

**ANNUAL REPORT  
2019-2020**

**INTERNATIONAL BELTING LIMITED**

# Directors' Report

*Dear Members,*

Your Directors take pleasure in presenting the Annual Report of the Company for the year ended March 31, 2020.

## **1. FINANCIAL RESULTS:**

The Company has incurred net loss of Rs. 3,95,37,398 /- (INR Three Crores Ninety Five Lakhs Thirty Seven Thousand Three Hundred and Ninety Eight only) during the year ended on March 31, 2020 as compared to the net profit of 25,13,018/- (INR Twenty Five Lakh Thirteen Thousand and Eighteen only) earned in the previous year.

## **2. STATEMENT OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK**

The Company has entered into an agreement with its holding company i.e. International Conveyors Limited (ICL) to acquire PVC Conveyor Belting manufacturing facility on lease rental basis. The Company will begin manufacturing of PVC Conveyor Belting shortly. Company has also obtained MSME certification from Government.

## **3. DIVIDEND**

In view of the planned business growth, your Directors deem it proper to preserve the resources of the Company for its activities and therefore, do not propose any dividend for the Financial Year ended March 31, 2020.

## **4. MEETINGS OF THE BOARD OF DIRECTORS**

During the financial year ended March 31, 2020, 4 (four) Meetings of the Board of Directors of the Company was held respectively on 30.05.2019, 14.08.2019, 14.11.2019 and 14.02.2020.

## **5. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY**

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

## **6. CHANGE IN THE NATURE OF BUSINESS**

There has been no change in the business of the Company during the financial year ended March 31, 2020. International Belting Limited operates as a subsidiary of International Conveyors Ltd.

## **7. MATERIAL CHANGES AND COMMITMENTS**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report.



## **8. LOANS, GUARANTEES AND INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

## **9. EXTRACT OF ANNUAL RETURN**

The extract of Annual Return in form no. MGT-9 as required under Section 92 of the Companies Act, 2013 for the financial year ending March 31, 2020 is annexed hereto and forms part of this report.

## **10. RELATED PARTY TRANSACTIONS**

There have been no materially significant related party transactions between the Company and the Directors, the management, except for those disclosed in the financial statements. Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) for entering into such contract or arrangement in Form AOC-2 does not form part of the report.

## **11. DIRECTORS & KMP**

There has been no other change in the constitution of Board during the year under review. In view of the applicable provisions of the Companies Act, 2013, the Company is not mandatorily required to appoint any whole time KMPs.

## **12. DEPOSITS**

The Company has not accepted any deposits during the year under review.

## **13. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS**

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

## **14. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

The Company is committed to provide a safe and conducive work environment to its employees. During the year under review, no case of sexual harassment was reported.

## **15. HOLDING, SUBSIDIARIES & ASSOCIATE COMPANIES**

The entire share capital of the company is held by International Conveyors Limited. The Company does not have any Subsidiary Company.

## **16. BOARD'S COMMENT ON THE AUDITORS' REPORT**

The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self explanatory.



## **17. DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- i. In the preparation of the annual accounts for the year ended March 31, 2020, the Company has followed the applicable accounting standards and there are no material departures from the same.
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit and loss of the Company for that period;
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. The Directors have prepared the annual accounts on a 'going concern' basis;
- v. The Company being unlisted, sub clause (e) of section 134(3) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company;
- vi. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **18. AUDITORS**

M/s. Lodha & Co., Chartered Accountants, were re-appointed as Statutory Auditors of the Company under Section 139 of the Companies Act, 2013 read with provisions of the Companies (Audit and Auditors) Rules, 2014, for a second term of five years, to hold office for a consecutive period of 5 (Five) years from the conclusion of the 13th AGM until the conclusion of the 18th AGM to be held in the year 2024.

M/s. Lodha & Co., have confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI as required under the provisions of Regulation 33 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

## **19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars relating to energy conservation, technology absorption as required to be disclosed under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) rules, 2014 is not applicable to the



## **20. PARTICULARS OF EMPLOYEES:**

Your Company has not paid any remuneration attracting the provisions of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Section 197(12) of the Act 2013. Hence, no information is required to be appended to this report in this regard.

## **21. ACKNOWLEDGEMENTS**

Your Directors take this opportunity to offer their sincere thanks to various departments of the state Governments, financial institutions, banks, shareholders, customers, employees and other related organizations, who through their continued support and co-operation, have helped in your Company's progress.

Place: Kolkata

Date: July 13, 2020

For and on behalf of the Board of Directors



**Pinaki Sen**

Director

DIN: 00568355



**Subhasis Mukherjee**

Director

DIN: 05335706

## Annexure to the Directors' Report

Foreign Exchange Earnings and Outgo pursuant to provisions of section 134 of the Companies Act, 2013 read with the Companies (Accounts) rules, 2014.

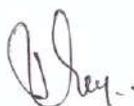
### A. FOREIGN EXCHANGE EARNING AND OUTGO

PARTICULARS	(Amount in `)	
	2019-20	2018-19
Foreign Exchange Earned	NIL	NIL
Foreign Exchange Outgo a) C.I.F. Value of Imports for: Components & Spare Parts	NIL	NIL

Place: Kolkata

Date: July 13, 2020

For and on behalf of the Board of Directors



**Pinaki Sen**  
Director  
DIN: 00568355



**Subhasis Mukherjee**  
Director  
DIN: 05335706

I		REGISTRATION AND OTHER DETAILS
i)	CIN	U25209WB2006PLC110267
ii)	Registration Date	30/06/2006
iii)	Name of the Company	International Belting Limited
iv)	Category / Sub-Category of the Company	Company Limited by Shares
v)	Address of the Registered Office	10, Middleton Row, Kolkata-700071
vi)	Contact details	033 2226-7977
vii)	Whether listed company	No
viii)	Name of Registrar and Transfer Agent	-
ix)	Address of Registrar and Transfer Agent	-
x)	Contact details of Registrar and Transfer Agent	-

II		PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY	
All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-			
Sl. No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Sale of Traded Goods	46411	100%

III		PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -			
No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ASSOCIATE	% Of Shares Held	Applicable Section
1	International Conveyors Limited, Falta SEZ, Sector-II, near Pump House No. 3, Village- Akalmegh, Mouza Akalmegh, Akalmegh- 743504	L21300WB1973PLC028854	HOLDING	100.00%	2(46)



**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**i) Category-wise Share Holding**

Category of Shareholders	No of Shares held at the beginning of the year [As on 01-April-2019]				No of Shares held at the end of the year [As on 31-March-2020]				% change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF									
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	0	749400	749400	99.9200	0	749400	749400	99.9200	0.0000
e) Banks/FI									
f) Any other - Nominee Members	0	600	600	0.0800	0	600	600	0.0800	0.0000
<b>Sub-total (A)(1)</b>	<b>0</b>	<b>750000</b>	<b>750000</b>	<b>100.0000</b>	<b>0</b>	<b>750000</b>	<b>750000</b>	<b>100.0000</b>	<b>0.0000</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other									
<b>Sub-total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0.0000</b>
<b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>	<b>0</b>	<b>750000</b>	<b>750000</b>	<b>100.0000</b>	<b>0</b>	<b>750000</b>	<b>750000</b>	<b>100.0000</b>	<b>0.0000</b>
<b>B. Public Shareholding</b>									
1) Institutions									
a) Mutual Funds									
b) Banks/FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
<b>Sub-total(B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0.0000</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh									
c) Others (Specify)									
i) Resident Indians									
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies-D R									
<b>Sub-total(B)(2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0.0000</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0.0000</b>
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>750000</b>	<b>750000</b>	<b>100</b>	<b>0</b>	<b>750000</b>	<b>750000</b>	<b>100</b>	<b>0</b>



ii) Shareholding of Promoters-

Sl No	Shareholder's Name	Shareholding at the beginning of the Year			Shareholding at the end of the Year			% change in share holding during the Year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	INTERNATIONAL CONVEYORS LTD / AAACI6161K	749400	99.9200	0.0000	749400	99.9200	0.0000	0.0000
	<b>TOTAL</b>	<b>749400</b>	<b>99.92</b>	<b>0</b>	<b>749400</b>	<b>99.92</b>	<b>0</b>	<b>0</b>

