

# INTEGRA

ENGINEERING



**38th Annual Report**  
**F.Y. : 2019-20**

## **INTEGRA Engineering India Limited**

Registered Office : P.O.Box No. 55, Chandrapura Village,  
Taluka : Halol 389 350, Dist. : Panchmahals, Gujarat  
CIN: L29199GJ1981PLC028741

**I Panel**



**Wire Harness**



**Traction Converter**



**Fuse Auto Changeover System**



**Signalling Relays**



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## Corporate Information

### BOARD OF DIRECTORS

Mrs. Corinne Ruckstuhl	-	Chairperson & Non-Executive Director
Mr. Adrian Oehler	-	Non-Executive Director
Mr. Shalin Divatia	-	Independent Director
Mr. Mahendra Sanghvi	-	Independent Director
Mr. Rahul Divan	-	Independent Director
Mr. Bhargav Patel	-	Independent Director

### KEY MANAGERIAL PERSONNEL

Mr. Utkarsh Pundlik	Mr. Bhavin Kariya	Mrs. Harneetkaur Anand
Chief Executive Officer	Chief Financial Officer	Company Secretary

### STATUTORY AUDITORS

M/s. K. C. Mehta & Co.  
Chartered Accountants  
02<sup>nd</sup> Floor, Meghdhanush,  
Race Course, Vadorara –390 020

### SECRETARIAL AUDITORS

M/s. Devesh Pathak & Associates  
Practising Company Secretaries  
First Floor, 51, Udyognagar Society, Nr. Ayurvedic College,  
Outside Panigate, Vadodara-390019

### BANKERS

ICICI Bank Limited  
HDFC Bank Limited  
Bank of Baroda  
DENA Bank  
UCO Bank

### REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Private Limited  
B-102 & 103 Shangrila Complex, First floor,  
Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota  
Vadodara - 390020  
(E): vadodara@linkintime.co.in

### REGISTERED OFFICE

P. O. Box No. 55, Chandrapura Village, Tal. Halol–389 350 Dist. Panchmahals,  
Gujarat State • (T) (02676) 221870, 09099918471  
Website: www.integraengineering.in • Email: info@integraengineering.in

### WORKS UNITS

#### UNIT – I

P. O. Box No. 55, Chandrapura Village,  
Taluka Halol – 389 350 Dist. Panchmahals, Gujarat

#### UNIT – II

Halol – Champaner Road, P.O Chandrapura Village,  
Taluka Halol – 391 520 Dist. Panchmahals, Gujarat



**NOTICE TO MEMBERS:**

**NOTICE** is hereby given that the Thirty Eighth Annual General Meeting of the Members of Integra Engineering India Limited CIN: L29199GJ1981PLC028741 will be held on Wednesday, 12th August 2020 at 02:00 p.m. IST through Video Conferencing (VC) or Other Audio Visual Means (OAVM) to transact the following business:

**ORDINARY BUSINESS:****Item No. 1 – To Adopt Financial Statements for the period ended 31st March 2020**

To receive, consider and adopt:

- a) the Audited Financial Statements of the Company for the financial year ended 31st March 2020, together with the reports of the Board of Directors and the Auditors thereon;
- b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2020, together with the Report of the Auditors thereon;

**Item No. 2 – To Appoint a Director in place of Mr. Adrian Oehler, retiring Director**

To appoint a Director in place of Mr. Adrian Oehler [DIN: 00360332], who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.

**Item No. 3 – To Appoint Statutory Auditors**

To appoint Statutory Auditors from the conclusion of this Annual General Meeting until the conclusion of the Forty Third Annual General Meeting and to fix their remuneration:

"**RESOLVED THAT** pursuant to Sections 139, 142 of the Companies Act, 2013 ("the Act") and other applicable provisions, if any, of the Act and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. C N K & Associates LLP, Chartered Accountants (Registration No. 101961W/W100036), be and is hereby appointed as the Statutory Auditors of the Company commencing from the conclusion of this Annual General Meeting till the conclusion of forty third Annual General Meeting at a remuneration to be fixed by the Audit Committee and/or Board of Directors of the Company, in addition to the re-imbursment of applicable taxes and actual out of pocket and travelling expenses incurred in connection with the audit and billed progressively."

**SPECIAL BUSINESS:****Item No. 4 - To revise authority of the Board of Directors to Borrow pursuant section 180 (1)(c) of the Act:**

To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"**RESOLVED THAT** in supersession of the earlier Resolution passed by the Members at their 37th Annual General Meeting held on July 18, 2019, pursuant to the provisions of Section 180 (1)(c) and other applicable provisions, if any, of the Companies Act, 2013, the Memorandum and Articles of Association of the Company, consent of the Members be and is hereby accorded to the Board of Directors, to borrow from time to time any sum or sums of monies on such

terms and conditions as may be determined, from anyone or more of the Company's bankers and/or from anyone or more other banks, financial institutions, whether in India or abroad, and whether by way of cash credit, advance or deposits, loans or bill discounting, issue of debentures, commercial papers, long/short term loans, and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets, licences and properties, whether immovable or movable and all or any of the undertaking(s) of the Company, notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) up to the aggregate of the paid-up capital of the Company, its free reserves, that is to say, reserves not set apart for any specific purpose and securities premium and if aforesaid borrowing will or may exceed the aforesaid aggregate, so that the total amount upto which the moneys may be borrowed by the Company and outstanding at any time shall (apart from temporary loan obtained from the bankers in the ordinary course of business) not exceed the sum of ₹ 30 Crore (Rupees Thirty Crore Only).

**RESOLVED FURTHER THAT** in connection with the aforesaid, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.

**RESOLVED FURTHER THAT** notwithstanding the aforesaid supersession, all actions and decisions taken till date under the said Resolution shall be valid and in order."

**Item No. 5 – To authorise Board of Directors for Creation/Modification of mortgage/charge etc. on the assets of the Company pursuant to Section 180(1)(a) of the Companies Act, 2013:**

To consider and if thought fit, to pass the following Resolution as a Special Resolution –

"**RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, the Memorandum and Articles of Association of the Company and subject to such other approvals and permissions as may be required, consent be and is hereby accorded to the Board of Directors, to sell, mortgage and / or charge, in addition to the mortgages / charges created / to be created by the Company in such form and manner and with such ranking and at such time and on such terms and conditions as may be determined, on all or any of the movable and / or immovable properties of the Company, and/or the interest held by the Company in all or any of the movable and / or immovable properties, both present and future and / or the whole or any part of the undertaking(s) of the Company, together with the power to take over the management of business and concern of the Company in certain events of default, in favour of lender(s), agent(s), and trustee(s) for securing the borrowings of the Company availed / to be availed by way of loan(s), subject to the limits approved under Section 180(1)(c) of the Companies Act, 2013, from time to time, in respect of the said loans, borrowings and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Company and the lender(s).

**RESOLVED FURTHER THAT** in connection with the aforesaid, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.

**RESOLVED FURTHER THAT** notwithstanding the aforesaid supersession, all actions and decisions taken till date under the said Resolution shall be valid and in order."

By order of the Board of Directors,  
For **INTEGRA Engineering India Limited**

**Harneetkaur Anand**  
**Company Secretary**

M. No. ACS 33014

**Registered Office:**

P. O. Box 55, Chandrapura Village,  
Tal. Halol-389 350  
Dist.: Panchmahals, Gujarat.

**Place: Mumbai**

**Date: 8th June, 2020**

**NOTES:**

1. Keeping in View the massive outbreak of the COVID-19 pandemic that requires social distancing to be strictly complied the ministry of Corporate Affairs (MCA) has issued circular no. 14/2020 dated April 08, 2020, circular No. 17/2020 dated April 13, 2020 inter alia allowing conducting Annual General Meeting (AGM) through Video Conferencing (VC) / other Audio Visual Means (OAVM) and dispensing with the personal presence of members. Accordingly the 38th Annual General Meeting of the Company will be held through VC/OAVM in terms of aforesaid circulars and any other issued/ to be issued if any, in the regards. Hence, members of the Company can attend and participate in the AGM through VC/OAVM is annexed and available on the Company's website: [www.integraengineering.in](http://www.integraengineering.in).
2. The helpline number regarding any query/assistance for participation in the AGM through VC/OAVM is **1800-222-990**.
3. As the AGM will be conducted through VC/OAVM in terms of aforesaid circular the facility for appointment of proxies by the members will not be available. However, body Corporate shareholders may appoint representative for voting through remote e-voting or for participation and voting in the meeting held through VC/OAVM.
4. Members are requested to participate on first come first served basis, as participation through VC/OAVM is limited. Members can login and join 15 (fifteen) minutes prior to the scheduled time of the commencement of the meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the scheduled time. Participation is restricted upto 1000 members only. However the participation of large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors directors key

managerial personnel, the chairperson of the Audit committee, Nomination and remuneration committee and stakeholders Relationship committee, Auditors etc. will not be subject to restriction of first come first served basis.

5. Member seeking information are requested to meeting at [secretarial@integraengineering.in](mailto:secretarial@integraengineering.in).
6. Corporate members are requested to send email to [secretarial@integraengineering.in](mailto:secretarial@integraengineering.in) for e-voting/attending Annual General Meeting, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013.
7. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting is annexed hereto.
8. The Register of Members and Share transfer books of the Company will remain closed from Thursday, 6th August, 2020 to Wednesday, 12th August, 2020, (both days inclusive).
9. Shareholders holding shares in identical order of names in more than one folio, are requested to write to the Company or to the office of the Registrar & Share Transfer Agent, M/s. Link Intime India Private Limited ("Link Intime"), C-101, 247 Park, L.B.S. Marg, Vikroli (West), Mumbai – 400 083 enclosing their share certificate(s) to enable the Company to consolidate their holdings in one single folio.
10. The Notice of AGM and Annual Report are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s). Members (Physical / Demat) who have not registered their email addresses with the Company can get the same registered with the Company by requesting in member updation form by sending an email to [vadodara@linkintime.co.in](mailto:vadodara@linkintime.co.in) by submitting duly filled and signed member updation form to the abovementioned email. Upon verification of the Form the email will be registered with the Company.
11. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to [secretarial@integraengineering.in](mailto:secretarial@integraengineering.in).
12. Members are requested to advise, quoting their Folio Number(s), the change of address, if any, immediately to the Company at its Registered Office: Secretarial Department, INTEGRA Engineering India Limited., Chandrapura Village, Tal. Halol – 389350, Dist. Panchmahals, Gujarat or to its Registrar and Share Transfer Agent Viz Link Intime India Private Limited ("Link Intime"), C-101, 247 Park, L.B.S. Marg, Vikroli (West), Mumbai – 400 083, (Tel : (022) 49186270 Fax : (022) 49186060)E-mail : [mt.helpdesk@linkintime.co.in](mailto:mt.helpdesk@linkintime.co.in) and also to



respective Depository Participant (DP), in case the shares are held in Demat Form.

13. In compliance with the provisions of Section 108 of The Companies Act, 2013 read with Rule 20 of The Companies (Management and Administration) Rules, 2014, and Regulation 44 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, Members are provided with the facility to cast their votes electronically, through the evoting services provided by Central Depository Services (India) Limited [CDSL], on all the resolutions set forth in this Notice.

The Members, whose names appear in the Register of Members / Beneficial Owners as on the cut-off date i.e. 5th August, 2020, may cast their vote electronically. The e-voting period will commence from 9th August, 2020 at 09:00 a.m. (IST) and will end at 05:00 p.m. (IST) on 11th August, 2020. The e-voting module will be disabled on 11th August, 2020 at 05:00 p.m. (IST). The voting right of shareholders shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date, being 5th August, 2020.

#### CDSL e-voting system – remote & venue voting facility

- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated 08th April, 2020, 13th April, 2020 and 05th May, 2020 the Company is providing facility of remote e-voting and venue voting system to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as venue voting system on the date of the AGM will be provided by CDSL.
- In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated 08th April, 2020, Circular No.17/2020 dated 13th April, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated 05th May, 2020, physical attendance of the members at the AGM venue is not required and accordingly Annual General Meeting (AGM) will be held through video conferencing (VC) or other audio visual means (OAVM). Hence, members can attend and participate in the ensuing AGM through VC/OAVM.
- Pursuant to the Circular No. 14/2020 dated 08th April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

- The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- Process for those shareholders whose email ids are not registered:**
  - For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of AADHAR Card) by email to **Company/RTA email id**.
  - For Demat shareholders-, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of AADHAR Card) to **Company/RTA email id**.

#### The Instructions for shareholders for remote voting are as under:

- The voting period begins from 9th August, 2020 at 09:00 a.m. (IST) and will end at 05:00 p.m. (IST) on 11th August, 2020. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 5th August 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- Click on Shareholders.
- Now Enter your User ID
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.

- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you

wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Shareholders can also cast their vote using CDSL's mobile app m-Voting. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

**The Instructions for shareholders voting on the day of the AGM on e-voting system are as under:-**

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available in the AGM.
- If any Votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.
- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**Instructions for members for attending the AGM through VC/OAVM are as under:**

- Member will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Members may access the same at <https://www.evotingindia.com> under shareholders/ members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder / members login where the EVSN of Company will be displayed.
- Members are encouraged to join the Meeting through Laptops for better experience.
- Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance



during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at company's email id at [info@integraengineering.in](mailto:info@integraengineering.in).
6. Shareholders who would like to express their views/have questions may send their questions in advance **7 days prior to meeting** mentioning their name demat account number/folio number, email id, mobile number at company's email id at [info@integraengineering.in](mailto:info@integraengineering.in). The same will be replied by the company suitably.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

(xx) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022- 23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**ANNEXURE TO ITEM NO. 2 OF THE NOTICE**  
**Details of Director seeking appointment and re-appointment at the**  
**Thirty Eighth Annual General Meeting (Pursuant to Regulation 36(3) of the SECURITIES &**  
**EXCHANGE BOARD OF INDIA (Listing Obligations and Disclosure Requirements) Regulations, 2015**  
**Item no. 2**

<b>Name of the Director</b>	<b>Mr. Adrian Oehler</b>
Date of Birth	07/11/1970
Nationality	Swiss
Date of Initial Appointment	03/01/2011
Qualifications	Lic Oec HSG, Master of studies in corporate finance, CFO Advanced
Nature of Expertise in specific functional area	Change Management, Strategic Management, Turn around including corporate finance and market development
Number of shares held in the Company	NIL
List of the directorships held in listed entities	Integra Engineering India Limited
Chairman/Member in the Committees of the Boards of other Companies in which he is Director	N.A.
Relationships between Directors inter-se	Professional
Justification for appointment	Skills in various fields like finance, corporate decisions, real estate etc.

None of other Directors are concerned or interested in these resolutions except the appointee. The Board of Directors recommends the proposed resolution for acceptance by Member.

By order of the Board of Directors,  
For **INTEGRA Engineering India Limited**

**Harneetkaur Anand**  
**Company Secretary**

M. No. ACS 33014

**Registered Office:**

P. O. Box 55, Chandrapura Village,

Tal. Halol-389 350

Dist.: Panchmahals, Gujarat.

**Place: Mumbai**

**Date: 8th June, 2020**

**EXPLANATORY STATEMENTS:**

[Pursuant to Section 102 of The Companies Act, 2013 relating to the business set out in the accompanying Notice]

**Item No. 3 – To appoint Statutory Auditors**

M/s K. C. Mehta & Co., Chartered Accountants, Firm Registration No. 106237W, were appointed as the Statutory Auditors of the Company, for a period of 5 years from the thirty third annual general meeting till the ensuing thirty eighth AGM, pursuant to provisions of Section 139(1) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014. Further, in terms of the provisions of the Companies Act, 2013, since they have completed tenure of 10 years including their previous tenure as Auditors of the Company, they will not be eligible for re-appointment as Statutory Auditors of the Company.

The Board of Directors based on the recommendation of the Audit Committee propose to appoint M/s. C N K & Associates LLP, Chartered Accountants (Registration No. 101961W/W100036) as Statutory Auditors of the Company in place of retiring auditors i.e. M/s K. C. Mehta & Co., Chartered Accountants (Firm's Registration No. 106237W) for a period of 5 (Five) years to hold the office from the conclusion of this Annual General Meeting till the conclusion of forty third Annual General Meeting.

Information pursuant to Regulation 36 (5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR).

- a) Proposed fees payable to the statutory auditor(s) along with terms of appointment:

Proposed fee: ₹ 675 ('000) for FY 2020-21 plus out of pocket expenses keeping in view their credentials.

**The fee paid to M/s. K. C. Mehta & Co. (Firm's Registration No. 106237W) for FY 2019-20 was ₹ 675 ('000) plus out of pocket expenses.**

- b) Basis of recommendation for appointment including the details in relation to and credentials of the statutory auditor(s) proposed to be appointed:

The Management, Audit Committee and Board of Directors thought it fit to consider a M/s. C N K & Associates LLP to be appointed as the Statutory Auditor considering the operations of the Company. Multiple firms were considered and based on series of meetings and evaluations; M/s. CNK & Associates LLP, Chartered Accountants was shortlisted by the Audit Committee.

Credentials of M/s. C N K & Associates LLP, Chartered Accountants (ICAI Firm Registration number: 101961W/W-100036), established in the year 1936 and is a member firm in M/s. CNK & Associates (Reg. No: NRN/0038/W). As on 31st March 2020, the said network of audit firms had 21 partners and employed more than 350 people.

C N K & Associates LLP, is also a member of INAA, an International Association of Independent Accounting firms.

Neither the Directors/Key Managerial Personnel of the Company nor their relatives shall be deemed interested or concerned financially or otherwise in the Resolution.

**Item No. 4 - To revise authority to the Board of Directors to borrow pursuant to section 180 (1) (c) of the Companies Act, 2013.**

The Members had authorized the Board of Directors of the Company and/or any Committee thereof to borrow from time to time a sum not exceeding ₹ 20 Crore (Rupees Twenty Crore) on such terms and conditions as it may deem fit under Section 180(1)(c) of the Companies Act, 2013 vide resolution passed on 18th July, 2019. Considering the current book size, effect on business operation due to COVID-19 pandemic and the budget for FY 2018-19, the overall borrowing limits needs to be increased from ₹ 20 Crore to ₹ 30 Crore.

The Board accordingly recommends the revised limit to the extent of ₹ 30 Crore (Rupees Thirty Crore only), outstanding at any point of time under 180(1)(c) of the Companies Act, 2013 as set out in the Resolution for approval of the Members.

Your Directors recommend and seek your approval to the business as set out in item no. 4 of the accompanying notice by way of special resolution.

Neither the Directors/Key Managerial Personnel of the Company nor their relatives shall be deemed interested or concerned financially or otherwise in the Resolution.

**Item No. 5 - To authorise Board of Directors for Creation/ Modification of Mortgage/Charge etc on the assets pursuant to section 180(1)(a) of the Companies Act, 2013**

As per the provisions of Section 180(1)(a) of the Companies Act, 2013, a company shall not sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking(s) of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings, unless approval of the Members is obtained by way of a Special Resolution.

In connection with the loan/credit facilities to be availed by the Company, as and when required, through various sources for business purposes, the Company might be required to create charges over its assets, properties and licenses by way of hypothecation, mortgage, lien, pledge etc. in favour of its lenders (up to the limits approved under Section 180(1)(c) of the Companies Act, 2013 from time to time), for the purposes of securing the loan/credit facilities extended by them to the Company.

Accordingly, your Directors recommend and seek your approval to the resolution as set out in item no. 5 of the accompanying notice by way of special resolution.

Neither the Directors/Key Managerial Personnel of the Company nor their relatives shall be deemed interested or concerned financially or otherwise in the Resolution.

By order of the Board of Directors,

For **INTEGRA Engineering India Limited**

**Harneetkaur Anand**  
Company Secretary  
M. No. ACS 33014

**Registered Office:**  
P. O. Box 55, Chandrapura Village,  
Tal. Halol-389350  
Dist. Panchmahals, Gujarat.

**Place: Mumbai**

**Date: 8th June, 2020**

38<sup>th</sup> BOARD'S REPORT

## INTEGRA ENGINEERING INDIA LIMITED

Regd. Office: P. O. Box No. 55 Chandrapura Village, Tal. Halol Dist. Panchmahals Gujarat-389350,  
Tel. No. (02676) 221870 • EMAIL: secretarial@integraengineering.in  
WEBSITE: www.integraengineering.in  
CIN: L29199GJ1981PLC028741

To,

The Members

**Integra Engineering India Limited**

P. O. Box No. 55, Chandrapura Village,  
Taluka Halol, Dist. Panchmahal-389350, Gujarat

Your Directors are pleased to present their Thirty Eighth Board's Report together with the Audited Financial Statements for the year ended on 31st March, 2020

## 1. Financial summary or highlights of performance of the Company

(Amount in ₹)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Total Sales & Other Income	650,625,315	644,779,103	650,625,315	644,779,103
Profit before Finance Cost, Depreciation and Taxes	105,442,481	109,448,844	105,442,481	109,448,844
Finance Cost	(7,820,682)	(7,653,793)	(7,820,682)	(7,653,793)
Depreciation & Amortization	(13,775,552)	(11,226,679)	(13,775,552)	(11,226,679)
Profit before Taxes	83,846,247	90,568,373	83,846,247	90,568,373
Tax Expenses	(26,156,185)	20,601,043	(26,156,185)	20,601,043
Profit for the year	57,690,062	111,169,416	57,690,062	111,169,416
Appropriation :				
Other Comprehensive Income / (Expense)	(736,543)	1,35,534	(736,543)	1,35,534
Total Comprehensive Income	56,953,519	111,304,950	56,953,519	111,304,950
Paid up capital	34,245,196	34,245,196	34,245,196	34,245,196
Other Equity	256,235,453	198,435,670	256,235,453	198,435,670

All significant accounting policies and material transactions have been disclosed in notes on accounts to the financial statement as on 31st of March, 2020.

## 2. Impact of COVID-19 on business

In view of the outbreak of Coronavirus (COVID-19), the factories were shut down since 25th March, 2020, as per Government Order. As a precautionary measure the Company had already closed its operations from 22nd March, 2020. The Company quickly instituted measures to trace all employees and be assured of their well-being by implementing an entirely new 'work-from-home' model. Immediate measures were taken to evangelise the entire work force about Covid – 19 and its effects by educational sessions and display of posters, action points, safety measures were displayed at various locations in the plants. Work from home policy, revised travel policy, visitor management, social distancing as well as sanitising training were put in place by 20th March, 2020.

Based on the immediate assessment of the impact of COVID-19 on the operations of the Company and ongoing discussions with customers, vendors and service providers, the Company is positive of serving customer orders and obtaining regular supply of raw materials and logistics services after resumption of the operations. The Company has considered the possible financial effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets including the Company's ability to service its debt and liability. The Company has been focusing on cost reduction measures and conserving capital while closely monitoring the rapidly changing environment.

Nevertheless, in the near term the earnings and profitability of our business is expected to be materially impacted.

The management, based on its assessment of the situation, has internally revised its business forecasts for the near term and assessed the cash flow requirements. In the current uncertain

situation, the Company plans to conserve its cash to the most optimum levels. The Company envisages a difficult business environment due to uncertainties caused by unknown variables. The Company is planning to mitigate its risk to the maximum extent possible considering the known variables on a dynamic basis. There could be a possible downturn of business due to, but not limited to the following potential risks: slow down in customer orders; shortage of raw materials, non-availability of manpower due to infection, co-location in containment zones or buffer zones, community isolation, rapid spread of the virus; delayed collection of accounts receivables; delay in effecting dispatches to customers affected by the pandemic.

### 3. Certification ISO 9001:2015

During the year under review your Company has been successfully re-awarded the quality management systems certification ISO 9001:2015 for manufacturing and design, manufacture and supply of design control system. Additionally, I-Panel received the prestigious CE marking certificate which has opened the door for export market.

### 4. Dividend

In view of the need to conserve the resources of the Company, Directors of the Company do not recommend any dividend for the year.

### 5. Reserves

The Company is not required to transfer any amount to its reserve. Hence no amount is transferred to reserves during the year under review.

### 6. Brief description of the Company's working during the year / State of Company's affair

Total Turnover during the financial year 2019-20 was ₹ 629,178 ('000) against ₹ 626,625 ('000) in the previous year. The management puts continuous efforts to increase the operational efficiency and turnover.

### 7. Change in the nature of business

There was no change in the nature of business during the year under review.

### 8. Material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of report

No material changes occurred subsequent to the close of the financial year of the Company to which the financial statement relates and the date of the report.

### 9. Details of significant and material orders passed by the Regulators or courts or tribunals impacting the going concern status and Company's operations in future

No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future during the financial

year other than the orders/notifications issued by the Government authorities in the context of COVID-19 pandemic.

### 10. Details in respect of adequacy of internal financial controls with reference to the financial statements

The Company has appointed an internal auditor for ensuring adequacy of internal financial controls and your Board has taken adequate care for financial control.

### 11. Performance and financial position of each of the subsidiaries, associates and joint venture Companies

No Company has become or ceased to be subsidiary/Joint venture/Associate Company of the Company during the year. However, the Company has one associate Company i.e. "Integra Systems Private Limited". Form AOC-1 in the regard, is attached at the end of financial statements.

### 12. Deposits

The Company has neither accepted nor renewed any deposit within the meaning of the Companies (Acceptance of Deposits) Rules, 2014.

### 13. Share Capital

During the year under review, the Company has not issued any securities.

The Company has one Employee Stock Option Scheme viz **Integra Engineering India Employees Stock Option Plan 2015** which was approved by the Members by a special resolution at their Thirty Third Annual General Meeting held on 12th August, 2015.

