ POLICY CELL/2/2105 dated June 16, 2015 and in accordance with the resolutions of the Company passed in the general meeting approving the Schemes.

MANAGEMENT'S RESPONSIBILITY

3. The Company's management is responsible for maintaining the information and documents, which are required to be maintained under the above regulations. Implementing the Schemes in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 and in accordance with the resolutions passed in the general meeting is the responsibility of the Company.

4. The Company's management is also responsible for compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014 read with the circular CIR/ CFD/POLICY CELL/2/2105 dated June 16, 2015 with respect to the Schemes.

AUDITORS' RESPONSIBILITY

5. Pursuant to requirements of above-mentioned guidelines, our responsibility is to provide a reasonable assurance, based on our examination of records, documents and information and explanation given to us by the management, whether the Schemes are in compliance with the above-mentioned SEBI (Share Based Employee Benefits) Regulations, 2014 read with the circular CIR/CFD/POLICY CELL/2/2105 dated June 16, 2015 and are in accordance with the resolutions passed in the general meetings of the Company.

6. We conducted our examination with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (ICAI) and Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 in so far as applicable for the purpose of this certificate. The Guidance Note on Reports or certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

7. In connection with the above, we have performed the following procedures:

   a) Read the Schemes provided to us by the Company;

   b) Read the resolutions passed at the meeting of the Board of Directors;

   c) Read the shareholders' resolutions passed at the general meetings; and

   d) Obtained required explanation and representation from the management.

8. We have complied with the relevant applicable requirements of Standard on Quality Control (SQC)1, Quality Control for Firms that perform Audit and Reviews of Historical Financial Information and other Assurance and Related Services Engagements.

OPINION

9. In our opinion and to the best of our information and according to information and explanation given to us and the representation provided by the Management, we certify that the Company has implemented the Schemes in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 read with the circular CIR/CFD/POLICY CELL/2/2105 dated June 16, 2015 and in accordance with the resolutions of the Company passed at the general meetings.

RESTRICTION ON USE

10. This certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of SEBI (Share Based Employee Benefits) Regulations, 2014 and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is show or into whose hands it may come without our prior consent in writing.

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Registration number: 105215W/W100057

Parag Pansare
Partner
Membership No.117309
UDIN No. 21117309AAAAIG5695

Pune, May 03, 2021

Annexure VII

Secretarial Audit Report

For the Financial Year Ended March 31, 2021

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

To,
The Members,
Alicon Castalloy Limited,

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Alicon Castalloy Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. **I have conducted online verification and examination of records as facilitated by the Company due to Covid 19 and subsequent lockdown situation for the purpose of issuing this Report**.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board process and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Alicon Castalloy Limited for the financial year ended on March 31, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowing – the Company does not have any External Commercial Borrowing;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

   c) The Securities and Exchange Board of India (Share-Based Employee Benefits) Regulations, 2014.

   I report that during the year under review there was no action/event in pursuance of –

   a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

   b) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998; and

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

   d) The Securities and Exchange Board of India (Issue and Listing of Debts Securities) Regulations, 2008;

   e) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client.

(vi) The Acts / Guidelines specifically applicable to the Company: The management has confirmed that there is no specific law as identified and applicable to the Company.

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

a) Secretarial Standards with regard to Meeting of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of the Company Secretaries of India; and

b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

➢ *The Company submitted Disclosure on Related Party Transactions for the half year ended on 30th September, 2020 beyond the defined timeline as required under Regulation 23(9) of the SEBI (LODR) Regulations, 2015.*

I further report that –

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the year under review.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed proposal on agenda were sent in advance duly complying with the time limits specified and a system exits for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes of the meeting duly recorded and signed by the chairperson, the decisions of the Board were unanimous and no dissenting views have been recorded.
- There was a delay of 31 days in submitting the Disclosure on Related Party Transactions for the half year ended on September 30, 2020 under Regulation 23(9) of the SEBI (LODR) Regulations, 2015.

I further report that based on the information provided by the Company, its officers and authorised representatives during the conduct of the audit and also on the review of quarterly compliance reports, taken on record by the Board of Directors of the Company, in my opinion adequate systems and processes and control mechanism exists commensurate with the size and operation of the Company to monitor and ensure compliance with applicable general laws, rules, regulations and guidelines.

I further report that the compliance by the Company of applicable financial laws like direct and indirect tax laws has not been reviewed in this audit since the same has been subject to review by statutory financial auditors and other designated professionals.

I further report that during the audit period, except allotment of aggregate 1,35,000 Equity Shares in number of occasion under ESOP, there was no specific event/action in pursuance of the laws, rules, regulations, standard and guidelines, etc. referred to above, having major bearing on the Company's affairs.

(U.C. SHUKLA)
COMPANY SECRETARY
FCS: 2727/CP: 1654

UDIN: F002727C000738101
Place: Mumbai
Date: August 05, 2021

Note: This report is to be read with my letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

ANNEXURE A

To,
The Members,
Alicon Castalloy Limited,

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed, provide reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Wherever required, I have obtained the management representation about the compliance of the laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. My examination was limited to the verification of procedure on test basis.

6. The secretarial audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

(U.C. SHUKLA)
COMPANY SECRETARY
FCS: 2727/CP: 1654

Place: Mumbai
Date: August 05, 2021

Annexure VIII

ANNUAL REPORT ON CSR ACTIVITIES OF THE COMPANY

1. **Brief outline on CSR Policy of the Company :**

   Alicon Castalloy Ltd (ACL) has engaged in CSR activities since 2010. However from 2014, the CSR policy of ACL follows the guidelines of the Govt. of India's Companies Act 2013 which has been given under the Section 135 that makes CSR mandatory.

   The contents of the CSR policy of the Company are as below:

   - CSR vision statement
   - CSR core areas
   - CSR guiding values
   - CSR culture
   - CSR governance
   - ACL CSR spends
   - Implementing Agency/ Partners Strategy

   Our Company has focused its CSR resources on the following verticals:

   a) Education

   b) Community Development

2. **Composition of CSR Committee*:**

Sl. No.	Name of Director	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Vinay Panjabi	Non-Executive Independent Director	3	3
2	Mrs. Pamela Rai	Non –Executive Director	3	3
3	Mrs. Veena Mankar	Non-Executive Independent Director	3	3

* The CSR committee was reconstituted on April 30, 2021. as – Mr. Vinay Panjabi was appointed as the Chairman of the committee. Mrs. Veena Mankar and Mrs. Pamela Rai continued as Members.

3. Provide the web-link where Composition of CSR committee, CSR Policy are disclosed on the website of the company: https://www.alicongroup.co.in/wp-content/uploads/2020/07/CSR-Policy-Alicon.pdf

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable: **NOT Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the Financial Year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding Financial Years (in ₹)	Amount required to be set-off for the Financial Year, if any (in ₹)
1	2017-18	NIL	NIL
2	2018 -19	NIL	NIL
3	2019 -20	NIL	NIL

6. Average Net Profit of the Company as per Section 135(5) of the Act: ₹ **5019.31 Lacs**

7. a. Two percent of average net profit of the Company as per Section 135(5) of the Act for the Financial Year 2020-21: ₹ **100.39 Lacs**

   b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years: - ₹ **4.83 Lacs**

   c. Amount required to be set off for the Financial Year, if any: - NA

   d. Total CSR obligation for the Financial Year (a+b-c): ₹ **105.22 Lacs**

8. **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Financial Year – 2019 -20 – ₹ 4.83 Lacs	NA	NA	NA	NA	NA
Financial Year – 2020 -21 – ₹ 100.39 Lacs	NA	NA	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year: ₹ **105.22 Lacs (Attached herewith Annexure – A for details)**

(c) Details of CSR amount spent against other than ongoing projects for the financial year: **NIL**

(d) Amount spent in Administrative Overheads :- **NIL**

(e) Amount spent on Impact Assessment, if applicable: **NA**

(f) Total amount spent for the Financial Year: (b+c+d+e) = ₹ **105.22 Lacs**

(g) Excess amount for set off, if any : **NA**

9. (a) Details of Unspent CSR amount for the preceding three financial years : **NIL**

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) : **NIL**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year: **NA**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) : NA

12. The CSR Committee affirms that the implementation and monitoring of the CSR Policy, is in compliance with the company's CSR vision & goals.

S. Rai
Chairman & Managing Director
DIN : 00050950

Vinay Panjabi
Chairman of the CSR Committee
DIN:00053380

Place: Pune
Date: August 05, 2021

Annexure: A

Details of CSR amount spent against **ongoing projects** for the financial year

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project.		Amount Committed to Disburse (in ₹ in Lacs)	Amount spent for the project (in ₹ in Lacs)	Amount lying with implementing agency pending for disbursement[2] (in ₹ in Lacs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency.	
				State	District					Name	CSR Registration number
1.	Covid relief activities	Distress Relief	Yes	Maharashtra, Pune & Haryana, Binola		48.93	18.93	30.00	No	Bansuri Foundation	N.A. for financial year 2020-21
2.	Digital Education Program in low income school (Pi-Jam Foundation)	Education	Yes	Maharashtra, Pune		0.70	0.70	NIL	No		
3.	Educational sessions for families on child care & development (Ms. Uma Mane)	Community Development	Yes	Maharashtra, Pune		0.20	0.20	NIL	No		
4.	Pre- primary Education at Tribal Village (Aseema Charitable Trust)	Education	No	Maharashtra, Awalkheda (Igatpuri), Nashik		15.05	8.26	6.79	No		
5.	Using art forms to build creative confidence skills in children aged 6-17 years (Foundation of Arts for Social Change in India)	Education	Yes	Maharashtra, Pune		11.08	3.19	7.89	No		
6	Strengthening Early Childhood Education by partnering with Ekho Foundation (Rocket Learning)	Education	No	Aurangabad, Maharashtra		10.50	NIL	10.50	No		
	Rural Sports Ground (S K Techno Projects	Community Development	Yes	Shikrapur, Pune Maharashtra		15.75	NIL	15.75	No		
7	Bansuri Foundation[1]	Project evaluation & Monitoring				3.01	NIL	3.01	No		
		Total				**105.22**	**31.28**	**73.94**			

Note –

[1]. Since the Companies Act, 2013 specifies that the Company has an option to implement its CSR activities through an independently registered non-profit organization, that has a record of at least three years in similar such related activities, ACL has made the choice to continue social initiatives through its implementing partner, Bansuri Foundation (BF).

Implementing Agency Details: "Bansuri Foundation was established in 2006 as a charitable non-profit organisation. Over the years, Bansuri has endeavoured to strategically channelize funds towards Education, Health, Rural & Urban community development, Sports and Swacch, impacting the less privileged and marginalized in our communities. Besides being a grant making organisation, it brings developmental and management expertise to partner organisations, supporting them to improve their models and efficiency, leading to better social impact to sustain meaningful change in our country. Bansuri is inspired by Tagore 's vision for India, in his poem... where the mind is without fear".

[2]. Covid disruptions have caused delays in implementation and extensions for completion agreed. All committed amounts are expected to be drawn in next year.

Annexure IX

INFORMATION AS REQUIRED TO BE GIVEN UNDER SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014.

[A] CONSERVATION OF ENERGY:

As a part of energy conservation, various avenues are being explored at periodic intervals and after careful analysis and planning; measures are being initiated to minimize the consumption of energy by optimum utilization of energy consuming equipment. During the year under review, the following measures were initiated for conservation and optimize utilization of energy.

(i) Steps taken and impact on conservation of energy:

- Provided the additional compressed air receivers in network to reduce energy consumption
- Cable size upgrading to reduce transmission losses of electricity supply
- Optimizing cooling tower fan motor running through water temperature interlock
- Providing magnetic resonator in LPG & CBFS fire furnaces
- Usage of melting cum holding furnace holding burner auto cut-off
- Led light replaced instead of conventional lights

(ii) Steps taken by the Company for utilizing alternate sources of energy:

- Heat insulation paint and insulation sheet to be provided on h/t furnace
- Installed and commissioned the roof top solar panel of 600 kWp capacity in plant
- Fuel change in MCHF furnace from furnace oil to LPG
- Conversion of CBFS furnace to LPG fire furnace in order to reduce air pollution
- Solar panel installed on Roof top to generate the energy

(iii) Capital investment on energy conservation equipment:

- Energy efficient compressor installation instead of old low efficiency compressors
- Conversion of heat treatment furnace from electricity to lpg fire
- Replaced the electrical operated LPG vaporizer to heater less vaporizer (safety enhancement and energy saving)

[B] TECHNOLOGY ABSORPTION:

(i) Efforts made towards technology absorption:

- Robot installed for machining line (BR08)
- Heater-less vaporized installed for LPG

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution:

- Cost reduction and safety enhancement for LPG vapourised operation

(iii) Information regarding technology imported during the last three years:

- No technology is imported

(iv) Expenditure incurred on Research and Development:

(₹ In Lakhs)

	2020-21	2019-20
Capital	Nil	Nil
Recurring	Nil	425.15
Total	**Nil**	**0.50**

[C] FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ In Lakhs)

	2020-21	2019-20
Foreign Exchange earned	6,127.18	24,534.81
Foreign Exchange saved/deemed exports	NIL	NIL
Total	**6,127.18**	**24,534.81**
Foreign Exchange used	1,493.24	5,432.73

Financial Statements

Independent Auditor's Report on Standalone Financial Statements

To the Members of
Alicon Castalloy Limited

REPORT ON THE AUDIT OF STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of Alicon Castalloy Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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 loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Property, Plant & Equipment** Valuation and existence of property, plant and equipment including assessment of useful lives and residual values Property, plant and equipment represents a significant proportion of the Company's asset base. The estimates and assumptions made to determine the carrying amounts, including whether and when to capitalise or expense certain costs, and the determination of depreciation charges are material to the Company's financial position and performance. The charges in respect of periodic depreciation are derived after estimating an asset's expected useful life and the expected residual value. Changes to asset's carrying amounts, expected useful lives or residual value could result in a material impact on the financial statements and hence considered as key audit matter.	Our audit approach consisted evaluation of design and implementation of controls, and testing the operating effectiveness of the internal controls over valuation of property, plant and equipment and review of useful lives; Periodic physical verification of property, plant and equipment: • Review of CAPEX business process, flow of documents/ information and their control's effectiveness • Substantive Tests on random sampling for all the major additions, deletions to the assets by applying all the characteristics of capital expenditure, proper classification of the same, with reference to the company's policy and accounting standards • We performed substantive testing for the determination of assets' useful lives and residual values with reference to management's judgments, including the appropriateness of past / existing asset lives and residual values applied in the calculation of depreciation. We also obtain certificates relating to useful lives of assets where, required.

Sr. No.	Key Audit Matter	Auditor's Response
		• We have reviewed the policy and the procedure of physical verification of PPE. • As a result of the above procedures, we did not identify any exceptions in relation to the Valuation and existence of property, plant and equipment including assessment of useful lives and residual values which will affect our opinion.
2	**Contingent Liability** The Company is involved in indirect tax and other civil court litigations that are pending with various tax authorities. Whether a liability is recognized or disclosed as a contingent liability in the financial statements is inherently judgmental and dependent on assumptions and assessments. We placed specific focus on the judgements in respect to these demands against the Company. Determining the amount, if any, to be recognized or disclosed in the financial statements, is inherently subjective. Therefore, these litigations amount is considered to be a key audit matter.	Our procedures included, but were not limited to, the following: • Obtained an understanding from the management with respect to process and controls followed by the Company for identification and monitoring of significant developments in relation to the litigations, including completeness thereof. • Obtained the list of litigations from the management and reviewed their assessment of the likelihood of outflow of economic resources being probable, possible or remote in respect of the litigations. • Assessed management's discussions held with their legal consultants and understanding precedents in similar cases; • Obtained and evaluated the managements representation from the company's internal dedicated team and consultant opinion wherever required representing the Company before the various authorities. Assessed and validated the adequacy and appropriateness of the disclosures made by the management in the financial statements.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE 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 standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the standalone 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

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

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

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

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

   e) On the basis of the written representations received from the directors as on March 31, 2021 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.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 44 to the standalone financial statements

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Registration No.105215W/W100057

Parag Pansare
Partner
Membership No.: 117309
UDIN: 21117309AAAAHY6974

Pune, April 30, 2021

Annexure 'A' to the Independent Auditor's Report

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

i. In respect of the Company's property, plant and equipment:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) As explain to us, considering the nature of the Fixed Asset, the same have been physically verified by the management at reasonable intervals during the year as per verification plan adopted by the Company, which, in our opinion, is reasonable having regards to size of the Company and the nature of the its assets. According to information and explanation give to us and the records produced to us for our verification, there were no discrepancies noticed during such physical verification;

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company.

In respect of immovable properties been taken on lease and disclosed as property, plant and equipment in the standalone financial statements, the lease agreements are in the name of the Company.

ii. As informed to us, the physical verification of inventory has been conducted by the management at reasonable intervals and the discrepancies noticed during such physical verification were not material. The discrepancies noticed on physical verification of Inventory as compared to the book records have been properly dealt with the Books of Account.

iii. The Company has not granted any loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act. Accordingly, paragraph 3(iii) of the Order is not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company does not have any transactions to which the provisions of section 185 of the Act apply. The Company has with the provision of Section 186 of the Companies Act, 2013 in respect of investments, guarantees and security.

v. In our opinion and according to the information and explanations given to us, the company has complied with the directives of the Reserve Bank of India and the provision of Sections 73 to 76 of the Companies Act 2013, and the rules framed there under, wherever applicable. As informed to us, no order has been passed against the Company, by the Company Law Board, the National Company Law Tribunal, RBI, or any court or any tribunal.

vi. According to the information and explanations given to us and in our opinion, maintenance of cost records has not been specified by the Central Government under sub section (1) of section 148 (1) of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014. Accordingly, paragraph 3(vi) of the Order is not applicable.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.

(b) Details of dues of Income Tax, Sales Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2021 on account of dispute are given below:

Sr. No.	Name of the statute	Nature of the dues	Amount involved (₹ In lakhs)	Amount Paid (₹ In lakhs)	Period(s) to which the amount relate	Forum where such dispute is pending
1	Central Excise Act	Central Excise Duty	55.40	8.30	2008-09	C. Ex. Commissioner, Pune (Call Book)
2	Custom Act	Custom Duty & Interest	2,909.91	1,687.42	2006-08	Directorate General of Central Excise Intelligence, Mumbai
3	MVAT Act	MVAT	22.51	5.00	2009-10	Joint. Commissioner of Sales Tax, Pune
4	Central Sales Tax & MVAT Act	C-Form Liability	81.07	5.00	2011-12	Dy. Commissioner of Sales Tax, Pune
5	Central Sales Tax & MVAT Act	C-Form Liability	304.19	16.61	2012-13	Dy. Commissioner of Sales Tax, Pune
6	Central Sales Tax & MVAT Act	C-Form Liability	1024.46	30.98	2013-14	Dy. Commissioner of Sales Tax, Pune
7	Central Sales Tax & MVAT Act	C-Form Liability	121.82	4.45	2014-15	Dy. Commissioner of Sales Tax, Pune
8	Central Sales Tax & MVAT Act	C-Form Liability	284.51	23.07	2015-16	Dy. Commissioner of Sales Tax, Pune
9	Income tax Act 1961	Income Tax	1.92	-	2016-17	Dy. Commissioner of Income Tax, Pune
10	Directorate General of Goods & Service Tax Intelligence	Central Excise Duty	291.32	-	2013-2018	Additional Directorate General of Goods & Service Tax Intelligence, Delhi

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company did not have any outstanding loans or borrowings from financial institutions or government and there are no dues to debenture holders during the year.

ix. In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised. The Company had not raised money by way of further public offer (including debt instruments) during the year.

x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. The Company is not a Nidhi Company and hence reporting under paragraph 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under paragraph 3(xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Registration No.105215W/W100057

Parag Pansare
Partner
Membership No.: 117309
UDIN: 21117309AAAAHY6974

Pune, April 30, 2021

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Alicon Castalloy Limited of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (I) OF SUB- SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of ALICON CASTALLOY LIMITED ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of 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 and the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2021.

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Registration No.105215W/W100057

Parag Pansare
Partner
Membership No.: 117309
UDIN: 21117309AAAAHY6974

Pune, April 30, 2021

Balance Sheet
as at March 31, 2021

(₹ in Lacs)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
Non-current assets			
Property, plant and equipment	3A	33,499.61	34,695.29
Capital work-in-progress		1,122.71	536.27
Investment property	3B	242.06	251.17
Intangible assets	3C	1,323.46	350.28
Intangible assets Under development		659.77	715.60
Right-of-use of asset	3D	584.93	877.40
Financial assets			
Investments	4	1,132.67	1,132.56
Loans	5	629.26	538.70
Income tax assets (net)		796.64	865.03
Other non-current assets	6	1,220.22	1,023.46
		41,211.33	**40,985.76**
Current assets			
Inventories	7	11,549.17	9,517.15
Financial assets			
Trade receivables	8	29,612.67	29,842.12
Cash and cash equivalents	9	1,060.97	279.58
Bank Balances other than Above (9)	10	423.41	539.01
Loans	11	109.99	51.27
Other financial assets	12	12.23	8.89
Other current assets	13	1,494.70	2,790.04
		44,263.14	**43,028.06**
TOTAL ASSETS		**85,474.47**	**84,013.82**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	695.51	688.76
Other equity	15	30,450.01	30,890.50
		31,145.52	**31,579.26**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	14,820.73	12,217.58
Other financial liablities	17	306.90	569.14
Provisions	18	771.58	698.68
Deferred tax liabilty (net)	19	2,754.66	2,698.14
		18,653.87	**16,183.54**
Current liabilities			
Financial liabilities			
Borrowings	20	14,620.07	18,459.08
Trade payables	21		
Due to micro and small enterprises		637.60	234.47
Due to other than micro and small enterprises		13,345.07	12,394.29
Other financial liabilities	22	6,032.50	4,771.52
Other current liabilities	23	899.59	261.54
Provisions	24	140.25	130.12
Current income tax liabilities.		-	-
		35,675.08	**36,251.02**
TOTAL EQUITY AND LIABILITIES		**85,474.47**	**84,013.82**
Significant accounting policies	1 - 2		
Notes referred to above form an integral part of the standalone financial statements	3 - 45		

As per our report of even date attached

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn No: 105215W/W100057

Parag Pansare
Partner
Membership No. 117309

Place: Pune
Date: April 30, 2021

On behalf of the Board of Directors of **Alicon Castalloy Ltd.**

S. Rai
Chairman & Managing Director
DIN: 00050950

Rajeev Sikand
Chief Executive Officer

Vimal Gupta
Chief Financial Officer

Swapnal Patane
Company Secretary

Statement of Profit and Loss
for the year ended March 31, 2021

(₹ in Lacs)

Particulars	Note	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from operations	25	73,183.85	85,620.83
Other income	26	256.79	250.90
Total income		**73,440.64**	**85,871.73**
Expenses			
Cost of materials consumed	27	36,427.51	39,740.18
Purchase of stock-in-trade		2,233.48	3,296.57
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	28	(897.30)	2,670.07
Employee benefit expense	29	10,666.16	11,392.07
Depreciation and amortization expense	30	4,568.47	4,095.45
Finance costs	31	3,451.38	3,846.33
Other expenses	32	17,542.55	18,346.17
Total expenses		**73,992.25**	**83,386.84**
Profit before tax		**(551.61)**	**2,484.89**
Tax expense	45		
Current tax		-	540.03
Deferred tax (benefit)/charge		57.83	413.36
MAT credit entitlement		-	(122.41)
Short/ (Excess) of earlier years (including MAT Credit)		136.70	(29.54)
Total tax expense		**194.53**	**801.44**
Profit for the year		**(746.14)**	**1,683.45**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		(3.74)	(6.12)
Net (loss) or gain on FVTOCI assets		0.11	(0.05)
Income tax on items that will not be reclassified to profit or loss		1.31	2.14
Total other comprehensive income		**(2.32)**	**(4.03)**
Total comprehensive income for the year		**(748.46)**	**1,679.42**
Earnings per equity share for continuing operations (face value per share ₹ 5 each)			
Basic	43	(5.38)	12.27
Diluted	43	(5.38)	12.10
Significant accounting policies	1 - 2		
Notes referred to above form an integral part of the standalone financial statements	3 - 45		

As per our report of even date attached

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn No: 105215W/W100057

Parag Pansare
Partner
Membership No. 117309

Place: Pune
Date: April 30, 2021

On behalf of the Board of Directors of **Alicon Castalloy Ltd.**

S. Rai
Chairman & Managing Director
DIN: 00050950

Vimal Gupta
Chief Financial Officer

Rajeev Sikand
Chief Executive Officer

Swapnal Patane
Company Secretary

Cash Flow Statement

for the year ended March 31, 2021

(₹ in Lacs)