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

Sl No	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	INTERNATIONAL CONVEYORS LTD				
	At the beginning of the year	749400	99.92	749400	99.92
	At the end of the year	749400	99.92	749400	99.92



**iv) Shareholding Pattern of top ten Shareholders**

**(Other than Directors, Promoters and Holders of GDRs and ADRs):**

SI No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>RAJENDRA KUMAR DABRIWALA</b>				
	At the beginning of the year	100	0.0134	100	0.0134
	At the end of the year	100	0.0134	100	0.0134
2	<b>LAKSHMIKANT TIBRAWALLA</b>				
	At the beginning of the year	100	0.0133	100	0.0133
	At the end of the year	100	0.0133	100	0.0133
3	<b>SURBHIT DABRIWALA</b>				
	At the beginning of the year	100	0.0134	100	0.0134
	At the end of the year	100	0.0134	100	0.0134
4	<b>YAMINI DABRIWALA</b>				
	At the beginning of the year	100	0.0133	100	0.0133
	At the end of the year	100	0.0133	100	0.0133
5	<b>SAILENDRA KUMAR BARZATIA</b>				
	At the beginning of the year	100	0.0133	100	0.0133
	At the end of the year	100	0.0133	100	0.0133
6	<b>ASHOK KUMAR GULGULIA</b>				
	At the beginning of the year	100	0.0133	100	0.0133
	At the end of the year	100	0.0133	100	0.0133

**(v) Shareholding of Directors and Key Managerial Personnel:**

SI. No.	For Each of the Directors	Shareholding at the beginning		Cumulative Shareholding	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>RAJENDRA KUMAR NAHATA</b>				
	At the beginning of the year	0	0.0000	0	0.0000
	At the end of the year	0	0.0000	0	0.0000
2	<b>LAKSHMIKANT TIBRAWALLA</b>				
	At the beginning of the year	100	0.0133	100	0.0133
	At the end of the year	100	0.0133	100	0.0133
3	<b>PINAKI SEN</b>				
	At the beginning of the year	0	0.0000	0	0.0000
	At the end of the year	0	0.0000	0	0.0000
4	<b>SUBHASIS MUKHERJEE</b>				
	At the beginning of the year	0	0.0000	0	0.0000
	At the end of the year	0	0.0000	0	0.0000



**INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				<b>NIL</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition				
* Reduction				
<b>Net Change</b>				<b>NIL</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>				<b>NIL</b>



VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL			
A Remuneration to Managing Director, Whole-time Directors and/or Manager			
Sl. no.	Particulars of Remuneration	Name of MD*	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission - as % of profit - others, specify...		
5	Others, please specify		
	<b>Total (A)</b>	<b>N.A.</b>	<b>N.A.</b>
	Ceiling as per the Act		

\*the Company does not have any Managing Director/Whole-time Director and/or Manager

B Remuneration to other directors:			
Sl. no.	Particulars of Remuneration	Name of Directors*	Total Amount
1	Independent Directors		
*	Fee for attending board committee meetings		
	Commission		
	Others, please specify		
	<b>Total (1)</b>		
2	Other Non-Executive Directors		
*	Fee for attending board committee meetings		
*	Commission		
*	Others, please specify		
	<b>Total (2)</b>		
	<b>Total (B)=(1+2)</b>		
	<b>Total Managerial Remuneration</b>	<b>N.A.</b>	<b>N.A.</b>
	Overall Ceiling as per the Act		

\*All the Directors of the Company are Non-Executive Directors



C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD				
Sl. no.	Particulars of Remuneration	Key Managerial Personnel*		
		Company Secretary	CFO	Total
1	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
(b)	Value of perquisites u/s17(2) Income-tax Act, 1961			
(c)	Profits in lieu of salary under section17(3) Income-tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission - as % of profit - others, specify...			
5	Others, please specify			
	<b>Total</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>

\*the Company does not have any Key Managerial Personnel

VII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:					
Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty Punishment Compounding		NIL			
<b>B. DIRECTORS</b>					
Penalty Punishment Compounding		NIL			
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty Punishment Compounding		NIL			



**INDEPENDENT AUDITORS' REPORT****To the Members of International Belting Limited****Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of **International Belting Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement Of Changes In Equity and Statement Of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes for the year ended on that date (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Information other than the Financial Statements and Auditors' Report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report in the annual report for the year ended March 31, 2020 but does not include the financial statements and our auditors' report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above when it becomes available, and, in doing so, consider whether the other information is materially inconsistent with the 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 a material misstatement of this other information, we are required to report that fact.

We have nothing to report with respect to the above.



### **Responsibility of Management and those charged with Governance for the 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 financial statements that give a true and fair view of the state of affairs (financial position), Profit or Loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. Further to our comments in the annexure referred to in the paragraph above, as required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) On the basis of the written representations received from the directors as on March 31, 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 with reference to Financial Statement 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 internal control over financial statements of the Company; and



- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigation having material impact on the financial position of the company which have not been disclosed in the financial statement as required in terms of the Indian accounting standards and provisions of the Companies Act, 2013 – Refer Note no. 21.1 to the 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. With respect to the Other matters to be included in the in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and according to the information and explanations given to us, no Remuneration has been paid by the Company to its Directors. Accordingly provisions of Section 197 are not applicable to the Company.

Place: Kolkata  
Date: July 13, 2020



For Lodha & Co,  
Chartered Accountants  
Firm's ICAI Registration No.:301051E

A handwritten signature in blue ink, appearing to read "H. K. Verma".

H. K. Verma  
Partner  
Membership No: 055104

**ANNEXURE "A" TO THE AUDITORS' REPORT OF EVEN DATE:**

**The Statement referred to in paragraph 1 with the heading "Report on other legal and regulatory requirements" of our report of even date to the members of International Belting Limited on the Financial Statements of the Company for the year ended 31<sup>st</sup> March 2020, we report that:**

- i)
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. All Property, Plant and equipment have been physically verified by the Management during the year, which in our opinion is reasonable having regard to the size of the company and the nature of its business. As informed, no material discrepancies were noticed on such verification.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties in the name of the Company. Accordingly clause 3(i)(c) of the Order is not applicable.
- ii) There was no purchase of inventory during the current year. The Company does not have any inventory at the beginning and the close of the year and hence, the provision of Clause 3(ii) of the order are not applicable to the Company.
- iii) According to the information and explanations given to us, the Company has granted unsecured loans to companies which are covered in the register maintained under Section 189 of the Act.
  - (a) In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of loans are prima facie not prejudicial to the interest of the Company ;
  - (b) In respect of the loans granted by the Company, there were no stipulations with respect to repayment of principal amounts. However, repayment of principal amount and interest thereon is being received by the Company as and when demanded.
  - (c) As informed to us, having regard to the terms and conditions of the loans, there are no overdue amount outstanding in respect of such loans and interest thereon.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v) The Company has not accepted any deposits from public covered under Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder.
- vi) According to the information and explanations given to us, the maintenance of cost records under Section 148(1) of the Act has not been prescribed and as such, paragraph 3(vi) of the Order is not applicable to the Company.
- vii)
  - a. According to the information and explanations given to us, during the year, the Company has been regular in depositing to the appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Services Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other material statutory dues as applicable to it. However, according to the information and explanations given to us, there is no undisputed amounts payable in respect of these which were in arrears as on 31<sup>st</sup> March 2020 for a period of more than six months from the date they became payable.