During the financial year 2018-19, there were no material changes in the Employee Stock Option Plan of the Company. The Scheme is in compliance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme, Guidelines, 1999 as well as prevailing Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014 read with SEBI circular dated 16th June, 2015.

The Company has received a certificate from M/s. Pantomath Capital Advisors (P) Ltd. that **Integra Engineering India Employees' Stock Option Plan 2015** have been implemented in accordance with the SEBI Regulations and the resolution passed by the Members in their general meeting. The certificate would be placed at the ensuing Annual General Meeting for inspection by the Members.

The Company had received in-principle approval from The Bombay Stock Exchange on 13th November, 2017.

Nomination and Remuneration Committee constituted by the Board of Directors of the Company has, at its meeting held on 22nd August, 2017, granted, under the "Integra Engineering India Employees Stock Option Plan 2015", 1,80,000 (One lac eighty thousand) Stock Options representing an equal number of equity shares of face value of Rs. 1/- each in the Company, at an exercise price of 36. However, so far no employee has exercised the same.

**14. Extract of Annual Return**

Extract of Annual Return is attached herewith as **Annexure-A** pursuant to Section 92(3) of the Act.

Annual Return as required under Section 92(3) read with Section 134(3)(a) of the Act is available at <https://www.integraengineering.in/userfiles/investorfile/1568517659.pdf>

**15. Conservation of energy, technology absorption and foreign exchange earnings and outgo**

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are attached herewith as **Annexure-B**.

**16. Corporate Social Responsibility (CSR)**

The Corporate Social Responsibility (CSR) Committee was constituted by the Board of Directors on 15th May, 2019 in terms of the provisions of Section 135(1) of the Act. The said Committee reviewed and adopted CSR policy aligned with the activities specified in Schedule VII of the Act.

The amount required to be spent on CSR activities during the year under review in accordance with Section 135 of the Act worked out to be ₹ 1,084 ('000) for the year 2019-20. As against that the Company has spent ₹ 1,084 ('000) during the financial year.

The requisite details on CSR activities pursuant to section 35 of the Act read with the companies (CSR Policy) Rules, 2014 are attached as **Annexure – C**.

**17. Directors:****A) Details of Appointment/resignation of Directors and Key Managerial Personnel**

Mrs. Corinne Ruckstuhl was reappointed as a Retiring Director by the members at their 37th Annual General Meeting held on 18th July, 2019. There was no other change in the Directors and Key Managerial Personnel during the financial year 2019-20.

**B) Declaration by an Independent Director(s)**

Mr. Shalin Divatia, Mr. Rahul Divan and Mr. Bhargav Patel, were reappointed as Independent Directors of the Company with effect from 29th March, 2020 and Mr. Mahendra Sanghvi was reappointed as Independent Directors with effect from 11th June, 2020 for a term of 5 consecutive years on the Board of the Company in terms of Section 149(10) of the Act.

The Board of Directors hereby declares that all the Independent Directors duly appointed by the Company have given the declaration and they meet criteria of independence as provided under Section 149(6) of the Act.

**C) Formal Annual Evaluation**

The Company has devised a policy for performance evaluation of Board, its Committees and individual Directors which include criteria for performance evaluation of executive directors and non-executive directors. The Board has carried

out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its committee. The Board of Directors has expressed their satisfaction with the evaluation process.

**18. Meetings**

A calendar of Meetings is prepared and circulated in advance to the Directors.

During this year, five Board and six audit committee meetings were convened and held, the details of which are given in the Corporate Governance Report.

The intervening gap between the Meetings was within the period prescribed under The Companies Act, 2013 and The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors has been given in the Report of Corporate Governance.

**19. Details of establishment of vigil mechanism for directors and employees**

The Company has framed **vigil mechanism** in terms of The Companies Act, 2013 and the same may be accessed on the Company's website. Further, every employee of the Company can directly report to the Chairman of the Audit Committee when she/he becomes aware of any actual or possible violation of the Code or an event of misconduct, act of misdemeanor or act not in the Company's interest.

**20. Particulars of loans given, guarantees given, investments made and securities provided**

Details of loans, gaurantees and investments covered under the provisions of Section 186 of The Act are given in the Note 7 and Note 15 to the financial statements and are within the Limits of section 180 of the Act.

**21. Particulars of contracts or arrangements with related parties**

Particulars of contracts or arrangements with related parties in Form AOC-2 are enclosed as per **Annexure-D**.

**22. Managerial Remuneration**

Disclosures pursuant to Section 197(12) of The Companies Act, 2013 read with Rule 5(1), 5(2) and 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are enclosed herewith as per **Annexure-E**.

**23. Auditors**

- **Statutory Auditors**

M/s. K. C. Mehta & Co., Chartered Accountants, bearing FRN: 106237W, the Statutory Auditors of the Company hold office until the conclusion of the 38th Annual General Meeting of the Company.

M/s. C N K & Associates LLP, Chartered Accountants have furnished their Consent and requisite eligibility certificate



pursuant to the Act and rules framed thereunder. Accordingly your Directors recommend their appointment as Statutory Auditor of the Company at the ensuing Annual General Meeting.

- **Reporting of Frauds**

There have been no instances of fraud reported by Statutory Auditors under Section 143(12) of the Act and rules framed thereunder either to the Company or to the Central Government.

- **Internal Auditors**

M/s. Shah and Shah Associates, Chartered Accountants, Vadodara have been appointed as Internal Auditors of the Company in terms of Section 138 of The Companies Act, 2013 and rules framed thereunder, for the Financial Year 2019-20 by the Board of Directors, upon recommendation of the Audit Committee.

- **Secretarial Auditors**

M/s. Devesh Pathak & Associates, Practising Company Secretaries, Vadodara, Gujarat, were appointed as Secretarial Auditors, to carry out Secretarial Audit of the Company as per provisions of Section 204 of The Companies Act, 2013 and Regulation 24A of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Secretarial Audit Report and Secretarial Compliance Report has been annexed to this Report as per **Annexure-F**.

- **Explanation or Comments on disqualifications, reservations, adverse remarks or disclaimers in the Auditor's Reports;**

There have been no disqualifications, reservations, adverse remarks or disclaimers in the Auditor's reports, requiring explanation or comments by the Board.

#### 24. Corporate Governance Report

The Company has been following the principles and practices of good Corporate Governance and has ensured compliance of the requirements stipulated under Regulation 34 of The Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015.

A detailed report on Corporate Governance as required under Regulation 34 of The Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, is appended along with the Corporate Governance Report, issued by M/s. Devesh Pathak & Associates, Practising Company Secretaries, Vadodara, Gujarat, the Secretarial Auditors, confirming the compliance of conditions on Corporate Governance forming part of the Board Report as per **Annexure-G**.

#### 25. Management Discussion and Analysis Report

A report on Management Discussion and Analysis, as required in terms of Regulation 34(2) of The Securities Exchange Board

of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of this Report. It deals with the Business Operations and Financial Performance, Research & Development Expansion & Diversification, Risk Management, Marketing Strategy, Safety & Environment, Human Resource Development, etc. enclosed as per **Annexure-H**.

#### 26. Risk management

The Management has put in place adequate and effective system and man power for the purposes of risk management. In the opinion of the Board, there are no risks which would threaten the existence of the Company.

#### 27. Directors' Responsibility Statement

Your Directors make the following statements in terms of Section 134(3)(c) of The Companies Act, 2013:

- a) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) that the directors had 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 at the end of the financial year and of the profit and loss of the Company for that period;
- c) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the directors had prepared the annual accounts on a going concern basis;
- e) that the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) that the directors had devised proper systems to ensure/ compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### 28. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance towards sexual harassment at the workplace and towards this end, has adopted a policy in line with provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed thereunder. All employees (permanent, contractual, temporary, trainees) are covered under the said policy. Internal Complaints Committee has also been set up to redress complaints received on sexual harassment.

No Complaint was received by the Committee during the year.

### 29. Directors Training & Familiarization

The Directors are regularly informed during the meetings of the Board and the Committees, of the activities of the Company, its operations and issues faced by the Engineering Industry. Considering the long association of the Directors with the Company and their seniority and expertise in their respective areas of specialisation and knowledge of the engineering industry, their training and familiarization were conducted in the below mentioned areas:

- The Roles, Rights, Responsibilities and Duties of Independent Directors
- Business Development Strategy and Plans
- Changes brought in by the introduction of the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
- Changes in Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

### 30. Audit Committee

The Audit Committee of the Board consists of Four Independent and One Non-Executive Director.

The composition, role, terms of reference as well as power of the Audit Committee are in accordance with the provisions of Regulation 18 of The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 and Section 177 of The Companies Act, 2013 and Rules framed thereunder.

The details of all related party transactions are placed periodically before the Audit Committee. All the recommendations made by the Audit Committee were accepted by the Board. The Company has in place a Vigil Mechanism; details of which are available on the Company's website.

The details relating to the same are given in the report on Corporate Governance forming part of this Report.

### 31. Nomination and Remuneration Policy

Your Board has adopted a Nomination and Remuneration Policy as required by Section 178 of The Companies Act, 2013, The Policy provides for the appointment and removal of Directors, Key Managerial Personnel and Senior Management employees and their remuneration. The terms of reference of the Nomination and Remuneration Committee are given in the Report on Corporate Governance under the section "Nomination and Remuneration Committee".

### 32. Nomination and Remuneration Committee

In compliance with Section 178 of The Companies Act, 2013,

Your Company has in place a "Nomination and Remuneration Committee".

The powers, role and terms of reference of the Nomination and Remuneration Committee cover the areas as contemplated under Regulation 19 of The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of The Companies Act, 2013, and Rules and Regulations, framed thereunder, besides other terms as may be referred by the Board of Directors. The terms of reference of the Nomination and Remuneration Committee, number and dates of meeting held, attendance of the Directors and remuneration paid to them are given separately in the attached Corporate Governance Report under the section "Committees of the Board".

### 33. Maintenance of Cost Records

The Company was required to maintain Cost Records as specified by the Central Government pursuant to Section 148(1) of the Companies Act, 2013 and the Company made and maintained accounts and records accordingly.

### 34. Secretarial Standards

In terms of clause no. 9 of revised SS-1 (Revised Secretarial Standards on Meetings of Board of Directors effective from 01.10.2017), your Directors state that the Company has been compliant of applicable Secretarial Standards during the year under review.

### 35. Acknowledgements

The Directors express their gratitude to INTEGRA Holding AG, Switzerland for its continuous support and thank the Company's employees, customers, vendors, and investors.

A special appreciation is given to the commendable performance by the Government of India, Government of various states in India, Governments of various countries, and concerned departments.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for each and every person who risked their life and safety to fight this pandemic.

**FOR AND ON BEHALF OF THE BOARD,  
INTEGRA Engineering India Limited**

Sd/-  
**Corinne Ruckstuhl**  
**Chairperson & Non-Executive Director**  
**DIN: 03531399**

**Place : Wallisellen**  
**Date : 8th June, 2020**

**ANNEXURE - A**  
**Form No. MGT 9**

Extract of Annual Return as on the financial year ended on 31st March, 2020  
[Pursuant to section 92(3) of Companies Act 2013 and rule 12(1) of the Companies (Management and Administration) Rule, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i.	CIN	L29199GJ1981PLC028741
ii	Registration date :	03-06-1981
iii	Name of the Company:	Integra Engineering India Limited
iv	Category/ Sub category of the Company:	Public Company Limited by shares
v	Registered office Address:	Post Box No. 55, Chandrapura Village, Taluka Halol, Dist. Panchmahal - 389350
	Contact Details :	Email: secretarial@integraengineering.in (T): +91 02676 221870
vi	Whether listed Company	Yes
vii	Details of Registrar and Transfer Agent	Link Intime India Private Limited, Formerly known as Intime Spectrum Registry Limited B-102 & 103, Shangrila Complex, First Floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara - 390020

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY.**

Business activities contributing 10% or more of the total turn over of the Company

Sr. No	Name and Description of main products / services	*Industrial Group	% to total turnover of the Company.
1.	Relays and Accessories	30204 & 30205	100%

\*As per National Industrial Classification - Ministry of Statistics and Programme Implementation.