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A.	**Cash flow from operating activities**		
	Net Profit / (Loss) before extraordinary items and tax	(551.61)	2,484.89
	Adjustments for:		
	Depreciation and amortisation	4,276.00	3,802.18
	Employee stock compensation cost	244.94	125.13
	Interest income	(28.94)	(28.43)
	Rent received	(180.75)	(165.35)
	Provision for doubtful trade and other receivables	272.30	20.00
	Amount written off during the year	(177.31)	(8.70)
	Finance cost	3,382.32	3,760.57
	Unwinding of interest on royalty payable	-	-
	Unrealised foreign exchange gain or loss	(55.38)	(433.94)
	Impact on account of leases	69.81	(283.00)
	Others	-	-
		7,802.99	**6,788.46**
	Operating profit / (loss) before working capital changes	**7,251.38**	**9,273.35**
	Changes in working capital:		
	(Increase) / Decrease in inventories	(2,032.02)	1,576.97
	(Increase) / Decrease in trade receivables	214.63	1,614.40
	(Increase) / Decrease in other bank balances	115.60	(111.25)
	(Increase) / Decrease in current loans	(58.72)	(21.66)
	(Increase) / Decrease in other current financial asset	(3.34)	2.19
	(Increase) / Decrease in other current assets	1,295.34	(804.48)
	(Increase) / Decrease in non-current loans	(90.56)	99.52
	(Increase) / Decrease in other non-current assets	(196.76)	223.71
	Increase / (Decrease) in trade payables	1,329.68	(4,311.05)
	Increase / (Decrease) in current other financial liabilities	1,221.40	(637.75)
	Increase / (Decrease) in other current liabilities	638.05	(456.99)
	Increase / (Decrease) in other non-current financial liabilities	-	-
	Increase / (Decrease)in short-term provision	72.90	80.65
	Increase / (Decrease)in long-term provision	6.39	6.32
	Cash generated from operations	**9,763.97**	**6,533.92**
	Net income tax (paid) / refunds	(68.31)	(1,036.01)
	Net cash flow from / (used in) operating activities	**9,695.66**	**5,497.91**
B.	**Cash flow from investing activities**		
	Capital expenditure on property plant and equipment	(3,514.00)	(6,132.98)
	Capital expenditure on intangibles asset	(1,061.00)	(7.70)
	Interest received	28.94	28.43
	Rent received	180.75	165.35
	Net cash flow from / (used in) investing activities	**(4,365.31)**	**(5,946.90)**

Cash Flow Statement
for the year ended March 31, 2021

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
C. Cash flow from financing activities		
Finance costs	(3,382.32)	(3,760.57)
Borrowings / (Repayment) (Net) long term	2,603.15	5,208.03
Borrowings / (Repayment) (Net) short term	(3,839.01)	(99.24)
Dividends	-	(682.01)
Dividend distribution tax	-	(140.23)
Interim dividend	-	(173.00)
Dividend distribution tax On Interim Dividend	-	(35.40)
Proceeds from issue of equity shares	6.75	6.75
Premium on issue of shares under ESOP scheme	-	(0.11)
Share application money pending allotment	62.47	-
Net cash flow from / (used in) financing activities	**(4,548.96)**	**324.22**
Net increase / (decrease) in Cash and cash equivalents	**781.39**	**(124.77)**
Cash and cash equivalents at the beginning of the year	279.58	404.34
Foreign exchange fluctuation	-	-
Cash and cash equivalents at the end of the year	**1,060.97**	**279.58**
Components of cash and cash equivalents		
Cash on hand	50.78	51.61
Balances with banks in current accounts	1,010.19	227.97
	1,060.97	**279.58**
Significant accounting policies		**1 - 2**
Notes referred to above form an integral part of the standalone financial statements		**3 - 45**

As per our report of even date attached

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn No: 105215W/W100057

Parag Pansare
Partner
Membership No. 117309

Place: Pune
Date: April 30, 2021

On behalf of the Board of Directors of **Alicon Castalloy Ltd.**

S. Rai
Chairman & Managing Director
DIN: 00050950

Rajeev Sikand
Chief Executive Officer

Vimal Gupta
Chief Financial Officer

Swapnal Patane
Company Secretary

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

(₹ in Lacs)

A	**Equity share capital**	
	Balance as at April 01, 2019	682.01
	Changes in equity share capital during 19-20	6.75
	Balance as at March 31, 2020	**688.76**
	Changes in equity share capital during 2020-21	6.75
	Balance as at March 31, 2021	**695.51**

B Other equity

(₹ in Lacs)

PARTICULARS	Share application money pending allotment	Surplus					Equity instruments through Other comprehensive income	Total
		Securities premium	Employee stock options outstanding (ESOP)	Captial reserve	General reserve	Surplus		
Balance as on March 31, 2019	-	8,283.01	1,646.55	411.56	1,240.00	18,535.65	(0.07)	30,116.70
Profit for the year	-	-	-	-	-	1,683.45		1,683.45
Other comprehensive income (net of tax)	-	-	-	-	-	(3.98)	(0.05)	(4.03)
Total comprehensive income for the year	-	-	-	-	-	1,679.47	(0.05)	1,679.42
Transactions with owners recognised directly in equity								
Dividends	-	-	-	-	-	(682.01)	-	(682.01)
Dividend distribution tax	-	-	-	-	-	(140.23)	-	(140.23)
Interim dividend	-	-	-	-	-	(173.00)	-	(173.00)
Dividend distribution tax on Interim Dividend	-	-	-	-	-	(35.40)	-	(35.40)
Share based payments to employees	-	-	125.13	-	-	-	-	125.13
Premium on issue of shares under ESOP scheme	-	657.68	(657.79)	-	-	-	-	(0.11)
Changes during the year	-	-	-	-	-	-	-	-
Balance as on March 31, 2020	-	8,940.69	1,113.89	411.56	1,240.00	19,184.48	(0.12)	30,890.50
Profit for the year	-	-	-	-	-	(746.14)		(746.14)
Other comprehensive income (net of tax)	-	-	-	-	-	(2.43)	0.11	(2.32)
Total comprehensive income for the year	-	-	-	-	-	(748.57)	0.11	(748.46)
Transactions with owners recognised directly in equity								
Dividends								-
Dividend distribution tax								-
Interim dividend								-
Dividend distribution tax on Interim Dividend								-
Transfer to general reserve			(17.57)			18.14		0.57

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

(₹ in Lacs)

PARTICULARS	Share application money pending allotment	Surplus					Equity instruments through Other comprehensive income	Total
		Securities premium	Employee stock options outstanding (ESOP)	Captial reserve	General reserve	Surplus		
Share based payments to employees			245.50					245.50
Premium on issue of shares under ESOP scheme		647.80	(648.37)					(0.57)
Options exercised but pending allotment	62.47							62.47
Changes during the year								-
Balance as on March 31, 2021	**62.47**	**9,588.49**	**693.46**	**411.56**	**1,240.00**	**18,454.05**	**(0.01)**	**30,450.01**

1. Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of the Companies Act 2013.
2. ESOP reserve is used to recognise the grant date fair value of options issued to employees under the Employee stock option plan which are unvested as on the reporting date.
3. General reserve is created from time to time by way of transfer profits from surplus for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.
4. Capital reserve was created on acquisition of casting business of Atlas Castalloy in year 2014-15.
5. Equity Instruments through Other Comprehensive Income - This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed of.

Significant accounting policies	1 - 2
Notes referred to above form an integral part of the standalone financial statements	3 - 45

As per our report of even date attached

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn No: 105215W/W100057

Parag Pansare
Partner
Membership No. 117309

Place: Pune
Date: April 30, 2021

On behalf of the Board of Directors of **Alicon Castalloy Ltd.**

S. Rai
Chairman & Managing Director
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Rajeev Sikand
Chief Executive Officer

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Swapnal Patane
Company Secretary

Notes forming part of the Financial Statements

THE CORPORATE OVERVIEW

Alicon Castalloy Limited ("the Company") is a public limited company domiciled in India and is listed on Bombay Stock Exchange and National Stock Exchange. The Company is the manufacturer of aluminium alloy die castings mainly used in automotive segment of the industry in India. The Company' s products also cover non-auto sector of the Industry. The Company also exports its products to the countries like U.S.A. and U.K.

1. BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") [the Companies (Indian Accounting Standards) Rules, 2015, as amended] and other relevant provisions of the Act.

The financial statements were authorised for issue by the Board of Directors on April 30, 2021.

a) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following items, which are measured on an alternative basis on each reporting date.

- Certain financial assets and liabilities (including derivative instruments) are measured at fair value.
- Defined benefit plans – plan assets are measured at fair value.
- Equity settled share-based payments – measured at grant date fair value.

b) Current versus non-current classification

The company presents assets and liabilities in the balance sheet based on current and non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of 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
- Held primarily for the purpose of trading
- 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.

c) Functional and presentation currency:

The financial statements are presented in Indian Rupees (INR), which is the company's functional currency. All amounts disclosed in the Financial Statements including notes have been rounded off to the nearest lakhs in Indian Rupee (INR) as per the requirements of Schedule III of the Companies Act, 2013; unless otherwise indicated.

2. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Property, plant and equipment

- **Recognition and measurement**

  Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost comprises of purchase price and any directly attributable costs of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

  Borrowing costs attributable to construction or acquisition of a qualifying asset for the period up to the date, the asset is ready for its intended use are included in the cost of the asset to which they relate.

  Pre-operative expenditure including trial run expenses comprising of revenue expenses incurred as reduced by the revenue generated during the period up to the date, the asset is ready for its intended use are treated as part of costs of that asset.

  Capital work-in-progress comprises of the cost of property, plant and equipment that are not yet ready for their intended use as at the balance sheet date.

Notes forming part of the Financial Statements

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date are disclosed under "Other non-current assets".

- **Subsequent costs**
  The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss as incurred.

- **Derecognition**
  An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net and disclosed within other income or expenses in the statement of profit and loss.

- **Depreciation methods, estimated useful lives and residual value**
  Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognised in the statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment as prescribed in Schedule II of the Companies Act 2013, as assessed by the management of the company based on technical evaluation except in the case of following assets:

Description	Useful life considered
Plant & Machinery – Furnace	10 years
Plant & Machinery – Platform	18 years
Plant & Machinery – CNC/LPDC/GDC	10 years
Other Plant &Machinery	Between 3 to 15 years
Buildings	3,5 &30 years
Computers – desktops, laptops	3 years
Electrical Installation and Equipment	Between 3 to 15 years
Factory Equipment	Between 3 to 15 years
Furniture & Fixure	5 & 7 years
Office Equipment	3, 5, 7 & 10 years
Dies & Pattern	7 years

Freehold land is not depreciated.

b) **Intangible assets**

- **Recognition and measurement**
  Intangible assets are recognised when the asset is identifiable, is within the control of the company, it is probable that the future economic benefits that are attributable to the asset will flow to the company and cost of the asset can be reliably measured.

  Intangible assets acquired by the company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

- **Derecognition**
  An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of intangible asset are determined by comparing the proceeds from disposal with the carrying amount of intangible asset and are recognised net and disclosed within other income or expenses in the statement of profit and loss.

- **Amortisation**
  Amortisation is calculated over the cost of the asset, or other amount substituted for cost. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

  The estimated useful lives are as follows:

Computer and functional software	7 years

c) **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 loss, 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 recognised in the statement of profit and loss as incurred.

Notes forming part of the Financial Statements

Investment properties are derecognized either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

d) **Leases**

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified.

- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

- the Company has the right to operate the asset; or

- the Company designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments.

- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.

- amounts expected to be payable under a residual value guarantee; and

- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

  The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to

Notes forming part of the Financial Statements

be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets
The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

e) **Impairment of non-financial assets**
The company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

f) **Inventories**
Raw materials, consumables, stores and spares are valued at lower of cost and net realizable value. Cost is determined using weighted average method.

Work-in-process and finished goods are valued at lower of cost and net realizable value. Cost includes direct material and labour and a proportion of manufacturing overhead based on normal operating capacity.

Net realisable 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.

g) **Cash and cash equivalents**
Cash and cash equivalents in the balance sheet comprise cash at banks and cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

h) **Revenue recognition**
The company is primarily into business of manufacturing and selling aluminum castings. Sales are recognised when substantial control of the products has been transferred to the customer, being when the products are delivered to the customer or its authorised representative without any unfulfilled obligation that could affect the customer's acceptance of the products. Revenue from these sales is recognised based on the price specified in the sales order or contract, net of the estimated discounts, rebates, returns and goods and service tax. The company's obligation to provide a refund for defects in the products is recognised as a provision. A receivable is recognised 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.

The Company does not have any payment terms exceeding one year for any contract. Accordingly, the Company does not adjust any of the transaction prices for the time value of money.

The Company besides manufacturing the products from its raw materials, also converts raw materials supplied by its customers and accounts for the gross receipts as 'conversion income' once the job is completed and goods are dispatched to the customers. Income from development of such dies is accounted for in the year in which dies are completed and invoiced.

Other operating revenue represents income earned from the Company's principal activities and is recognised when the right to receive the income is established as per the terms of the contract.

i) **Other income**

- **Interest income**
  Interest income from debt instruments is recognised using effective interest rate method (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

- **Dividends**
  Dividends are recognised in the statement of profit and loss only when the right to receive the payment is established, it is probable that the

Notes forming part of the Financial Statements

economic benefits associated with the dividend will flow to the company, and the amount can be measured reliably.

- Any other income is accounted for on accrual basis.

j) **Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset, are expensed in the period in which they are incurred.

k) **Foreign currency transactions and balances**

Transactions in foreign currencies are initially recorded at functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies which are outstanding, as at the reporting period are translated at the closing exchange rates and the resultant exchange differences are recognised in the statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

l) **Employee Benefits**

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, expected cost of bonus and short-term compensated absences, ex-gratia, performance pay etc. are recognised in the period in which the employee renders the related service.

Post-employment benefits

Defined contribution plans

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due.

Defined benefit plans

The employees' gratuity fund scheme is managed by LIC, is the company's defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Remeasurements, 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, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

In case of funded plans, the fair value of the plan's assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement profit and loss as past service cost.

Net interest is calculated by applying the discount rate to the net defined benefit liability or the fair value of the plan asset. The cost is included in employee benefit expense in the statement of profit and loss.

Other long-term employee benefits

The liabilities for earned leave which are not expected to be settled within twelve months after the end of the reporting period in which the employee render the related service. They are therefore measured as the present value of expected future payments to be

Notes forming part of the Financial Statements

made in respect of services provided by employee up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on government securities at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

m) Share-based payments

Employees of the Company who are entitled to receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the grant date using fair valuation model.

That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss represents the movement in cumulative expense recognised as at the beginning and at the end of the period and to be recognised in the employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

n) Research and development cost

Research costs are expensed as and when incurred. Development costs are expensed as and when incurred, unless the technical and commercial feasibility of the project is demonstrated, future economic benefits are probable and the costs can be measured reliably. Research and development expenditure of a capital nature includes the cost of relevant fixed assets.

o) Income tax

Income tax expense comprises of current tax and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to the items recognised directly in OCI.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable profits computed for the current accounting period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised, 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.

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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Notes forming part of the Financial Statements

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised 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 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.

p) Government grant

Grants from the Government are recognized at their fair value where there is a reasonable assurance that the grant will be received, and the Company will comply with all attached conditions. Government grants relating to income are deferred and recognized in the statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

q) Provisions and contingencies

A provision is 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.

When the company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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 in the statement of profit and loss.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised in financial statements, unless they are virtually certain. However, contingent assets are disclosed where inflow of economic benefits are probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

r) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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 company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

- 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 recognised 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.

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

Notes forming part of the Financial Statements

s) **Investment in subsidiaries**

The Company has elected to recognize its investments in subsidiaries at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements.

t) **Financial instruments**

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.

Initial recognition and measurement

Financial instruments are initially recognised when the entity becomes party to the contract.

Financial instruments are measured initially at fair value adjusted for transaction costs that are directly attributable to the origination of the financial instrument where financial instruments not classified at fair value through profit or loss. Transaction costs of financial instruments which are classified as fair value through profit or loss are expensed in the statement of profit and loss.

Subsequent measurement of financial assets

For the purposes of subsequent measurement, the financial assets are classified in the following categories based on the company's business model for managing the financial assets and the contractual terms of cash flows:

- those to be measured subsequently at fair value; either through OCI or through profit or loss
- those measured at amortised cost

For assets measured at fair value, changes in fair value will either be recorded in the statement of profit and loss or OCI. For investments in debt instruments, this will depend on the business model in which investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for equity investment at fair value through OCI.

The company reclassifies debt investments when and only when its business model for managing those assets changes.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are satisfied:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of hedging relationship is recognised in the statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using effective interest rate (EIR) method.

Debt instruments at fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent SPPI, are measured at FVTOCI. The movements in the carrying amount are recognised through OCI, except for the recognition of impairment gains and losses, interest revenue and foreign exchange gain or losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss and recognised in other gains/ losses. Interest income from these financial assets is included in other income using EIR method.

Debt instruments at fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on debt instrument that is subsequently measured at FVTPL and is not a part of hedging relationship is recognised in the statement of profit and loss within other gains/ losses in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments

All equity investments in the scope of Ind AS 109 Financial Instruments are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to recognise subsequent changes in the fair value in OCI. The company makes such election on an

Notes forming part of the Financial Statements

instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of equity instrument.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Subsequent measurement of financial liabilities

For the purposes of subsequent measurement, the financial liabilities are classified in the following categories:

- those to be measured subsequently at fair value through profit or loss (FVTPL)
- those measured at amortised cost

Following financial liabilities will be classified under FVTPL:

- Financial liabilities held for trading
- Derivative financial liabilities
- Liability designated to be measured under FVTPL

All other financial liabilities are classified at amortised cost.

For financial liabilities measured at fair value, changes in fair value will recorded in the statement of profit and loss except for the fair value changes on account of own credit risk are recognised in Other Comprehensive Income (OCI).

Interest expense on financial liabilities classified under amortised cost category are measured using effective interest rate (EIR) method and are recognised in statement of profit or loss.

Derecognition of financial instruments

The company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

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 derecognition 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 and loss.

Impairment of financial assets

The company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial assets mentioned below:

- Financial assets that are debt instrument and are measured at amortised cost
- Financial assets that are debt instruments and are measured as at FVOCI
- Trade receivables

The impairment methodology applied depends on whether there has been a significant increase in credit risk. Details how the company determines whether there has been a significant increase in credit risk is explained in the respective notes.

For impairment of trade receivables, the company chooses to apply practical expedient of providing expected credit loss based on provision matrix and does not require the Company to track changes in credit risk. Percentage of ECL under provision matrix is determined based on historical data as well as futuristic information.

Derivative financial instruments

Initial measurement and subsequent measurement

The company uses derivative financial instruments, such as forward currency contracts to hedge foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are recognised in the statement of profit or loss.

Notes forming part of the Financial Statements

u) **Cash dividend**

The company recognises a liability to make cash distributions to equity holders when the distribution is authorised and approved by the shareholders. A corresponding amount is recognised directly in equity.

v) **Earnings per share (EPS)**

Basic EPS is 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 financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted EPS adjust the figures used in the determination of basic EPS to consider

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

w) **Operating segments**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

x) **Significant accounting judgments, estimates and assumptions**

The preparation of the financial statements in conformity with Ind AS, requires the management to make judgments, estimates and assumptions that affect the amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities, disclosure of the contingent liabilities and notes to accounts at the end of each reporting period. Actuals may differ from these estimates.

Judgements

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

Operating segment

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). 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.

Contingent liability

The Company has received various orders and notices from tax authorities in respect of direct taxes 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 analyses current information about these matters and discloses the information of related contingent liability. In making the decision regarding the need for creating loss provision, management considers the degree of probability of an unfavourable 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.

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 estimates and assumptions on parameters available when the financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market conditions or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Notes forming part of the Financial Statements

Defined benefit obligation

The cost of the defined benefit plans and other post-employment benefits and the present value of the obligations are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future post-retirement medical benefit increase. 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, management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligations and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation.

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

Further details about defined benefit obligations are provided in the respective note prepared elsewhere in the financial statements.

Deferred Tax

Deferred tax assets are recognised for all deductible temporary differences including the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 are unused tax losses can be utilized.

Estimation and underlying assumptions are reviewed on ongoing basis. Revisions to estimates are recognised prospectively.

y) **Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. There are no such recently issued standards or amendments to the existing standards for which the impact on the Financial statements is required to be disclosed.

However, on 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 01, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the financial statements.

  These amendments are extensive, and the Company will evaluate the same to give effect to them as required by law.

Notes forming part of the Financial Statements

3A PROPERTY, PLANT AND EQUIPMENT

Changes in the carrying amount of property, plant and equipment

(` in Lacs)

PARTICULARS	Leasehold land	Freehold land	Buildings (refer note 1)	Factory Equipments	Plant and machinery	Electrical installations	Furniture and fixtures Owned	Computer	Office equiments	Quality control equipment	Motor vehicle	Dies and patterns	Total
Gross carrying amount as at April 01, 2019	**1,265.47**	**1,669.23**	**4,574.80**	**2,348.85**	**35,176.49**	**2,266.51**	**1,905.12**	**389.88**	**639.50**	**532.64**	**359.49**	**7,116.16**	**58,244.14**
Additions/ (Adjustment)	-	191.10	436.92	80.72	3,982.83	129.99	11.01	1.50	25.16	55.11	7.53	1,269.22	6,191.09
Disposal/retirements/ derecognition	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross carrying amount as at March 31, 2020	**1,265.47**	**1,860.33**	**5,011.72**	**2,429.57**	**39,159.32**	**2,396.50**	**1,916.13**	**391.38**	**664.66**	**587.75**	**367.02**	**8,385.38**	**64,435.23**
Accumulated depreciation as at April 01, 2019	**54.79**	**-**	**1,348.83**	**1,373.69**	**15,728.32**	**1,396.75**	**1,004.08**	**351.73**	**377.56**	**348.66**	**243.62**	**3,809.08**	**26,037.11**
Depreciation	13.93		200.28	221.00	2,130.56	111.57	139.05	18.18	46.11	52.79	28.72	740.64	3,702.83
Disposal/retirements/ derecognition	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2020	**68.72**	**-**	**1,549.11**	**1,594.69**	**17,858.88**	**1,508.32**	**1,143.13**	**369.91**	**423.67**	**401.45**	**272.34**	**4,549.72**	**29,739.94**
Carrying amount as at April 01, 2019	**1,210.68**	**1,669.23**	**3,225.97**	**975.16**	**19,448.17**	**869.76**	**901.04**	**38.15**	**261.94**	**183.98**	**115.87**	**3,307.08**	**32,207.03**
Carrying amount as at March 31, 2020	**1,196.75**	**1,860.33**	**3,462.61**	**834.88**	**21,300.44**	**888.18**	**773.00**	**21.47**	**240.99**	**186.30**	**94.68**	**3,835.66**	**34,695.29**
Gross carrying amount as at April 01, 2020	**1,265.47**	**1,860.33**	**5,011.72**	**2,429.57**	**39,159.32**	**2,396.50**	**1,916.13**	**391.38**	**664.66**	**587.75**	**367.02**	**8,385.38**	**64,435.23**
Additions/ (Adjustment)	-	-	16.30	8.62	1,432.97	3.16	-	2.03	16.25	0.26	2.00	1,580.96	3,062.55
Disposal/retirements/ derecognition	-	-	42.63	0.63	268.31	-	0.50	-	-	-	10.35	56.92	379.34
Gross carrying amount as at March 31, 2021	**1,265.47**	**1,860.33**	**4,985.39**	**2,437.56**	**40,323.98**	**2,399.66**	**1,915.63**	**393.41**	**680.91**	**588.01**	**358.67**	**9,909.42**	**67,118.44**
Accumulated depreciation as at April 01, 2020	**68.72**	**-**	**1,549.11**	**1,594.69**	**17,858.88**	**1,508.32**	**1,143.13**	**369.91**	**423.67**	**401.45**	**272.34**	**4,549.72**	**29,739.94**
Depreciation	13.93	-	193.93	186.29	2,573.61	112.83	139.51	13.34	48.89	49.74	25.94	811.09	4,169.10
Disposal/retirements/ derecognition	-	-	42.40	0.65	185.69	-	0.50	-	-	-	9.27	51.70	290.21
Accumulated depreciation as at March 31, 2021	**82.65**	**-**	**1,700.64**	**1,780.33**	**20,246.80**	**1,621.15**	**1,282.14**	**383.25**	**472.56**	**451.19**	**289.01**	**5,309.11**	**33,618.83**
Carrying amount as at April 01, 2020	**1,196.75**	**1,860.33**	**3,462.61**	**834.88**	**21,300.44**	**888.18**	**773.00**	**21.47**	**240.99**	**186.30**	**94.68**	**3,835.66**	**34,695.29**
Carrying amount as at March 31, 2021	**1,182.82**	**1,860.33**	**3,284.75**	**657.23**	**20,077.18**	**778.51**	**633.49**	**10.16**	**208.35**	**136.82**	**69.66**	**4,600.31**	**33,499.61**

Note:

Refer note 16 and 20 for details of property, plant and equipment pledged as security for borrowings.16

Notes forming part of the Financial Statements

3B INVESTMENT PROPERTY

Changes in the carrying amount of Investment property

(₹ in Lacs)

PARTICULARS	Land	Building	Total
Gross carrying amount as at April 01, 2019	**109.80**	**269.08**	**378.88**
Additions	-	-	-
Gross carrying amount as at March 31, 2020	**109.80**	**269.08**	**378.88**
Accumulated depreciation as at April 01, 2019	**-**	**118.60**	**118.60**
Depreciation		9.11	9.11
Accumulated depreciation as at March 31, 2020	**-**	**127.71**	**127.71**
Carrying amount as at April 01, 2018	**109.80**	**150.48**	**260.28**
Carrying amount as at March 31, 2019	**109.80**	**141.37**	**251.17**
Gross carrying amount as at April 01, 2020	**109.80**	**269.08**	**378.88**
Additions	-	-	-
Gross carrying amount as at March 31, 2021	**109.80**	**269.08**	**378.88**
Accumulated depreciation as at April 01, 2021	**-**	**127.71**	**127.71**
Depreciation		9.11	9.11
Accumulated depreciation as at March 31, 2021	**-**	**136.82**	**136.82**
Carrying amount as at April 01, 2020	**109.80**	**141.37**	**251.17**
Carrying amount as at March 31, 2021	**109.80**	**132.26**	**242.06**

Reconciliation of fair value:

(₹ in Lacs)

PARTICULARS	Investment property
Fair value as at April 01, 2019	**527.01**
Fair value difference	0.00
Fair value as at March 31, 2020	**527.01**
Fair value difference	0.00
Fair value as at March 31, 2021	**527.00**

The management is of the opinion that there is no significant change in fair valuation of investment property from previous years. Hence, the company has continued with the same value in the current year. All this fair value for investment properties forms part of Level 3 fair value

These valuations are based on valuations performed by property valuer, an accredited independent valuer. The valuer is a specialist in valuing these types of properties. These valuations are generally based on ready reckoner rates available. All resulting fair value estimates for investment properties are included in Level 3.