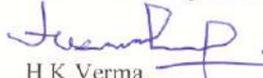


- b. According to the information and explanations provided to us and records of the Company examined by us, there are no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise and Value Added Tax as on 31<sup>st</sup> March, 2020 which have not been deposited on account of dispute.
- viii) In our opinion and on the basis of information and explanations given to us by the management, the Company has not issued any debentures and has not taken any loan from Banks, Financial Institutions or Government and accordingly, clause 3 (viii) of the order is not applicable to the Company.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). As per the information and explanations given to us, the Company has not taken any term loan during the year. Accordingly, clause 3(ix) of the order is not applicable to the Company.
- x) During the course of our examination of books and records of the Company, carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any incidence of fraud by the Company or any fraud on the Company by its officers or employees during the year nor have we been informed of any such cases by the management.
- xi) In our opinion and according to the information and explanations given to us, there being no managerial personnel in the Company, the provisions of clause 3(xi) of the Order are not applicable to the Company.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (Refer Note 28 of Financial Statements).

Place: Kolkata  
Date: July 13, 2020



For Lodha & Co.  
Chartered Accountants  
Firm's ICAI Registration No.:301051E

  
H K Verma  
Partner  
Membership No: 055104

**International Belting Limited**

**"Annexure B" TO THE INDEPENDENT AUDITORS' REPORT**

**(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements of our report of even date)**

**Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to the financial statements of International Belting Limited ("the Company") as at March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to financial statements 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls with reference to financial statements (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



**Meaning of Internal Financial Controls with reference to financial statements**

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

**Inherent Limitations of Internal Financial Controls with reference to financial statements**

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to financial statement issued by the Institute of Chartered Accountants of India.

Place: Kolkata  
Date: July 13, 2020



For Lodha & Co.  
Chartered Accountants  
Firm's ICAI Registration No.:301051E  
*H K Verma*  
H K Verma  
Partner  
Membership No: 055104

# INTERNATIONAL BELTING LIMITED

BALANCE SHEET AS AT MARCH 31, 2020

Particulars	Note No	(Rupees in '000)	
		As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>(1) Non Current Assets</b>			
(a) Property, Plant and Equipment	2	7.00	7.76
(b) Financial Assets			
(i) Investments	3	10,064.20	51,207.74
(ii) Deferred Tax Assets (Net)	4		
<b>Total Non Current Assets</b>		<b>10,071.20</b>	<b>51,215.50</b>
<b>(2) Current Assets</b>			
(a) Financial Assets			
(i) Trade receivables	5	12.81	12.81
(ii) Cash and cash equivalents	6	1,961.92	2,849.35
(iii) Loans	7	63,395.64	60,628.98
(iv) Other financial assets	8	0.98	-
(b) Other current assets	9	28.01	16.20
<b>Total Current Assets</b>		<b>65,399.36</b>	<b>63,507.34</b>
<b>TOTAL ASSETS</b>		<b>75,470.56</b>	<b>1,14,722.84</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	10	7,500.00	7,500.00
(b) Other Equity	11	65,371.28	1,04,872.13
<b>Total Equity</b>		<b>72,871.28</b>	<b>1,12,372.13</b>
<b>Liabilities</b>			
<b>(1) Non Current Liabilities</b>			
(a) Deferred Tax Liabilities (Net)	4	1,077.63	818.84
<b>Total Non Current liabilities</b>		<b>1,077.63</b>	<b>818.84</b>
<b>(2) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Trade Payables	12		
- Total Outstanding dues of micro enterprises and small enterprises		-	-
- Total Outstanding dues to creditors other than micro enterprises and small enterprises		103.76	36.67
(b) Other current liabilities	13	20.94	24.40
(c) Current Tax Liabilities	14	1,396.95	1,470.80
<b>Total Current Liabilities</b>		<b>1,521.65</b>	<b>1,531.87</b>
<b>Total Liabilities</b>		<b>2,599.28</b>	<b>2,350.71</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>75,470.56</b>	<b>1,14,722.84</b>

Accompanying Notes on Financial Statements  
These notes are an integral part of the Financial Statements.

1 to 30

As per our report of even date

For and on behalf of the Board

For Lodha & Co.  
Chartered Accountants  
Firm's ICAI Regn No.-301051E



H.K. Verma  
Partner  
Membership No. 055104  
Place: Kolkata  
Date: 13th July, 2020





Pinaki Sen  
Director  
DIN : 00568355



Subhasis Mukherjee  
Director  
DIN : 05335706

# INTERNATIONAL BELTING LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

		(Rupees in '000)		
SL No.	Particulars	Note No.	For the year ended March 31 2020	For the year ended March 31 2019
I	Other Income	15	6,198.63	5,294.61
II	<b>Total Income (I)</b>		<b>6,198.63</b>	<b>5,294.61</b>
III	<b>EXPENSES</b>			
	Employee benefits expense	16	3,191.10	2,177.14
	Depreciation and amortisation expense	17	0.76	1.19
	Other expenses	18	405.28	603.26
	<b>Total Expenses (III)</b>		<b>3,597.14</b>	<b>2,781.59</b>
IV	<b>Profit/(Loss) before Exceptional Items and tax (II-III)</b>		<b>2,601.49</b>	<b>2,513.02</b>
V	<b>Exceptional Items</b>	3.3	<b>42,138.89</b>	-
VI	<b>Profit/(Loss) Before Tax (IV-V)</b>		<b>(39,537.40)</b>	<b>2,513.02</b>
VII	Tax expense:			
	(1) Current tax	19	700.00	700.00
	(2) Deferred tax		-	-
	<b>Total Tax Expense (VII)</b>		<b>700.00</b>	<b>700.00</b>
VIII	<b>Profit for the year (VI-VII)</b>		<b>(40,237.40)</b>	<b>1,813.02</b>
IX	<b>OTHER COMPREHENSIVE INCOME</b>	20		
	(i) Items that will not be reclassified to Profit or Loss - Equity Instruments through Other Comprehensive Income		995.35	(1,535.18)
	(ii) Income tax relating to items that will not be reclassified to Profit or Loss - Income tax relating to above		(258.79)	399.15
	<b>Other Comprehensive Income for the year (net of tax) (IX)</b>		<b>736.56</b>	<b>(1,136.03)</b>
X	<b>Total Comprehensive Income for the year comprising profit and other comprehensive income for the year (VIII+IX)</b>		<b>(39,500.84)</b>	<b>676.99</b>
XI	<b>Earnings per Equity Share (of par value Rs. 10/- each)</b>	22		
	(1) Basic (Rs.)		(53.65)	2.42
	(2) Diluted (Rs.)		(53.65)	2.42

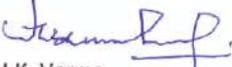
Accompanying Notes on Financial Statements  
These notes are an integral part of the Financial Statements.

1 to 30

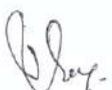
As per our report of even date

For and on behalf of the Board

For Lodha & Co.  
Chartered Accountants  
Firm's ICAI Regn No.-301051E

  
H.K. Verma  
Partner  
Membership No. 055104  
Place: Kolkata  
Date: 13th July, 2020



  
Pinaki Sen  
Director  
DIN : 00568355

  
Subhasis Mukherjee  
Director  
DIN : 05335706

**INTERNATIONAL BELTING LIMITED**  
Cash Flow for the year ended March 31, 2020

Particulars	(Rupees in '000)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT BEFORE TAX		
ADJUSTMENTS FOR -	(39,537.40)	2,513.02
Depreciation		1.19
Sundry Balances Written Back	0.76	(10.80)
Interest Income	-	(5,283.81)
Loss on Sale/Merger of Investment	(6,198.63)	
	42,138.89	
<b>OPERATING EXPENSES BEFORE WORKING CAPITAL CHANGES</b>		
ADJUSTMENTS FOR -	(3,596.37)	(2,780.40)
Trade and other receivables		(530.39)
Trade Payable and other liabilities	(2,779.46)	
<b>CASH GENERATED FROM OPERATIONS</b>	63.62	(18.46)
Direct Taxes Paid	(6,312.22)	(3,329.25)
<b>NET CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES</b>	(773.84)	(1,056.24)
	(7,086.06)	(4,385.49)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase Of Non Current Investments	-	-
Sale Of Non Current Investments	-	-
Interest Received	-	-
<b>NET CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES</b>	6,198.63	5,283.81
	6,198.63	5,283.81
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Paid	-	-
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	-	-
	-	-
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	(887.43)	898.33
Cash and Cash Equivalents as at beginning of the Year- Refer Note No. 6	2,849.35	1,951.02
Cash and Cash Equivalents as at the end of the year- Refer Note No. 6	1,961.92	2,849.35

Note:

1. Cash and Cash Equivalents consists of cash on hand and Bank balances in Current Account. The details of cash and cash equivalents as per note 6 of the balance sheet is as under:

Particulars	(Rupees in '000)	
	As at March 31, 2020	As at March 31, 2019
Balances with banks		
In current account	19.51	906.95
Cash on hand	1,942.41	1,942.40
<b>Total cash and cash equivalents</b>	<b>1,961.92</b>	<b>2,849.35</b>

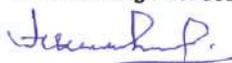
2. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard - 7 on Statement of Cash Flows.