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :**

Sr. No	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held
1.	Integra Systems Private Limited	U72900GJ2008 TC055601	Associate	50
2.	Integra Holding AG	N.A.	Holding	54.67

**IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****(i) Category wise Share holding**

Sr. No.	Category of Shareholders	Shareholding at the beginning of the year - 2019				Shareholding at the end of the year - 2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	-	-	-	-	-	-	-	-	-
(b)	Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(d)	Any Other (Specify)									
	Sub Total (A)(1)	-	-	-	-	-	-	-	-	-

[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
(e)	Any Other (Specify)									
	Bodies Corporate	18,723,341	-	18,723,341	54.67	18,723,341	-	18,723,341	54.67	-
	Sub Total (A)(2)	18,723,341	-	18,723,341	54.67	18,723,341	-	18,723,341	54.67	-
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	18,723,341	-	18,723,341	54.67	18,723,341	-	18,723,341	54.67	-
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	-	83,600	83,600	0.24	-	83,600	83,600	0.24	-
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investor	-	800	800	0.00	-	800	800	0.00	-
(f)	Financial Institutions / Banks	-	12,230	12,230	0.04	570	12,230	12,800	0.04	0.00
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-
(i)	Any Other (Specify)									
	Sub Total (B)(1)	-	96,630	96,630	0.28	570	96,630	97,200	0.28	0.00
[2]	Central Government/ State Government(s)/ President of India									
	Sub Total (B)(2)	-	-	-	-	-	-	-	-	-
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	7,990,561	2,087,697	10,078,258	29.43	8,472,969	1,960,709	10,433,678	30.47	1.04

(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	2,808,617	-	2,808,617	8.20	2,166,633	-	2,166,633	6.33	(1.87)
(b)	NBFCs registered with RBI	22,368	-	22,368	0.07	7,370	-	7,370	0.02	(0.04)
(c)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-
(d)	Any Other (Specify)									
	Trusts	41,400	-	41,400	0.12	41,400	700	42,100	0.12	0.00
	Hindu Undivided Family	720,125	-	720,125	2.10	907,247	-	907,247	2.65	0.55
	Non Resident Indians (Non Repat)	64,714	-	64,714	0.19	73,819	-	73,819	0.22	0.03
	Non Resident Indians (Repat)	36,241	25,205	61,446	0.18	31,510	23,140	54,650	0.16	(0.02)
	Office Bearers	-	75.00	75.00	0.00	2,201.00	75.00	2,276.00	0.01	0.01
	Unclaimed Shares	-	719,254	719,254	2.10	-	-	-	-	(2.10)
	Clearing Member	109,188	-	109,188	0.32	19,376	-	19,376	0.06	(0.26)
	Bodies Corporate	677,140	122,640	799,780	2.34	1,612,127	104,029	1,716,156	5.01	2.68
	Director	-	-	-	-	1,350.00	-	1,350.00	0.00	0.00
	Sub Total (B)(3)	12,470,354	2,954,871	15,425,225	45.04	13,336,002	2,088,653	15,424,655	45.04	(0.00)
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	12,470,354	3,051,501	15,521,855	45.33	13,336,572	2,185,283	15,521,855	45.33	
	Total (A)+(B)	31,193,695	3,051,501	34,245,196	100.00	32,059,913	2,185,283	34,245,196	100.00	
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	-	-	-	-	-	-	-	-	-
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-
	Total (A)+(B)+(C)	31,193,695	3,051,501	34,245,196	100.00	32,059,913	2,185,283	34,245,196	100.00	

## (ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year - 2019			Shareholding at the end of the year - 2020			% change in shareholding during the year
		No. of shares held	% of total shares of the Company	% of Shares Pledged /encumbered to total shares	No. of shares held	% of total shares of the Company	% of Shares Pledged /encumbered to total shares	
1	INTEGRA HOLDING AG	18,723,341	54.67	0	18,723,341	54.67	0	0
	Total	18,723,341	54.67	0	18,723,341	54.67	0	0

## (iii) Change in Promoters' Shareholding

Sr. No.	Name and type of transaction	Shareholding at the beginning of the year 2019		Transactions during the year		Cumulative shareholding at the end of the year 2020	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
1	Integra Holding AG	18,723,341	54.67	-	-	18,723,341	54.67
	At the end of the year					18,723,341	54.67

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name and type of transaction	Shareholding at the beginning of the year 2019		Transactions during the year		Cumulative shareholding at the end of the year 2020	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
1	Integra Engineering India Limited Unclaimed Suspense Account	-	-			-	-
	Addition			21 Jun 2019	7,19,254	7,19,254	2.10
	Transfer			09 Aug 2019	(4,303)	7,14,951	2.09
	Transfer			23 Aug 2019	(546)	7,14,405	2.09
	Transfer			20 Sep 2019	(187)	7,14,218	2.09
	Transfer			08 Nov 2019	(1,000)	7,13,218	2.08
	Transfer			22 Nov 2019	(276)	7,12,942	2.08
	Transfer			20 Dec 2019	(500)	7,12,442	2.08
	Transfer			06 Mar 2020	(200)	7,12,242	2.08
	At the end of the year					7,12,242	2.08
2	Dipak Kanayalal Shah	6,25,000	1.83			6,25,000	1.83
	Purchase			12 Jul 2019	5,000	6,30,000	1.84
	Purchase			26 Jul 2019	2,000	6,32,000	1.85
	Purchase			09 Aug 2019	684	6,32,684	1.85
	Purchase			06 Sep 2019	316	6,33,000	1.85
	Purchase			06 Dec 2019	2,000	6,35,000	1.85
	Purchase			31 Dec 2019	15,000	6,50,000	1.90
	Purchase			28 Feb 2020	5,000	6,55,000	1.91



Sr. No.	Name and type of transaction	Shareholding at the beginning of the year 2019		Transactions during the year		Cumulative shareholding at the end of the year 2020	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
	Purchase			20 Mar 2020	5,000	6,60,000	1.93
	At the end of the year					6,60,000	1.93
3	<b>Shailesh Manoharlal Shah</b>	2,71,942	0.79			2,71,942	0.79
	Sale			28 Feb 2020	(2,000)	2,69,942	0.79
	At the end of the year					2,69,942	0.79
4	<b>Edelweiss Custodial Services Limited</b>	500	0.00			500	0.00
	Purchase			04 Oct 2019	18,297	18,797	0.05
	Sale			11 Oct 2019	(17)	18,780	0.05
	Sale			18 Oct 2019	(15,042)	3,738	0.01
	Sale			06 Mar 2020	(2,238)	1,500	0.00
	Purchase			20 Mar 2020	2,63,654	2,65,154	0.77
	Purchase			27 Mar 2020	1,500	2,66,654	0.78
	Sale			31 Mar 2020	(3,000)	2,63,654	0.77
	At the end of the year					2,63,654	0.77
5	<b>Pratiksha B Shah</b>	3,33,000	0.97			3,33,000	0.97
	Sale			17 May 2019	(33,000)	3,00,000	0.88
	Sale			13 Sep 2019	(50,000)	2,50,000	0.73
	At the end of the year					2,50,000	0.73
6	<b>Jigney Bhachech HUF</b>	50,000	0.15			50,000	0.15
	Purchase			26 Apr 2019	4,120	54,120	0.16
	Purchase			03 May 2019	8,805	62,925	0.18
	Purchase			10 May 2019	5,927	68,852	0.20
	Sale			17 May 2019	(1,155)	67,697	0.20
	Purchase			24 May 2019	5,965	73,662	0.22
	Purchase			31 May 2019	57,840	1,31,502	0.38
	Purchase			21 Jun 2019	2,498	1,34,000	0.39
	Purchase			12 Jul 2019	26,000	1,60,000	0.47
	Purchase			26 Jul 2019	4,000	1,64,000	0.48
	Sale			09 Aug 2019	(1,29,000)	35,000	0.10
	Purchase			16 Aug 2019	1,29,000	1,64,000	0.48
	Sale			04 Oct 2019	(2,500)	1,61,500	0.47
	Purchase			18 Oct 2019	5,000	1,66,500	0.49
	Sale			25 Oct 2019	(5,000)	1,61,500	0.47
	Purchase			07 Feb 2020	30,000	1,91,500	0.56
	At the end of the year					1,91,500	0.56
7	<b>Naren Dinkar Pandya</b>	1,58,461	0.46			1,58,461	0.46
	At the end of the year					1,58,461	0.46
8	<b>Hemal Bharat Khandwala</b>	1,37,020	0.40			1,37,020	0.40

Sr. No.	Name and type of transaction	Shareholding at the beginning of the year 2019		Transactions during the year		Cumulative shareholding at the end of the year 2020	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
	At the end of the year					1,37,020	0.40
9	<b>Bharat Naresh Khandwala</b>	1,32,000	0.39			1,32,000	0.39
	Purchase			12 Jul 2019	500	1,32,500	0.39
	Purchase			02 Aug 2019	3,000	1,35,500	0.40
	At the end of the year					1,35,500	0.40
10	<b>B N Nagamani</b>	1,28,668	0.38			1,28,668	0.38
	At the end of the year					1,28,668	0.38
11	<b>Anilkumar Nandkishore Mittal</b>	2,78,654	0.81			2,78,654	0.81
	Sale			02 Aug 2019	(2,63,654)	15,000	0.04
	At the end of the year					15,000	0.04
12	<b>Brijesh Dalpatrai Shah</b>	2,99,000	0.87			2,99,000	0.87
	Sale			05 Apr 2019	(20,000)	2,79,000	0.81
	Sale			12 Apr 2019	(9,000)	2,70,000	0.79
	Sale			19 Apr 2019	(5,882)	2,64,118	0.77
	Sale			26 Apr 2019	(14,118)	2,50,000	0.73
	Purchase			10 May 2019	12,000	2,62,000	0.77
	Purchase			17 May 2019	29,500	2,91,500	0.85
	Purchase			24 May 2019	2,500	2,94,000	0.86
	Sale			31 May 2019	(83,000)	2,11,000	0.62
	Purchase			07 Jun 2019	500	2,11,500	0.62
	Purchase			14 Jun 2019	4,238	2,15,738	0.63
	Sale			21 Jun 2019	(14,738)	2,01,000	0.59
	Purchase			29 Jun 2019	12,000	2,13,000	0.62
	Purchase			05 Jul 2019	10,000	2,23,000	0.65
	Sale			12 Jul 2019	(41,903)	1,81,097	0.53
	Purchase			19 Jul 2019	1,903	1,83,000	0.53
	Sale			26 Jul 2019	(55,000)	1,28,000	0.37
	Sale			02 Aug 2019	(37,000)	91,000	0.27
	Sale			09 Aug 2019	(19,000)	72,000	0.21
	Purchase			16 Aug 2019	2,000	74,000	0.22
	Purchase			23 Aug 2019	16,000	90,000	0.26
	Purchase			30 Aug 2019	10,000	1,00,000	0.29
	Purchase			06 Sep 2019	3,000	1,03,000	0.30
	Purchase			13 Sep 2019	39,071	1,42,071	0.41
	Sale			20 Sep 2019	(14,071)	1,28,000	0.37
	Purchase			27 Sep 2019	13,000	1,41,000	0.41
	Purchase			30 Sep 2019	5,000	1,46,000	0.43
	Purchase			04 Oct 2019	7,900	1,53,900	0.45
	Purchase			11 Oct 2019	5,100	1,59,000	0.46

Sr. No.	Name and type of transaction	Shareholding at the beginning of the year 2019		Transactions during the year		Cumulative shareholding at the end of the year 2020	
		No. of shares held	% of total shares of the Company	Date of transaction	No. of shares	No. of shares held	% of total shares of the Company
	Sale			18 Oct 2019	(28,349)	1,30,651	0.38
	Purchase			25 Oct 2019	5,349	1,36,000	0.40
	Purchase			01 Nov 2019	21,503	1,57,503	0.46
	Sale			08 Nov 2019	(2,503)	1,55,000	0.45
	Purchase			22 Nov 2019	4,103	1,59,103	0.46
	Sale			29 Nov 2019	(22,103)	1,37,000	0.40
	Purchase			06 Dec 2019	14,000	1,51,000	0.44
	Purchase			13 Dec 2019	2,000	1,53,000	0.45
	Purchase			20 Dec 2019	1,600	1,54,600	0.45
	Sale			27 Dec 2019	(54,600)	1,00,000	0.29
	Sale			31 Dec 2019	(15,245)	84,755	0.25
	Sale			03 Jan 2020	(73,755)	11,000	0.03
	Purchase			07 Feb 2020	2,000	13,000	0.04
	Sale			14 Feb 2020	(12,500)	500	0.00
	Purchase			28 Feb 2020	21,101	21,601	0.06
	Purchase			06 Mar 2020	449	22,050	0.06
	Sale			13 Mar 2020	(11,554)	10,496	0.03
	Sale			27 Mar 2020	(7,496)	3,000	0.01
	Purchase			31 Mar 2020	7,000	10,000	0.03
	At the end of the year					10,000	0.03

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

Sr. No.	Name of the Directors and KMPs	Shareholding at the beginning of the year - 2019		Shareholding at the end of year - 2020	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Corinne Ruckstuhl	Nil	Nil	Nil	Nil
2	Adrain Oehler	Nil	Nil	Nil	Nil
3	Shalin Divatia	1350	0.0039	1350	0.0039
4	Rahul Divan	Nil	Nil	Nil	Nil
5	Bhargav Patel	Nil	Nil	Nil	Nil
6	Mahendra Sanghvi	Nil	Nil	Nil	Nil
7	Utkarsh Pundlik	50	0.000146	50	0.000146
8	Bhavin Kariya	13	0.000037	13	0.000037
9	Harneet Kaur	20	0.000058	20	0.000058