The rent received from the investment property is ₹ 180.75 lakhs (Previous year : ₹ 165.35 lakhs).

Notes forming part of the Financial Statements

3C INTANGIBLE ASSETS

Changes in the carrying amount of other intangible assets

(₹ in Lacs)

PARTICULARS	Software	Intangible Asset technical know-how	Total
Gross carrying amount as at April 01, 2019	**702.50**	**-**	**702.50**
Additions	7.70	-	7.70
Disposal/retirements/derecognition	-		-
Gross carrying amount as at March 31, 2020	**710.20**	**-**	**710.20**
Accumulated depreciation as at April 01, 2019	**271.85**	**-**	**271.85**
Depreciation	88.07	-	88.07
Accumulated depreciation as at March 31, 2020	**359.92**	**-**	**359.92**
Carrying amount as at April 01, 2019	**430.65**	**-**	**430.65**
Carrying amount as at March 31, 2020	**350.28**	**-**	**350.28**
Gross carrying amount as at April 01, 2020	**710.20**	**-**	**710.20**
Additions	-	1,071.19	1,071.19
Disposal/retirements/derecognition	143.00	-	143.00
Gross carrying amount as at March 31, 2021	**567.20**	**1,071.19**	**1,638.39**
Accumulated depreciation as at April 01, 2020	**359.92**	**-**	**359.92**
Depreciation	87.83	10.18	98.01
Disposal/retirements/derecognition	143.00	-	143.00
Accumulated depreciation as at March 31, 2021	**304.75**	**10.18**	**314.93**
Carrying amount as at April 01, 2020	**350.28**	**-**	**350.28**
Carrying amount as at March 31, 2021	**262.45**	**1,061.01**	**1,323.46**

3D RIGHT OF USE ASSET

Changes in the carrying amount of Investment property

(₹ in Lacs)

PARTICULARS	Building	Total
Gross carrying amount as at April 01, 2019	**1,463.05**	**1,463.05**
Additions	-	-
Disposal/retirements/derecognition		-
Gross carrying amount as at March 31, 2020	**1,463.05**	**1,463.05**
Accumulated depreciation as at April 01, 2019	**292.39**	**292.39**
Depreciation	293.26	293.26
Disposal/retirements/derecognition		-
Accumulated depreciation as at March 31, 2020	**585.65**	**585.65**
Carrying amount as at April 01, 2019	**1,170.66**	**1,170.66**
Carrying amount as at March 31, 2020	**877.40**	**877.40**
Gross carrying amount as at April 01, 2020	**1,463.05**	**1,463.05**
Additions	-	-
Disposal/retirements/derecognition		-
Gross carrying amount as at March 31, 2021	**1,463.05**	**1,463.05**
Accumulated depreciation as at April 01, 2020	**585.65**	**585.65**
Depreciation	292.47	292.47
Disposal/retirements/derecognition		-
Accumulated depreciation as at March 31, 2021	**878.12**	**878.12**
Carrying amount as at April 01, 2020	**877.40**	**877.40**
Carrying amount as at March 31, 2021	**584.93**	**584.93**

Refer note for further disclosures on leases.

Notes forming part of the Financial Statements

4. NON CURRENT INVESTMENTS

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Non current investments		
Investments in equity instruments of subsidiaries (at cost)		
Alicon Holding GmbH	1131.98	1131.98
1 equity shares (PY 1) of Euro 35,000 each fully paid-up		
Quoted Investments		
Investments in equity instruments of other entities measured at fair value through Other Comprehensive Income		
Bank of Maharashtra	0.19	0.08
900 equity shares (PY 900) of having face value of ₹ 10 each		
Unquoted Investments		
Investments in equity instruments of other entities measured at fair value through Profit and Loss		
Shamrao Vitthal Co-operative bank*	0.50	0.50
2000 equity shares (PY 2000) of ₹ 25 each fully paid-up		
	1,132.67	**1,132.56**
Aggregate book value of quoted investments	0.19	0.08
Aggregate market value of quoted investments	0.19	0.08
Aggregate value of unquoted investments	1132.48	1132.48

*The Company has not performed fair valuation of its investment in unquoted equity shares which are classified as FVTPL, as the Company believes that impact of change on account of fair value is insignificant.

5. LOANS

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Loans and advances to related parties		
Security deposits.	432.55	402.32
Loans and advances other than related parties		
Security deposits	196.71	136.38
	629.26	**538.70**

Note :

(i) Loans are measured at amortised cost

(ii) Refer related party disclosure in note 39.

6. OTHER NON-CURRENT ASSETS

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Capital advances	610.86	453.79
Balances with customs, excise and other government authorities	563.13	523.44
Deposits paid against appeal/ assessment	46.23	46.23
	1,220.22	**1,023.46**

No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

Notes forming part of the Financial Statements

7 INVENTORIES

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(Valued at the lower of cost and net realisable value)		
Finished goods	2,831.75	2,650.33
Semi Finished goods	3,715.05	2,999.17
Raw materials	2,219.84	1,688.64
Consumables & Spare Part	1,125.17	986.33
Packing Material	11.71	10.85
Dies under Development	1,645.65	1,181.83
	11,549.17	**9,517.15**

Finished goods [includes in transit of ₹ 135.45 lakhs (Previous year : ₹ 161.67 lakhs)]

8. TRADE RECEIVABLES

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables (Unsecured) :		
Considered good		
- From others	29,435.54	29,827.92
- From related parties	177.13	14.20
Credit Impaired		
- From others	309.47	214.48
	29,922.14	**30,056.60**
Less: Allowance for Credit Impairment	309.47	214.48
	29,612.67	**29,842.12**

Notes:

(i) Trade receivables from related parties are disclosed in note 39.

(ii) Trade receivables are measured at amortised cost.

(iii) Above balances are subject to confirmation & reconciliation if any .

9 CASH AND CASH EQUIVALENTS

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Cash In hand	50.78	51.61
Balances with banks		
- In current accounts	1,010.19	227.97
	1,060.97	**279.58**

10 BANK BALANCES OTHER THAN (9) ABOVE

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
- Unpaid dividend account	15.64	155.09
Margin money In FDR With remaining maturity of more than 3 months but less than 12 months	407.77	383.92
	423.41	**539.01**

Notes forming part of the Financial Statements

11 LOANS

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
- Loan to employees	109.99	51.27
	109.99	**51.27**

Notes:

(i) Loans are measured at amortised cost.

(ii) No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

12 OTHER CURRENT FINANCIAL ASSETS

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Interest accrued on term deposits	12.23	8.89
	12.23	**8.89**

Notes:

(i) Other current financial assets are measured at amortised cost.

13 OTHER CURRENT ASSETS

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Advance to suppliers	57.93	29.06
Prepaid expenses	155.84	229.21
Balances with statutory authorities	1,271.11	1,925.93
Advance against expenses/others	9.82	605.84
	1,494.70	**2,790.04**

No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

14 SHARE CAPITAL

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised:		
1,60,00,000 (Previous year : 1,60,00,000) equity shares of ₹ 5 each fully paid up	800.00	800.00
	800.00	**800.00**
Issued subscribed and fully paid up:		
1,39,10,121 (Previous year : 1,37,75,121) equity shares of ₹ 5 each fully paid up	695.51	688.76
	695.51	**688.76**

Notes forming part of the Financial Statements

14.1 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	(₹ Lakhs)	Number of shares	(₹ Lakhs)
Equity shares				
At the beginning of the year	13,775,121	688.76	13,640,121	682.01
Add: Shares issued on exercise of employee stock options	135,000	6.75	135,000	6.75
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	**13,910,121**	**695.51**	**13,775,121**	**688.76**

14.2 The Company has only one class of shares referred to as equity shares having a par value of ₹ 5. Each shareholder of equity shares is entitled to one vote per share.

14.3 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive a share in the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

14.4 Number of equity shares held by each shareholder holding more than 5% shares in the Company are as follows:

Name of the shareholders	Number of shares as at March 31, 2021	% of shares held	Number of shares as at March 31, 2020	% of shares held
Nastic Trading LLP	6,762,822	48.62%	6,762,822	49.09%
Shailendra Rai	841,469	6.05%	841,469	6.11%
Enkei Corporation	1,960,000	14.09%	1,960,000	14.23%

15 OTHER EQUITY

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Share application money pending allotment	62.47	-
Securities premium	9,588.49	8,940.69
Employee stock options outstanding reserve	693.46	1,113.89
Captial reserve	411.56	411.56
General reserve	1,240.00	1,240.00
Surplus	18,454.05	19,184.48
Equity instruments through Other comprehensive income	(0.01)	(0.12)
	30,450.01	**30,890.50**

16 BORROWINGS

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Term loans		
- From banks (secured)	10,997.44	8,452.40
- From financial institutions (secured)	5,492.40	4,268.25
Loan From Directors ((Unsecured)	1,500.01	1,582.30
	17,989.85	**14,302.95**
Less : Current maturities of long term borrowing	3,169.12	2,085.37
	14,820.73	**12,217.58**

Notes forming part of the Financial Statements

Notes:

(i) Long-term borrowings include secured term loans at floating interest rates from State Bank of India, Bank of Maharashtra, Bajaj Finance Ltd and IDFC Bank Ltd, Kotak Mahindra Bank and HDFC Bank Ltd. which are repayable through monthly / Quarterly instalments. However documentation related to securitization of ₹ 12500 Lakhs HDFC bank is in process.

Total number of instalments = 726

Number of instalments outstanding as at March 31, 2021 = 460 (PY = 337)

(ii) Loans availed from State Bank of India, Bank of Maharashtra, Kotak Mahindra Bank , Bajaj Finance Ltd and IDFC Bank Ltd are secured by a first parri-passu charge by way of registered mortgage on the existing fixed assets except Land at Khed city. Loan availed from Bajaj Finance Ltd. is secured by exclusive charge on lease land at Khed city. Of these, ₹ 3169.12 Lakhs (PY ₹ 2085.37 Lakhs) are classified as current liabilities being repayable before March 31,2022. In case of HDFC Bank Ltd, creation of first parri-passu charge along with lead bank (i.e. Bank of Maharashtra) and other consortium member banks/financial institution by way of registered mortgage on the existing fixed assets except Land at Khed city are in Process.

(iii) Emergency Credit Line Guarantee Scheme 2.0 (ECLGS)-2 is launched by Government to provide additional liquidity to meet operational liabilities and support the business after unprecedented situation emerging out of COVID – 19 . Under this scheme there will be additional amount will be provided to the Borrower to the extent of 20% of the total Loans outstanding as on 29th Feb 21 .There is 100% Credit Guarantee from National Credit Guarantee Trustee Company Limited (NCGTC) on the additional credit facility and secondary charge on existing primary and collateral securities with the bankers. Under this scheme we have availed ₹ 4602 Lakhs in FY 2020-21 from Existing bank & financial institution. However documentation related to Securitization of the said loan is in process.

(iv) There is no default, continuing or otherwise in repayment of instalment, loan, balance outstanding as the case may be and interest as on the balance sheet date.

(v) Borrowings are measured at amortised cost

Vi The Management expect that loan from director will be paid after 12 month from the date of balance sheet, accordingly classification has been done .

17 OTHER FINANCIAL LIABILITIES

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Lease liability	306.90	569.14
	306.90	**569.14**

Note:

Other financial liabilities are measured at amortised cost.

18 PROVISIONS

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits		
- Gratuity (Refer note 36(2))	613.64	503.81
- Compensated Absences	157.94	194.87
	771.58	**698.68**

Notes forming part of the Financial Statements

19 DEFERRED TAX LIABILTIES (NET)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax liabilities		
- Property ,plant and equipment	3,189.86	3,114.70
- Lease payable	5.52	29.92
-Transaction cost on term loans amortised over the tenure of the loan	14.57	19.32
	3,209.95	**3,163.94**
Deferred tax assets		
- Provision for doubtful debts and advances	108.14	74.95
- Provision allowed on payment basis	323.58	356.71
- Fair valuation of security deposit	23.57	34.14
	455.29	**465.80**
Net deferred tax liability	**2,754.66**	**2,698.14**

Refer note 45 for further disclosures

20 BORROWINGS

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Loans repayable on demand		
Working capital loans (secured)(Refer note (i) below)		
- From banks (secured).	9,120.07	12,260.01
- From financial institutions (secured).	5,500.00	5,500.00
Total Working capital loans	**14,620.07**	**17,760.01**
Liability from bank against Preshipment / PO funding	-	699.07
(unsecured)(Refer note (ii) below)		
	14,620.07	**18,459.08**

Notes:

(i) Short-term borrowings includes cash credit facilities availed from State Bank of India, Kotak Mahindra Bank (Formerly known as ING Vysya Bank), Bank of Maharashtra, IDFC Bank and Bajaj Finance Ltd. These borrowings are secured in favour of all the aforementioned banks by a first parri-passu charge by way of hypothecation of all stocks and receivables and a second parri-passu charge by joint deed of hypothecation on all fixed assets of the Company.

(ii) Unsecured Preshipment loans are availed from Kotak Mahindra Bank for funding purchase orders and working capital demand loan. These loans, are obtained at floating interest rates repayable through weekly instalments.

(iii) There is no default, continuing or otherwise in repayment of instalment, loan, balance outstanding as the case may be and interest as on the balance sheet date.

(iv) Borrowings are measured at amortised cost

Notes forming part of the Financial Statements

21 TRADE PAYABLES

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	637.60	234.47
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Acceptances	2,319.30	340.78
- Others	11,025.77	12,394.29
	13,345.07	**12,394.29**
	13,982.67	**12,628.76**

Notes:

(i) Above trade payable include amount due to related parties of ₹ 1,955.04 lakhs and same has been disclosed in note no 39

(ii) Trade payables are measured at amortised cost.

(iii) Above balances are subject to confirmation & reconciliation if any .

(iv) Dues to Micro and Small Enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act').

The Company has sent MSME confirmation to all the supplier & below disclosed dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') to the extent confirmation received from supplier. The disclosure pursuant to the said MSMED Act are as follows.

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	636.92	224.22
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.68	10.25
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	4.05	4.05

Notes forming part of the Financial Statements

22 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Current maturities of long term debt	3,169.12	2,085.37
Accrued employee costs	592.11	567.56
Lease liability	262.24	222.66
Interest accrued and not due on borrowings	227.29	226.86
Unclaimed dividend	15.64	155.09
Payables in respect of PPE	604.75	592.65
Payables in respect of services	965.40	605.67
Royalty payable	66.37	49.04
Other liabilities	129.58	266.62
	6,032.50	**4,771.52**

Note:

(i) Liabilities are measured at amortised cost.

23 OTHER CURRENT LIABILITIES

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Advances from customers	324.17	56.37
Statutory remittances (net)	575.42	205.17
	899.59	**261.54**

24 PROVISIONS

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits		
- Gratuity (Refer note 36(2))	88.94	89.86
- Compensated Absences	51.31	40.26
	140.25	**130.12**

25 REVENUE FROM OPERATIONS

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of products		
- Finished Goods	67,993.65	73,776.33
- Die Sales	830.11	4,670.43
- Sales traded goods	2,207.01	3,681.76
Other operating revenue		
- Scrap sale	2,028.97	2,942.93
- Export incentive	124.11	549.38
	73,183.85	**85,620.83**

The entire revenue from operations is recognised at point in time and relates to single operating segment i.e. Aluminium castings. Refer note no. 37 for further disclosures.

The information relating to trade receivables from revenue from operations is disclosed in note no. 8.

Notes forming part of the Financial Statements

Details of products sold

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Manufactured goods		
Castings made from aluminum alloys	70,324.77	78,007.47
Dies	830.11	4,670.43
	71,154.88	**82,677.90**
Scrap Sales	2,028.97	2,942.93
Total	**73,183.85**	**85,620.83**

26 OTHER INCOME

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Received	28.94	28.43
Rental income	180.75	165.35
Miscellaneous Income	47.10	57.12
	256.79	**250.90**

27 COST OF MATERIALS CONSUMED

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Inventory of materials at the beginning of the year	2,870.47	1,702.72
Purchases	37,422.53	40,907.93
Purchase of traded goods	2,233.48	3,296.57
Inventory of materials at the end of the year	3,865.49	2,870.47
	38,660.99	**43,036.75**

28 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
At the beginning of the year		
Finished Goods	2,650.33	4,841.58
Work-in-progress	2,999.17	3,477.99
	5,649.50	**8,319.57**
At the end of the year		
Finished Goods	2,831.75	2,650.33
Work-in-progress	3,715.05	2,999.17
	6,546.80	**5,649.50**
	(897.30)	**2,670.07**

The figures of purchases have been arrived by deducting the closing stock from the quantity/value of opening stock as increased by the consumption during the year.

Notes forming part of the Financial Statements

29 EMPLOYEE BENEFITS EXPENSE

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, wages and bonus	9,322.67	9,971.74
Contributions to Provident and other Funds	293.93	352.88
Gratuity and leave encashment	192.66	145.27
Employee share based payments expenses (refer note 41)	244.94	125.13
Employee Welfare Expenses	611.96	797.05
	10,666.16	**11,392.07**

30 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation on property, plant and equipment (refer note 3A)	4,179.06	3,793.07
Depreciation on Investment property, (refer note 3B)	9.11	9.11
Amortization of intangible assets (refer note 3C)	87.83	-
Depreciation on Right-of-use of asset (refer note 3D)	292.47	293.27
	4,568.47	**4,095.45**

31 FINANCE COSTS

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on term loan & working capital (Refer note i)	3,315.64	3,636.04
Other borrowing costs	66.68	119.87
Unwinding of interest on lease liability	69.06	90.42
	3,451.38	**3,846.33**

Note

(i) Includes amount of ₹ 13.61 lacs (Previous year : ₹ 8.10 lacs) pertaining to amortisation of transaction cost

32 OTHER EXPENSES

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Manufacturing Expenses		
Consumption of stores and spares	3,906.95	4,077.90
Power and fuel	5,105.16	6,051.74
Processing charges	3,522.26	3,194.37
Repairs to Machinery	133.17	256.53
Repairs Maintenance -Others	139.99	292.89
Other Manufacturing Expenses	693.60	841.84
	13,501.13	**14,715.27**

Notes forming part of the Financial Statements

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Administrative Expenses		
Legal and Professional charges	550.71	590.13
Payment to Auditor's (refer note 35 I)	30.00	27.60
Rent	394.77	433.17
Corporate Social Responcibility Expenses (refer note 35 II)	106.68	102.50
Other Administrative Expenses	1,191.16	618.06
	2,273.32	**1,771.46**
Selling and Distribution Expenses		
Selling and distribution expenses	1,768.10	1,859.44
	1,768.10	**1,859.44**
	17,542.55	**18,346.17**

33 FINANCIAL INSTRUMENTS

33.1 Financial Instruments by category

The carrying value of financial instruments by categories as on March 31, 2021 are as follows:

(₹ in Lacs)

Particulars	Amortised cost	FVTPL	FVTOCI	Total carrying value
Assets				
Investments in equity instruments	-	0.50	0.19	0.69
Trade receivables	29,612.67	-	-	29,612.67
Cash and cash equivalents	1,060.97	-	-	1,060.97
Other balances with banks	423.41	-	-	423.41
Loans	739.25	-	-	739.25
Other financial assets	12.23	-	-	12.23
Total Assets	**31,848.53**	**0.50**	**0.19**	**31,849.22**
Liabilities				
Borrowings	29,440.80			29,440.80
Trade payables	13,982.67			13,982.67
Other financial liabilities	6,339.40	-		6,339.40
Total Liabilities	**49,762.87**	**-**	**-**	**49,762.87**

The carrying value of financial instruments by categories as on March 31, 2020 are as follows:

(₹ in Lacs)

Particulars	Amortised cost	FVTPL	FVTOCI	Total carrying value
Assets				
Investments in equity instruments	-	0.50	0.08	0.58
Trade receivables	29,842.12	-	-	29,842.12
Cash and cash equivalents	279.58	-	-	279.58
Other balances with banks	539.01	-	-	539.01
Loans	589.97	-	-	589.97
Other financial assets	8.89	-	-	8.89
Total Assets	**31,259.57**	**0.50**	**0.08**	**31,260.15**
Liabilities				
Borrowings	30,676.66	-	-	30,676.66
Trade payables	12,628.76	-	-	12,628.76
Other financial liabilities	5,340.66	-	-	5,340.66
Total Liabilities	**48,646.08**	**-**	**-**	**48,646.08**

Notes forming part of the Financial Statements

33.2 Fair value hierarchy

Financial assets and liabilities include cash and cash equivalents, other balances with banks, trade receivables, loans, other financial assets, trade payables and other financial liabilities whose fair values approximate their carrying amounts largely due to the short term nature of such assets and liabilities.

The following table presents fair value hierarchy of assets and liabilities measured at fair value as on March 31, 2021:

Particulars	As at March 31, 2021	Fair value measurement as at		
		Level 1	Level 2	Level 3
Investments in shares of Bank of Maharashtra	0.19	0.19	-	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value as on March 31, 2020:

Particulars	As at March 31, 2020	Fair value measurement as at		
		Level 1	Level 2	Level 3
Investments in shares of Bank of Maharashtra	0.08	0.08	-	-

Valuation technique and significant unobservable inputs:

Level 2:

(i) Derivative financial assets are valued based on inputs that are directly or indirectly observable in the market.

Significant increase in discount rates and spreads above risk free rate, in isolation would result in lower fair values. A significant increase in volatility in revenue growth rates will result in higher fair value.

Fair value of financial assets and financial liabilities measured at amortised cost :

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 receivables, loans and others excluding other derivative assets) and current financial liabilities (e.g. trade payables and other payables excluding derivative liabilities) approximate their carrying amounts.

The Company has not performed fair valuation of its investment in unquoted equity shares as mentioned in note no. 4 which are classified as FVTPL, as the Company believes that impact of change on account of fair value is insignificant.

33.3 Financial risk management

The Company's activities exposes it to market risks, credit risks and liquidity risks. The Company's management have overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risks are reviewed regularly to reflect changes in market conditions and the company's activities. Derivatives are used for hedging of foreign currency loan and not as a trading or speculative purposes.

The Company has exposure to the following risks arising from financial instruments :

a. Credit risk

Credit risk is the risk of financial losses to the Company if a customer or counterparty to financial instruments fails to discharge its contractual obligations. It arises primarily from the Company's receivables from customers. To manage this, the Company periodically assesses the key accounts receivable balances. As per Ind-AS 109 : Financial Instruments, the Company uses expected credit loss model to assess the impairment loss or gain.

The carrying amount of trade and other receivables and other financial assets represents the maximum credit exposure.

i. Trade receivables

The management has established accounts receivable policy under which customer accounts are regularly monitored. The Company has a dedicated sales team which is responsible for collecting dues from the customer within stipulated period. The management reviews status of critical accounts on a regular basis.

Notes forming part of the Financial Statements

Trade receivables that were not impaired

Particulars	Carrying amount	
	March 31, 2021	March 31, 2020
Less Than 180 days	29,303.20	29,627.64
More than 180 days	309.47	214.48
Total	**29,612.67**	**29,842.12**

Movement in allowance For Credit Impairment

Particulars	₹ Lakhs
At April 01, 2019	**203.18**
Provided during the year	20.00
Amount written off / written back	(8.70)
At March 31, 2020	**214.48**
Provided during the year	272.30
Amount written off / written back	(177.30)
At March 31, 2021	**309.47**

ii. Financial instruments and Cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with Company's policy. Company monitors rating, credit spreads and financial strength of its counter parties. Based on ongoing assessment Company adjust it's exposure to various counterparties.

b. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has a view of maintaining liquidity and to take minimum possible risk for which company monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

The liquidity position at each reporting date is given below:

(₹ in Lacs)

Particulars	March 31, 2021	March 31, 2021
Cash and cash equivalents	1,060.97	279.58
Other balances with banks	423.41	539.01
Total	**1,484.38**	**818.59**

The following are the remaining contractual maturities of financial liabilities as on March 31, 2021.