Accompanying Notes on Financial Statements  
These notes are an integral part of the Financial Statements.

1 to 30

As per our report of even date

For Lodha & Co.  
Chartered Accountants  
Firm's ICAI Regn No.-301051E



H.K. Verma  
Partner  
Membership No. 055104  
Place: Kolkata  
Date: 13th July, 2020



For and on behalf of the Board



Pinaki Sen  
Director  
DIN : 00568355



Subhasis Mukherjee  
Director  
DIN : 05335706

# INTERNATIONAL BELTING LIMITED

## Statement of changes in Equity for the year ended March 31, 2020

### (a) Equity Share Capital

Particulars	(Rupees in '000)
Balance as at April 1, 2018	7,500.00
Changes during the year	-
Balance As at March 31, 2019	7,500.00
Changes during the year	-
Balance as at March 31, 2020	7,500.00

### (b) Other Equity

Particulars	Reserves and Surplus		Items of Other Comprehensive Income	Total
	Securities Premium	Retained Earnings	Equity Instruments through other Comprehensive Income	
Balance as at April 1, 2018	63,000.00	33,138.04	8,057.10	1,04,195.14
Profit for the year	-	1,813.02	-	1,813.02
Other Comprehensive Income for the year	-	-	(1,136.03)	(1,136.03)
Balance As at March 31, 2019	63,000.00	34,951.06	6,921.07	1,04,872.13
Profit for the year	-	(40,237.41)	-	(40,237.41)
Other Comprehensive Income for the year	-	-	736.56	736.56
Balance as at March 31, 2020	63,000.00	(5,286.35)	7,657.63	65,371.28

Refer Note No. 11 for nature and purpose of reserves

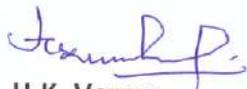
Accompanying Notes on Financial Statements  
These notes are an integral part of the Financial Statements.

1 to 30

As per our report of even date

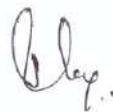
For and on behalf of the Board

For Lodha & Co.  
Chartered Accountants  
Firm's ICAI Regn No.-301051E



H.K. Verma  
Partner  
Membership No. 055104  
Place: Kolkata  
Date: 13th July, 2020





Pinaki Sen  
Director  
DIN : 00568355



Subhasis Mukherjee  
Director  
DIN : 05335706

**c. Property Plant and Equipment (PPE)**

Property, Plant and Equipment are stated at cost of acquisition, construction and subsequent improvements thereto less accumulated depreciation and impairment losses, if any. For this purpose cost include deemed cost on the date of transition and comprises purchase price of assets or its construction cost including duties and taxes, inward freight and other expenses incidental to acquisition or installation and adjustment for exchange differences wherever applicable and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the Management.

When parts of an item of PPE have different useful life's, they are accounted for as separate items (major components) of the PPE.

Property, Plant and Equipment includes spare, stand by equipments and servicing equipments which are expected to be used for a period more than twelve months and meets the recognition criteria of Plant, Property and Equipment. The cost of replacing 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 costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss when incurred.

Capital work in progress includes purchase price, import duty and any directly attributable cost of bringing the assets to their working condition, trial run expenses and attributable borrowing cost. Such items are classified to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use.

**Depreciation and Amortization**

Depreciation on PPE is provided as per Schedule II of the Companies Act, 2013 on written down value method.

Depreciation on Property, Plant and Equipments commences when the assets are ready for their intended use. Based on above, the estimated useful lives of assets for the current period are as follows:

Category	Useful Life in years
Buildings	30
Plant and Equipment	3-30
Furniture and fixtures	3-20
Vehicles	6-15
Computer	3-15

Depreciation on subsequent expenditure on Property, Plant and Equipments rising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.



Depreciation methods, useful lives and residual values and are reviewed and adjusted as appropriate, at each reporting date.

**d. Derecognition of Tangible and Intangible assets**

An item of Property, Plant and Equipment and Intangible assets is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

**e. Investments in subsidiaries, associates and joint ventures**

The Company records the investments in subsidiaries, associates and joint ventures at cost less impairment loss, if any.

**f. Impairment of Tangible and Intangible Assets**

Tangible and Intangible assets are reviewed at each Balance Sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

**g. Financial instrument - Financial assets and financial liabilities**

Financial assets and financial liabilities (financial instruments) are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition



## INTERNATIONAL BELTING LIMITED

Notes to Financial Statements as at March 31, 2020

of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value through Profit and Loss (FVTPL) or at Fair Value Through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

### 1) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

### 2) Financial Assets and Financial Liabilities measured at amortised cost

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

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method, if any is recognised in the statement of Profit and Loss

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

### 3) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.



For the purpose of para (1) and (2) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

**4) Financial Assets or Financial Liabilities at Fair value through profit or loss (FVTPL)**

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

**5) Impairment of financial assets**

The Company evaluates whether there is any objective evidence that financial assets measured at amortised costs including trade and other receivables are impaired and determines the amount of impairment allowance as a result of the inability of the parties to make required payments. The Company bases the estimates on the ageing of the receivables, credit-worthiness of the receivables and historical write-off experience and variation in the credit risk on year to year basis.

Lifetime expected credit losses are the Expected Credit Losses (ECL) that result from all possible default events over the expected life of a financial instrument. The company measures the loss allowance for a financial assets at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL.

In case of trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses where maximum contractual period is considered over which the Company is exposed to credit risks.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward-looking information.

Loss allowances for financial assets measured at amortised costs are deducted from the gross carrying amount of the assets.



**6) Derecognition of financial instruments**

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On derecognition of assets measured at FVTOCI, the cumulative gain or loss previously recognised in other comprehensive income is reclassified, to retained earnings.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

**h. Inventories**

Inventories are valued at lower of the cost or estimated net realisable value.

The cost in respect of raw materials and stores and spares is determined on First in First out basis (FIFO) and in respect of Finished Goods determined on Weighted average basis. Materials and other supplies held for use in the production of inventories are not written down below cost, if the finished products in which they will be incorporated are expected to be sold at or above cost.

Cost of raw materials and stores and spares includes the taxes other than those recoverable from taxing authorities and expenses incidental to the procurement of the same. Cost in case of Finished goods represents prime cost and appropriate portion of overheads.

Stock of Work in Progress includes conversion or processing costs of material pending completion and delivery to the customer.

Traded goods are valued using on First in First out basis (FIFO).

**i. Equity Share Capital**

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.



**j. Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities are not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

**k. Employee Benefits**

Employee benefits are accrued in the year in which services are rendered by the employees. Short term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related service is rendered.

**l. Revenue Recognition**

**1. Revenue from Operations**

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The revenue from sales is recognised when control over a product or service has been transferred and/or products/services are delivered/provided to the customers. The delivery occurs when the product has been shipped or delivered to the specific location as the case may be and the customer has either accepted the products in accordance with contract or the company has sufficient evidence that all the criteria for acceptance has been satisfied. Returns, discount and rebates collected, if any, are deducted there from sales.