## V. INDEBTEDNESS

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

Particulars		Secured Loans excluding deposits	Unsecured loan	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year i.e. 01.04.2019</b>					
i)	Principal Amount	12,40,00,000	2,69,46,539	-	15,09,46,539
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	7,15,50,000	-	-	7,15,50,000
	<b>Total (i+ii+iii)</b>	19,55,50,000	2,69,46,539	-	22,24,96,539
<b>Change in indebtedness during the financial year</b>					
	Addition	49,60,000	3,79,31,594	-	4,28,91,594
	Reduction	-	-	-	-
	<b>Net Change</b>	49,60,000	3,79,31,594	-	4,28,91,594
<b>Indebtedness at the end of the financial year i.e. on 31.03.2020</b>					
i)	Principal Amount	12,40,00,000	6,48,78,133	-	18,88,78,133
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	7,65,10,000	-	-	7,65,10,000
	<b>Total (i+ii+iii)</b>	20,05,10,000	6,48,78,133	-	26,53,88,133

## VI. Remuneration of Directors and Key Managerial Personnel

## A. Remuneration to Managing Director, Whole-time Director and/or Manager

Company do not have any Managing Director, Whole Time Director / Manager and thus no remuneration was paid to such director

## B. Remuneration to other directors

Particulars of Remuneration [Annual]	Name of the Director				Total Amount (₹)
	Shalin Divatia	Rahul Divan	Mahendra Sanghvi	Bhargav Patel	
<b>1. Independent Directors</b>					
Fees for attending board committee meetings	2,30,000.00	2,50,000.00	2,40,000.00	2,60,000.00	9,80,000.00
Commission	Nil	Nil	Nil	Nil	Nil
Others, Please Specify	Nil	Nil	Nil	Nil	Nil
<b>Total (1)</b>	2,30,000.00	2,50,000.00	2,40,000.00	2,60,000.00	9,80,000.00
<b>2. Other Non Executive Directors</b>	<b>Adrian Oehler</b>		<b>Corinne Ruckstuhl</b>		
Fees for attending board committee meetings	2,10,000.00		2,50,000.00		4,60,000.00
Commission	Nil		Nil		Nil
Others, Please Specify	Nil		Nil		Nil
<b>Total (2)</b>	2,10,000.00		2,50,000.00		4,60,000.00
<b>Total (B)=(1+2)</b>					14,40,000.00

## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	key Managerial Personnel			
		Utkarsh Pundlik (Chief Executive Officer)	Bhavin Kariya (Chief Financial Officer)	Harneet kaur (Company Secretary)	Total (₹)
1	Gross Annual Salary				
	(a) Salary as per provisions contained in Sec 17(1) of the Income tax Act 1961.	71,65,810.00	35,13,256.00	8,01,608.00	1,14,80,674.00
	(b) Value perquisites u/s 17(2) Income tax Act, 1961.	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income tax act ,1961.	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil	Nil
	-as % of profit	Nil	Nil	Nil	Nil
	-others, specify				
	Total	71,65,810.00	35,13,256.00	8,01,608.00	1,14,80,674.00

VII. Penalties/ Punishment/ Compounding of offences. : None

## ANNEXURE - B

Particulars regarding Conservation of Energy, Technology Absorption and Foreign Exchange Income and Outgo as per rule 8(3) of The Companies (Accounts) Rules, 2014:

**(A) Conservation of energy:**

(i)	The steps taken or impact on conservation of energy	Nil
(ii)	The steps taken by the Company for utilizing alternate sources of energy	Nil
(iii)	The capital investment on energy conservation equipment	Nil

**(B) Technology absorption:**

(i)	Efforts, in brief, made towards technology absorption	The Company has invested in new manufacturing equipment of latest technology. Further the Company has been taking internal steps to motivate its employees.
(ii)	Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.	More efficient production and cost effectiveness are achieved with latest production technology. Higher quality and customer satisfaction also benefit the company.
(iii)	In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year): (a) Details of technology imported. (b) Year of import (c) Whether the technology has been fully absorbed (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof.	N.A.
(iv)	The Expenditure incurred on Research and Development	₹ NIL

**(C) Foreign exchange earnings and Outgo**

Particulars	Amount
Foreign Exchange earned in terms of actual inflows during the year	₹6,994,113 (P.Y. ₹ 6,496,891)
Foreign Exchange outgo during the year in terms of actual outflows	₹13,794,160 (P.Y. ₹ 7,339,219)



## Annexure - C

## Report on Corporate Social Responsibility Activities

## Brief Overview

Integra Engineering India Limited acknowledges the opportunity to actively contribute under the banner of Corporate Social Responsibility towards the national objective of "betterment of the citizens". The CSR policy adopted by the Company intends to contribute to the sustainable development of the society and environment. It has been the privilege of the Company to serve the local public with energy, zeal and enthusiasm.

The key focus areas under CSR activities of the Company are promoting education; preventive healthcare; infrastructure support; sanitation facilities; purification of water; rural development; community welfare and creating livelihood for people, especially for those from deprived sections of society - in rural and / or urban India.

## Overview of projects/ programs undertaken:

Some of the key CSR initiatives undertaken by the Company during the year include:

- a) Infrastructural and sanitation facilities in schools in rural area:
  - Construction of three septic tanks
  - Renovation of kitchen, classrooms, and washrooms
- b) Providing sports equipment's to the schools in rural area

All these activities were undertaken in three schools situated in rural area (Narukot, Jambughoda, Gujarat), near Halol. Students studying in these schools are provided with hostel facility as their parents are daily wage earners. More emphasis had been laid during the year to provide basic necessities to these students.

## CSR Policy

The CSR policy adopted by the Company laying out the Company's philosophy on CSR is available on the website of the Company at the following link:

<https://www.integraengineering.in/userfiles/investorfile/1558417658.pdf>

## Composition of CSR committee

Name of the Director	Category of Directorship
Mrs. Corinne Ruckstuhl	- Non Executive Director, Chairperson
Mr. Adrian Oehler	- Non Executive Director, Member
Mr. Mahendra Sanghvi	- Independent Director, Member

## Average net profit of the Company for the last three financial years

₹ 54,199,811

## Prescribed CSR Expenditure (two percent of the amount stated above)

₹ 1,083,996

## Details of CSR Spent during the financial year

Total amount to be spent for the financial year: ₹ 1,084,000

Amount unspent, if any: ₹ NIL

Manner in which the amount spent during the Financial Year 2019-20 is detailed below:

(Amount in ₹'000)

Sr. No.	CSR project or activity identified	Sector in which the project is covered Or activity identified	Projects or programs Local area or other Specify the State and District where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads Direct Expenditure on projects or programs Overheads:	Cumulative expenditure upto the reporting period	Amount Spent: Direct or through implementing agency
Infrastructural and sanitation facilities							
1	Construction of 3 septic tanks	Infrastructural and sanitation in rural area	In vicinity of plant location (Narukot, Jambughoda)	924,501	924,501	924,501	Directly by the Company

(Amount in ₹'000)

2	Renovation of kitchen, classrooms and washrooms	Infrastructural and sanitation in rural area	In vicinity of plant location (Narukot, Jambugoda)	154,902	154,902	154,902	Directly by the Company
3	Providing sports equipment's	Infrastructural	In vicinity of plant location (Narukot, Jambugoda)	4,800	4,800	4,800	Directly by the Company

**Reasons for not spending the amount specified in above:**

The Company has spent ₹ 10,84,000 during the financial year 2019-20 against the statutory amount of ₹ 10,83,996 and accordingly there is no unspent amount.

**Responsibility statement:**

We hereby declare that the implementation and monitoring of the CSR policy are in compliance with CSR objectives and Policy of the Company.

**For and on behalf of the CSR Committee**

**Utkarsh Pundlik**  
Chief Executive Officer

**Corinne Ruckstuhl**  
Chairperson, CSR Committee  
DIN: 03531399

**Adrian Oehler**  
Member, CSR Committee  
DIN: 00360332



**Annexure- D**  
**Form No. AOC-2**

**[Pursuant to clause (h) of section (3) of section 134 of The Act & rule 8(2) of The Companies (Accounts) Rule, 2014]**

- (1) Details of material contracts or arrangements or transactions not at arm length basis - N.A.  
(2) Details of material contracts or arrangements or transaction at arms length basis.

**(Amount in ₹'000)**

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of Contacts /arrangements /transactions	Duration of Contracts /arrangements/ transactions	Salient Terms of Contracts /arrangements /transactions	Value of Contracts /arrangements /transactions	Date of Approval by board	Amount Paid as an advance, if any
1	Shaily Engineering Plastics Ltd.	Mr. Mahendra Sanghvi, director of the Company is Managing Director of "Shaily Engineering Plastics Ltd."	Purchase of Materials	One Year	60 Days Direct Credit	9,472	15/05/2019	NIL
2	Peass Industrial Engineers Pvt. Ltd.	Mr. Bhargav Patel, director of the Company is director of "Peass Industrial Engineers Pvt. Ltd."	Sale of materials	One Year	30 Days Direct Credit	1,562	15/05/2019	NIL
3	Aqametro Oil & Marine AG (Formerly known as Aquametro AG) Switzerland	Subsidiary of Holding Company (Mr. Adrian Oehler and Mrs. Corinne Ruckstuhl) are directors of Aqametro Oil & Marine AG	Purchase of Materials Management Contract	One Year	30 Days Direct Credit	2,897 6,994	15/05/2019	NIL NIL
4	Integra Systems Pvt. Ltd.	Associate Company- Mr. Adrian Oehler, Mrs. Corinne Ruckstuhl and Mr. Bhavin Kariya are directors of "Integra Systems Pvt Ltd."	Rent Received	One Year		131	15/05/2019	NIL

For INTEGRA Engineering India Limited

Sd/-

Corinne Rucksuhl  
Chairperson & Non-Executive Director  
DIN: 03531399

For INTEGRA Engineering India Limited

Sd/-

Adrian Oehler  
Non-Executive Director  
DIN: 00360332

**Annexure- E**  
**Disclosure in the Board's Report under Rule 5 of Companies (Appointment & Remuneration)**  
**of Managerial Personnel Rules, 2014**

(i) & (ii)	Name of Directors and KMPs	The Ratio of the remuneration of each Directors to the median remuneration of the employees of the company for the financial year 2019-20	The Percentage increase in remuneration of each Director, and KMPs, if any in the financial year 2019-20
	Mr. Utkarsh Pundlik [Chief Executive Officer]	Note 1	25
	Mr. Bhavin Kariya [Chief Financial Officer]	Note 1	26
	Mrs. Harneetkaur Anand [Company Secretary]	Note 1	28
(iii)	Percentage increase in the median remuneration of employees in the financial year 2019-20 compared to 2018-19		-2.6
(iv)	Number of permanent employees on the rolls of the company as on 31st March, 2020		132
	Average percentile increase in salaries of Employees other than managerial personnel in the last financial year		31
(v)	Comparison between average percentile increase in salaries of Employees other than managerial personnel in the last financial year and percentile increase in the Managerial Remuneration and Justification if there are any exceptional circumstances for increase in Managerial Remuneration		31 and 25

Rule 5(2) and 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company as no employee is in receipt of the remuneration exceeding the limits specified in Rule 5(2)

It is hereby affirmed that the remuneration is as per the remuneration policy of the Company.

Note 1: None of the Director receives any remuneration except sitting fees for the meetings attended.

**Annexure - F  
Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

To,  
The Members,  
INTEGRA ENGINEERING INDIA LIMITED  
Post Box No.55, Chandrapura village,  
Taluka Halol, Dist. Panchmahals,  
Gujarat-389350.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. Based on our verification (electronically only in view of COVID-19 due to lockdown) of the INTEGRA ENGINEERING INDIA LIMITED books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined (electronically only in view of COVID-19 due to lockdown) the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; [Presently: The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015];
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; [Presently: The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018];
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; [Presently: The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014];
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (vi) Having regard to the products and processes of the Company as also having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, we further report that the Company has complied with the following laws applicable specifically to the Company:
  - (a) Water (Prevention and Control of Pollution) Act, 1974;
  - (b) Air (Prevention and Control of Pollution) Act, 1981;
  - (c) Hazardous Waste (Management and Handling) Rules, 1989.

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

- i. (Mandatory) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with BSE Ltd. [including Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR').

**We further report that**



The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report (by way of information) that during the audit period, the Company has:

- (a) not issued any securities during the period under review and accordingly
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
- were not applicable during the audit period under review.
- (b) neither got delisted Equity Shares nor bought back any security of the Company and accordingly
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 were not applicable during the audit period under review.
- (c) Passed Special Resolutions at its 37th Annual General Meeting held on 18th July, 2019.