Particulars	Repayable on demand	Less than one year	More than one year	Total
Borrowings	14,620.07	3,169.12	14,820.73	32,609.92
Trade payables	-	13,982.67	-	13,982.67
Other financial liabilities	15.64	2,847.74	306.90	3,170.28

The following are the remaining contractual maturities of financial liabilities as on March 31, 2020.

Particulars	Repayable on demand	Less than one year	More than one year	Total
Borrowings	18,459.08	2,085.37	12,217.58	32,762.03
Trade payables	-	12,628.76	-	12,628.76
Other financial liabilities	155.09	2,531.06	569.14	3,255.29

Notes forming part of the Financial Statements

c. Market risk

Market risk is a risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Market risk comprises three types of risk interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include borrowings, trade and other payables, foreign exchange forward contracts, security deposit, trade and other receivables and deposits with banks.

i. Foreign currency risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. Company transacts business in its functional currency (INR) and in other foreign currencies. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, where revenue or expense is denominated in a foreign currency. The Company manages its foreign currency risk by hedging foreign currency denominated loan using foreign currency forward contracts .The Company negotiates the terms of those foreign currency forward contracts to match the terms of the hedged exposure.

The following foreign currency exposures have not been hedged by derivative instruments at the Balance Sheet date:

Nature of exposure	Amount in foreign currency		Equivalent amount in ₹	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
USD				
Trade payables	0.56	0.39	41.98	28.80
Payable for PPE	3.43	0.01	251.87	0.48
Trade receivables	60.44	77.09	4,326.71	5,390.49
Cash and bank balance	0.02	0.01	1.57	0.91
Net liabilities / (assets)	**(56.47)**	**(76.70)**	**(4,034.43)**	**(5,362.11)**
EUR				
Trade payables	(2.97)	0.01	(253.58)	1.57
Payable for PPE	2.39	2.56	174.22	189.51
Trade receivables	7.58	5.19	632.17	402.51
Cash and bank balance	0.02	0.01	1.54	1.24
Net liabilities / (assets)	**(8.19)**	**(2.63)**	**(713.06)**	**(212.67)**
JPY				
Trade payables	(225.13)	41.31	(149.34)	24.24
Payable for PPE	-	-	-	-
Cash and bank balance	1.68	1.68	1.12	1.14
Net liabilities / (assets)	**(226.81)**	**39.63**	**(150.46)**	**23.11**
GBP				
Trade payables	0.04	0.00	4.26	0.15
Trade receivables	(1.79)	2.84	(162.51)	261.52
Cash and bank balance	0.00	0.00	0.06	0.01
Net liabilities / (assets)	**1.83**	**(2.84)**	**166.72**	**(261.38)**

Notes forming part of the Financial Statements

Foreign currency sensitivity on unhedged exposure

Financial Year	Foreign currency	Change in foreign currency rates	Effect on profit before tax	Effect on pre-tax equity
For March 31, 2021	USD	+5%	201.72	201.72
		-5%	(201.72)	(201.72)
	EUR	+5%	35.65	35.65
		-5%	(35.65)	(35.65)
	JPY	+5%	7.52	7.52
		-5%	(7.52)	(7.52)
	GBP	+5%	(8.34)	(8.34)
		-5%	8.34	8.34
For March 31, 2020	USD	+5%	268.11	268.11
		-5%	(268.11)	(268.11)
	EUR	+5%	10.63	10.63
		-5%	(10.63)	(10.63)
	JPY	+5%	(1.16)	(1.16)
		-5%	1.16	1.16
	GBP	+5%	13.07	13.07
		-5%	(13.07)	(13.07)

Details of foreign currency loan that are hedged by derivative instruments or otherwise:

Particulars	Currency	Amount in foreign currency	Equivalent ₹	Maturity Profile	Fair Value in Balance Sheet
As at March 31, 2021	**USD**	-	-	NA	-
As at March 31, 2020	USD	-	-	NA	-

ii. Interest rate risk

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. At the reporting date the interest rate profile of the Company's interest bearing financial instruments are follows:

(₹ in Lacs)

Particulars	March 31, 2021	March 31, 2020
Variable rate instruments		
Borrowings	32,609.92	32,762.03

Interest rate sensitivity on variable rate instruments

(₹ in Lacs)

Particulars	March 31, 2021	March 31, 2020
Impact on profit before tax or pre-tax equity		
Increase by 50 basis points	(164.00)	(164.00)
Decrease by 50 basis points	164.00	164.00

34 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 March 31, 2021 and March 31, 2020.

Notes forming part of the Financial Statements

35 I AUDITOR'S REMUNERATION

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Statutory Audit	20.00	16.50
Limited Review	4.00	4.00
Consolidation Audit	5.00	5.00
Certifications	1.00	1.00
Out of pocket expenses	-	0.63
Total	**30.00**	**27.13**

II DETAILS OF CSR EXPENDITURE : -

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Gross Amount To be spend during the year	100.39	107.33
Amount spend during the year	105.22	102.50

During the Year F Y 2020 -21, The Company has disbursed an amount of ₹ 100.39 Lacs towards CSR obligation for F Y 20-21 to implemented agency Bansuri Foundation. An amount of ₹ 4.83 Lacs from obligation for FY 19-20 also disbursed in May, 2020 to Bansuri Foundation. During this year due to Covid crisis, all community development & education projects came to a standstill. However some funds were diverted to covid relief and other development activities. Hence, In the F Y 2020 -21, ₹ 31.28 Lacs has been spent towards CSR activities. An unutilized balance of ₹ 73.94 Lacs is available with Bansuri Foundation as on March 31, 2021, which will be completely utilized in FY 21-22.

36 DETAILS OF EMPLOYEE BENEFITS AS REQUIRED BY IND-AS 19 - "EMPLOYEE BENEFITS ARE AS UNDER":

1 Defined contribution plan - Provident fund and other funds

The group has recognized following amounts in the profit & loss account for the year:

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Contribution to employee provident fund and other funds	293.93	352.88
Total	**293.93**	**352.88**

2 Defined benefit plan

i) The defined benefit plan comprises gratuity, which is funded.

ii) Actuarial gains and losses in respect of defined benefit plans are recognized in the Other Comprehensive Income (OCI).

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Gratuity is a benefit to an employee in India based on 15 days last drawn salary for each completed year of service with a vesting period of five years.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk and interest rate risk.

Change in present value of defined benefit obligation

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Present value of defined benefit obligation at the beginning of the year	**1,008.70**	**948.49**
Current service cost	89.87	93.12
Interest cost	64.76	66.43
Actuarial loss / (Gain) recognised in other comprehensive income		
a) changes in financial assumptions	37.53	53.04
b) changes in demographic assumptions	5.70	(0.50)
c) experience adjustments	(41.80)	(47.75)
Past service cost		
Benefits paid	(113.04)	(104.13)
Present value of defined benefit obligation at the end of the year	**1,051.72**	**1,008.70**

Notes forming part of the Financial Statements

Change in the fair value of plan assets

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Fair Value of plan assets at the beginning of the period	**415.04**	**440.25**
Interest Income	27.44	32.03
Return on plan assets, excluding interest income	(2.32)	(1.32)
Contribution by the employer	22.00	48.21
Benefit paid from the fund	(113.04)	(104.13)
Fair Value of plan assets at the end of the period	**349.12**	**415.04**

Analysis of defined benefit obligation

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Present value of obligation as at the end of the year	**(1,051.72)**	**(1,008.70)**
Fair Value of Plan Assets at the end of the Period	349.12	415.04
Net asset (liability) recognized in the Balance Sheet	**(702.60)**	**(593.66)**
Bifurcation of liability as per Schedule III		
Current Liability	88.94	89.87
Non-Current Liability	613.66	503.81
Net (asset) / liability recognized in the Balance Sheet	**702.60**	**593.68**

Components of employer expenses/remeasurement recognized in the statement of Profit and Loss

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Current service cost	89.87	93.12
Net Interest Cost	37.32	34.40
Past Service Cost	-	-
Expenses recognized in the Statement of Profit and Loss	127.19	127.52

Components of employer expenses/remeasurement recognized in the Other Comprehensive Income (OCI)

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Actuarial loss / (gain)	1.43	4.79
Return on plan assets, Excluding interest income	2.32	1.32
Net (income)/expense recognized in the OCI	**3.75**	**6.11**

Analysis of defined benefit obligation

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Net opening provision in books of accounts	593.67	508.25
Employee Benefit Expense	127.19	127.52
Amounts recognized in Other Comprehensive Income	3.75	6.11
Contribution by the employer	(22.00)	(48.21)
Net (asset) / liability recognized in the Balance Sheet	**702.60**	**593.67**

Composition of the plan assets

Particulars	FY 2020-21	FY 2019-20
Policy of insurance	100.00%	100.00%
Total	**100.00%**	**100.00%**

Notes forming part of the Financial Statements

Actuarial Assumptions:

Particulars	FY 2020-21	FY 2019-20
Discount rate	6.35%	6.80%
Salary Escalation	5.50%	5.50%

Withdrawal rates per annum

Particulars	FY 2020-21	FY 2019-20
- 25 years and below	5.00%	5.00%
- 26 to 35 years	4.00%	4.00%
- 35 to 45 years	6.00%	6.00%
- 46 to 55 years	2.00%	2.00%
- 56 years and above	1.00%	1.00%

a. The discount rate is based on prevailing yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligation.

b. Salary Escalation Rate: The estimates of future salary increases takes into account the inflation, seniority, promotion and other relevant factors.

c. Assumptions regarding future mortality rates are the rates as given under Indian Assured Lives Mortality (2006-08) Ultimate.

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Projected benefit obligation on current assumptions

(₹ in Lacs)

Particulars	FY 2020-21		FY 2019-20	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5 % movement)	1,010.16	1,096.47	967.47	1,053.06
Future salary growth (0.5 % movement)	1,094.26	1,011.37	1,050.37	968.88
Attrition rate (1 % movement)	1,054.07	1,049.22	1,012.18	1,004.82

Maturity profile of defined benefit plan

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Projected benefits payable in future years from the date of reporting		
1st Following year	207.37	112.90
2nd Following year	59.48	73.20
3rd Following year	81.49	84.37
4th Following year	68.54	102.85
5th Following year	45.63	59.71
Sum of years 6 to 10	386.22	427.44

Notes forming part of the Financial Statements

Weighted average assumptions used to determine net periodic benefit cost

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Number of active members	816.00	875.00
Per month salary cost for active members	183.42	190.49
Average monthly salary (₹)	22,478.00	21,771.00
Average age (years)	39.12	38.24
Weighted average duration of the projected benefit obligation (years)	10.88	10.36
Average expected future service (years)	18.91	20.15
Average outstanding term of the obligations (Years)	8.67	9.68
Prescribed contribution for next year (12 Months)	88.93	89.86

37 SEGMENT INFORMATION

The Company's operating business predominantly relates to manufacture of Aluminium Castings thereof and hence the Company has considered "Aluminium Castings" as the single reportable segment.

Revenue bifurcation based on geographical areas

Particulars	As at March 31, 2021	As at March 31, 2020
Domestic sales	65,037.16	72,235.23
Export sales	5,993.61	9,893.29
	71,030.77	**82,128.52**

38 NET DEBT RECONCILIATION

Position of net debt

Particulars	As at March 31, 2021	As at March 31, 2020
Borrowings		
Non-current borrowings	14,820.73	12,217.58
Current borrowings	14,620.07	18,459.08
Current maturities of long term loans	3,169.12	2,085.37
Less		
Cash and cash equivalents	1,060.97	279.58
Net debt	**31,548.95**	**32,482.45**

Movement in net debt

Particulars	As at March 31, 2021	As at March 31, 2020
Opening net debt	32,482.45	28,118.51
Cash flows	(933.50)	4,363.94
Foreign exchange adjustment	-	-
Opening interest accrued but not due	226.86	69.51
Closing interest accrued but not due	(227.29)	(226.86)
Interest expense	3,315.64	3,636.04
Interest paid	(3,315.21)	(3,478.69)
Closing net debt	**31,548.95**	**32,482.45**

Notes forming part of the Financial Statements

39 RELATED PARTY DISCLOSURES

A. Relationship between the related parties:

Relationship	Name of related party
Subsidiary	Alicon Holding - GmbH
Step Down Subsidiary	Illichmann Castalloy - GmbH
Step Down Subsidiary	Illichmann Castalloy - sro
Group company	Atlas Castalloy Limited*

* Enterprise where the director has significant influence.

B. List of Key Management Personnel and their relatives:

Key Management Personnel (KMP)	Shailendrajit Rai	Managing Director
	Rajeev Sikand	Chief Executive Officer (CEO)
	Vimal Gupta	Chief Financial Officer (CFO)
	Swapnal Patane	Company Secretary
	Pamela Rai	Non-Executive Director
	Anil D Harolikar	Independent Director
	Vinay Punjabi	Independent Director
	Ajay Nanawati	Independent Director
	Veena Mankar	Independent Director
	Junichi Suzuki	Non-Executive Director
Relatives of KMP	Preeti Gupta	Relative of CFO

C. Transactions with related parties :

(₹ in Lacs)

No.	Aggregate of transaction	FY 2020-21		FY 2019-20	
		Group company	Subsidiaries	Group company	Subsidiaries
1	Sales	74.15	38.70	3.00	22.64
2	Purchases	1,575.35	25.37	1,864.36	0.00
3	Expenses charged to the company	2,292.32	13.97	2,440.84	
4	Expenses charged by the company	362.34	251.08	125.92	28.95
5	Balance of investment (includes share application) in subsidiary at the year end	-	1,131.98	-	1,131.98
6	PPE purchased (net)	1,796.81	-	1,279.82	14.20
7	Amount receivable at the end of the year	500.00	237.53	500.00	-
8	Amount payable at the end of the year	1,955.04	414.67	2,141.51	-

D. Transaction with related party of Key Managerial Personnel:

(₹ in Lacs)

No.	Particulars	FY 2020-21	FY 2019-20
1	Rent paid	1.14	2.28

Notes forming part of the Financial Statements

E. **Compensation to key management personnel:**

(₹ in Lacs)

No.	Aggregate of transaction	FY 2020-21	FY 2019-20
1	Short term employee benefits	237.77	285.88
2	Post-employment benefits	4.98	5.25
3	Commission	12.61	178.71
4	Share based payments	385.38	506.25
5	Sitting Fees	9.45	13.60
	Total	**650.19**	**989.69**

F **Other Transaction with Key Management Personnel:**

(₹ in Lacs)

No.	Aggregate of transaction	FY 2020-21	FY 2019-20
1	Loan From Director	1,582.30	1,500.00
2	Interest on Loan From Director	131.52	82.30
3	Loan payable at the end of the year	1,500.00	1,582.30

Note:

As the post-employment benefits is provided on an actuarial basis for the Company as a whole, the amount pertaining to key management personnel is not ascertainable and therefore not included above. The amount included above is the contribution made by company.

40 LEASE TRANSACTIONS

Lease liabilities included in the balance sheet

(₹ in Lacs)

Particulars	March 31, 2021	March 31, 2020
Current	262.24	222.66
Non-current	306.90	569.14
Total	**569.14**	**791.80**

Amounts recognised in the statement of profit and loss

(₹ in Lacs)

Particulars	March 31, 2021	March 31, 2020
Depreciation on right-of-use assets	292.47	293.27
Interest on Lease Liabilities	69.06	90.42
Expenses relating to short-term leases	100.05	433.17
Total	**461.58**	**816.86**

Contractual cashflows - lease liabilities

(₹ in Lacs)

Particulars	March 31, 2021	March 31, 2020
- Not later than one year	262.24	291.72
- later than one year and not later than five years	306.90	627.93
- Later than five years	-	-
Total	**569.14**	**919.65**

Notes forming part of the Financial Statements

41 STOCK OPTION PLANS

1 Employee Stock Option Plan – 2015

This Scheme shall be called the "Alicon Castalloy Limited – Employee Stock Option Scheme 2015 (ESOS 2015)".

The objective of the ESOS 2015 is to reward the Employees of the Company for their performance and to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this Scheme to retain talent in the organization. The Company views Employee Stock Options as instruments that would enable the Employees to share the value they create for the Company and align individual objectives of employees with objectives of the Company in the years to come.

The Shareholders in their meeting held on December 30, 2015 have resolved to authorize the Board to issue to the Employees of the Company, not more than 6,12,800 (Six Lakh Twelve Thousand Eight Hundred Only) Employee Stock Options under ESOS 2015 exercisable Equity Shares of face value of ₹ 5/- each fully paid up, being not more than 5% of the Issued Equity Share Capital of the Company as on March 31, 2015, to be issued and allotted by the Company (hereinafter referred as "Primary Shares"), in one or more tranches, with each such Option conferring a right upon the Employees to apply for one Equity Share in the Company, in accordance with the terms and conditions of ESOS 2015. The ESOS 2015 shall be administered by the Compensation Committee.

The Employee Stock Options granted may be exercised by the Option grantee at any time within a period of one year from the date of Vesting of the respective Stock Options or such other period as may be decided by the Compensation Committee from time to time. The shares issued upon exercise of options shall be freely transferable and will not be subject to any lock - in period after such exercise provided.

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Aggregate of transaction	FY 2020-21		FY 2019-20	
	No. of shares	Weighted average exercise price	No. of shares	Weighted average exercise price
Options outstanding at the beginning of the year	130,948	124	261,201	124
Granted during the year	-	-	-	-
Forfeited / surrendered during the year	-	-	13,556	-
Exercised during the year	50,378	-	-	-
Lapsed during the year	78,570	124	116,697	124
Options outstanding at the end of year	2,000	124	130,948	124
Options exercisable at the end of the year	-	124	52,378	124
Weighted average remaining contractual life	2.34 years		4.54 years	

The weighted average market price of the options exercised under Employees Stock Option Scheme -2015 on the date of exercise was ₹ 424.25/- (Previous year - ₹ Nil).

No options are granted in the current year and previous year.

The expected price volatility is based on the historic volatility, adjusted for any changes to future volatility due to publicly available information.

The Company has not recorded any expenses regarding the options granted under ESOP 2015 scheme during the year. However, The Company recorded an net reversal of employee compensation cost of ₹ 381.20 lakhs in the previous Financial year on account of lapse of options and other estimates.

Notes forming part of the Financial Statements

2 **Employee Stock Option Plan– 2017**

This Scheme shall be called the "Alicon Castalloy Limited – Employee Stock Option Scheme 2017 ("ESOS 2017" or "Scheme").

The objective of the ESOS 2017 is to reward the Employees of the Company for their performance and to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this Scheme to retain talent in the organization. The Company views Employee Stock Options as instruments that would enable the Employees to share the value they create for the Company and align individual objectives of employees with objectives of the Company in the years to come.

The Shareholders by way of special resolution dated June 08, 2017 have authorized the Nomination and Remuneration Committee to grant not exceeding 6,75,000 (Six lacs seventy five Thousand only) Options to the Employees under the ESOS 2017, in one or more tranches, exercisable into not more than 6,75,000 (Six lacs seventy five Thousand only) Shares of face value of ₹ 5 (Rupees five) each fully paid-up, with each such Option conferring a right upon the Employee to apply for one Share of the Company, in accordance with the terms and conditions as may be decided under the ESOS 2017

Options granted under ESOS 2017 would Vest after 1 (one) year but not later than 4 (four) years from the date of grant of such Options

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Aggregate of transaction	FY 2020-21		FY 2019-20	
	No. of shares	Weighted average exercise price	No. of shares	Weighted average exercise price
Options outstanding at the beginning of the year	270,000	5	405,000	5
Granted during the year	-	-	-	-
Forfeited / surrendered during the year	-	-	-	-
Exercised during the year	135,000	5	135,000	5
Lapsed during the year	-	-	-	-
Options outstanding at the end of year	135,000	5	270,000	5
Options exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life	1.34 years		1.84 years	

The weighted average market price of the options exercised under Employees Stock Option Scheme -2017 on the date of exercise was ₹ 281.50/- (Previous year - ₹ 379.30).

No options granted in the current year and previous year under this scheme

The expected price volatility is based on the historic volatility, adjusted for any changes to future volatility due to publicly available information.

The Company recorded an employee compensation cost of ₹ 244.94 lakhs (Previous year ₹ 506.33 lakhs) in the Statement of Profit and Loss.

Notes forming part of the Financial Statements

42 RESEARCH AND DEVELOPMENT

The Company has separate in-house research & development set-up which is involved in new product development, new process development etc. The details of R&D expenditure are as under:

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Capital expenditure	-	-
Revenue expenditure	-	425.15
Total R&D expenditure	**-**	**425.15**

43 BASIC AND DILUTED EARNINGS PER SHARE

(₹ in Lacs)

Particulars		FY 2020-21	FY 2019-20
Nominal value per equity share	₹	5.00	5.00
Profit for the year	₹ in lakhs	(746.14)	1,683.45
Weighted average number of basic equity shares	No. of shares	13,855,973	13,721,861
Effect of diluted shares	No. of shares	-	195,239
Weighted average number of diluted equity shares*	No. of shares	13,855,973	13,917,100
Earnings per share - Basic	No. of shares	(5.38)	12.27
Earnings per share - Diluted*	₹	(5.38)	12.10

* Effect of diluted shares is anti-dilutive due to loss incurred in the current year.

44 DISCLOSURE OF CAPITAL COMMITMENT & CONTINGENT LIABILITIES

1. Capital commitment

(₹ in Lacs)

Sr. No.	Aggregate of transaction	March 31, 2021	March 31, 2020
1	Estimated amount of contracts remaining to be executed on capital account	967.17	1,617.46
	Total	**967.17**	**1,617.46**

2. Contingent liabilities not provided for:

(₹ in Lacs)

No.	Aggregate of transaction	FY 2020-21	FY 2019-20
1	Stand by Letters of credit issued by Against forgein obligation related to subsidiary/Import	3,539.02	2,906.74
2	Performance and financial guarantees issued by the banks	781.82	748.60
4	Interest On Customs and related duties paid under protest for non fulfilment of export obligation	1,222.49	1,222.49
5	Assessment dues of VAT & CST	2,185.28	553.73
6	Pending cases in local civil court	688.32	459.09
7	Income Tax Assesment	1.92	-

Notes forming part of the Financial Statements

45 INCOME TAXES

The income tax expense consists of following:

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Tax expense		
Current tax	-	540.03
Short/ (Excess) of earlier years	136.70	(29.54)
MAT credit entitlement	-	(122.41)
Deferred tax (benefit) / charge	57.83	413.36
Total tax expense	**194.53**	**801.44**
Other comprehensive income		
Remeasurements gains and losses on post employment benefits	(1.31)	(2.14)
Income tax expense reported in the statement of other comprehensive income	**(1.31)**	**(2.14)**

The deferred tax relates to origination/reversal of temporary differences.

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows:

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Profit before tax	(551.61)	2,484.89
Indian statutory income tax rate	34.94%	34.94%
Expected tax expense	(193.00)	869.00
Tax Effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Effect of tax on earlier years	136.70	(29.54)
Tax rate difference on book profit as per Minimum Alternate Tax	-	(332.86)
Tax expenses accounted as no effect of Timing differences on MAT liability	-	290.95
Effect of weighted deductions, exemptions and deductions	46.65	-
Effect of deferred tax not recognised	204.18	-
Others (net)	-	3.88
Total tax expense	**194.53**	**801.43**

Deferred Tax

Item wise movement in deferred tax expense recognised in profit or loss / OCI

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
- Property, plant and equipment	75.16	458.13
- Unwinding of enkei payable	-	
- Leases	(24.40)	29.92
- Transaction cost on term loans amortised over the tenure of the loan	(4.75)	16.74
- Provision for doubtful debts and advances	(33.19)	(3.95)
- Provision allowed on payment basis	33.13	(93.79)
- Fair valuation of security deposit	10.57	(34.14)
Total expenses	**56.52**	**372.91**

Notes forming part of the Financial Statements

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
- Recognised in Profit or Loss	57.83	413.36
- Recognised in Other Comprehensive Income	(1.31)	(2.14)
- Recognised in retained earnings on adoption of leases	-	(38.31)
	56.52	**372.91**

The gross movement in the deferred tax for the year ended March 31, 2021 and March 31, 2020 is as follows:

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Net deferred tax liability (asset) at the beginning	**2,698.13**	**2,325.22**
(Credits) / charge relating to temporary differences	57.83	413.36
Temporary differences on other comprehensive income	(1.31)	(2.14)
Recognised in retained earnings on adoption of leases	-	(38.31)
Net deferred income tax liability (asset) at the end	**2,754.65**	**2,698.13**

As per our report of even date attached

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn No: 105215W/W100057

Parag Pansare
Partner
Membership No. 117309

Place: Pune
Date: April 30, 2021

On behalf of the Board of Directors of **Alicon Castalloy Ltd.**

S. Rai
Chairman & Managing Director
DIN: 00050950

Rajeev Sikand
Chief Executive Officer

Vimal Gupta
Chief Financial Officer

Swapnal Patane
Company Secretary

Independent Auditor's Report on Consolidated Financial Statements

To the Members of
Alicon Castalloy Limited

REPORT ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Consolidated financial statements of Alicon Castalloy Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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 consolidated state of affairs of the Company as at March 31, 2021, of consolidated loss (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Property, Plant & Equipment** Valuation and existence of property, plant and equipment including assessment of useful lives and residual values Property, plant and equipment represents a significant proportion of the Company's asset base. The estimates and assumptions made to determine the carrying amounts, including whether and when to capitalize or expense certain costs, and the determination of depreciation charges are material to the Group's financial position and performance. The charges in respect of periodic depreciation are derived after estimating an asset's expected useful life and the expected residual value. Changes to asset's carrying amounts, expected useful lives or residual value could result in a material impact on the consolidated financial statements and hence considered as key audit matter.	Our audit approach consisted evaluation of design and implementation of controls, and testing the operating effectiveness of the internal controls over valuation of property, plant and equipment and review of useful lives; Periodic physical verification of property, plant and equipment: • Review of CAPEX business process, flow of documents/ information and their control's effectiveness • Substantive Tests on random sampling for all the major additions, deletions to the assets by applying all the characteristics of capital expenditure, proper classification of the same, with reference to the Holding Company's policy and accounting standards • We performed substantive testing for the determination of assets' useful lives and residual values with reference to management's judgments, including the appropriateness of past / existing asset lives and residual values applied in the calculation of depreciation. We also obtain certificates relating to useful lives of assets where, required.