**2. Other Income**

**Interest, Dividend and Claims:**

Dividend income is recognized when the right to receive payment is established which is generally when shareholder approve the dividend. Interest income is accrued on time basis by reference to the principal outstanding and has been accounted using effective interest rate method. Insurance / other claim are accounted as and when admitted / settled.



**m. Taxes on Income**

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income.

**Current Tax**

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

**Deferred Tax**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred Tax Asset & Liabilities have been offset wherever the company has a legally enforceable right to set off current tax assets against current tax liabilities & where deferred tax assets & liabilities relate to income tax levied by the same taxation authority.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets include Minimum Alternative Tax (MAT) measured in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability and such benefit can be measured reliably and it is probable that the future economic benefit associated with same will be realized.

**n. Earnings Per Share**

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed using the net profit for the year attributable to the equity shareholders and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from



the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

**o. Segment Reporting**

The Company has one operating business segment viz, trading of textile and other goods.

**D. Critical accounting judgments, assumptions and key sources of estimation and uncertainty**

The preparation of the financial statements in conformity with Ind AS requires that the management of the company makes estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the financial statements.

The Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

**A. Arrangements containing leases**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to the company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.



**B. Depreciation / amortization of and impairment loss on property, plant and equipment / intangible assets.**

Property, plant and equipment are depreciated on Written down value method and intangible assets are amortized on straight-line basis over the estimated useful lives in accordance with Internal assessment and Independent evaluation carried out by technical expert/ Schedule II of the Companies Act, 2013 taking into account the estimated residual value, wherever applicable.

The company reviews its carrying value of its Tangible and Intangible Assets whenever there is objective evidence that the assets are impaired. In such situation asset's recoverable amount is estimated which is higher of asset's or cash generating units' (CGU) fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre-tax discount rate which reflect the current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered or otherwise in absence of such transactions appropriate valuations are adopted.

**C. Impairment loss on trade receivables**

The Company evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment loss as a result of the inability of the debtors to make required payments. The Company bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the trade receivables and historical write-off experience. If the financial conditions of the trade receivable were to deteriorate, actual write-offs would be higher than estimated.

**D. Current Tax and Deferred Tax**

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes

Significant management judgement is required to determine the amount of deferred tax assets/liability that can be recognised, based upon the likely timing and the level of future taxable profit together with future tax planning strategies. The management has reviewed the rationale for recognition of Deferred Tax Liability and based on the likely timing and level of profitability in future and expected utilisation of deferred tax there against

**E. Fair Value Measurements**

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques which involve various judgements and assumptions. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in the assumptions about these factors could affect the reported fair value of financial instruments.



**F. Defined benefit obligation (referred to as "DBO")**

Critical estimate of the DBO involves a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate, anticipation of future salary increases etc. as estimated by Independent Actuary appointed for this purpose by the Management. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.



# International Belting Limited

Notes to Financial Statements as at March 31, 2020

## 2. Property, Plant and Equipment

Particulars	Office Equipments	Furniture and Fixtures	(Rupees in '000)
			Total
<b>(A) Gross Carrying Amount</b>			
As at April 1 2018	5.04	8.09	13.13
Additions	-	-	-
Disposals/Adjustments	-	-	-
<b>As at March 31 2019</b>	5.04	8.09	13.13
Additions	-	-	
Disposals/Adjustments	-	-	
<b>As at March 31 2020</b>	5.04	8.09	13.13
<b>(B) Accumulated Depreciation</b>			
As at April 1 2018	-	4.18	4.18
Charge for the period	-	1.19	1.19
Disposals/Adjustments	-	-	-
<b>As at March 31 2019</b>	-	5.37	5.37
Charge for the period	-	0.76	0.76
Disposals/Adjustments	-	-	-
<b>As at March 31 2020</b>	-	6.13	6.13
<b>(C) Net Block (A-B)</b>			
As at March 31 2019	5.04	2.72	7.76
As at March 31 2020	5.04	1.96	7.00



# International Belting Limited

## Notes to Financial Statements as at March 31, 2020

### 3. Non-current Investments

(Fully paid up except otherwise stated)

Particulars	Note No.	As at March 31, 2020		As at March 31, 2019	
		No. of Shares	Value	No. of Shares	Value
<b>In equity Instruments, Unquoted</b>					
<b>Investments measured at Cost</b>					
<b>Associate Company</b>					
Pure Coke Limited (Face Value of Share `10/- each) (Merged with I G E India Private Limited)	3.3	-	-	42,20,300	42,203.43
<b>(A)</b>					42,203.43
<b>Investments designated at Fair value through Other Comprehensive Income</b>					
I G E (India) Private Limited (Face Value of Share `1/- each)	3.3	22,142	10,064.20	22,000	9,004.31
<b>(B)</b>					9,004.31
<b>Aggregate amount of unquoted Investments (A) + (B)</b>			<b>10,064.20</b>		<b>51,207.74</b>

3.1 Particulars of investments as required in terms of Section 186 (4) of the Companies Act, 2013, have been disclosed under note no.3 above.

3.2 Refer Note 26 for information about Fair Value Measurement.

3.3 During the year Pure Coke Limited have been amalgamated with IGE India Private Limited. Consequent to the said amalgamation, the company has received 142 equity shares of IGE India Private Limited valued Rs. 64.54 thousands by an independent valuer considering the market value of Rs. 454.53 per equity share of IGE India Private Limited on the date of amalgamation. Rs. 42,138.89 thousand being the decline in the value of investments due to amalgamation have been charged off in the statement of Profit and loss as exceptional items.



#### 4. DEFERRED TAX LIABILITIES

The following is the analysis of deferred tax assets/(liabilities) presented in the Balance Sheet:

Particulars	Note No.	(Rupees in '000)	
		As at March 31, 2020	As at March 31, 2019
Deferred tax assets		1,490.27	1,490.27
Deferred tax liabilities		(2,567.90)	(2,309.11)
<b>Net Deferred Tax Assets/(Liabilities)</b>		<b>(1,077.63)</b>	<b>(818.84)</b>

4.1 Components of Deferred tax Assets/ (Liabilities) as at March 31, 2020 are given below:

Particulars	As at March 31, 2019	Charge/ (Credit) recognised in P/L	Charge/ (Credit) recognised in other comprehensive income	(Rupees in '000)
				As at March 31, 2020
<b>Deferred Tax Assets:</b>				
Mat Credit Entitlement	1,490.27	-	-	1,490.27
<b>Total Deferred Tax Assets</b>	<b>1,490.27</b>	<b>-</b>	<b>-</b>	<b>1,490.27</b>
<b>Deferred Tax Liabilities:</b>				
On account of Equity Fair Valuation	2,309.11		258.79	2,567.90
<b>Total Deferred Tax Liabilities</b>	<b>2,309.11</b>	<b>-</b>	<b>258.79</b>	<b>2,567.90</b>
<b>NET DEFERRED TAX ASSETS/ (LIABILITIES)</b>	<b>(818.84)</b>	<b>-</b>	<b>258.79</b>	<b>(1,077.63)</b>

4.2 Components of Deferred tax Assets/ (Liabilities) as at March 31, 2019 are given below:

Particulars	As at April 1, 2018	Charge/ (credit) recognised in P/L	Charge/ (Credit) recognised in Other Comprehensive Income	(Rupees in '000)
				As at March 31, 2019
<b>Deferred Tax Assets:</b>				
Mat Credit Entitlement	1,490.27	-	-	1,490.27
Expense allowed on payment basis	191.51	15.60	-	175.91
<b>Total Deferred Tax Assets</b>	<b>1,490.27</b>	<b>-</b>	<b>-</b>	<b>1,490.27</b>
<b>Deferred Tax Liabilities:</b>				
On account of Equity Fair Valuation	2,708.26	-	(399.15)	2,309.11
<b>Total Deferred Tax Liabilities</b>	<b>2,708.26</b>	<b>-</b>	<b>(399.15)</b>	<b>2,309.11</b>
<b>NET DEFERRED TAX ASSETS/ (LIABILITIES)</b>	<b>(1,217.99)</b>	<b>-</b>	<b>(399.15)</b>	<b>(818.84)</b>



# International Belting Limited

Notes to Financial Statements as at March 31, 2020

## 5 Trade Receivables

Particulars	Ref Note No.	As at March 31, 2020	(Rupees in '000) As at March 31, 2019
Trade Receivables - Unsecured		12.81	12.81
		<u>12.81</u>	<u>12.81</u>

5.1 Trade receivables are non-interest bearing and are generally on credit terms of 30 days. The ageing of receivables are as follows:

Age of Receivable :

Particulars	As at March 31, 2020	(Rupees in '000) As at March 31, 2019
Within the credit period	-	-
1-180 days past due	-	-
More than 180 days past due	12.81	12.81
<b>Total</b>	<u>12.81</u>	<u>12.81</u>

5.2 The company has reviewed its account receivable based on the financial condition of the customer after considering the current economic environment case to case basis. Based on such review, there does not exist such circumstances requiring any impairment in these Financial Statements.