- approving re-appointment of Mr. Shalin Divatia, Mr. Mahendra Sanghvi, Mr. Rahul Divan and Mr. Bhargav Patel as Independent Directors of the Company for their second term;
  - authorising the Board of Directors to borrow from Rs. 10 Crores to Rs. 20 Crores pursuant to Section 180(1)(c) of the Companies Act, 2013;
  - authorising the Board of Directors to create mortgage/charge on the assets of the Company pursuant to Section 180(1)(a) of the Companies Act, 2013.
- (d) Approved its Consolidated Unaudited Financial Results (including that of its Associate Company) for the quarter ended on 30th June, 2019 at its Board meeting dtd. 25th September, 2019. However, BSE has clarified that the Consolidated Financial Results shall be submitted to the exchange from the quarter ending 30th September, 2019 onwards.
- (e) Keeping in view the net profits of the Company for the year ended on 31st March, 2019, provisions of Section 135 of the Act were applicable to the Company from the financial year commenced from 1st April, 2019 & onwards. Accordingly, the Company has constituted CSR Committee and has made requisite CSR expenditure for the year ended 31st March, 2020.

For Devesh Pathak & Associates  
Practising Company Secretaries

**Date:** 8th June, 2020

**Place:** Vadodara

Sd/-  
Devesh A. Pathak  
(Sole proprietor)  
Membership No. FCS No.4559  
COP No : 2306

**Note:** This report is to be read with our letter of even date which is enclosed as forming integral part of this report.

To,  
The Members,  
INTEGRA ENGINEERING INDIA LIMITED  
Post Box No.55, Chandrapura village,  
Taluka Halol, Dist. Panchmahals,  
Gujarat-389350.

Ref: Secretarial Audit Report dated 8th June, 2020 pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. Consequent to the Nationwide Lockdown imposed as a result of the COVID-19 pandemic, we have not been able to verify the books, papers, minute books, forms and returns filed and other records maintained by the Company in physical form at its Registered Office. Accordingly, we have only examined the electronically available soft copies of the minutes, forms and returns filed and other records provided by the Company for the financial year ended on 31st March, 2020.
3. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and the practices we followed provided reasonable basis for our opinion.

4. We have not verified the correctness and appropriateness of financial records and books of Accounts of the Company and have relied upon the reports of designated professionals including Statutory Auditors for the purpose and Management Representation provided by the Company on the matter.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards, is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Devesh Pathak & Associates  
Practising Company Secretaries

Date: 8th June, 2020  
Place: Vadodara

Sd/-  
CS Devesh A. Pathak  
Proprietor  
Membership No. FCS No.4559  
COP No : 2306

**Secretarial compliance report of INTEGRA ENGINEERING INDIA LIMITED for the year ended 31.03. 2020**

We, Devesh Pathak & Associates, Practising Company Secretaries have examined:

- all the documents and records made available to us and explanation provided by INTEGRA ENGINEERING INDIA LIMITED (“the listed entity”),
- the filings/ submissions made by the listed entity to the stock exchanges,
- website of the listed entity.

for the year ended 31st March, 2020 (‘Review period’) in respect of compliance with the provisions of:

- the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars / guidelines issued thereunder, have been examined, include:-

- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

and based on the above examination, We hereby report that, during the Review Period:

- The Company has not issued any securities and accordingly:
  - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and
  - The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
  - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
  - Securities and Exchange Board of India (Issue and listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013

were not applicable.

- The Company has neither got delisted Equity Shares nor bought back any security of the Company and accordingly:

- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

were not applicable.

- The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	N.A.	N.A.	N.A.

- The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued there under in so far as it appears from our examination of those records;

- The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder.

Sr. No	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1	N.A.	N.A.	N.A.	N.A.

- The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
NIL				

For Devesh Pathak & Associates  
Sd/-

Place : Vadodara  
Date: 8th June, 2020  
UDIN : F004559B000324331

CS Devesh A. Pathak  
Proprietor  
FCS No. 4559  
CP No.: 2306

## Annexure – G

### Report on Corporate Governance

[Pursuant to Regulation 34 read with Schedule V of The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

As a Corporate citizen, our business fosters a culture of ethical behavior and fair disclosures, which aims to build trust of our Stakeholders. The Company has established systems and procedures to ensure that its Board is well-informed and well-equipped to fulfill its overall responsibilities and to provide the management with the strategic direction needed to create long-term shareholders value.

Good corporate governance ensures corporate success and economic growth. Strong corporate governance maintains investors' confidence, as a result of which, the Company can raise capital efficiently and effectively. The Company's governance framework is based on the appropriate composition and size of the Board with each member having their own expertise in their respective domains. It also includes timely disclosure of all material information to Stakeholders.

As a part of its growth strategy, the Company believes in adopting the 'best practices' in the area of Corporate Governance across various geographies. Effective and transparent corporate governance guarantees that your Company is managed and monitored in a responsible manner to focus on value creation.

#### Company's Philosophy on Code of Governance:

Corporate governance philosophy of the Company is based on appropriate size and composition of the Board with each Director bringing in key expertise in different areas, systematic information flow to the Directors to enable them to effectively discharge their fiduciary duties, ethical business conduct by the management and employees, appropriate systems and processes for internal controls on all operations, risk management and financial reporting and timely and accurate disclosure of all material operational and financial information to the stakeholders.

The Company has adopted a Code of Conduct for its employees including Board of Directors for further strengthening the Corporate

Governance Philosophy of the Company. This code is available on the website of the Company.

The Company is fully committed to practice sound Corporate Governance and uphold the highest standards in conducting business. We believe that an active, well-informed and independent Board is necessary to ensure highest standards of Corporate Governance. A report on the matters and the practices followed by the Company is detailed herein below:

#### 1. Board of Directors:

The Board of Directors, along with its Committees, provides leadership and guidance to the Company's management and directs, supervises and controls the performance of the Company. The Board acts with autonomy and independence in exercising its strategic supervision, discharging its fiduciary responsibilities and ensuring that the management observes the highest standards of ethics, transparency and disclosure.

As on 31st March, 2020, the Board of Directors of the Company ("Board") consists of Non-Executive Directors including one woman director and Independent Directors. The Board has six members comprising two Non-Executive Directors including Chairperson and four Independent Directors at the end of the financial year 2019-20 in conformity with Regulation 17 of The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR').

All the Directors have informed to your Company periodically about their Directorship and membership on the Board/Committees of the other Companies. As per disclosure received from Director(s), none of the Director(s) holds membership in more than ten (10) Committees and Chairmanship in more than five (5) Committees.

Independent Directors have submitted their declaration of Independence and in the opinion of the Board, Independent Directors fulfil the conditions specified in the regulations and are independent of the management.

The details of the composition, nature of Directorship, the number of meetings attended and the directorships in other Companies as at 31st March, 2020 are detailed herein below:

Name of the Director	Category	No. of Board Meetings held and attended during the year		Attendance at Last AGM held on 18.07.19	*No. of other directorships and committee memberships / chairmanships		
		Held	Attended		Other directorships*	Committee Memberships**	Committee Chairmanships**
Mrs. Corinne Ruckstuhl	Chairperson & Non-Executive Director	5	4	Yes	0	0	0
Mr. Adrian Oehler	Non-Executive Director	5	4	Yes	0	0	0
Mr. Shalin Divatia	Independent Director	5	4	Yes	0	0	0
Mr. Rahul Divan	Independent Director	5	5	Yes	0	0	0
Mr. Bhargav Patel	Independent Director	5	5	Yes	0	0	0

Name of the Director	Category	No. of Board Meetings held and attended during the year		Attendance at Last AGM held on 18.07.19	*No. of other directorships and committee memberships / chairmanships		
		Held	Attended		Other directorships*	Committee Memberships**	Committee Chairmanships**
Mr. Mahendra Sanghvi	Independent Director	5	4	Yes	2	2	0
					Shaily Engineering Plastics Ltd. and Munjal Auto Industries Ltd.	Audit and Stakeholders Relationship Committee member of Munjal Auto Industries Ltd. and Audit Committee of Integra Engineering India Ltd.	

\*Other Directorships does not include Directorships of private limited companies, Companies formed under Section 8 of The Companies Act, 2013 and foreign companies.

\*\*Chairmanship/ Membership of Board Committees include only Audit Committee and Stakeholders Relationship Committee as per Regulation 26 of 'LODR'.

Neither of the Directors are related inter-se nor they hold any shares or convertible instruments.

Familiarization of the Independent director is considered every year and they are briefed with the changes in the applicable laws alongwith requisite factory visits. Details of such programme

procedure is available on the website of the Company as <http://integraengineering.in/userfiles/investorfile/1469075829.pdf>

The Board is a skills-based Board comprising directors who collectively have the skills, knowledge and experience to effectively govern and direct the organisation.

The skills and attributes of the Board can be broadly categorised as follows:

- Governance Skills
- Industry Skills
- Personal Attributes

#### Governance Skills

Particulars			Names of directors possessing skills / expertise / competence
Strategy	Strategy and strategic planning	Ability to think strategically, identify, critically assess strategic opportunities, threats and develop effective strategies in the context of the strategic objectives of the Company's relevant policies and priorities	• Bhargav Patel
Policy	Policy development	Ability to identify key issues and opportunities for the Company within the industry and develop appropriate policies to define the parameters within which the organisation should operate	• Shalin Divatia • Corinne Ruckstuhl
Finance	Financial performance	Qualifications and experience in accounting and / or finance and the ability to: <ul style="list-style-type: none"> <li>• Analyse key financial statements</li> <li>• Critically assess financial viability and performance</li> <li>• Contribute to strategic financial planning</li> <li>• Oversee budgets and the efficient use of resources and oversee funding arrangements and accountability</li> </ul>	• Corinne Ruckstuhl • Shalin Divatia

Risk	Risk and compliance management	Ability to identify key risks to the organisation in a wide range of areas including legal and regulatory compliance, and monitor risk and compliance management frameworks and systems	• Rahul Divan
Executive management	Executive management	Experience at an executive level including the ability to: <ul style="list-style-type: none"> <li>• Appoint and evaluate the performance of the CEO and senior executive managers</li> <li>• Oversee strategic human resource management including workforce planning, and employee and industrial relations; and oversee large scale organisation change</li> </ul>	• Bhargav Patel
Commercial	Commercial experience	A broad range of commercial / business experience, preferably in the areas including communications, marketing, practices and improvement	• Corinne Ruckstuhl • Mahendra Sanghvi
International	International	Knowledge of and experience in companies with operations outside India	• Adrian Oehler • Corinne Ruckstuhl • Mahendra Sanghvi

#### Industry Skills

Skills areas	Description	Assessment of the Board
Technology	Understanding the current drivers of innovation in our relevant business sector such transports and electrical technology with a view to expand business for existing products and diversify in new sectors – related / unrelated	All of the Board members have direct and long term experience in the Metal and Steel industry.  Further they have extensive experience in transferable skill areas such as Marketing, Technology innovation and Client engagement.
Client engagement	Experience in engaging with management of businesses and organisations and other customers to assess industry needs and deliver appropriate solutions to maintain positive relationships with clients over a period of time	
Community and stakeholder engagement	High level reputation and networks in the local community including with relevant industry organisations and consumer or business groups. Also the ability to effectively engage and communicate with those stakeholders	
Marketing	Knowledge of and experience in marketing services to business clients	

#### Personal Attributes

Attributes	Description
Integrity	A commitment to: <ul style="list-style-type: none"> <li>• Understand and fulfil the duties and responsibilities of a director and maintain knowledge in this regard through professional development;</li> <li>• Putting the Company's interest before any personal interests;</li> <li>• Acting in a transparent manner and declaring any activities or conduct that might be a potential conflict and</li> <li>• Maintaining Board confidentiality at all times</li> </ul>
Commitment	A visible commitment to the purpose for which the Company has been established and operates, and its ongoing success

Critical and innovation thinker	The ability to critically analyse complex and detailed information, readily distil key issues and develop innovative approaches / solutions to the problems
Leader	Innate leadership skills including the ability to: <ul style="list-style-type: none"> <li>• Appropriately represent the organisation</li> <li>• Set appropriate Board and organisation culture</li> <li>• Make and take responsibility for decisions and actions</li> </ul>

To summarize, every board member is individually integrated, committed to their responsibility, thinks about the development of the Company and leads other members in one or the other cases.

#### Board Procedure:

Board Meetings are governed by structured agenda for the meeting. The agenda along with comprehensive notes and background material are circulated well in advance before each meeting to all the Directors for facilitating effective discussion and decision making. The minimum information to be placed before the Board as required by Part A of Schedule II of LODR is placed before the Board during its meetings.

The Board of Directors meets once in a quarter to review the performance and financial results of the Company. The Chairperson briefs all the Directors at every Board Meeting on overall performance of the Company. All major decisions/approvals are taken at the Board Meeting.

The Board members may bring up any matter for consideration of the Board, in consultation with the Chairperson. The proceedings of the meetings of the Board and its Committees are recorded in the form of minutes and the draft minutes are circulated to the Board for their perusal before it is finalised.