Sr. No.	Key Audit Matter	Auditor's Response
		• We have reviewed the policy and the procedure of physical verification of PPE. • As a result of the above procedures, we did not identify any exceptions in relation to the Valuation and existence of property, plant and equipment including assessment of useful lives and residual values which will affect our opinion.
2	**Contingent Liability** The Holding Company is involved in indirect tax and other civil court litigations that are pending with various tax authorities. Whether a liability is recognized or disclosed as a contingent liability in the consolidated financial statements is inherently judgmental and dependent on assumptions and assessments. We placed specific focus on the judgements in respect to these demands against the Group. Determining the amount, if any, to be recognized or disclosed in the consolidated financial statements, is inherently subjective. Therefore, these litigations amount is considered to be a key audit matter.	Our procedures included, but were not limited to, the following: • Obtained an understanding from the management with respect to process and controls followed by the Company for identification and monitoring of significant developments in relation to the litigations, including completeness thereof. • Obtained the list of litigations from the management and reviewed their assessment of the likelihood of outflow of economic resources being probable, possible or remote in respect of the litigations. • Assessed management's discussions held with their legal consultants and understanding precedents in similar cases; • Obtained and evaluated the managements representation from the company's internal dedicated team and consultant opinion wherever required representing the Company before the various authorities. Assessed and validated the adequacy and appropriateness of the disclosures made by the management in the financial statements.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding 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 Consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (Including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

  Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

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

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

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

OTHER MATTER

We did not audit the financial statements and other financial information, in respect of subsidiaries, whose financial statements include total assets of ₹ 5,224.61 lakhs as at March 31, 2021, and total revenue of ₹ 11,702.11 lakhs, net profit (including other comprehensive income) ₹ 638.69 lakhs and net cash outflows amounting to ₹ 390.88 lakhs for the year ended on that date respectively, as considered in the consolidated financial statements. These unaudited financial statements have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements/information. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on financial statements and other financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been so far as it appears from our examination of those books and reports of other auditors.

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

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

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

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

   i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 44 to the Consolidated financial statements.

   ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

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

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Registration No.105215W/W100057

Parag Pansare
Partner
Membership No.: 117309
UDIN: 21117309AAAAHZ8390

Pune, April 30, 2021

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Alicon Castalloy Limited of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (I) OF SUB- SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of ALICON CASTALLOY LIMITED ("the Holding Company") as of March 31, 2021 in conjunction with our audit of the Consolidated financial statements of the Holding Company and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Holding Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India and the Holding Company's internal financial controls over financial reporting were operating effectively as of March 31, 2021.

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Registration No.105215W/W100057

Parag Pansare
Partner
Membership No.: 117309
UDIN: 21117309AAAAHZ8390

Pune, April 30, 2021

Consolidated Balance Sheet

as at March 31, 2021

(₹ in Lacs)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
Non-current assets			
Property, plant and equipment	3A	34,435.36	35,529.83
Capital work-in-progress		2,116.93	1,631.55
Investment property	3B	242.06	251.17
Intangible assets	3C	1,327.34	358.14
Intangible assets Under development		659.77	715.60
Right-of-use of asset	3D	584.93	877.40
Financial assets			
Investments	4	0.69	0.58
Loans	5	633.57	549.32
Income tax assets (net)		796.64	865.03
Other non-current assets	6	1,220.22	929.35
		42,017.51	**41,707.97**
Current assets			
Inventories	7	12,549.84	10,596.69
Financial assets			
Trade receivables	8	32,330.26	33,826.96
Cash and cash equivalents	9	1,549.57	377.30
Bank Balances other than Above (9)	10	423.41	539.01
Loans	11	109.99	51.27
Other financial assets	12	12.23	8.89
Other current assets	13	1,706.27	3,033.22
		48,681.57	**48,433.34**
TOTAL ASSETS		**90,699.08**	**90,141.31**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	695.51	688.77
Other equity	15	31,002.21	30,804.57
		31,697.72	**31,493.34**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	14,820.73	12,217.58
Other financial liabilities	17	306.90	569.14
Provisions	18	771.58	698.68
Deferred tax liability (net)	19	2,754.66	2,698.14
		18,653.87	**16,183.54**
Current liabilities			
Financial liabilities			
Borrowings	20	16,849.99	21,349.35
Trade payables	21		
Due to micro and small enterprises		637.61	234.47
Due to other than micro and small enterprises		15,002.86	14,951.03
Other financial liabilities	22	6,470.66	5,273.78
Other current liabilities	23	1,185.79	455.50
Provisions	24	200.58	200.30
		40,347.49	**42,464.43**
TOTAL EQUITY AND LIABILITIES		**90,699.08**	**90,141.31**
Significant accounting policies	1 - 2		
Notes referred to above form an integral part of the standalone financial statements	3 - 47		

As per our report of even date attached

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn No: 105215W/W100057

Parag Pansare
Partner
Membership No. 117309

Place: Pune
Date: April 30, 2021

On behalf of the Board of Directors of **Alicon Castalloy Ltd.**

S. Rai
Chairman & Managing Director
DIN: 00050950

Rajeev Sikand
Chief Executive Officer

Vimal Gupta
Chief Financial Officer

Swapnal Patane
Company Secretary

Consolidated Statement of Profit and Loss
for the year ended March 31, 2021

(₹ in Lacs)

Particulars	Note	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue from operations	25	84,857.02	95,719.32
Other income	26	285.73	278.74
Total income		**85,142.75**	**95,998.06**
Expenses			
Cost of materials consumed	27	39,818.52	43,025.22
Purchase of stock-in-trade		2,233.48	3,296.57
Changes in inventories of finished goods, Stock-in-Trade and work-in-progress	28	(770.33)	2,443.77
Employee benefit expense	29	13,504.08	14,303.93
Depreciation and amortization expense	30	4,879.16	4,402.74
Finance costs	31	3,613.95	3,934.39
Other expenses	32	21,755.70	22,059.70
Total expenses		**85,034.56**	**93,466.32**
Profit before tax		**108.19**	**2,531.74**
Tax expense	45		
Current tax		106.16	566.99
Deferred tax (benefit)/charge		57.83	413.36
MAT credit entitlement		-	(122.41)
Short/ (Excess) of earlier years (including MAT Credit)		136.70	(29.54)
Total tax expense		**300.69**	**828.40**
Profit for the year		**(192.50)**	**1,703.34**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		(3.74)	(6.12)
Net (loss) or gain on FVTOCI assets		0.11	(0.05)
Income tax on items that will not be reclassified to profit or loss		1.31	2.14
Exchange differences in translating the financial statements of foreign operations		85.05	(62.16)
Total other comprehensive income		**82.73**	**(66.19)**
Total comprehensive income for the year		**(109.77)**	**1,637.15**
Earnings per equity share for continuing operations (face value per share ₹ 5 each)			
Basic	43	(1.39)	12.41
Diluted	43	(1.39)	12.24
Significant accounting policies	1 - 2		
Notes referred to above form an integral part of the standalone financial statements	3 - 47		

As per our report of even date attached

On behalf of the Board of Directors of **Alicon Castalloy Ltd.**

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn No: 105215W/W100057

Parag Pansare
Partner
Membership No. 117309

S. Rai
Chairman & Managing Director
DIN: 00050950

Rajeev Sikand
Chief Executive Officer

Place: Pune
Date: April 30, 2021

Vimal Gupta
Chief Financial Officer

Swapnal Patane
Company Secretary

Consolidated Cash Flow Statement
for the year ended March 31, 2021

(₹ in Lacs)

Particulars		For the year ended March 31, 2021	For the year ended March 31, 2020
A.	**Cash flow from operating activities**		
	Net Profit / (Loss) before extraordinary items and tax	108.19	2,531.74
	Adjustments for:		
	Depreciation and amortisation	4,586.69	4,314.67
	Employee stock compensation cost	244.94	125.13
	Interest income	(28.95)	(28.63)
	Rent received	(180.75)	(165.35)
	Provision for doubtful trade and other receivables	272.30	20.00
	Amount written off during the year	(195.45)	(4.86)
	Finance cost	3,544.89	3,843.97
	Unrealised foreign exchange gain or loss	(55.38)	(433.94)
	Exchange difference in translating the financial statemnet of foreign oprations	85.05	(62.16)
	Impact on account of adoption of leases	69.81	(282.87)
		8,343.15	**7,325.96**
	Operating profit / (loss) before working capital changes	**8,451.34**	**9,857.70**
	Changes in working capital:		
	(Increase) / Decrease in inventories	(1,953.15)	1,370.59
	(Increase) / Decrease in trade receivables	1,500.02	581.64
	(Increase) / Decrease in other bank balances	115.60	(111.25)
	(Increase) / Decrease in current loans	(58.72)	(21.66)
	(Increase) / Decrease in other current financial asset	(3.34)	2.19
	(Increase) / Decrease in other current assets	1,326.95	(817.94)
	(Increase) / Decrease in non-current loans	(84.25)	114.38
	(Increase) / Decrease in other non-current assets	(290.87)	223.71
	Increase / (Decrease) in trade payables	430.18	(3,301.92)
	Increase / (Decrease) in current other financial liabilities	1,157.30	(714.91)
	Increase / (Decrease) in other current liabilities	730.29	(538.56)
	Increase / (Decrease)in short-term provision	72.90	80.63
	Increase / (Decrease)in long-term provision	(3.46)	46.15
	Cash generated from operations	**11,390.79**	**6,770.75**
	Net income tax (paid) / refunds	(174.47)	(1,062.98)
	Net cash flow from / (used in) operating activities	**11,216.32**	**5,707.77**
B.	**Cash flow from investing activities**		
	Capital expenditure on property plant and equipment	(3,824.84)	(6,776.45)
	Capital expenditure on intangibles asset	(1,057.02)	(201.99)
	Interest received	28.95	28.63
	Rent received	180.75	165.35
	Net cash flow from / (used in) investing activities	**(4,672.16)**	**(6,784.46)**

Consolidated Cash Flow Statement

for the year ended March 31, 2021

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
C. Cash flow from financing activities		
Finance costs	(3,544.89)	(3,843.97)
Borrowings / (Repayment) (Net) long term	2,603.15	5,208.03
Borrowings / (Repayment) (Net) short term	(4,499.36)	298.90
Dividends	-	(682.96)
Dividend distribution tax	-	(140.23)
Interim dividend	-	(173.00)
Dividend distribution tax On Interim Dividend	-	(35.40)
Proceeds from issue of equity shares	6.74	6.76
Premium on issue of shares under ESOP scheme	-	(0.11)
Share application money pending allotment	62.47	-
Net cash flow from / (used in) financing activities	**(5,371.89)**	**638.02**
Net increase / (decrease) in Cash and cash equivalents	**1,172.27**	**(438.67)**
Cash and cash equivalents at the beginning of the year	377.30	815.97
Foreign exchange fluctuation		
Cash and cash equivalents at the end of the year	**1,549.57**	**377.30**
Components of cash and cash equivalents		
Cash on hand	53.73	54.50
Balances with banks in current accounts	1,495.84	322.80
	1,549.57	**377.30**
Significant accounting policies		**1 - 2**
Notes referred to above form an integral part of the standalone financial statements		**3 - 47**

As per our report of even date attached

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn No: 105215W/W100057

Parag Pansare
Partner
Membership No. 117309

Place: Pune
Date: April 30, 2021

On behalf of the Board of Directors of **Alicon Castalloy Ltd.**

S. Rai
Chairman & Managing Director
DIN: 00050950

Rajeev Sikand
Chief Executive Officer

Vimal Gupta
Chief Financial Officer

Swapnal Patane
Company Secretary

Consolidated Statement of Changes in Equity

for the year ended March 31, 2021

(₹ in Lacs)

A	**Equity share capital**	
	Balance as at April 01, 2019	682.01
	Changes in equity share capital during 19-20	6.76
	Balance as at March 31, 2020	**688.77**
	Changes in equity share capital during 2020-21	6.74
	Balance as at March 31, 2021	**695.51**

B Other equity

(₹ in Lacs)

PARTICULARS	Share application money pending allotment	Surplus						Equity instruments through Other comprehensive income	Total
		Securities premium	Employee stock options outstanding (ESOP)	Captial reserve	General reserve	Surplus	Exchange diffrance intranslation the financial statement of foreign Oprations		
Restated balance as on April 01, 2019	**-**	**8,283.01**	**1,646.53**	**411.55**	**1,240.00**	**18,305.90**	**187.13**	**(0.13)**	**30,073.99**
Profit for the year	-	-	-	-	-	1,703.34			1,703.34
Other comprehensive income (net of tax)	-	-	-	-	-	(3.98)	(62.16)	(0.05)	(66.19)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**1,699.36**	**(62.16)**	**(0.05)**	**1,637.15**
Transactions with owners recognised directly in equity									
Dividends	-	-	-	-	-	(682.97)		-	(682.96)
Dividend distribution tax	-	-	-	-	-	(140.23)		-	(140.23)
Interim dividend	-	-	-	-	-	(173.00)		-	(173.00)
Dividend distribution tax On Interim Dividend	-	-	-	-	-	(35.40)		-	(35.40)
Share based payments to employees	-	-	125.13	-	-	-		-	125.13
Premium on issue of shares under ESOP scheme	-	657.68	(657.79)	-	-	-		-	(0.11)
Changes during the year	-	-	-	-	-	-		-	-
Balance as on March 31, 2020	**-**	**8,940.69**	**1,113.87**	**411.55**	**1,240.00**	**18,973.66**	**124.97**	**(0.18)**	**30,804.57**
Profit for the year	-	-	-	-	-	(192.50)			(192.50)
Other comprehensive income (net of tax)	-	-	-	-	-	(2.43)	85.05	0.11	82.73
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**(194.93)**	**85.05**	**0.11**	**(109.77)**
Transactions with owners recognised directly in equity									

Consolidated Statement of Changes in Equity

for the year ended March 31, 2021

(₹ in Lacs)

PARTICULARS	Share application money pending allotment	Surplus						Equity instruments through Other comprehensive income	Total
		Securities premium	Employee stock options outstanding (ESOP)	Captial reserve	General reserve	Surplus	Exchange diffrance intranslation the financial statement of foreign Oprations		
Transfer to reserve on lapse of vested options	-	-	(17.57)	-	-	18.14	-	-	0.57
Share based payments to employees	-	-	244.94	-	-	-	-	-	244.94
Premium on issue of shares under ESOP scheme	-	647.80	(648.37)	-	-	-	-	-	(0.57)
Options exercised but pending allotment	62.47	-	-	-	-	-	-	-	62.47
Changes during the year	-	-	-	-	-	-	-	-	-
Balance as on March 31, 2021	**62.47**	**9,588.49**	**692.88**	**411.55**	**1,240.00**	**18,796.87**	**210.02**	**(0.07)**	**31,002.21**

1. Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of the Companies Act 2013.
2. ESOP reserve is used to recognise the grant date fair value of options issued to employees under the Employee stock option plan which are unvested as on the reporting date.
3. General reserve is created from time to time by way of transfer profits from surplus for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.
4. Capital reserve was created on acquisition of casting business of Atlas Castalloy in year 2014-15.
5. Equity Instruments through Other Comprehensive Income - This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed of.
6. Exchange differences in translating the financial statement of foreign operations Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. INR) are recognised directly in the Other Comprehensive Income and accumulated in Foreign Currency Translation Reserve. Exchange difference previously accumulated in the Foreign Currency Translation Reserve are reclassified to profit or loss on the disposal of the foreign operation.

Significant accounting policies	1 - 2
Notes referred to above form an integral part of the standalone financial statements	3 - 47

As per our report of even date attached

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn No: 105215W/W100057

Parag Pansare
Partner
Membership No. 117309

Place: Pune
Date: April 30, 2021

On behalf of the Board of Directors of **Alicon Castalloy Ltd.**

S. Rai
Chairman & Managing Director
DIN: 00050950

Rajeev Sikand
Chief Executive Officer

Vimal Gupta
Chief Financial Officer

Swapnal Patane
Company Secretary

Notes forming part of the Consolidated Financial Statements

THE CORPORATE OVERVIEW

Alicon Castalloy Limited ("the Company") is a public limited company domiciled in India and is listed on Bombay Stock Exchange and National Stock Exchange. The Company is the manufacturer of aluminium alloy die castings mainly used in automotive segment of the industry in India. The Company' s products also cover non-auto sector of the Industry. The Company also exports its products to the countries like U.S.A. and U.K.

The consolidated financial statements comprise the financial statements of the company and its subsidiaries (together referred to as "the group").

1. BASIS OF PREPARATION

The financial statements of the group have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") [the Companies (Indian Accounting Standards) Rules, 2015, as amended] and other relevant provisions of the Act.

The consolidated financial statements were authorised for issue by the Board of Directors on 30 April 2021.

a) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following items, which are measured on an alternative basis on each reporting date.

- Certain financial assets and liabilities (including derivative instruments) are measured at fair value.
- Defined benefit plans – plan assets are measured at fair value.
- Equity settled share-based payments – measured at grant date fair value.

b) Current versus non-current classification

The group presents assets and liabilities in the balance sheet based on current and non-current classification.

An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of 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
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

  The group classifies all other liabilities as non-current.

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

c) Principles of consolidation

The consolidated financial statements comprise the financial statements of the company and its subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

  Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

Notes forming part of the Consolidated Financial Statements

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the holding company.

In preparing the consolidated financial statements, the Group has used the following key consolidation procedures:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the holding company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of assets and liabilities recognised in the consolidated financial statements at the acquisition date.

- Offset (eliminate) the carrying amount of the holding company's investment in each subsidiary and the holding company's portion of equity of each subsidiary. Business combinations policy explains accounting for any related goodwill.

- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group. Profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full. However, intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 -Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

d) **Functional and presentation currency**:

The financial statements are presented in Indian Rupees (INR), which is the company's functional currency. All amounts disclosed in the Financial Statements including notes have been rounded off to the nearest lakhs in Indian Rupee (INR) as per the requirements of Schedule III of the Companies Act, 2013; unless otherwise indicated.

2. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) **Property, plant and equipment**

- **Recognition and measurement**

  Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost comprises of purchase price and any directly attributable costs of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

  Borrowing costs attributable to construction or acquisition of a qualifying asset for the period up to the date, the asset is ready for its intended use are included in the cost of the asset to which they relate.

  Pre-operative expenditure including trial run expenses comprising of revenue expenses incurred as reduced by the revenue generated during the period up to the date, the asset is ready for its intended use are treated as part of zcosts of that asset.

  Capital work-in-progress comprises of the cost of property, plant and equipment that are not yet ready for their intended use as at the balance sheet date.

  Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date are disclosed under "Other non-current assets".

- **Subsequent costs**

  The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss as incurred.

- **Derecognition**

  An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from

Notes forming part of the Consolidated Financial Statements

disposal with the carrying amount of property, plant and equipment, and are recognised net and disclosed within other income or expenses in the statement of profit and loss.

- **Depreciation methods, estimated useful lives and residual value**

  Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognised in the statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment as prescribed in Schedule II of the Companies Act 2013, as assessed by the management of the group based on technical evaluation except in the case of following assets:

Description	Useful life considered
Plant & Machinery – Furnace	10 years
Plant & Machinery – Platform	18 years
Plant & Machinery – CNC/LPDC/GDC	10 years
Other Plant &Machinery	Between 3 to 15 years
Buildings	3,5 &30 years
Computers – desktops, laptops	3 years
Electrical Installation and Equipment	Between 3 to 15 years
Factory Equipment	Between 3 to 15 years
Furniture & Fixure	5 & 7 years
Office Equipment	3, 5, 7 & 10 years
Dies & Pattern	7 years

  Freehold land is not depreciated.

b) Intangible assets

- **Recognition and measurement**

  Intangible assets are recognised when the asset is identifiable, is within the control of the group, it is probable that the future economic benefits that are attributable to the asset will flow to the group and cost of the asset can be reliably measured.

  Intangible assets acquired by the group that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

- **Derecognition**

  An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal of intangible asset are determined by comparing the proceeds from disposal with the carrying amount of intangible asset and are recognised net and disclosed within other income or expenses in the statement of profit and loss.

- **Amortisation**

  Amortisation is calculated over the cost of the asset, or other amount substituted for cost. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

  The estimated useful lives are as follows:

Computer and functional software	7 years

c) 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 loss, 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 Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.

d) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether

Notes forming part of the Consolidated Financial Statements

a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified.
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
- the Group has the right to operate the asset; or
- the Group designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Group as a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments.
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Notes forming part of the Consolidated Financial Statements

e) **Impairment of non-financial assets**

The Group assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the group estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

f) **Inventories**

Raw materials, consumables, stores and spares are valued at lower of cost and net realisable value. Cost is determined using weighted average method.

Work-in-process and finished goods are valued at lower of cost and net realisable value. Cost includes direct material and labour and a proportion of manufacturing overhead based on normal operating capacity.

Net realisable 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.

g) **Cash and cash equivalents**

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

h) **Revenue recognition**

The Group is primarily into selling of aluminum castings. Sales are recognised when substantial control of the products has been transferred to the customer, being when the products are delivered to the customer or its authorised representative and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated discounts, rebates, returns and goods and service tax. The Group's obligation to provide a refund for defects in the products is recognised as a provision. A receivable is recognised 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.

The Group does not expect to have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceeds one year. Accordingly, the group does not adjust any of the transaction prices for the time value of money.

The Group besides manufacturing the products from its raw materials, also converts raw materials supplied by its customers and accounts for the gross receipts as 'conversion income' once the job is completed and goods are dispatched to the customers. Income from development of such dies is accounted for in the year in which dies are completed and invoiced.

Other operating revenue represents income earned from the Group's principal activities and is recognised when the right to receive the income is established as per the terms of the contract.

i) **Other income**

- **Interest income**

  Interest income from debt instruments is recognised using effective interest rate method (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

- **Dividends**

  Dividends are recognised in the statement of profit and loss only when the right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the group, and the amount can be measured reliably.

- **Any other income are accounted for on accrual basis.**

j) **Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset, are expensed in the period in which they are incurred.

Notes forming part of the Consolidated Financial Statements

k) **Foreign currency transactions and balances**

Transactions in foreign currencies are initially recorded at functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies which are outstanding, as at the reporting period are translated at the closing exchange rates and the resultant exchange differences are recognised in the statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to the statement of profit and loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

l) **Employee Benefits**

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, expected cost of bonus and short-term compensated absences, ex-gratia, performance pay etc. are recognised in the period in which the employee renders the related service.

Post-employment benefits

Defined contribution plans

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees. The group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due.

Defined benefit plans

The employees' gratuity fund scheme is managed by a LIC, is the group's defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Remeasurements, 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, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

In case of funded plans, the fair value of the plan's assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

Notes forming part of the Consolidated Financial Statements

Net interest is calculated by applying the discount rate to the net defined benefit liability or the fair value of the plan asset. The cost is included in employee benefit expense in the statement of profit and loss.

Other long-term employee benefits

The liabilities for earned leave which are not expected to be settled within twelve months after the end of the reporting period in which the employee render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employee up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

m) Share-based payments

Employees of the Group who are entitled to receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the grant date using fair valuation model.

That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss represents the movement in cumulative expense recognised as at the beginning and at the end of the period and to be recognised in the employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

n) Research and development cost

Research costs are expensed as and when incurred. Development costs are expensed as and when incurred, unless the technical and commercial feasibility of the project is demonstrated, future economic benefits are probable and the costs can be measured reliably. Research and development expenditure of a capital nature includes the cost of relevant fixed assets.

o) Income tax

Income tax expense comprises of current tax and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to the items recognised directly in OCI.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable profits computed for the current accounting period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised, 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.