## 6 CASH AND CASH EQUIVALENTS

(As certified by the management)

Particulars	Ref Note No.	As at March 31, 2020	(Rupees in '000) As at March 31, 2019
Balances With Banks			
In Current Accounts		19.51	906.95
Cash on Hand		1,942.41	1,942.40
		<u>1,961.92</u>	<u>2,849.35</u>

## 7 LOANS

Particulars	Ref Note No.	As at March 31, 2020	(Rupees in '000) As at March 31, 2019
(Unsecured Considered Good)			
Loans to related parties	7.1 & 25	63,384.64	56,655.14
Loans to bodies corporate	7.2	-	3,972.84
Security deposit		11.00	1.00
		<u>63,395.64</u>	<u>60,628.98</u>

7.1 Represents loan granted for their business purposes.

Name of the Bodies Corporate	Purpose of Loan	As at March 31, 2020	(Rupees in '000)
			As at March 31, 2019
Manik Chand Dabriwala	General Corporate Loan	-	3,972.84

7.3 The above Loan carries Interest varying from 9% to 12% per annum.

## 8 Other Financial Assets

Particulars	Ref Note No.	As at March 31, 2020	(Rupees in '000) As at March 31, 2019
Advance for supply of goods and services		0.98	-
		<u>0.98</u>	<u>-</u>

## 9 Other Current Assets

Particulars	Ref Note No.	As at March 31, 2020	(Rupees in '000) As at March 31, 2019
Balances with Government authorities		28.01	16.20
		<u>28.01</u>	<u>16.20</u>



# International Belting Limited

## Notes to Financial Statements as at March 31, 2020

### 10 EQUITY SHARE CAPITAL

Particulars	Ref Note No.	As at March 31, 2020	(Rupees in '000)
			As at March 31, 2019
<b>Authorised</b>			
50,00,000 Equity Shares of ₹ 10/- each (March 31, 2019: 50,00,000 Nos)		50,000.00	50,000.00
<b>Issued, Subscribed and Fully Paid-up :</b>			
7,50,000 Equity Shares of ₹ 10/- each (March 31, 2019: 7,50,000 Nos)		7,500.00	7,500.00
		<b>7,500.00</b>	<b>7,500.00</b>

10.1 Out of the above issued shares, the Company has only one class of equity shares having a par value of ₹ 10/- each. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount in proportion of their shareholding.

10.2 There is no movement in the number of shares outstanding at the beginning and at the end of the reporting period.

10.3 Details of the shareholders holding more than 5% shares of the total number of equity shares issued by the Company :

Name of the Shareholder	Ref Note No.	No. of Shares held as at March 31, 2020	No. of Shares held as at March 31, 2019
International Conveyors Limited		7,50,000	7,50,000

### 11 Other Equity

Particulars	Ref Note No.	As at March 31, 2020	(Rupees in '000)
			As at March 31, 2019
<b>Securities Premium</b>			
As per last Balance sheet	11.2	63,000.00	63,000.00
<b>As per Balance Sheet date</b>		<b>63,000.00</b>	<b>63,000.00</b>
<b>Retained Earnings</b>			
As per last Balance sheet	11.3	34,951.06	33,138.04
Profit for the year		(40,237.40)	1,813.02
<b>As per Balance Sheet date</b>		<b>(5,286.34)</b>	<b>34,951.06</b>
<b>Equity Instrument through Other Comprehensive Income</b>			
As per last Balance sheet	11.4	6,921.07	8,057.10
Other Comprehensive Income for the period		736.56	(1,136.03)
<b>As per Balance Sheet date</b>		<b>7,657.62</b>	<b>6,921.07</b>
		<b>65,371.28</b>	<b>1,04,872.13</b>

#### Notes:

11.1 Refer Statement of Changes in Equity for movement in balances of Reserves.

#### 11.2 Securities Premium

Securities Premium represents the amount received in excess of par value of securities and is available for utilisation as specified under Section 52 of Companies Act, 2013.

#### 11.3 Retained Earnings

Retained earnings generally represent the undistributed profit/amount of accumulated earnings of the company.

#### 11.4 Other Comprehensive Income

The company has elected to recognize changes in the fair value of investments as items that will not be reclassified to profit and loss under Other Comprehensive Income. This Reserve represents the cumulative gain and losses arising on the revaluation of Equity instruments measured at Fair Value. The Company transfers amounts from this reserve to Retained Earnings when the relevant equity securities are disposed.



# International Belting Limited

Notes to Financial Statements as at March 31, 2020

## 12 TRADE PAYABLES

Particulars	Ref Note No.	As at March 31, 2020	(Rupees in '000)
			As at March 31, 2019
Trade Payables			
- Total outstanding dues of Micro enterprises and Small Enterprises	12.1		
- Total outstanding dues to creditors other than Micro enterprises and Small Enterprises		103.76	36.67
		<u>103.76</u>	<u>36.67</u>

12.1 There are no dues to Micro and Small enterprises as at March 31, 2020. This information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

12.2 Trade payables are non-interest bearing and are normally settled on 30 days term.

## 13 Other current liabilities

Particulars	Ref Note No.	As at March 31, 2020	(Rupees in '000)
			As at March 31, 2019
Statutory dues (includes Goods and Services Tax, PF, ESI, Sales Tax/ VAT, CST etc.)		20.94	24.40
		<u>20.94</u>	<u>24.40</u>

## 14 Current Tax Liabilities

Particulars	Ref Note No.	As at March 31, 2020	(Rupees in '000)
			As at March 31, 2019
Provision for Income Tax (Net of Advance Tax)		1,396.95	1,470.80
		<u>1,396.95</u>	<u>1,470.80</u>

14.1 Provision for tax is net of Advance Tax (including Tax deducted at source) of Rs. 12,197.05 thousand (Previous year: 11,423.20 thousand).



# International Belting Limited

## Notes to Financial Statements for the year ended March 31, 2020

15 OTHER INCOME		(Rupees in '000)	
Particulars	Ref Note No.	For the year ended 31.03.2020	For the year ended 31.03.2019
Interest Income		6,198.63	5,283.81
Sundry Balances Written Back		-	10.80
		<u>6,198.63</u>	<u>5,294.61</u>

16 EMPLOYEE BENEFITS EXPENSE		(Rupees in '000)	
Particulars	Ref Note No.	For the year ended 31.03.2020	For the year ended 31.03.2019
Salaries and Wages	16.1	3,191.10	2,177.14
		<u>3,191.10</u>	<u>2,177.14</u>

- 16.1 Considering only few employees in the Company and that they have not put in qualifying period of service to be eligible for payment of gratuity, provision for year end liability of gratuity has not been made. In absence of actuarial valuation for ascertaining the year end liability, the impact on the financial statements could not be ascertained. However, due to this there is not likely to be material impact on the financial statements. Steps are being taken to comply with requirements of Indian Accounting Standard – 19 (Ind As-19) on "Employee Benefits".