#### Number of Board Meetings during the year:

Name of the Director	Category of the Director	Date of Board Meeting and attendance				
		15.05.19	18.07.19	25.09.19	22.10.19	29.01.20
Mrs. Corinne Ruckstuhl	Chairperson & Non-Executive Director	✓	✓	--	✓	✓
Mr. Adrian Oehler	Non-Executive Director	✓	✓	--	✓	✓
Mr. Shalin Divatia	Independent Director	--	✓	✓	✓	✓
Mr. Rahul Divan	Independent Director	✓	✓	✓	✓	✓
Mr. Bhargav Patel	Independent Director	✓	✓	✓	✓	✓
Mr. Mahendra Sanghvi	Independent Director	✓	✓	--	✓	✓

#### 2. Committees of the Board:

Recognizing the immense contribution that committees make in assisting the Board of Directors in discharging its duties and responsibilities and with a view to have a close focus on various facets of the business, the Board has constituted the following four (4) Committees of the Board.

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholder's Relationship Committee
4. Corporate Social Responsibility Committee

##### (i) Audit Committee:

##### The terms of reference:

The terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of The Companies Act, 2013 read with Rule 6A and 7 of The Companies (Meetings of Board and its Powers) Rules, 2014, and Regulation 18 of The SEBI (LODR) Regulations, 2015 and includes:

1. Overseeing the Company's financial reporting process;
2. Approval or any subsequent modification of transactions of the Company with related parties;
3. Reviewing the financial statements and the adequacy of internal audit;
4. Periodic discussions with the Internal Auditors and the Statutory Auditors about their scope of audit and adequacy of internal control systems;
5. Evaluation of the Company's internal financial control and risk management system;
6. Recommendation of appointment/ re-appointment of Statutory Auditors and also reviews and monitors the auditor's independence and performance and effectiveness of audit process.

Composition of the Audit Committee of the Company meets the criteria laid down under Section 177 of The Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015.

**Composition as well as Attendance of Audit Committee:**

Name of the Director	Category	No. of meeting attended	Date of Meeting and attendance				
			01.04.19	15.05.19	18.07.19	25.09.19	22.01.20
Mr. Shalin Divatia	Independent Director	4/5	✓	--	✓	✓	✓
Mr. Rahul Divan	Independent Director	5/5	✓	✓	✓	✓	✓
Mrs. Corinne Ruckstuhl	Non-Executive Director	3/5	--	✓	✓	--	✓
Mr. Bhargav Patel	Independent Director	5/5	✓	✓	✓	✓	✓
Mr. Mahendra Sanghvi	Independent Director	3/5	--	✓	✓	--	✓

There are total 5 members and amongst them Mr. Shalin Divatia is the mutually appointed Chairman of the committee. In case of his absence, other member is requested to chair the meeting with the unanimous consent. Considering his leave of absence on 15.05.19, Mr. Rahul Divan (member) had chaired the meeting.

**(ii) Nomination and Remuneration Committee: The Terms of Reference:**

The terms of reference of the committee are in accordance with Section 178 of The Companies Act, 2013 and Regulation 19 of LODR, which inter alia, include:

1. Formulation of the criteria for determining qualifications,
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommendation to the Board of their appointment and removal;
4. Overseeing familiarization programmes for directors.

positive attributes and independence of a director and recommendation to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

**The Composition of the Nomination and Remuneration committee meets the criteria of section 178 of the Companies Act, 2013 and Regulations 19 the LODR. Composition and Attendance of Nomination and Remuneration Committee:**

Name of the Director	Category	Status	No. of meeting attended	Date of Meeting and attendance
				15.05.19
Mr. Bhargav Patel	Independent Director	Chairman	1/1	✓
Mr. Adrian Oehler	Non-Executive Director	Member	1/1	✓
Mrs. Corinne Ruckstuhl	Non-Executive Director	Member	1/1	✓
Mr. Shalin Divatia	Independent Director	Member	0/1	--

During the financial year 2019-20, nomination and remuneration committee met once on 15.05.19.

**Nomination and Remuneration policy:**

The Board has approved a Nomination and Remuneration Policy of the Company. This Policy is in compliance with Section 178 of The Companies Act, 2013, read with the applicable rules thereto and Regulation 19 and Schedule II, Part D of The SEBI (LODR) Regulations, 2015.

**Performance Evaluation Criteria of selection of Independent Directors:**

- a. The Independent Directors shall be of high ethical standards and integrity with relevant expertise, experience and particular skills that will complement Board effectiveness.
- b. In case of appointment of Independent Directors, the Nomination and Remuneration Committee shall determine whether the appointee fulfils the criteria of independence, in accordance with the provisions stipulated under The Companies Act, 2013 as well as LODR.
- c. To aid determination, every Independent Director shall, on appointment and subsequently on an annual basis submit to the Nomination and Remuneration Committee a declaration on his/her independence.
- d. The Nomination and Remuneration Committee shall consider the following criteria while recommending to the Board, the candidature for appointment as Director:
  - Professional qualification, appropriate experience and



- the ability to exercise sound business judgment;
  - An ability and willingness to challenge and probe;
  - Strong interpersonal skills and a willingness to devote the required time;
  - A position of leadership or prominence in a specified field.
- e. The Nomination and Remuneration Committee shall ensure that the Director to be appointed is not disqualified for appointment under Section 164 of The Companies Act, 2013.

**Criteria for determining the followings:**

**a. Qualifications for appointment of Directors (including Independent Directors):**

- Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service;
- Their financial or business literacy/skills;
- Their industry experience;
- Other appropriate qualification/experience to meet the objectives of the Company;
- In compliance with The Companies Act, 2013, and rules framed thereunder and LODR;
- The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate(s).

**b. Positive attributes of Directors (including Independent Directors):**

- Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively and the willingness to address issues proactively;
- Actively update their knowledge and skills with the latest developments in the industry, market conditions and applicable legal provisions;
- Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities;
- Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company;
- To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees.

**Criteria for appointment of KMP/Senior Management:**

- To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities;

- To practice and encourage professionalism and transparent working environment;
- To build teams and carry the team members along for achieving the goals/objectives and corporate mission;
- To follow strictly the code of conduct of the Company.

**Term of Directors as well as Key Managerial Personnel (KMPs):**

The Term of the Directors including Managing Director / Whole time Director / Independent Directors/KMPs shall be in consonance with the provisions of the Companies Act and LODR.

**Details of Remuneration to all the Directors:**

**Executive Directors:**

There are no executive directors of the Company.

**Non-Executive Directors:**

Sitting fees paid to Non-Executive Directors during the financial year 2019-20 is as under:

Name	Sitting Fees (in ₹)
Mr. Adrian Oehler	210,000/-
Mrs. Corinne Ruckstuhl	250,000/-

**Independent Directors:**

Sitting fees paid to Independent Directors during the financial year 2019-20 is as under:

Name	Sitting Fees (in ₹)
Mr. Shalin Divatia	230,000/-
Mr. Rahul Divan	250,000/-
Mr. Bhargav Patel	260,000/-
Mr. Mahendra Sanghvi	240,000/-

**(iii) Stakeholders' Relationship Committee:**

In compliance with Section 178 of The Companies Act, 2013 and Regulation 20 and Schedule II, LODR, a Stakeholders' Relationship Committee of the Board has been constituted. The Committee considers redressal of Investors' complaints/grievances. It also considers matters concerning complaints regarding transfer of shares, non-receipt of dividends and Annual Report, dematerialization of share certificates, etc.

Stakeholders' Relationship Committee is headed by Mr. Mahendra Sanghvi, Independent Director of the Company.

**Composition and attendance of Stakeholders' Relationship Committee:**

Name of the Director	Category	No. of meeting attended	Date of Meeting and attendance			
			15.05.19	18.07.19	20.10.19	29.01.20
Mr. Mahendra Sanghvi	Independent Director	4/4	✓	✓	✓	✓
Mr. Shalin Divatia	Independent Director	3/4	-	✓	✓	✓
Mr. Adrian Oehler	Non-Executive Director	4/4	✓	✓	✓	✓
Mrs. Corinne Ruckstuhl	Non-Executive Director	4/4	✓	✓	✓	✓

During the financial year 2019-20, Stakeholder's Relationship Committee met four times on 15.05.19, 18.07.19, 22.10.19 and 29.01.20

**Details of investor complaints received and redressed during the year 2019-20:**

No. of shareholder complaints pending at the beginning of the year	No. of shareholder complaints received during the year	No. of shareholder complaints resolved during the year	No. of shareholder complaints pending at the end of the year
0	5	5	0

**(iv) Corporate Social Responsibility Committee:**

The committee met once in the financial year 2019-20 on 22.10.19 to discuss the focus areas of CSR activities and the amount to be spent on those activities as per the criteria mentioned in Section 135(1) of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The CSR Committee provides guidance on various CSR activities to be undertaken by the Company and monitors its progress.

The terms of reference for the CSR Committee include to:

1. Formulate a CSR policy which shall indicate activities to be undertaken by the Company.
2. Recommend the CSR policy to the Board.
3. Recommend the amount of expenditure to be incurred on the activities.
4. Monitor the policy from time to time as per the CSR policy.

CSR policy is available on the website of the Company at <http://integraengineering.in/userfiles/investorfile/1558417658.pdf>

**Composition of CSR Committee**

Name of the Director	Category	Status
Corinne Ruckstuhl	Non-Executive Director	Chairperson
Adrian Oehler	Non-Executive Director	Member
Mahendra Sanghvi	Independent Director	Member

Details on CSR activities undertaken are available in the Annexure-C of the Board's Report.

**3. General Body Meetings:****Details of Annual General Meetings (AGM) held during the last three financial years:**

AGM No.	Date	Time	Location
Thirty Seventh	18 <sup>th</sup> July, 2019	12:00 p.m.	P. O. Box No. 55, Chandrapura Village, Panchmahal-389350
Thirty Sixth	19 <sup>th</sup> July, 2018	01:00 p.m.	
Thirty Fifth	19 <sup>th</sup> July, 2017	04.00 p.m.	

**Details of Special Resolutions passed in the previous three AGM:****Six Special Resolutions were passed in the 37th AGM held on 18th July, 2019**

- To reappoint of Mr. Shalin Divatia (DIN:00749517) as Independent Director
- To reappoint Mr. Mahendra Sanghvi (DIN:00084162) as Independent Director
- To reappoint of Mr. Rahul Divan (DIN:00001178) as Independent Director
- To reappoint of Mr. Bhargav Patel (DIN:00318051) as Independent Director
- Revision in overall borrowing powers of the Company
- Creation of mortgage/charge on the assets of the Company

**No Special Resolution was passed in 36th AGM held on 19th July, 2018****No Special Resolution was passed in 35th AGM held on 19th July, 2017****Details of special resolution passed through postal ballot:**

No special resolution was passed through postal ballot since last three years.

**4. Disclosures:****Related Party Transactions:**

During the financial year under review, your Company has transactions / contracts / agreements that are classified as "Related Party Transactions" under provisions of The

Companies Act, 2013 and The Rules framed thereunder. These contracts / arrangements / agreements have been in the ordinary course of business, to facilitate the business of the Company and have been approved by the Audit Committee and Board of Directors. Suitable disclosures as required by Accounting Standards (AS-18) have been made in the Notes to the financial statements. The Company has also formulated a Related Party Transactions Policy which is available on the website of the Company on [http://integraengineering.in/userfiles/investorfile/Policy\\_on\\_RPT\\_IEIL\\_-\\_01\\_04\\_19.pdf](http://integraengineering.in/userfiles/investorfile/Policy_on_RPT_IEIL_-_01_04_19.pdf). There are no materially significant transactions with the related parties' viz. promoters, directors or the management or their relatives or subsidiaries/associate concerns etc. that had potential conflict with the Company's interest.

#### Vigil Mechanism :

The Company is committed to the high standards of corporate governance and stakeholder's responsibility. The Company has a Whistleblower Policy (WB Policy) that provides a secured avenue to directors, employees, business associates and all other stakeholders of the Company for raising their concerns against the unethical practices, if any. The WB Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

No personnel have been denied access to the Chairman of the Audit Committee, for making complaint on any integrity issue.

The Company has zero tolerance towards sexual harassment at the workplace and towards this end, has adopted a policy in line with provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed thereunder. All employees (permanent, contractual, temporary, trainees) are covered under the said policy. Internal Complaints Committee has also been set up to redress complaints received on sexual harassment.

- Number of complaints filed during the financial year - Nil
- Number of complaints disposed of during the financial year - Nil
- Number of complaints pending as on end of the financial year - Nil

#### 5. Means of Communications

The website of the Company <http://www.integraengineering.in> is the primary source of information about the Company to the public. The Company maintains a functional website containing the basic details of the Company in terms of Regulation 46 of LODR. The quarterly, half-yearly and annual results of the Company are published in English (Indian Express) and Gujarati (Loksatta) newspapers as per the requirements of Regulation 47 of LODR. The results are available on the website of the Company.