Notes forming part of the Consolidated Financial Statements

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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised 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 realised 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 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.

p) Government grant

Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants relating to income are deferred and recognised in the statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

q) Provisions and contingencies

A provision is recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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 in the statement of profit and loss.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised in financial statements, unless they are virtually certain. However, contingent assets are disclosed where inflow of economic benefits are probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

r) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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 Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

- 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 recognised in the financial statements on a recurring basis, the group determines whether transfers have occurred between

Notes forming part of the Consolidated Financial Statements

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.

For the purpose of fair value disclosures, the group has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

s) Financial instruments

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.

Initial recognition and measurement

Financial instruments are initially recognised when the entity becomes party to the contract.

Financial instruments are measured initially at fair value adjusted for transaction costs that are directly attributable to the origination of the financial instrument where financial instruments not classified at fair value through profit or loss. Transaction costs of financial instruments which are classified as fair value through profit or loss are expensed in the statement of profit and loss.

Subsequent measurement of financial assets

For the purposes of subsequent measurement, the financial assets are classified in the following categories based on the group's business model for managing the financial assets and the contractual terms of cash flows:

- those to be measured subsequently at fair value; either through OCI or through profit or loss
- those measured at amortised cost

For assets measured at fair value, changes in fair value will either be recorded in the statement of profit and loss or OCI. For investments in debt instruments, this will depend on the business model in which investment is held. For investments in equity instruments, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for equity investment at fair value through OCI.

The group reclassifies debt investments when and only when its business model for managing those assets changes.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are satisfied:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of hedging relationship is recognised in the statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using effective interest rate (EIR) method.

Debt instruments at fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent SPPI, are measured at FVTOCI. The movements in the carrying amount are recognised through OCI, except for the recognition of impairment gains and losses, interest revenue and foreign exchange gain or losses which are recognised in the statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss and recognised in other gains/ losses. Interest income from these financial assets is included in other income using EIR method.

Debt instruments at fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on debt instrument that is subsequently measured at FVTPL and is not a part of hedging relationship is recognised in the statement of profit and loss within other gains/ losses in the period in which it arises. Interest income from these financial assets is included in other income.

Equity investments

All equity investments in the scope of Ind AS 109 Financial Instruments are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity

Notes forming part of the Consolidated Financial Statements

instruments, the group may make an irrevocable election to recognise subsequent changes in the fair value in OCI. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of equity instrument.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Subsequent measurement of financial liabilities

For the purposes of subsequent measurement, the financial liabilities are classified in the following categories:

- those to be measured subsequently at fair value through profit or loss (FVTPL)
- those measured at amortised cost

Following financial liabilities will be classified under FVTPL:

- Financial liabilities held for trading
- Derivative financial liabilities
- Liability designated to be measured under FVTPL

All other financial liabilities are classified at amortised cost.

For financial liabilities measured at fair value, changes in fair value will recorded in the statement of profit and loss except for the fair value changes on account of own credit risk are recognised in Other Comprehensive Income (OCI).

Interest expense on financial liabilities classified under amortised cost category are measured using effective interest rate (EIR) method and are recognised in statement of profit and loss.

Derecognition of financial instruments

The group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the group neither transfers nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

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 derecognition 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 and loss.

Impairment of financial assets

The group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial assets mentioned below:

- Financial assets that are debt instrument and are measured at amortised cost
- Financial assets that are debt instruments and are measured as at FVOCI
- Trade receivables

The impairment methodology applied depends on whether there has been a significant increase in credit risk. Details how the group determines whether there has been a significant increase in credit risk is explained in the respective notes.

For impairment of trade receivables, the group chooses to apply practical expedient of providing expected credit loss based on provision matrix and does not require the Group to track changes in credit risk. Percentage of ECL under provision matrix is determined based on historical data as well as futuristic information.

Derivative financial instruments

Initial measurement and subsequent measurement

The group uses derivative financial instruments, such as forward currency contracts to hedge foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising

Notes forming part of the Consolidated Financial Statements

from changes in the fair value of derivatives are recognised in statement of profit and loss.

t) Cash dividend

The group recognises a liability to make cash distributions to equity holders when the distribution is authorised and approved by the shareholders. A corresponding amount is recognised directly in equity.

u) Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the group by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted EPS adjust the figures used in the determination of basic EPS to consider

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

v) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

w) Significant accounting judgments, estimates and assumptions

The preparation of the financial statements in conformity with Ind AS, requires the management to make judgments, estimates and assumptions that affect the amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities, disclosure of the contingent liabilities and notes to accounts at the end of each reporting period. Actuals may differ from these estimates.

Judgements

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

Operating segment

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 Group has determined that the Chief Operating Decision Maker (CODM) is the Board of Directors (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.

Contingent liability

The Group has received various orders and notices from tax authorities in respect of direct taxes 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 analyses current information about these matters and discloses the information of related contingent liability. In making the decision regarding the need for creating loss provision, management considers the degree of probability of an unfavourable 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 Group or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

Estimates and assumptions

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

Notes forming part of the Consolidated Financial Statements

Defined benefit obligation

The cost of the defined benefit plans and other post-employment benefits and the present value of the obligations are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future post-retirement medical benefit increase. 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, management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligations and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation.

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

Further details about defined benefit obligations are provided in the respective note prepared elsewhere in the financial statements.

Deferred Tax

Deferred tax assets are recognised for all deductible temporary differences including the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 are unused tax losses can be utilised.

Estimation and underlying assumptions are reviewed on ongoing basis. Revisions to estimates are recognised prospectively.

x) **Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as amended from time to time. There are no such recently issued standards or amendments to the existing standards for which the impact on the Financial statements is required to be disclosed.

However, on 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 01, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the financial statements.

These amendments are extensive, and the Group will evaluate the same to give effect to them as required by law.

Notes forming part of the Consolidated Financial Statements

3A PROPERTY, PLANT AND EQUIPMENT

Changes in the carrying amount of property, plant and equipment

(₹ in Lacs)

PARTICULARS	Leasehold land	Freehold land	Buildings (refer note 1)	Factory Equip-ments	Plant and machinery	Electrical install-ations	Furniture and fixtures	Computer	Office equim-ents	Quality control equipment	Motor vehicle	Dies and patterns	Asset taken on lease	Total
Gross carrying amount as at April 01, 2020	**1,265.47**	**1,669.23**	**4,616.74**	**2,937.97**	**36,321.14**	**2,273.33**	**1,955.37**	**497.79**	**770.72**	**574.94**	**563.95**	**7,174.35**	**528.23**	**61,149.23**
Additions/ (Adjustment)	-	191.10	436.92	192.76	3,977.09	129.99	11.63	1.64	25.28	103.28	7.53	1,333.38	32.82	6,443.42
Translation Adjustment			2.89	46.61	78.70	0.47	3.48	2.61	8.31	5.52	6.75	7.47	34.32	197.13
Disposal/retirements/ derecognition														-
Gross carrying amount as at March 31, 2020	**1,265.47**	**1,860.33**	**5,056.55**	**3,177.34**	**40,376.93**	**2,403.79**	**1,970.48**	**502.04**	**804.31**	**683.74**	**578.23**	**8,515.20**	**595.37**	**67,789.78**
Accumulated depreciation as at April 01, 2020	**54.79**	**-**	**1,363.45**	**1,866.55**	**16,396.85**	**1,402.95**	**1,047.78**	**448.48**	**467.89**	**390.78**	**410.20**	**3,842.61**	**453.77**	**28,146.10**
Depreciation	13.93		204.27	282.97	2,255.74	112.22	144.79	24.36	63.56	59.49	40.56	758.06	46.35	4,006.30
Translation Adjustment			1.21	27.83	21.54	0.45	3.31	2.16	6.43	3.08	4.98	2.83	33.73	107.55
Disposal/retirements/ derecognition														-
Accumulated depreciation as at March 31, 2020	**68.72**	**-**	**1,568.93**	**2,177.35**	**18,674.13**	**1,515.62**	**1,195.88**	**475.00**	**537.88**	**453.35**	**455.74**	**4,603.50**	**533.85**	**32,259.95**
Carrying amount as at April 01, 2020	**1,210.68**	**1,669.23**	**3,253.29**	**1,071.42**	**19,924.29**	**870.38**	**907.59**	**49.31**	**302.83**	**184.16**	**153.75**	**3,331.74**	**74.46**	**33,003.13**
Carrying amount as at March 31, 2021	**1,196.75**	**1,860.33**	**3,487.62**	**999.99**	**21,702.80**	**888.17**	**774.60**	**27.04**	**266.43**	**230.39**	**122.49**	**3,911.70**	**61.52**	**35,529.83**
Gross carrying amount as at April 01, 2020	**1,265.47**	**1,860.33**	**5,056.55**	**3,177.34**	**40,376.93**	**2,403.79**	**1,970.48**	**502.04**	**804.31**	**683.74**	**578.23**	**8,515.20**	**595.37**	**67,789.78**
Additions/ (Adjustment)	-	-	27.13	112.45	1,613.68	3.16	-	3.78	16.25	7.72	2.00	1,617.36	-	3,403.53
Translation Adjustment			1.57	7.14	5.97	0.27	(1.64)	(43.02)	(3.71)	0.78	(48.24)	(1.61)	21.86	(60.64)
Disposal/retirements/ derecognition	-	-	42.63	0.63	268.31	-	0.50	-	-	-	10.35	56.92	-	379.34
Gross carrying amount as at March 31, 2021	**1,265.47**	**1,860.33**	**5,042.63**	**3,296.30**	**41,728.27**	**2,407.22**	**1,968.34**	**462.80**	**816.85**	**692.23**	**521.64**	**10,074.03**	**617.23**	**70,753.34**
Accumulated depreciation as at April 01, 2020	**68.72**	**-**	**1,568.93**	**2,177.35**	**18,674.13**	**1,515.62**	**1,195.88**	**475.00**	**537.88**	**453.35**	**455.79**	**4,603.50**	**533.85**	**32,260.00**
Depreciation	13.93	-	198.40	254.98	2,684.38	112.83	141.14	18.63	61.22	63.57	40.75	865.43	20.01	4,475.28
Translation Adjustment			0.70	(14.57)	(26.25)	0.27	(1.71)	(43.39)	(4.82)	(1.00)	(51.21)	(4.73)	19.63	(127.09)
Disposal/retirements/ derecognition	-	-	42.40	0.65	185.69	-	0.50	-	-	-	9.27	51.70		290.21
Accumulated depreciation as at March 31, 2021	**82.65**	**-**	**1,725.63**	**2,417.11**	**21,146.57**	**1,628.72**	**1,334.81**	**450.24**	**594.27**	**515.92**	**436.07**	**5,412.50**	**573.49**	**36,317.98**
Carrying amount as at April 01, 2020	**1,196.75**	**1,860.33**	**3,487.62**	**999.99**	**21,702.80**	**888.17**	**774.60**	**27.04**	**266.43**	**230.39**	**122.44**	**3,911.70**	**61.52**	**35,529.78**
Carrying amount as at March 31, 2021	**1,182.82**	**1,860.33**	**3,317.00**	**879.19**	**20,581.70**	**778.50**	**633.53**	**12.57**	**222.57**	**176.31**	**85.57**	**4,661.53**	**43.74**	**34,435.36**

Note:

Refer note 16 and 20 for details of property, plant and equipment pledged as security for borrowings.

*Lease assets in Europe are grouped under Fixed Assets as per there applicable Accounting Standard.

Notes forming part of the Consolidated Financial Statements

3B INVESTMENT PROPERTY

Changes in the carrying amount of Investment property

(₹ in Lacs)

PARTICULARS	Land	Building	Total
Gross carrying amount as at April 01, 2019	**109.80**	**269.08**	**378.88**
Additions	-	-	-
Gross carrying amount as at March 31, 2020	**109.80**	**269.08**	**378.88**
Accumulated depreciation as at April 01, 2019	**-**	**118.60**	**118.60**
Depreciation		9.11	9.11
Accumulated depreciation as at March 31, 2020	**-**	**127.71**	**127.71**
Carrying amount as at April 01, 2019	**109.80**	**150.48**	**260.28**
Carrying amount as at March 31, 2020	**109.80**	**141.37**	**251.17**
Gross carrying amount as at April 01, 2020	**109.80**	**269.08**	**378.88**
Additions	-	-	-
Gross carrying amount as at March 31, 2021	**109.80**	**269.08**	**378.88**
Accumulated depreciation as at April 01, 2020	**-**	**127.71**	**127.71**
Depreciation		9.11	9.11
Accumulated depreciation as at March 31, 2021	**-**	**136.82**	**136.82**
Carrying amount as at April 01, 2020	**109.80**	**141.37**	**251.17**
Carrying amount as at March 31, 2021	**109.80**	**132.26**	**242.06**

Reconciliation of fair value:

(₹ in Lacs)

PARTICULARS	Investment property
Fair value as at April 01, 2019	**527.01**
Fair value difference	0.00
Fair value as at March 31, 2020	**527.01**
Fair value difference	0.00
Fair value as at March 31, 2021	**527.00**

The management is of the opinion that there is no significant change in fair valuation of investment property from previous years. Hence, the company has continued with the same value in the current year. All this fair value for investment properties forms part of Level 3 fair value

These valuations are based on valuations performed by property valuer, an accredited independent valuer. The valuer is a specialist in valuing these types of properties. These valuations are generally based on ready reckoner rates available. All resulting fair value estimates for investment properties are included in Level 3.

The rent received from the investment property is ₹ 180.75 lakhs (Previous year : ₹ 165.35 lakhs).

3C INTANGIBLE ASSETS

Changes in the carrying amount of other intangible assets

(₹ in Lacs)

PARTICULARS	Software	Intangible Asset technical know-how	Total
Gross carrying amount as at April 01, 2019	**786.18**	**-**	**786.18**
Additions	10.07	-	10.07
Translation Adjustment	5.82	-	5.82
Disposal/retirements/derecognition			-

Notes forming part of the Consolidated Financial Statements

(₹ in Lacs)

PARTICULARS	Software	Intangible Asset technical know-how	Total
Gross carrying amount as at March 31, 2020	**802.07**	**-**	**802.07**
Accumulated depreciation as at April 01, 2019	**344.62**	**-**	**344.62**
Depreciation	94.05	-	94.05
Translation Adjustment	5.26	-	5.26
Disposal/retirements/derecognition			-
Accumulated depreciation as at March 31, 2020	**443.93**	**-**	**443.93**
Carrying amount as at April 01, 2019	**441.56**	**-**	**441.56**
Carrying amount as at March 31, 2020	**358.14**	**-**	**358.14**
Gross carrying amount as at April 01, 2020	**802.07**	**-**	**802.07**
Additions	-	1071.19	1,071.19
Translation Adjustment	2.42	-	2.42
Disposal/retirements/derecognition	143.00	-	143.00
Gross carrying amount as at March 31, 2021	**661.49**	**1,071.19**	**1,732.68**
Accumulated depreciation as at April 01, 2020	**443.93**	**-**	**443.93**
Depreciation	92.12	10.18	102.30
Translation Adjustment	2.11	-	2.11
Disposal/retirements/derecognition	143.00	-	143.00
Accumulated depreciation as at March 31, 2021	**395.16**	**10.18**	**405.34**
Carrying amount as at April 01, 2020	**358.14**	**-**	**358.14**
Carrying amount as at March 31, 2021	**266.33**	**1,061.01**	**1,327.34**

3D RIGHT OF USE ASSET

Changes in the carrying amount of Investment property

(₹ in Lacs)

PARTICULARS	Building	Total
Gross carrying amount as at April 01, 2019	**1,463.05**	**1,463.05**
Additions	-	-
Disposal/retirements/derecognition	-	-
Gross carrying amount as at March 31, 2020	**1,463.05**	**1,463.05**
Accumulated depreciation as at April 01, 2019	**292.39**	**292.39**
Depreciation	293.26	293.26
Disposal/retirements/derecognition	-	-
Accumulated depreciation as at March 31, 2020	**585.65**	**585.65**
Carrying amount as at April 01, 2019	**1,170.66**	**1,170.66**
Carrying amount as at March 31, 2020	**877.40**	**877.40**
Gross carrying amount as at April 01, 2020	**1,463.05**	**1,463.05**
Additions	-	-
Disposal/retirements/derecognition	-	-
Gross carrying amount as at March 31, 2021	**1,463.05**	**1,463.05**
Accumulated depreciation as at April 01, 2020	**585.65**	**585.65**
Depreciation	292.47	292.47
Disposal/retirements/derecognition	-	-
Accumulated depreciation as at March 31, 2021	**878.12**	**878.12**
Carrying amount as at April 01, 2020	**877.40**	**877.40**
Carrying amount as at March 31, 2021	**584.93**	**584.93**

Refer note for further disclosures on leases.

Notes forming part of the Consolidated Financial Statements

4. NON CURRENT INVESTMENTS

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Quoted Investments		
Investments in equity instruments of other entities measured at fair value through Other Comprehensive Income		
Bank of Maharashtra	0.19	0.08
900 equity shares (PY 900) of having face value of ₹ 10 each		
Unquoted Investments		
Investments in equity instruments of other entities measured at fair value through Profit and Loss		
Shamrao Vitthal Co-operative bank*	0.50	0.50
2000 equity shares (PY 2000) of ₹ 25 each fully paid-up		
	0.69	**0.58**
Aggregate book value of quoted investments	0.19	0.08
Aggregate market value of quoted investments	0.19	0.08
Aggregate value of unquoted investments	0.50	0.50
Aggregate amount of impairment in value of investments		-

* The Company has not performed fair valuation of its investment in unquoted equity shares which are classified as FVTPL, as the Company believes that impact of change on account of fair value is insignificant.

5. LOANS

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Loans and advances to related parties		
Security deposits.	432.55	402.32
Loans and advances other than related parties		
Security deposits	201.02	147.00
	633.57	**549.32**

Note :

(i) Loans are measured at amortised cost

(ii) Refer related party disclosure in note 39.

6. OTHER NON-CURRENT ASSETS

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Capital advances	610.86	359.68
Balances with customs, excise and other government authorities	563.13	523.44
Deposits paid against appeal/ assessment	46.23	46.23
	1,220.22	**929.35**

No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

Notes forming part of the Consolidated Financial Statements

7 INVENTORIES

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(Valued at the lower of cost and net realisable value)		
Finished goods	3,017.16	2,686.73
Semi Finished goods	4,264.86	3,837.84
Raw materials	2,485.29	1,688.64
Consumables & Spare Part	1,125.17	1,190.80
Packing Material	11.71	10.85
Dies under Development	1,645.65	1,181.83
	12,549.84	**10,596.69**

Finished goods [includes in transit of ₹ 135.45 lakhs (Previous year : ₹ 161.67 lakhs)]

8. TRADE RECEIVABLES

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables (Unsecured) :		
Considered good		
- From others	32,278.69	33,826.96
- From related parties	51.57	-
Credit Impaired		
- From others	312.07	235.22
	32,642.33	**34,062.18**
Less: Allowance for Credit Impairment	312.07	235.22
	32,330.26	**33,826.96**

Notes:

(i) Trade receivables from related parties are disclosed in note 39.

(ii) Trade receivables are measured at amortised cost.

(iii) Above balances are subject to confirmation & reconciliation if any.

9 CASH AND CASH EQUIVALENTS

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Cash In hand	53.73	54.50
Balances with banks		
- In current accounts	1,495.84	322.80
	1,549.57	**377.30**

10 BANK BALANCES OTHER THAN (9) ABOVE

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
- Unpaid dividend account	15.64	155.09
Margin money In FDR With remaining maturity of more than 3 months but less than 12 months	407.77	383.92
	423.41	**539.01**

Notes forming part of the Consolidated Financial Statements

11 LOANS

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
- Loan to employees	109.99	51.27
	109.99	**51.27**

Notes:

(i) Loans are measured at amortised cost.

(ii) No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

12 OTHER CURRENT FINANCIAL ASSETS

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Interest accrued on term deposits	12.23	8.89
	12.23	**8.89**

Notes:

(i) Other current financial assets are measured at amortised cost.

13 OTHER CURRENT ASSETS

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good unless otherwise stated)		
Advance to suppliers	57.93	29.06
Prepaid expenses	159.07	232.33
Balances with statutory authorities	1,435.19	2,104.78
Advance against expenses/others	53.13	644.29
Other assets	0.95	22.76
	1,706.27	**3,033.22**

No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

14 SHARE CAPITAL

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Authorised:		
1,60,00,000 (Previous year : 1,60,00,000) equity shares of ₹ 5 each fully paid up	800.00	800.00
	800.00	**800.00**
Issued subscribed and fully paid up:		
1,39,10,121 (Previous year : 1,37,75,121) equity shares of ₹ 5 each fully paid up	695.51	688.77
	695.51	**688.77**

Notes forming part of the Consolidated Financial Statements

14.1 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	(₹ Lakhs)	Number of shares	(₹ Lakhs)
Equity shares				
At the beginning of the year	13,775,121	688.76	13,640,121	682.01
Add: Shares issued on exercise of employee stock options	135,000	6.75	135,000	6.75
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	**13,910,121**	**695.51**	**13,775,121**	**688.76**

14.2 The Company has only one class of shares referred to as equity shares having a par value of ₹ 5. Each shareholder of equity shares is entitled to one vote per share.

14.3 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive a share in the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

14.4 Number of equity shares held by each shareholder holding more than 5% shares in the Company are as follows:

Name of the shareholders	Number of shares as at March 31, 2021	% of shares held	Number of shares as at March 31, 2020	% of shares held
Nastic Trading LLP	6,762,822	48.62%	6,762,822	49.09%
Shailendra Rai	841,469	6.05%	841,469	6.11%
Enkei Corporation	1,960,000	14.09%	1,960,000	14.23%

15 OTHER EQUITY

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Share application money pending allotment	62.47	-
Securities premium	9,588.49	8,940.69
Employee stock options outstanding reserve	692.88	1,113.87
Captial reserve	411.55	411.55
General reserve	1,240.00	1,240.00
Surplus	18,796.87	18,973.66
Exchange difference in translating the financial statemnet of foreign oprations	210.02	124.97
Equity instruments through Other comprehensive income	(0.07)	(0.18)
	31,002.21	**30,804.57**

16 BORROWINGS

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Term loans		
- From banks (secured)	10,997.44	8,225.54
- From financial institutions (secured)	5,492.40	4,495.11
Loan From Directors ((Unsecured)	1,500.01	1,582.30
	17,989.85	**14,302.95**
Less : Current maturities of long term borrowing	3,169.12	2,085.37
	14,820.73	**12,217.58**

Notes forming part of the Consolidated Financial Statements

Notes:

(i) Long-term borrowings include secured term loans at floating interest rates from State Bank of India, Bank of Maharashtra, Bajaj Finance Ltd and IDFC Bank Ltd, Kotak Mahindra Bank and HDFC Bank Ltd. which are repayable through monthly / Quarterly instalments. However documentation related to securitization of ₹ 12,500 Lakhs HDFC bank is in process.

Total number of instalments = 726

Number of instalments outstanding as at March 31, 2021 = 460 (PY = 337)

(ii) Loans availed from State Bank of India, Bank of Maharashtra, Kotak Mahindra Bank , Bajaj Finance Ltd and IDFC Bank Ltd are secured by a first parri-passu charge by way of registered mortgage on the existing fixed assets except Land at Khed city. Loan availed from Bajaj Finance Ltd. is secured by exclusive charge on lease land at Khed city. Of these, ₹ 3,169.12 Lakhs (PY ₹ 2,085.37 Lakhs) are classified as current liabilities being repayable before March 31,2022. In case of HDFC Bank Ltd, creation of first parri-passu charge along with lead bank (i.e. Bank of Maharashtra) and other consortium member banks/financial institution by way of registered mortgage on the existing fixed assets except Land at Khed city are in Process.

(iii) Emergency Credit Line Guarantee Scheme 2.0 (ECLGS)-2 is launched by Government to provide additional liquidity to meet operational liabilities and support the business after unprecedented situation emerging out of COVID – 19. Under this scheme there will be additional amount will be provided to the Borrower to the extent of 20% of the total Loans outstanding as on Feb 29, 2021. There is 100% Credit Guarantee from National Credit Guarantee Trustee Company Limited (NCGTC) on the additional credit facility and secondary charge on existing primary and collateral securities with the bankers. Under this scheme we have availed ₹ 4,602 Lakhs in FY 2020-21 from Existing bank & financial institution. However documentation related to Securitization of the said loan is in process.

IV There is no default, continuing or otherwise in repayment of instalment, loan, balance outstanding as the case may be and interest as on the balance sheet date.

V Borrowings are measured at amortised cost

VI The Management expect that loan from director will be paid after 12 month from the date of balance sheet, accordingly classification has been done.

17 OTHER FINANCIAL LIABILITIES

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Lease liability	306.90	569.14
	306.90	**569.14**

Note:

Other financial liabilities are measured at amortised cost.