17 Depreciation and Amortisation Expenses		(Rupees in '000)	
Particulars	Ref Note No.	For the year ended 31.03.2020	For the year ended 31.03.2019
Depreciation on Property, Plant and Equipment	2	0.76	1.19
		<u>0.76</u>	<u>1.19</u>

18 OTHER EXPENSES		(Rupees in '000)	
Particulars	Ref Note No.	For the year ended 31.03.2020	For the year ended 31.03.2019
Rent	18.1	-	192.00
Rates and Taxes		4.65	4.65
Auditor's Remuneration	18.2	35.40	35.40
Miscellaneous Expenses		365.23	371.21
		<u>405.28</u>	<u>603.26</u>

- 18.1 The company has certain cancellable operating lease arrangements for office/ residential accommodation and for use of machineries with a lease period of one to five years which can be further extended after mutual consent and agreement. The lease agreement can be terminated after giving a notice as per the terms of the lease by either of the party. Expenditure incurred on account of operating lease rentals during the year and recognised in the Statement of Profit and Loss amounts to NIL (Previous Year 192.00 thousand) exclusive of service tax/GST.



# International Belting Limited

## Notes to Financial Statements for the year ended March 31, 2020

### 18.2 Auditor's Remuneration includes:

(Rupees in '000)

Particulars	Ref Note No.	For the year ended 31.03.2020	For the year ended 31.03.2019
Audit Fees		35.40	35.40
Certification and other reports		-	-
	18.2.1	<u>35.40</u>	<u>35.40</u>

### 18.2.1 Includes Taxes as follows:

Particulars	Ref Note No.	For the year ended 31.03.2020	For the year ended 31.03.2019
Audit Fees		5.40	5.40
Certification and other reports		-	-
		<u>5.40</u>	<u>5.40</u>

### 19 TAX EXPENSE

Particulars	Ref Note No.	For the year ended 31.03.2020	For the year ended 31.03.2019
Current Tax in relation to:			
- Current Year	19.1	700.00	700.00
- Earlier Year		-	-
Deferred Tax		<u>700.00</u>	<u>700.00</u>
In respect of the current Year		-	-
		-	-
<b>TOTAL TAX EXPENSE</b>		<u><b>700.00</b></u>	<u><b>700.00</b></u>

The Company has during the year ended March 31, 2020 exercised the options for paying income tax at concessional rates subject to the compliances, conditions as specified under section 115BAA of the Income Tax Act 1961, (new tax regime) effective April 01, 2019 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 and promulgated as the Taxation laws (Amendment) Act, 2019 enacted on December 11, 2019. Accordingly, Deferred Tax Liability (net) recognised earlier as at March 31, 2019 has been remeasured and the estimate for tax expense comprising of both current and deferred tax for the year ended March 31, 2020 have been revised.

### 19.1 Reconciliation of income tax expense for the year with accounting profit is as follows :

Taxable Income differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Details in this respect are as follows :

Particulars	Ref Note No.	For the year ended 31.03.2020	For the year ended 31.03.2019
Profit before tax			
Income tax expense calculated at 22.88% ( Previous Year - 26%)		2,601.48	2,513.02
Add/(Less):		595.22	651.69
Losses not considered for tax purposes and other adjustments		104.78	48.31
<b>Income tax expense recognised in the statement of profit and loss</b>		<u><b>700.00</b></u>	<u><b>700.00</b></u>

The tax rate used for reconciliations above is the corporate tax rate of 22% plus applicable surcharge and cess etc. payable by corporate entities in India on taxable profits under the Indian tax laws.

### 20 OTHER COMPREHENSIVE INCOME

Particulars	Ref Note No.	For the year ended 31.03.2020	For the year ended 31.03.2019
Items that will not be reclassified to Profit or Loss			
Gains/(Losses) on measuring Equity Instruments through Other Comprehensive Income	20.2	995.35	(1,535.18)
Income Tax relating to Items that will not be reclassified to Profit or Loss			
Gains/(Losses) on measuring Equity Instruments through Other Comprehensive Income	20.1	(258.79)	399.15
		<u>736.56</u>	<u>(1,136.03)</u>

### 20.1 Income tax recognized in Other Comprehensive income

Particulars	Ref Note No.	For the year ended 31.03.2020	For the year ended 31.03.2019
Deferred tax charge on:			
Gains/(loss) on fair value of investment in Equity Instruments		(258.79)	399.15
<b>Income tax recognized in Other Comprehensive income</b>		<u><b>(258.79)</b></u>	<u><b>399.15</b></u>
Items that will not be reclassified to profit or loss		<u>(258.79)</u>	<u>399.15</u>

### 20.2 Components of Other Comprehensive Income

Particulars	Ref Note No.	For the year ended 31.03.2020	For the year ended 31.03.2019
Items that will not be reclassified to statement of profit or loss			
Gains/(loss) on fair value of Investment in Equity Instruments (net of tax)		995.35	(1,535.18)
		<u>995.35</u>	<u>(1,535.18)</u>



## Notes to the Financial Statements as at March 31, 2020

### 21 Contingent Liabilities and Commitments (to the extent not provided for)

#### 21.1 Contingent Liabilities

The Company has no pending litigation with respect to claim against the company and proceedings pending with tax/statutory/Government Authorities.

#### 21.2 Capital Commitment - Rs. Nil (Previous year Rs. Nil)

##### Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the entity. During the normal course of business, several unresolved claims are currently outstanding. The inflow of economic benefits, in respect of such claims cannot be measured due to uncertainties that surround the related events and circumstances.

### 22 Earnings Per Share

	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
a)	Profit after Tax for Basic and Diluted Earnings Per Share as per Statement of Profit and Loss (Rupees in '000)	(40,237.41)	1,813.02
b)	Number of Equity Shares (No.s):		
	(i) Weighted average number of equity shares outstanding during the period	7,50,000	7,50,000
	(ii) Dilutive Potential Equity shares	Nil	Nil
	Nominal value per equity share (Rs.)	10	10
c)	Earnings per share of Equity share of Rs. 10/- each (in Rs.) - Basic (a/b(i))	(53.65)	2.42
d)	Earnings per share of Equity share of Rs. 10/- each (in Rs.) - Diluted (a/b(i))	(53.65)	2.42

### 23 Segment Reporting

The Company is engaged primarily in the business of trading in textile and other goods. Accordingly, this is the only reportable segment in terms of Indian Accounting Standard - 108 :Operating Segments".

24 In earlier years though, the Company had commenced and carrying on the business of dealing or trading of textile goods but during the year there was no trading due to unfavourable market conditions.



Notes to the Financial Statements as at March 31, 2020

25 Related Party Transactions

Related party disclosure as identified by the management in accordance with the Indian Accounting Standard (Ind AS) 24 on "Related Party Disclosures" are as follows:

A)

Name of related parties and related party relationship:	
Holding Company	International Conveyors Limited
Associate Company	Pure Coke Limited (w.e.f. 29th August, 2017)
Enterprises over which Key Managerial Personnel has significant influence	I.G.E. (India) Private Limited Elpro International Limited Dabri Properties & Trading Co. Ltd

B) Nature of Transaction with the related parties referred to in serial no. ( A ) above

Nature of Transaction	International Conveyors Ltd.		I.G.E. (India) Pvt Ltd.		Elpro International Limited		Pure Coke Limited		DABRI PROPERTIES & TRADING CO. LTD	
	Year Ended 31.03.2020	Year Ended 31.03.2019	Year Ended 31.03.2020	Year Ended 31.03.2019	Year Ended 31.03.2020	Year Ended 31.03.2019	Year Ended 31.03.2020	Year Ended 31.03.2019	Year Ended 31.03.2020	Year Ended 31.03.2019
Interest on Loan Received	3,128.23	141.26	-	2,156.11	-	-	-	-	2,768.21	2,560.78
Interest on Loan Paid	-	-	-	-	-	-	-	-	-	-
Sale of Investment in Shares	-	-	-	-	-	-	-	-	-	-
Inter-corporate deposits	-	-	-	-	-	-	-	-	-	-
Loan given	30,650.00	3,250.00	-	-	-	-	-	-	-	-
Repayment of Loan	3,330.00	3,250.00	25,897.29	-	-	-	-	3,968.67	-	-
Loan taken	-	750.00	-	-	-	-	-	-	-	-
Loan Repaid	-	750.00	-	-	-	-	-	-	-	-
Reimbursement of Expenses (Net)	68.32	-	-	-	-	-	-	-	-	-
Recovery of Expenses (Net)	-	-	-	-	-	-	-	-	-	-
Outstanding Loan given	-	-	-	-	-	-	-	-	-	-
Outstanding Loan taken	-	-	-	25,897.29	-	-	-	-	33,249.23	30,757.85
Capital Contribution	-	-	-	-	-	-	-	-	-	-



## 26 FINANCIAL INSTRUMENTS

The accounting classification of each category of financial instrument, their carrying amount and fair value are as follows :-

Particulars	(Rupees in '000)			
	As at March 31, 2020		As at March 31, 2019	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets (Current and Non-Current)</b>				
<b>Financial Assets measured at Amortised Cost</b>				
Trade Receivables	12.81	12.81	12.81	12.81
Cash and Cash Equivalents	1,961.91	1,961.91	2,849.35	2,849.35
Loans	63,395.64	63,395.64	60,628.98	60,628.98
Others	0.98	0.98	-	-
<b>Financial Assets measured at Fair Value through Other Comprehensive Income</b>				
Investments in Equity Instruments other than Associates	10,064.20	10,064.20	9,004.31	9,004.31
<b>Financial Liabilities (Current and Non-Current)</b>				
<b>Financial Liabilities measured at Amortised Cost</b>				
Trade Payables	103.76	103.76	36.67	36.67

**Fair Valuation Techniques**

The fair values of the financial assets and liabilities are included at the amount 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 following methods and assumptions were used to estimate the fair values :

The fair value of cash and cash equivalents, trade receivables and payables, current financial liabilities and assets approximate their carrying amount largely due to the short-term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the Financial Statements approximate their fair values.

Loans under current assets represent security deposits given to government authorities and for the purpose of day-to-day utilities of the Company and therefore the need of fair valuation does not arise in such a case.

Fair value of Security deposits and Unsecured Loans from Bodies Corporate have been determined on Effective interest Rate method (EIR) and differential thereof has been recognised as deferred loss/gain and to be recognised to profit and loss over the tenure of the instrument.

Investments (other than Investments in Associates) traded in active market are determined by reference to the quotes from the stock exchanges at the reporting date. Unquoted Investments in shares have been valued based on the historical net assets value as per the latest audited financial statements. Investments in Associates have been carried at cost.

**Fair Value hierarchy**

Particulars	As at March 31	(Rupees in '000)		
		Fair Value measurements at reporting date using		
		Level 1	Level 2	Level 3
<b>Financial Asset</b>				
Investment in Equity Instruments	10,064.20	-	-	10,064.20
	(51,207.74)	-	-	(51,207.74)

(\*) Figures in round brackets ( ) indicate figures as at March 31, 2019.

During the year ended March 31, 2020 and March 31, 2019, there were no transfers between Level 1, Level 2 and Level 3

The Inputs used in fair valuation measurement are as follows :

Fair valuation of Financial assets and liabilities not within the operating cycle of the company is amortised based on the borrowing rate of the company.

Unquoted investments in shares have been valued based on the amount available to shareholder's as per the latest audited financial statements. There were no external unobservable inputs or assumption used in such valuation.



**FINANCIAL RISK FACTORS**

The Company's financial liabilities comprise mainly of trade and other payables. The Company's financial assets comprise mainly of cash and cash equivalents, trade receivables and other receivables, Deposits and Investments.

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Company's senior management oversees the management of these risks. The Board of Director reviews and agrees policies for managing each of these risks, which are summarised below:

**MARKET RISK**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk such as equity price risk and commodity risk. Financial instruments affected by market risk includes Investments, trade payables and trade receivables. There is no Market risk.

**CREDIT RISK**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and other financial assets including deposits with Bank. Exposure to credit risk is monitored on an ongoing basis. The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable.

The Company's exposure of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

The carrying amount of respective financial assets recognised in the Financial Statements, represents the Company's maximum exposure to credit risk. The concentration of credit risk is limited due to the customer base being well established, large and unrelated.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. Receivables from customers are reviewed/evaluated periodically by the management and appropriate impairment allowances for doubtful debts are made to the extent recovery there against has been considered to be remote.

**Financial assets that are neither past due nor impaired**

Cash and cash equivalents and deposits are neither past due nor impaired. Cash and cash equivalents with banks are held with reputed and credit worthy banking institutions.

**Financial assets that are past due but not impaired**

Trade receivables amounts that are past due at the end of the reporting period against which no credit losses has been expected to arise.

**LIQUIDITY RISK**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital loans from banks. The company relies on borrowings and internal accruals to meet its fund requirement. The current committed line of credit are sufficient to meet its short to medium term fund requirement.

**Liquidity and interest risk tables**

The following tables detail the Company's contractual maturity for its non derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows as at balance sheet date:

**Maturity Analysis of unamortised Financial Liabilities**

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	> 1 year	(Rupees in '000)
						Total
Borrowings	-	-	-	-	-	-
Trade Payables						
As at March 31, 2020	103.76	-	103.76	-	-	103.76
As at March 31, 2019	36.67	-	36.67	-	-	36.67

(Amount in Rs.)

**Capital Management**

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder value. The Company's objective when managing capital is to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stake holders. The Company is focused on keeping strong total equity base to ensure independence, security, as well as high financial flexibility for potential future borrowings.



**Notes to the Financial Statements as at March 31, 2020**

- 27 Consequent to outbreak of COVID 19 which has been declared a pandemic by World Health Organisation (WHO), Government of India and State Governments have declared lockdown which have affected business in general. The Company's primary source of revenue is from trading in textile and other goods. The Company has considered internal and external information while finalizing various estimates and taking assumptions in relation to its Financial Statements preparation upto the date of approval of the Financial Statements by the Board of Directors and no material impact of COVID-19 on the financial performance interalia including the carrying value of various current and non current assets or on the going concern assumptions of the Company is expected to arise. The actual impact of pandemic is however dependent upon future development and the company will continue to monitor the variation in situations and consider the same as and when determinable.
- 28 Subsequent to the slump sale of the entire assets and liabilities of PVC belting Industrial undertaking to its Holding Company in the year 2013-2014, the Company has been engaged primarily in the business of trading in textile and other goods and other related business activities. However, there were no trading of goods due to unfavourable market conditions since more than last two years. The Company has taken steps to enter in domestic PVC Conveyor Belting market and has obtained MSME certificate from the Government of India. The Company is also exploring the new ancillary business services. However, the Company could not commence these activities due to unfavourable market conditions, etc and in view of this, the surplus funds from sale of its undertaking have been temporarily invested in Intercorporate Loans. In view of the above and the surplus funds being temporarily invested in Intercorporate Loans, in view of the management, the Company is not required to be registered as Non Banking Financial Company under Section 45-IA of the Reserve Bank of India Act, 1934.
- 29 Previous year figures have been regrouped to confirm with current year presentation, wherever considered necessary.
- 30 These financial statement have been approved by the Board of Directors of the Company on July 13, 2020 for issue to the shareholders for their adoption.

**As per our report of even date**

For Lodha & Co.  
Chartered Accountants  
Firm's ICAI Regn No.-301051E

  
H.K. Verma

Partner  
Membership No. 055104  
Place: Kolkata  
Date: 13th July, 2020



**For and on behalf of the Board**



Pinaki Sen  
Director  
DIN : 00568355



Subhasis Mukherjee  
Director  
DIN : 05335706