18 PROVISIONS

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits		
- Gratuity (Refer note 36(2))	613.64	503.81
- Compensated Absences	157.94	194.87
	771.58	**698.68**

Notes forming part of the Consolidated Financial Statements

19 DEFERRED TAX LIABILTIES (NET)

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax liabilities		
- Property ,plant and equipment	3,189.86	3,114.70
- Lease payable	5.52	29.92
-Transaction cost on term loans amortised over the tenure of the loan	14.57	19.32
	3,209.95	**3,163.94**
Deferred tax assets		
- Provision for doubtful debts and advances	108.14	74.95
- Provision allowed on payment basis	323.58	356.71
- Fair valuation of security deposit	23.57	34.14
	455.29	**465.80**
Net deferred tax liability	**2,754.66**	**2,698.14**

Refer note 45 for further disclosures

20 BORROWINGS

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Loans repayable on demand		
Working capital loans (secured)(Refer note (i) below)		
- From banks (secured).	11,349.99	12,260.02
- From financial institutions (secured).	5,500.00	5,500.00
Total Working capital loans	**16,849.99**	**17,760.02**
Liability from bank against Preshipment / PO funding	-	3,589.33
(unsecured)(Refer note (ii) below)		
	16,849.99	**21,349.35**

Notes:

(i) Short-term borrowings includes cash credit facilities availed from State Bank of India, Kotak Mahindra Bank (Formerly known as ING Vysya Bank), Bank of Maharashtra, IDFC Bank and Bajaj Finance Ltd. These borrowings are secured in favour of all the aforementioned banks by a first parri-passu charge by way of hypothecation of all stocks and receivables and a second parri-passu charge by joint deed of hypothecation on all fixed assets of the Company.

(ii) Short term borrowing includes stand by letter of credit (hereinafter referred as 'SBLC') facility of Euro 3.5 million for subsidiary company Illichmann Castalloy S.R.O. availed from Citi Bank. This borrowing is secured in favor of the aforementioned bank by a first parri-passu charge by way of hypothecation of current assets including inventories and receivables and a second parri-passu charge by joint deed of hypothecation on all fixed assets of the Company except for land in Khed.

(iii) Unsecured Preshipment loans are availed from Kotak Mahindra Bank for funding purchase orders and working capital demand loan. These loans, are obtained at floating interest rates repayable through weekly instalments.

(iv) There is no default, continuing or otherwise in repayment of instalment, loan, balance outstanding as the case may be and interest as on the balance sheet date.

(v) Borrowings are measured at amortised cost

Notes forming part of the Consolidated Financial Statements

21 TRADE PAYABLES

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	637.60	234.47
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Acceptances	2,319.30	416.07
- Others	12,684.16	14,534.96
Total	**15,003.46**	**14,951.03**
Total Trade payable	**15,641.06**	**15,185.50**

Notes:

(i) Above trade payable include amount due to related parties of ₹ 1955.04 lakhs and same has been disclosed in note no 39

(ii) Trade payables are measured at amortised cost.

(iii) Above balances are subject to confirmation & reconciliation if any .

(iv) Dues to Micro and Small Enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act').

The Company has sent MSME confirmation to all the supplier & below disclosed dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') to the extent confirmation received from supplier. The disclosure pursuant to the said MSMED Act are as follows.

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	636.92	234.47
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.68	10.25
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	4.05	4.05

Notes forming part of the Consolidated Financial Statements

22 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Current maturities of long term debt	3,169.12	2,085.37
Accrued employee costs	904.00	943.04
Lease liability	262.24	222.66
Interest accrued and not due on borrowings	227.29	226.86
Unclaimed dividend	15.64	155.09
Payables in respect of PPE	606.17	597.77
Payables in respect of services	965.41	605.58
Royalty payable	66.37	49.04
Other liabilities	254.42	388.37
	6,470.66	**5,273.78**

Note:

(i) Liabilities are measured at amortised cost.

23 OTHER CURRENT LIABILITIES

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Advances from customers	329.60	71.16
Statutory remittances (net)	856.19	384.34
	1,185.79	**455.50**

24 PROVISIONS

(₹ in Lacs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits		
- Gratuity (Refer note 36(2))	88.94	89.86
- Compensated Absences	111.64	110.44
	200.58	**200.30**

25 REVENUE FROM OPERATIONS

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of products		
- Finished Goods	79,284.24	83,369.68
- Die Sales	830.11	4,670.43
- Sales traded goods	2,207.01	3,681.76
Other operating revenue		
- Scrap sale	2,141.55	3,078.54
- Sale of Services	270.00	369.53
- Export incentive	124.11	549.38
	84,857.02	**95,719.32**

The entire revenue from operations is recognised at point in time and relates to single operating segment i.e. Aluminium castings. Refer note no. 37 for further disclosures.

The information relating to trade receivables from revenue from operations is disclosed in note no.8.

Notes forming part of the Consolidated Financial Statements

Details of products sold

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Manufactured goods		
Castings made from aluminum alloys	81,615.36	87,051.44
Dies	830.11	4,670.43
	82,445.47	**91,721.87**
Scrap Sales	2,141.55	3,078.54
Total	**84,587.02**	**94,800.41**

26 OTHER INCOME

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Received	28.95	28.63
Rental income	180.75	165.35
Miscellaneous Income	76.03	84.76
	285.73	**278.74**

27 COST OF MATERIALS CONSUMED

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Inventory of materials at the beginning of the year	2,870.47	1,702.72
Purchases	40,813.54	44,192.97
Purchase of traded goods	2,233.48	3,296.57
Inventory of materials at the end of the year	3,865.49	2,870.47
	42,052.00	**46,321.79**

28 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
At the beginning of the year		
Finished Goods	2,686.73	5,039.20
Work-in-progress	3,824.96	3,916.26
	6,511.69	**8,955.46**
At the end of the year		
Finished Goods	2,831.75	2,686.73
Work-in-progress	4,450.27	3,824.96
	7,282.02	**6,511.69**
	(770.33)	**2,443.77**

The figures of purchases have been arrived by deducting the closing stock from the quantity/value of opening stock as increased by the consumption during the year.

Notes forming part of the Consolidated Financial Statements

29 EMPLOYEE BENEFITS EXPENSE

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, wages and bonus	11,228.07	11,978.74
Contributions to Provident and other Funds	1,112.29	1,177.17
Gratuity and leave encashment	198.62	151.25
Employee share based payments expenses (refer note 41)	244.94	125.13
Employee Welfare Expenses	720.16	871.64
	13,504.08	**14,303.93**

30 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation on property, plant and equipment (refer note 3A)	4,489.75	4,012.30
Depreciation on Investment property, (refer note 3B)	9.11	9.11
Amortization of intangible assets (refer note 3C)	87.83	88.07
Depreciation on Right-of-use of asset (refer note 3D)	292.47	293.26
	4,879.16	**4,402.74**

31 FINANCE COSTS

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on term loan & working capital (Refer note i)	3,378.28	3,716.93
Other borrowing costs	166.61	127.04
Unwinding of interest on lease liability	69.06	90.42
	3,613.95	**3,934.39**

Note

(i) Includes amount of ₹ 13.61 lakh (Previous year : ₹ 8.10 lakh) pertaining to amortisation of transaction cost

32 OTHER EXPENSES

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Manufacturing Expenses		
Consumption of stores and spares	4,293.45	4,274.09
Power and fuel	5,661.70	6,688.20
Processing charges	3,922.46	3,875.61
Repairs to Machinery	184.50	322.84
Repairs Maintenance -Others	139.99	292.89
Other Manufacturing Expenses	751.93	899.30
	14,954.03	**16,352.93**

Notes forming part of the Consolidated Financial Statements

(₹ in Lacs)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Administrative Expenses		
Legal and Professional charges	639.56	715.86
Payment to Auditors (refer note 35 I)	34.89	32.02
Rent	1,889.84	1,155.34
Corporate Social Responsibility Expenses (refer note 35 II)	106.68	102.50
Other Administrative Expenses	1,981.99	1,406.67
	4,652.96	**3,412.39**
Selling and Distribution Expenses		
Selling and distribution expenses	2,148.71	2,294.38
	2,148.71	**2,294.38**
	21,755.70	**22,059.70**

33 FINANCIAL INSTRUMENTS

33.1 Financial Instruments by category

The carrying value of financial instruments by categories as on March 31, 2021 are as follows:

(₹ in Lacs)

Particulars	Amortised cost	FVTPL	FVTOCI	Total carrying value
Assets				
Investments in equity instruments	-	0.50	0.19	0.69
Trade receivables	32,330.26	-	-	32,330.26
Cash and cash equivalents	1,549.57	-	-	1,549.57
Other balances with banks	423.41	-	-	423.41
Loans	743.56	-	-	743.56
Other financial assets	12.23	-	-	12.23
Total Assets	**35,059.03**	**0.50**	**0.19**	**35,059.72**
Liabilities				
Borrowings	31670.72	-	-	31,670.72
Trade payables	15640.47	-	-	15,640.47
Other financial liabilities	6,777.56	-	-	6,777.56
Total Liabilities	**54,088.75**	**-**	**-**	**54,088.75**

The carrying value of financial instruments by categories as on March 31, 2020 are as follows:

(₹ in Lacs)

Particulars	Amortised cost	FVTPL	FVTOCI	Total carrying value
Assets				
Investments in equity instruments	-	0.50	0.08	0.58
Trade receivables	33,826.96	-	-	33,826.96
Cash and cash equivalents	377.30	-	-	377.30
Other balances with banks	539.01	-	-	539.01
Loans	600.59	-	-	600.59
Other financial assets	8.89	-	-	8.89
Total Assets	**35,352.75**	**0.50**	**0.08**	**35,353.33**
Liabilities				
Borrowings	33,566.93	-	-	33,566.93
Trade payables	15,185.50	-	-	15,185.50
Other financial liabilities	5,842.92	-	-	5,842.92
Total Liabilities	**54,595.35**	**-**	**-**	**54,595.35**

Notes forming part of the Consolidated Financial Statements

33.2 Fair value hierarchy

Financial assets and liabilities include cash and cash equivalents, other balances with banks, trade receivables, loans, other financial assets, trade payables and other financial liabilities whose fair values approximate their carrying amounts largely due to the short term nature of such assets and liabilities.

The following table presents fair value hierarchy of assets and liabilities measured at fair value as on March 31, 2021:

Particulars	As at March 31, 2021	Fair value measurement as at		
		Level 1	Level 2	Level 3
Investments in shares of Bank of Maharashtra	0.19	0.19	-	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value as on March 31, 2020 :

Particulars	As at March 31, 2020	Fair value measurement as at		
		Level 1	Level 2	Level 3
Investments in shares of Bank of Maharashtra	0.08	0.08	-	-

Valuation technique and significant unobservable inputs:

Level 2:

(i) Derivative financial assets are valued based on inputs that are directly or indirectly observable in the market.

Significant increase in discount rates and spreads above risk free rate, in isolation would result in lower fair values. A significant increase in volatility in revenue growth rates will result in higher fair value.

Fair value of financial assets and financial liabilities measured at amortised cost :

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 receivables, loans and others excluding other derivative assets) and current financial liabilities (e.g. trade payables and other payables excluding derivative liabilities) approximate their carrying amounts.

The Company has not performed fair valuation of its investment in unquoted equity shares as mentioned in note no. 4 which are classified as FVTPL, as the Company believes that impact of change on account of fair value is insignificant.

33.3 Financial risk management

The Company's activities exposes it to market risks, credit risks and liquidity risks. The Company’s management have overall responsibility for the establishment and oversight of the Company’s risk management framework. The Company’s risks are reviewed regularly to reflect changes in market conditions and the company’s activities. Derivatives are used for hedging of foreign currency loan and not as a trading or speculative purposes.

The Company has exposure to the following risks arising from financial instruments:

a. Credit risk

Credit risk is the risk of financial losses to the Company if a customer or counterparty to financial instruments fails to discharge its contractual obligations. It arises primarily from the Company's receivables from customers. To manage this, the Company periodically assesses the key accounts receivable balances. As per Ind-AS 109 : Financial Instruments, the Company uses expected credit loss model to assess the impairment loss or gain.

The carrying amount of trade and other receivables and other financial assets represents the maximum credit exposure.

Notes forming part of the Consolidated Financial Statements

i. Trade receivables

The management has established accounts receivable policy under which customer accounts are regularly monitored. The Company has a dedicated sales team which is responsible for collecting dues from the customer within stipulated period. The management reviews status of critical accounts on a regular basis.

Trade receivables that were not impaired

Particulars	Carrying amount	
	March 31, 2021	March 31, 2020
Less Than 180 days	32,018.19	33,591.74
More than 180 days	312.07	235.22
Total	**32,330.26**	**33,826.96**

Movement in allowance For Credit Impairment

Particulars	₹ Lakhs
At April 01, 2019	**220.08**
Provided during the year	20.00
Amount written off / written back	(4.86)
At March 31, 2020	**235.22**
Provided during the year	272.30
Amount written off / written back	(195.45)
At March 31, 2021	**312.07**

ii. Financial instruments and Cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with Company's policy. Company monitors rating, credit spreads and financial strength of its counter parties. Based on ongoing assessment Company adjust it's exposure to various counterparties.

b. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has a view of maintaining liquidity and to take minimum possible risk for which company monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

The liquidity position at each reporting date is given below:

(₹ in Lacs)

Particulars	March 31, 2021	March 31, 2021
Cash and cash equivalents	1,549.57	377.30
Other balances with banks	423.41	539.01
Total	**1,972.98**	**916.31**

The following are the remaining contractual maturities of financial liabilities as on March 31, 2021.

Particulars	Repayable on demand	Less than one year	More than one year	Total
Borrowings	16,849.99	3,169.12	14,820.73	34,839.84
Trade payables	-	15,641.06	-	15,641.06
Other financial liabilities	15.64	3,285.79	306.90	3,608.33

Notes forming part of the Consolidated Financial Statements

The following are the remaining contractual maturities of financial liabilities as on March 31, 2020.

Particulars	Repayable on demand	Less than one year	More than one year	Total
Borrowings	21,349.35	2,085.37	12,217.58	35,652.30
Trade payables	-	15,185.50	-	15,185.50
Other financial liabilities	155.09	3,033.32	569.14	3,757.55

c. **Market risk**

Market risk is a risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Market risk comprises three types of risk interest rate risk, currency risk and other price risk such as equity price risk. Financial instruments affected by market risk include borrowings, trade and other payables, foreign exchange forward contracts, security deposit, trade and other receivables and deposits with banks.

i. Foreign currency risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. Company transacts business in its functional currency (INR) and in other foreign currencies. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities, where revenue or expense is denominated in a foreign currency. The Company manages its foreign currency risk by hedging foreign currency denominated loan using foreign currency forward contracts . The Company negotiates the terms of those foreign currency forward contracts to match the terms of the hedged exposure.

The following foreign currency exposures have not been hedged by derivative instruments at the Balance Sheet date:

Nature of exposure	Amount in foreign currency		Equivalent amount in ₹	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
USD				
Trade payables	0.56	0.39	41.98	28.80
Payable for PPE	3.43	0.01	251.87	0.48
Trade receivables	60.44	77.09	4,326.71	5,390.49
Cash and bank balance	0.02	0.01	1.57	0.91
Net liabilities / (assets)	**56.47**	**76.70**	**4,034.43**	**5,362.11**
EUR				
Trade payables	18.35	32.10	1,581.93	2,666.62
Payable for PPE	2.39	2.62	174.22	194.63
Trade receivables	41.20	53.34	3,526.88	4,401.55
Cash and bank balance	25.42	0.05	4.49	4.13
Net liabilities / (assets)	**45.89**	**18.67**	**1,775.21**	**1,544.43**
JPY				
Trade payables	(225.13)	41.31	(149.34)	24.24
Payable for PPE	-	-	-	-
Cash and bank balance	1.68	1.68	1.12	1.14
Net liabilities / (assets)	**226.81**	**(39.63)**	**150.46**	**(23.11)**
GBP				
Trade payables	0.04	(0.00)	4.26	(0.15)
Trade receivables	(1.79)	2.84	(162.51)	261.52
Cash and bank balance	0.00	0.00	0.06	0.01
Net liabilities / (assets)	**(1.83)**	**2.84**	**(166.84)**	**261.66**

Notes forming part of the Consolidated Financial Statements

Foreign currency sensitivity on unhedged exposure

Financial Year	Foreign currency	Change in foreign currency rates	Effect on profit before tax	Effect on pre-tax equity
For March 31, 2021	USD	+5%	(201.72)	(201.72)
		-5%	201.72	201.72
	EUR	+5%	(88.76)	(88.76)
		-5%	88.76	88.76
	JPY	+5%	(7.52)	(7.52)
		-5%	7.52	7.52
	GBP	+5%	8.34	8.34
		-5%	(8.34)	(8.34)
For March 31, 2020	USD	+5%	(268.11)	(268.11)
		-5%	268.11	268.11
	EUR	+5%	(77.22)	(77.22)
		-5%	77.22	77.22
	JPY	+5%	1.16	1.16
		-5%	(1.16)	(1.16)
	GBP	+5%	(13.08)	(13.08)
		-5%	13.08	13.08

Details of foreign currency loan that are hedged by derivative instruments or otherwise:

Particulars	Currency	Amount in foreign currency	Equivalent ₹	Maturity Profile	Fair Value in Balance Sheet
As at March 31, 2021	**USD**	-	-	NA	-
As at March 31, 2020	USD	-	-	NA	-

ii. Interest rate risk

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. At the reporting date the interest rate profile of the Company's interest bearing financial instruments are follows:

(₹ in Lacs)

Particulars	March 31, 2021	March 31, 2020
Variable rate instruments		
Borrowings	34,839.84	35,652.30

Interest rate sensitivity on variable rate instruments

(₹ in Lacs)

Particulars	March 31, 2021	March 31, 2020
Impact on profit before tax or pre-tax equity		
Increase by 50 basis points	(175.00)	(179.00)
Decrease by 50 basis points	175.00	179.00

34 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 March 31, 2021 and March 31, 2020.

Notes forming part of the Consolidated Financial Statements

35 I AUDITOR'S REMUNERATION

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Statutory Audit	20.00	16.50
Limited Review	4.00	4.00
Consolidation Audit	9.89	9.89
Certifications	1.00	1.00
Out of pocket expenses	-	0.63
Total	**34.89**	**32.02**

II DETAILS OF CSR EXPENDITURE : -

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Gross Amount To be spend during the year	100.39	107.33
Amount spend during the year	105.22	102.50

During the Year F Y 2020 -21, The Company has disbursed an amount of ₹ 100.39 Lacs towards CSR obligation for F Y 20-21 to implemented agency Bansuri Foundation. An amount of ₹ 4.83 Lacs from obligation for FY 19-20 also disbursed in May, 2020 to Bansuri Foundation. During this year due to Covid crisis, all community development & education projects came to a standstill. However some funds were diverted to covid relief and other development activities. Hence, In the F Y 2020 -21, ₹ 31.28 Lacs has been spent towards CSR activities. An unutilized balance of ₹ 73.94 Lacs is available with Bansuri Foundation as on March 31, 2021, which will be completely utilized in FY 21-22.

36 DETAILS OF EMPLOYEE BENEFITS AS REQUIRED BY IND-AS 19 - "EMPLOYEE BENEFITS ARE AS UNDER":

1 Defined contribution plan - Provident fund and other funds

The group has recognized following amounts in the profit & loss account for the year:

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Contribution to employee provident fund and other funds	1,112.29	1,177.17
Total	**1,112.29**	**1,177.17**

2 Defined benefit plan

i) The defined benefit plan comprises gratuity, which is funded.

ii) Actuarial gains and losses in respect of defined benefit plans are recognized in the Other Comprehensive Income (OCI).

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Gratuity is a benefit to an employee in India based on 15 days last drawn salary for each completed year of service with a vesting period of five years.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk and interest rate risk.

Change in present value of defined benefit obligation

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Present value of defined benefit obligation at the beginning of the year	**1,008.70**	**948.49**
Current service cost	89.87	93.12
Interest cost	64.76	66.43
Actuarial loss / (Gain) recognised in other comprehensive income		
a) changes in financial assumptions	37.53	53.04
b) changes in demographic assumptions	5.70	(0.50)
c) experience adjustments	(41.80)	(47.75)
Past service cost		
Benefits paid	(113.04)	(104.13)
Present value of defined benefit obligation at the end of the year	**1,051.72**	**1,008.70**

Notes forming part of the Consolidated Financial Statements

Change in the fair value of plan assets

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Fair Value of plan assets at the beginning of the period	**415.05**	**440.26**
Interest Income	27.44	32.03
Return on plan assets, excluding interest income	(2.32)	(1.32)
Contribution by the employer	22.00	48.21
Benefit paid from the fund	(113.04)	(104.13)
Fair Value of plan assets at the end of the period	**349.13**	**415.05**

Analysis of defined benefit obligation

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Present value of obligation as at the end of the year	**(1,051.72)**	**(1,008.70)**
Fair Value of Plan Assets at the end of the Period	349.13	415.05
Net asset (liability) recognized in the Balance Sheet	**(702.59)**	**(593.65)**
Bifurcation of liability as per Schedule III		
Current Liability	88.94	89.87
Non-Current Liability	613.66	503.81
Net (asset) / liability recognized in the Balance Sheet	**702.60**	**593.68**

Components of employer expenses/remeasurement recognized in the statement of Profit and Loss

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Current service cost	89.87	93.12
Net Interest Cost	37.32	34.40
Past Service Cost	-	-
Expenses recognized in the Statement of Profit and Loss	127.19	127.52

Components of employer expenses/remeasurement recognized in the Other Comprehensive Income (OCI)

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Actuarial loss / (gain)	1.43	4.79
Return on plan assets, Excluding interest income	2.32	1.32
Net (income)/expense recognized in the OCI	**3.75**	**6.11**

Analysis of defined benefit obligation

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Net opening provision in books of accounts	593.66	508.24
Employee Benefit Expense	127.19	127.52
Amounts recognized in Other Comprehensive Income	3.75	6.11
Contribution by the employer	(22.00)	(48.21)
Net (asset) / liability recognized in the Balance Sheet	**702.60**	**593.66**

Composition of the plan assets

Particulars	FY 2020-21	FY 2019-20
Policy of insurance	100.00%	100.00%
Total	**100.00%**	**100.00%**

Notes forming part of the Consolidated Financial Statements

Actuarial Assumptions:

Particulars	FY 2020-21	FY 2019-20
Discount rate	6.35%	6.80%
Salary Escalation	5.50%	5.50%

Withdrawal rates per annum

Particulars	FY 2020-21	FY 2019-20
- 25 years and below	5.00%	5.00%
- 26 to 35 years	4.00%	4.00%
- 35 to 45 years	6.00%	6.00%
- 46 to 55 years	2.00%	2.00%
- 56 years and above	1.00%	1.00%

a. The discount rate is based on prevailing yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligation.

b. Salary Escalation Rate: The estimates of future salary increases takes into account the inflation, seniority, promotion and other relevant factors.

c. Assumptions regarding future mortality rates are the rates as given under Indian Assured Lives Mortality (2006-08) Ultimate.

Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Projected benefit obligation on current assumptions

(₹ in Lacs)

Particulars	FY 2020-21		FY 2019-20	
	Defined benefit obligation		Defined benefit obligation	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5 % movement)	1,010.16	1,096.47	967.47	1,053.06
Future salary growth (0.5 % movement)	1,094.26	1,011.37	1,050.37	968.88
Attrition rate (1 % movement)	1,054.07	1,049.22	1,012.18	1,004.82

Maturity profile of defined benefit plan

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Projected benefits payable in future years from the date of reporting		
1st Following year	207.37	112.90
2nd Following year	59.48	73.20
3rd Following year	81.49	84.37
4th Following year	68.54	102.85
5th Following year	45.63	59.71
Sum of years 6 to 10	386.22	427.44

Notes forming part of the Consolidated Financial Statements

Weighted average assumptions used to determine net periodic benefit cost

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Number of active members	816.00	875.00
Per month salary cost for active members	183.42	190.49
Average monthly salary (₹)	22,478.00	21,771.00
Average age (years)	39.12	38.24
Weighted average duration of the projected benefit obligation (years)	10.88	10.36
Average expected future service (years)	18.91	20.15
Average outstanding term of the obligations (Years)	8.67	9.68
Prescribed contribution for next year (12 Months)	88.93	89.86

37 SEGMENT INFORMATION

The Company's operating business predominantly relates to manufacture of Aluminium Castings thereof and hence the Company has considered "Aluminium Castings" as the single reportable segment.

Revenue bifurcation based on geographical areas

Particulars	As at March 31, 2021	As at March 31, 2020
India Sales	65,037.16	72,235.23
Rest of world Sales	17,284.20	19,486.64
	82,321.36	**91,721.87**

38 NET DEBT RECONCILIATION

Position of net debt

Particulars	As at March 31, 2021	As at March 31, 2020
Borrowings		
Non-current borrowings	14,820.73	12,217.58
Current borrowings	16,849.99	21,349.35
Current maturities of long term loans	3,169.12	2,085.37
Less		
Cash and cash equivalents	1,549.57	377.30
Net debt	**33,290.27**	**35,275.00**

Movement in net debt

Particulars	As at March 31, 2021	As at March 31, 2020
Opening net debt	35,275.00	30,199.00
Cash flows	(1,984.73)	5,076.00
Foreign exchange adjustment	-	-
Opening interest accrued but not due	226.86	69.51
Closing interest accrued but not due	(227.29)	(226.86)
Interest expense	3,378.28	3,712.27
Interest paid	(3,377.85)	(3,554.92)
Closing net debt	**33,290.27**	**35,275.00**

Notes forming part of the Consolidated Financial Statements

39 RELATED PARTY DISCLOSURES

A. Relationship between the related parties:

Relationship	Name of related party
Subsidiary	Alicon Holding - GmbH
Step Down Subsidiary	Illichmann Castalloy - GmbH
Step Down Subsidiary	Illichmann Castalloy - sro
Group company	Atlas Castalloy Limited*

* Enterprise where the director has significant influence.

B. List of Key Management Personnel and their relatives:

Key Management Personnel (KMP)	Shailendrajit Rai	Managing Director
	Rajeev Sikand	Chief Executive Officer (CEO)
	Vimal Gupta	Chief Financial Officer (CFO)
	P.S. Rao	Company Secretary
	Swapnal Patane	Company Secretary
	Pamela Rai	Non-Executive Director
	Anil D Harolikar	Independent Director
	Vinay Punjabi	Independent Director
	Ajay Nanawati	Independent Director
	Junichi Suzuki	Non-Executive Director
Relatives of KMP	Preeti Gupta	Relative of CFO

C. Transactions with related parties :

(₹ in Lacs)

No.	Aggregate of transaction	FY 2020-21	FY 2019-20
		Group company	Group company
1	Sales	74.15	3.00
2	Purchases	1,575.35	1,864.36
3	Expenses charged to the company	2,292.32	2,440.84
4	Expenses charged By the company	362.34	125.92
5	PPE purchased (net)	1,796.81	1,279.82
6	Amount receivable at the end of the year	500.00	500.00
7	Amount payable at the end of the year	1,955.04	2,141.51

D. Transaction with related party of Key Managerial Personnel:

(₹ in Lacs)

No.	Particulars	FY 2020-21	FY 2019-20
1	Rent paid	1.14	2.28

Notes forming part of the Consolidated Financial Statements

E. Compensation to key management personnel:

(₹ in Lacs)

No.	Aggregate of transaction	FY 2020-21	FY 2019-20
1	Short term employee benefits	237.77	285.88
2	Post-employment benefits	4.98	5.25
3	Commission	12.61	178.71
4	Share based payments	385.38	506.25
5	Sitting Fees	9.45	13.60
	Total	**650.19**	**989.69**

F Other Transaction with Key Management Personnel:

(₹ in Lacs)

No.	Aggregate of transaction	FY 2020-21	FY 2019-20
1	Loan From Director	1,582.30	1,500.00
2	Interest on Loan From Director	131.52	82.30
3	Loan payable at the end of the year	1,500.00	1,582.30

Note:

As the post-employment benefits is provided on an actuarial basis for the Company as a whole, the amount pertaining to key management personnel is not ascertainable and therefore not included above. The amount included above is the contribution made by company.

40 LEASE TRANSACTIONS

Lease liabilities included in the balance sheet

(₹ in Lacs)

Particulars	March 31, 2021	March 31, 2020
Current	262.24	222.66
Non-current	306.90	569.14
Total	**569.14**	**791.80**

Amounts recognised in the statement of profit and loss

(₹ in Lacs)

Particulars	March 31, 2021	March 31, 2020
Depreciation on right-of-use assets	292.47	293.26
Interest on Lease Liabilities	69.06	90.42
Expenses relating to short-term leases	1,595.12	1,155.34
Total	**1,956.65**	**1,539.02**

Contractual cashflows - lease liabilities

(₹ in Lacs)

Particulars	March 31, 2021	March 31, 2020
- Not later than one year	262.24	291.72
- later than one year and not later than five years	306.90	627.93
- Later than five years	-	-
Total	**569.14**	**919.65**

Notes forming part of the Consolidated Financial Statements

41 STOCK OPTION PLANS

1 Employee Stock Option Plan– 2015

This Scheme shall be called the "Alicon Castalloy Limited – Employee Stock Option Scheme 2015 (ESOS 2015)".

The objective of the ESOS 2015 is to reward the Employees of the Company for their performance and to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this Scheme to retain talent in the organization. The Company views Employee Stock Options as instruments that would enable the Employees to share the value they create for the Company and align individual objectives of employees with objectives of the Company in the years to come.

The Shareholders in their meeting held on 30th December 2015 have resolved to authorize the Board to issue to the Employees of the Company, not more than 6,12,800 (Six Lakh Twelve Thousand Eight Hundred Only) Employee Stock Options under ESOS 2015 exercisable Equity Shares of face value of ₹ 5/- each fully paid up, being not more than 5% of the Issued Equity Share Capital of the Company as on March 31, 2015, to be issued and allotted by the Company (hereinafter referred as "Primary Shares"), in one or more tranches, with each such Option conferring a right upon the Employees to apply for one Equity Share in the Company, in accordance with the terms and conditions of ESOS 2015. The ESOS 2015 shall be administered by the Compensation Committee.

The Employee Stock Options granted may be exercised by the Option grantee at any time within a period of one year from the date of Vesting of the respective Stock Options or such other period as may be decided by the Compensation Committee from time to time. The shares issued upon exercise of options shall be freely transferable and will not be subject to any lock - in period after such exercise provided.

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Aggregate of transaction	FY 2020-21		FY 2019-20	
	No. of shares	Weighted average exercise price	No. of shares	Weighted average exercise price
Options outstanding at the beginning of the year	130,948	124	261,201	124
Granted during the year	-	-	-	-
Forfeited / surrendered during the year	-	-	13,556	-
Exercised during the year	50,378	-	-	-
Lapsed during the year	78,570	124	116,697	124
Options outstanding at the end of year	2,000	124	130,948	124
Options exercisable at the end of the year	-	124	52,378	124
Weighted average remaining contractual life	2.34 years		4.54 years	

The weighted average market price of the options exercised under Employees Stock Option Scheme -2015 on the date of exercise was ₹ 424.25/- (Previous year - ₹ Nil).

No options are granted in the current year and previous year.

The expected price volatility is based on the historic volatility, adjusted for any changes to future volatility due to publicly available information.

The Company has not recorded any expenses regarding the options granted under ESOP 2015 scheme during the year. However, The Company recorded an net reversal of employee compensation cost of 381.20 lakhs in the previous Financial year on account of lapse of options and other estimates.

Notes forming part of the Consolidated Financial Statements

2 Employee Stock Option Plan– 2017

This Scheme shall be called the "Alicon Castalloy Limited – Employee Stock Option Scheme 2017 ("ESOS 2017" or "Scheme").

The objective of the ESOS 2017 is to reward the Employees of the Company for their performance and to motivate them to contribute to the growth and profitability of the Company. The Company also intends to use this Scheme to retain talent in the organization. The Company views Employee Stock Options as instruments that would enable the Employees to share the value they create for the Company and align individual objectives of employees with objectives of the Company in the years to come.

The Shareholders by way of special resolution dated June 08, 2017 have authorized the Nomination and Remuneration Committee to grant not exceeding 6,75,000 (Six lacs seventy five Thousand only) Options to the Employees under the ESOS 2017, in one or more tranches, exercisable into not more than 6,75,000 (Six lacs seventy five Thousand only) Shares of face value of ₹ 5 (Rupees five) each fully paid-up, with each such Option conferring a right upon the Employee to apply for one Share of the Company, in accordance with the terms and conditions as may be decided under the ESOS 2017.

Options granted under ESOS 2017 would Vest after 1 (one) year but not later than 4 (four) years from the date of grant of such Options.

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Aggregate of transaction	FY 2020-21		FY 2019-20	
	No. of shares	Weighted average exercise price	No. of shares	Weighted average exercise price
Options outstanding at the beginning of the year	270,000	5	405,000	5
Granted during the year	-	-	-	-
Forfeited / surrendered during the year	-	-	-	-
Exercised during the year	135,000	5	135,000	5
Lapsed during the year	-	-	-	-
Options outstanding at the end of year	135,000	5	270,000	5
Options exercisable at the end of the year	-	-	-	-
Weighted average remaining contractual life	1.34 years		1.84 years	

The weighted average market price of the options exercised under Employees Stock Option Scheme -2017 on the date of exercise was ₹ 281.50/- (Previous year - ₹ 379.30).

No options granted in the current year and previous year under this scheme

The expected price volatility is based on the historic volatility, adjusted for any changes to future volatility due to publicly available information.

The Company recorded an employee compensation cost of ₹ 244.94 lakhs (Previous year ₹ 506.33 lakhs) in the Statement of Profit and Loss.

Notes forming part of the Consolidated Financial Statements

42 RESEARCH AND DEVELOPMENT

The Company has separate in-house research & development set-up which is involved in new product development, new process development etc. The details of R&D expenditure are as under:

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Capital expenditure	-	-
Revenue expenditure	-	425.15
Total R&D expenditure	**-**	**425.15**

43 BASIC AND DILUTED EARNINGS PER SHARE

(₹ in Lacs)

Particulars		FY 2020-21	FY 2019-20
Nominal value per equity share	₹	5.00	5.00
Profit for the year	₹ in lakhs	(192.50)	1,703.34
Weighted average number of basic equity shares	No. of shares	13,855,973	13,721,861
Effect of diluted shares*	No. of shares	-	195,239
Weighted average number of diluted equity shares	No. of shares	14,001,356	13,917,100
Earnings per share - Basic	No. of shares	(1.39)	12.41
Earnings per share - Diluted	₹	(1.39)	12.24

* Effect of diluted shares is anti-dilutive due to loss incurred in the current year.

44 DISCLOSURE OF CAPITAL COMMITMENT & CONTINGENT LIABILITIES

1. Capital commitment

(₹ in Lacs)

Sr. No.	Aggregate of transaction	March 31, 2021	March 31, 2020
1	Estimated amount of contracts remaining to be executed on capital account	967.17	1,617.46
	Total	**967.17**	**1,617.46**

2. Contingent liabilities not provided for:

(₹ in Lacs)

No.	Aggregate of transaction	FY 2020-21	FY 2019-20
1	Stand by Letters of credit issued by Against forgein obligation related to subsidiary/Import	3,539.02	2,906.74
2	Performance and financial guarantees issued by the banks	781.82	748.60
4	Customs and related duties for non fulfilment of export obligation	1,222.49	1,222.49
5	Assessment dues of VAT & CST	2,185.28	553.73
6	Pending cases in local civil court	688.32	459.09

Notes forming part of the Consolidated Financial Statements

45 INCOME TAXES

The income tax expense consists of following:

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Tax expense		
Current tax	106.16	566.99
Short/ (Excess) of earlier years	136.70	(29.54)
MAT credit entitlement	-	(122.41)
Deferred tax (benefit) / charge	57.83	413.36
Total tax expense	**300.69**	**828.40**
Other comprehensive income		
Remeasurements gains and losses on post employment benefits	(1.31)	(2.14)
Income tax expense reported in the statement of other comprehensive income	**(1.31)**	**(2.14)**

The deferred tax relates to origination/reversal of temporary differences.

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows:

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Profit before tax	108.19	2,531.74
Indian statutory income tax rate	34.94%	34.94%
Expected tax expense	38.00	885.00
Tax Effect of adjustments to reconcile expected income tax expense to reported income tax expense		
Effect of tax on earlier years	136.70	(29.54)
Tax rate difference on book profit as per Minimum Alternate Tax	-	(339.13)
Tax expenses accounted as no effect of Timing differences on MAT liability	-	290.95
Effect of weighted deductions, exemptions and deductions	46.65	-
Effect of deferred tax not recognised	204.18	-
Effect of differential overseas tax rate	(124.39)	17.24
Others (net)	(0.45)	3.88
Total tax expense	**300.69**	**828.40**

Deferred Tax

Item wise movement in deferred tax expense recognised in profit or loss / OCI

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
- Property, plant and equipment	75.16	458.13
- Leases	(24.40)	29.92
- Transaction cost on term loans amortised over the tenure of the loan	(4.75)	16.74
- Provision for doubtful debts and advances	(33.19)	(3.95)
- Provision allowed on payment basis	33.13	(93.79)
- Fair valuation of security deposit	10.57	(34.14)
- Fair valuation of security deposit	10.57	(34.14)
Total expenses	**56.52**	**372.91**

Notes forming part of the Consolidated Financial Statements

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
- Recognised in Profit or Loss	57.83	413.36
- Recognised in Other Comprehensive Income	(1.31)	(2.14)
- Recognised in retained earnings on adoption of leases	(0.00)	(38.31)
	56.52	**372.91**

The gross movement in the deferred tax for the year ended March 31, 2020 and March 31, 2019 is as follows:

(₹ in Lacs)

Particulars	FY 2020-21	FY 2019-20
Net deferred tax asset (liability) at the beginning	**2,697.13**	**2,324.22**
(Credits) / charge relating to temporary differences	57.83	413.36
Temporary differences on other comprehensive income	(1.31)	(2.14)
Recognised in retained earnings (Impact of Ind AS 116)	(0.00)	(38.31)
Net deferred income tax asset at the end	**2,753.65**	**2,697.13**

46 For disclosoure mandated by schedule III of companies Act 2013, by way of additional information in, refer below:

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	comprehensive income As % of consolidated othere comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
Alicon Castalloy Limited	100.46%	31145.52	-387.61%	(746.14)	-2.80%	(2.32)	681.84%	(748.46)
Subsidiaries								
Alicon Holding GmbH	-0.20%	(62.96)	0.03%	0.05	0.00%	-	0.05%	0.05
Illichmann Castalloy S.R.O	1.69%	524.43	109.56%	210.91	2.18%	1.80	193.78%	212.71
Illichmann Castalloy GmbH	0.29%	90.73	178.02%	342.68	100.63%	83.25	388.02%	425.93

As per our report of even date attached

For **Kirtane & Pandit LLP**
Chartered Accountants
Firm Regn No: 105215W/W100057

Parag Pansare
Partner
Membership No. 117309

Place: Pune
Date: April 30, 2021

On behalf of the Board of Directors of **Alicon Castalloy Ltd.**

S. Rai
Chairman & Managing Director
DIN: 00050950

Rajeev Sikand
Chief Executive Officer

Vimal Gupta
Chief Financial Officer

Swapnal Patane
Company Secretary

ALICON CASTALLOY LIMITED
CIN: L99999PN1990PLC059487
Registered Office: Gat No. 1426, Village Shikrapur, Taluka - Shirur, District Pune - 412 208, Maharashtra
T: +91 2137 677100, Email: investor.relations@alicongroup.co.in, Website: www.alicongroup.co.in

Notice of Annual General Meeting

Notice is hereby given that the 31st Annual General Meeting of the Members of Alicon Castalloy Limited will be held at 11.00 a.m. on Friday, the September 17, 2021 through Video Conference / Other Audio Visual Means, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the –

   a) Audited Standalone Balance Sheet as on 31st March, 2021 and Statement of Profit & Loss for the year ended on that date together with the Cash Flow Statement, the reports of the Board of Directors and the Auditors thereon; and

   b) Audited Consolidated Balance Sheet as on 31st March, 2021 and Statement of Profit & Loss for the year ended on that together with the Cash Flow Statement, the report of Auditors thereon.

2. To appoint a director in the place of Mr. J Suzuki (DIN: 02628162) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **To enhance the Borrowing powers of Board from ₹ 500 Crores to ₹ 1,000 Crores**

   To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT in supersession of the earlier resolutions passed at the 24th Annual General Meeting held on September 29, 2014, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee thereof) under provisions of Section 180(1)(c) of the Companies Act, 2013 as amended from time to time and Articles of Association of the Company for borrowing, from time to time, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) from time to time, either by way of rupee loans or by way of foreign currency loans or by issue of other instruments, and either from the Company's Bankers or from any other Banks/Financial Institutions or any other lending institutions or bodies corporate or other persons on such terms, conditions and covenants as are stipulated and as may be considered appropriate by the Board of Directors may exceed the aggregate of the paid up capital of the Company and its free reserves provided that the total amount so borrowed by the Board shall not at any time exceed ₹ 1000 Crores (Rupees One Thousand Crores)."

By Order of the Board of Directors

S. Rai
Chairman & Managing Director

Place: Pune
Date: August 05, 2021

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ('the Act') relating to the Special Business to be transacted at the Annual General Meeting ('AGM') is annexed hereto.

2. In view of the ongoing COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020 and Circular no. 02/2021 dated January 13, 2021 (collectively "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (collectively "SEBI Circulars"), have permitted companies to conduct AGM through VC or other audio visual means, subject to compliance of various conditions mentioned therein. In compliance with the aforesaid MCA Circulars and SEBI Circulars and the applicable provisions of Companies Act, 2013 and rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 31st AGM of the Company is being convened and conducted through VC/OAVM.

3. As the AGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence, the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

4. Institutional / Corporate Members are requested to send a scanned copy (PDF / JPEG format) of the Board Resolution authorizing its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, on email id of ucshukla@rediffmail.com.

5. The Register of Members and Share Transfer Books of the Company will be closed from Friday, September 10, 2021 to Friday, September 17, 2021 (both days inclusive) for the purpose of Annual General Meeting.

ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT:

6. In line with the MCA and SEBI Circulars, the notice of the 31st AGM along with the Annual Report 2020-21 are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Members may please note that this Notice and Annual Report 2020-21 will also be available on the Company's website at www.alicongroup.co.in and websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

7. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the RTA on email id gamare@unisec.in along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (eg.: Driving License, Election Identity Card, Passport) in support of the address of the Member. Members holding shares in dematerialized mode are requested to register / update their email addresses with the relevant Depository Participants. In case of any queries / difficulties in registering the e-mail address, Members may write to RTA of email id – gmare@unisec.in.

PROCEDURE FOR JOINING THE AGM THROUGH VC/OAVM:

8. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned below for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

9. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

10. Members are encouraged to join the Meeting through Laptops for better experience.

11. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

12. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is, therefore, recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

13. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

14. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.

PROCEDURE TO RAISE QUESTIONS / SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT:

15. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email id, mobile number @investor.relations@alicongroup.co.in. Questions / queries received by the Company till 5.00 p.m. on September 16, 2021 shall only be considered and responded during the AGM.

16. Members, who would like to express their views or ask questions during the AGM, may use chat facility to raise questions to moderator. The moderator then will ask one by one question during the meeting.

17. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

18. **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING (AGM) ARE AS UNDER:-**

The remote e-voting period begins on Tuesday, September 14, 2021, 10:00 A.M. and ends on Thursday, September 16, 2021 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner**" icon under "**Login**" which is available under '**IDeAS**' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "**Access to e-Voting**" under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "**Register Online for IDeAS Portal**" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

c) How to retrieve your ‘initial password’?

   (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.

   (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to ucshukla@rediffmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Abhijeet Gunjal at evoting@nsdl.co.in

19. **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

i. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to gmare@unisec.in

ii. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to gmare@unisec.in. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

iii. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

iv. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

20. **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

i. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

ii. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

iii. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the /AGM.

iv. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

GENERAL INFORMATION

21. Members are requested to note that pursuant to the provisions of Section 124 of the Companies Act, 2013, the amount of Dividend unclaimed or unpaid for a period of 7 years from the date of transfer to Unpaid Dividend Account, shall be transferred to the Investor Education & Protection Fund (IEPF) set up by Government of India and no claim shall lie against the Fund or the Company after the transfer of Unpaid or Unclaimed Dividend amount to the Government.

The Following are the details of dividend paid by the Company and their respective due dates of transfer to such Fund of the Central Government, which remains unpaid:

Date of Declaration of Dividend	Dividend of the Year	Due date of Transfer to the Government
29th September, 2014	2013- 2014	28th October, 2021
30th December, 2015	2014- 2015	28th January, 2023
29th September, 2016	2015- 2016	28th October, 2023
26th September, 2017	2016- 2017	24th October, 2024
22nd September, 2018	2017- 2018	29th October, 2025
06th February, 2019	2018 - 2019	15th March, 2026
26th July, 2019	2018 - 2019	1st September, 2026
12th March, 2020	2019 - 2020	11th May, 2027

Members who have not en-cashed their Dividend are requested to make their claims to the Company immediately.

The Members are also requested to note that all Shares on which Dividend remains unclaimed for seven consecutive Years or more shall be transferred to the IEPF account in compliance with Section 124 of the Companies Act, 2013 and the applicable Rules. In view of this, Members are requested to claim their Dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/ shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority after complying with the procedure prescribed under the IEPF Rules.

22. Details as per Regulation 36(3) of Listing Regulations, 2015 in respect of the directors seeking re-appointment at the AGM, forms integral part of the Notice. Other details as required under Secretarial Standard – 2 are included in the Corporate Governance Report, which forms part of the Annual Report. The Directors have furnished the requisite consents/ declarations for their re-appointment.

23. The Members, who still hold share certificates in physical form, are advised to dematerialize their shareholding to avail the benefits of dematerialization, which includes easy liquidity since the trading is permitted in dematerialized form only, electronic transfer, savings in stamp duty and elimination of possibility of loss of documents and bad deliveries.

24. Members of the Company had approved the appointment of M/s. Kirtne & Pandit LLP, Chartered Accountants, as the Statutory Auditors at the 27th AGM of the Company, which is valid till 32nd AGM of the Company. In accordance with the Companies Amendment Act, 2017, enforced on May 07, 2018 by Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every AGM.

25. The Board of Directors has appointed Mr. Upendra Shukla, a Practicing Company Secretary,

Mumbai as the Scrutinizer for the e-voting process, and voting at the venue of the AGM in a fair and transparent manner.

26. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes casted at the Meeting, thereafter unlock the votes through e-voting in the presence of at least two witnesses, not in the employment of the Company and make, not later than three (3) days from the conclusion of the Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman of the Company, who shall countersign the same.

    The scrutinizer shall submit his report to the Chairman, who shall declare the result of the voting. The results declared along with the scrutinizer's report shall be placed on the Company's website www.alicongroup.co.in and on the NSDL website www.evoting.nsdl.com. The said report also be filed with BSE & NSE.

PROCEDURE FOR INSPECTION OF DOCUMENTS:

27. All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection through electronic mode. Members seeking to inspect such documents can send an email to investor.relations@alicongroup.co.in.

28. During the AGM, the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act and the Certificate from Auditors of the Company certifying that the ESOP Schemes of the Company are being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 shall be available for inspection upon login at NSDL e-voting system at https://www.evoting.nsdl.com.

By Order of the Board of Directors

S. Rai
Chairman & Managing Director

Place: Pune
Date: August 05, 2021

EXPLANATORY STATEMENT:

Pursuant to Section 102 of the Companies Act, 2013.

Item No. 3:

The Members of the Company in their Annual General Meeting held on 29th September, 2007 had passed the necessary resolution authorising the Board of Directors of the Company to borrow sum or sums of money upto a limit of ₹ 500 crores. The said borrowing limit of ₹ 500 crores was re-confirmed by the Members in their 24th Annual General Meeting held on 29th September, 2014 by passing a special resolution under the provisions of Section 180(1)(c) of the Companies Act, 2013. Since the business activities of the Company is continuously expanding and the Company has to resort the borrowing to part finance the requirements, the borrowing of the Company may exceed the existing limit of ₹ 500 crores. The Board of Directors think it prudent that the existing borrowing limit of ₹ 500 cores be enhanced to ₹ 1,000 crores. Pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 the Company can borrow exceeding the aggregate of its paid-up capital and free reserves with a prior consent of the Shareholders, obtained by passing an ordinary resolution.

In view of above, your Directors recommend the passing of the ordinary resolution as stated in the notice convening the 31st Annual General Meeting.

None of Directors, key managerial personnel or their relatives are interested, financially or otherwise, in the proposed resolution.

By Order of the Board of Directors

S. Rai
Chairman & Managing Director

Place: Pune
Date: August 05, 2021

Details of Directors seeking appointment/ re-appointment at the ensuing Annual General Meeting to be held on September 17, 2021 as required under Secretarial Standard on General Meetings [SS-2] and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Name of the Director	Mr. J Suzuki
Date of Birth	25/01/1948
Age	Years
Date of Appointment	29/10/2002
Qualification	Engineer
Relationship with Director/Manager/KMP	NIL
Brief Profile	Mr. J. Suzuki is the Chairman of the Enkei Group of Japan. He has wide experience in engineering particularly in manufacturing of aluminum alloy castings and wheels used for two, three & four wheelers. He has more than five decades experience in management.
Directorship held in other Public Companies (excluding Section 25 And foreign Companies)	Enkei Wheels (India) Limited
Memberships/ Chairmanship of committees of other companies (includes only Audit & Members/ Investors Grievance/ Stakeholders Relationship Committee)	NIL
Shareholding in the Company (Equity)	NIL

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ALICON CASTALLOY LIMITED

CIN: L99999PN1990PLC059487

IF UNDELIVERED, PLEASE RETURN TO:

REGISTERED OFFICE:

GAT NO.1426, VILLAGE - SHIKRAPUR,
TALUKA - SHIRUR, DISTRICT PUNE - 412 208
WWW.ALICONGROUP.CO.IN

Concept, Content & Design WYATT Prism COMMUNICATIONS (info@wyatt.co.in)