There were no presentations made to the institutional investors or analysts during the financial year.

#### 6. General Shareholders Information:

- Annual General Meeting: Day : Wednesday  
Date : 12th August, 2020  
Time : 12:00 p.m.
- Financial Year: 1st April, 2019  
to 31st March, 2020
- Date of Book Closure: 06th August 2020 to  
12th August, 2020
- Listing on Stock Exchanges: The BSE Limited  
1st Floor, Rotunda Building,  
B.S. Marg, Fort,  
Mumbai -400 001
- Listing Fees: The Company has paid  
annual listing fees to the  
Stock Exchange for the year  
2020-21
- Stock Code: BSE Limited : 505358
- CIN of the Company: L29199GJ1981PLC028741
- ISIN: INE984B01023
- Monthly high, low prices and number of shares traded from April, 19 to March 20 on the BSE Limited are as follows

Months	BSE Limited		
	High (₹)	Low (₹)	Total No. of Shares Traded
April, 19	56.85	52.00	214,322
May, 19	56.00	45.60	422,274
June, 19	52.40	41.20	196,047
July, 19	47.30	34.00	348,951
August, 19	41.00	33.95	210,283
September, 19	46.70	37.25	236,226
October, 19	45.45	38.50	194,012
November, 19	44.95	36.00	274,984
December, 19	44.00	37.05	326,980
January, 20	45.80	36.40	463,645
February, 20	40.00	30.55	234,622
March, 20	36.00	16.00	313,650

- Registrar and Transfer Agents:  
Link Intime India Private Limited  
C-101, 247 Park, L.B.S. Marg, Vikroli (West),  
Mumbai – 400 083.  
Phone No.: 022 49186270  
Fax: 022 49186060  
Email: [mt.helpdesk@linkintime.co.in](mailto:mt.helpdesk@linkintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

xi. Share Transfer System:  
Share Transfer requests, which are received in physical form are processed and the share certificates are returned within a period of 30 days from the date of receipt, subject to the documents being in order and complete in all aspects.

xii. Address for Correspondence:  
Mrs. Harneet Kaur Anand  
Company Secretary & Compliance Officer  
Integra Engineering India Limited  
P. O. Box No. 55, Chandrapura Village,  
Tal. Halol, Dist. Panchmahal - 389350.  
(M): 9737041570;  
(T): (02676) 221870  
Email id: info@integraengineering.in  
Website: www.integraengineering.in

xiii. Plant Locations:

**UNIT – I**

P. O. Box 55, Chandrapura Village,  
Tal. Halol-389 350, Dist. Panchmahal, Gujarat.

**UNIT – II**

Halol – Champaner Road, P.O. Chandrapura Village,  
Tal. Halol-391 520, Dist. Panchmahal, Gujarat.

xiv. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity : The Company has neither issued GDRs/ADRs nor stock options during the year under consideration

xv. Dematerialization of Shares:

93.62% of the paid-up Equity capital of the Company has been in dematerialised form as on 31st March, 2020

xvi. Shareholding Pattern as on 31st March, 2020:

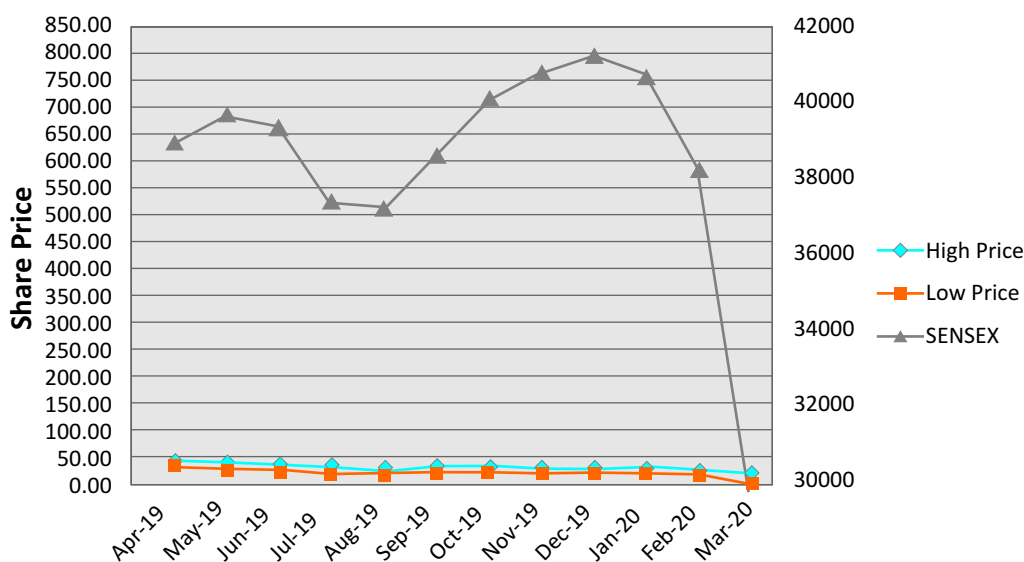
Sr. No.	Categories	No. of Shares	% of Total Capital
1	Promoters and Promoter Group	18,723,341	54.6744
2	Financial Institutions / Banks	12,800	0.0374
3	Bodies Corporate	1,003,914	2.9316
4	Individuals	12,600,311	36.7944
5	Clearing Members	19,376	0.0566
6	Hindu Undivided Family	907,247	2.6493
7	Non Resident Indians	128,469	0.3752
8	Trusts	42,100	0.1229
9	Foreign Portfolio Investors	800	0.0023
10	Mutual Funds / UTI	83,600	0.2441
11	NBFC registered with RBI	7,370	0.0215
12	Office Bearers	2276	0.0066
13	Unclaimed Shares	712,242	2.0798
14	Directors	1350	0.0039
	<b>Total</b>	<b>3,42,45,196</b>	<b>100</b>

xvii. Distribution Schedule as on 31st March, 2020:

Sr. No.	Holding (No. of Shares)	No. of shareholders	% of Total Shares	Shares	% of Total
1.	Between 1 and 500	15297	81.6406	1938132	5.6596
2.	Between 501 and 1000	1190	6.3511	1001990	2.9259
3.	Between 1001 and 2000	1299	6.9328	1874136	5.4727
4.	Between 2001 and 3000	311	1.6598	804416	2.3490
5.	Between 3001 and 4000	107	0.5711	382804	1.1178
6.	Between 4001 and 5000	140	0.7472	652978	1.9068
7.	Between 5001 and 10000	207	1.1048	1542575	4.5045
8.	> 10000	186	0.9927	26048165	76.0637
	<b>Total</b>	<b>18737</b>	<b>100.00</b>	<b>34245196</b>	<b>100.00</b>

## xviii. Performance in comparison to broad based indices such as BSE Sensex

## Share Price at BSE for the year 2019-20



## xix. Position of Shares as on 31st March, 2020:

The Percentage of Shares held in NSDL 79.38%, CDSL 14.24% and in Physical Form 06.38%

## 7. Disclosures with respect to demat suspense account / unclaimed suspense account:

Particulars	Shareholders	Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	4,330	719,254
Number of shareholders who approached the Company for transfer of shares from suspense account during the year	27	7,012
Number of shareholders to whom shares were transferred from the suspense account during the year	27	7,012
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	4,303	712,242

## Disclosures

a) There were no transactions of material nature with its promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.

The Audit Committee has granted omnibus approval for related party transactions in the ordinary course of business. The same are reviewed on a quarterly basis by the Audit Committee. Transactions with related parties have also been disclosed in the Annual Accounts.

Policy on transactions with related parties has been displayed on the Company's website [www.integraengineering.in](http://www.integraengineering.in).

b) There were no instances of non-compliance nor have any penalties, strictures been imposed by Stock Exchanges or SEBI or any other statutory authority during the last three years on any matter related to the capital markets.

c) In line with the requirements of the Regulation 17(9) of the Listing Regulations, the Board reviewed the Management's perception of the risks facing the Company and measures taken to minimize the same.

- d) As required by Regulation 17(8) of the Listing Regulations, the Chief Executive Officer and the Chief Financial Officer have submitted a Certificate to the Board in the prescribed format for the financial year ended 31st March 2020. The Certificate has been reviewed by the Audit Committee and taken on record by the Board.
- e) The Company is in full compliance with the mandatory requirements as contained in the Listing Regulations. The Company has also adopted certain discretionary requirements of the Listing Regulations i.e. providing the Chairperson of the Company with the resources required by her to discharge her responsibilities as Chairperson of the Company. The Financial Statements of the Company are unqualified.
- f) The Company has no imports / exports during the year and has also not involved in any hedging activities. Thus there is no commodity price risk / foreign exchange risk / hedging activities of the Company.
- g) The Company has one associate and no subsidiary. M/s. K. C. Mehta are the statutory auditors of the Company and following services are availed from them against their fees:

Particulars	Amount in ₹ ('000)
Statutory Audit fees	675
Taxation Matters	83
Other Services	207
Reimbursement of expenses	43

- h) As required by the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. The Company Secretary acts as the Compliance Officer. The Code of Conduct is applicable to all Directors and identified employees of the Company who are expected to have access to unpublished price sensitive information relating to the Company.

#### Green Initiative

As a responsible corporate citizen, your Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report etc. to shareholders at their e-mail address registered with the Company/their Depository Participants (DPs)/Registrars & Transfer Agents.

Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with our Registrar and Transfer Agent i.e. M/s. Link Intime India Private Limited, by sending a letter, duly signed by the first/sole holder quoting Folio No.

#### For and on behalf of Board of Directors

Sd/-

**Corinne Ruckstuhl**

**Chairperson**

**DIN: 03531399**

**Place : Wallisellen**

**Date: 8th June, 2020**

**CONFIRMATION ON CODE OF CONDUCT**

**[Regulation 34(3) read with Schedule V (Part D) of The Securities Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]**

To,  
The Members  
**Integra Engineering India Limited**

This is to confirm that the Board has laid down a code of conduct for Board of Directors and senior management of the Company. It is further confirmed that all Directors and senior management of the Company have affirmed compliance with the Code of Conduct of the Company as at 31st March, 2020, as envisaged in Regulation 34(3) read with Schedule V (Part D) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**For and on behalf of Board of Directors**

**Date: 8th June, 2020**  
**Place :Halol**

**Sd/-**  
**Utkarsh Pundlik**  
**Chief Executive Officer**

**CEO/CFO Certification  
TO WHOM SO EVER IT MAY CONCERN**

We, the undersigned, in our respective capacities as Chief Executive Officer and Chief Financial Officer of Integra Engineering India Limited ("the Company") to the best of our knowledge and belief certify that:

- A. We have reviewed the financial statements and the cash flow statement for the year ended on 31st March, 2020 and that to the best of our knowledge and belief:
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violates Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
1. Significant changes in internal control over financial reporting during the year;
  2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. Instances of significant fraud of which we become aware and the involvement therein if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours faithfully,  
**For Integra Engineering India Limited**

**Date: 8th June, 2020**  
**Place :Halol**

**Sd/-**  
**Utkarsh Pundlik**  
**Chief Executive Officer**

**Sd/-**  
**Bhavin Kariya**  
**Chief Financial Officer**

**INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of  
**Integra Engineering India Limited**

We have examined the compliance of conditions of Corporate Governance of INTEGRA ENGINEERING INDIA LIMITED ("the Company") for the year ended 31st March, 2020, as stipulated in Regulation 15 and other relevant regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') electronically in view of COVID-19 & consequent lockdown.

The compliance of conditions of Corporate Governance is responsibility of the Management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to our examination of the relevant records as aforesaid and the explanations given to us and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 15 and other relevant regulations of the Listing Regulations above, during the year ended 31st March, 2020 as applicable.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Devesh Pathak & Associates  
Practising Company Secretaries**

**Place :Vadodara  
Date: 8th June, 2020**

**Sd/-  
Devesh Pathak  
Sole Proprietor  
Membership No. FCS 4559  
COP No. 2306  
UDIN: F004559B000303374**



### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
**INTEGRA ENGINEERING INDIA LIMITED**  
Post Box no. 55, Chandrapura Village,  
Taluka Halol, Dist. Panchmahals  
GUJARAT - 389350.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Integra Engineering India Limited having CIN L29199GJ1981PLC028741 and having registered office at Post Box No 55, Chandrapura Village, Taluka Halol, Panchmahals, Gujarat - 389350 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority except Mr. - (DIN - ) who has been debarred/disqualified by -

-[give name of Statutory Authority and reason]. Mr.-(DIN-) who has been debarred/disqualified by -[give name

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Rahul Gautam Divan	00001178	13/06/2012
2	Mahendra Bhogilal Sanghvi	00084162	03/01/2011
3	Bhargav Anilkumar Patel	00318051	28/02/2014
4	Adrian Manuel Oehler	00360332	03/01/2011
5	Shalin Sunandan Divatia	00749517	03/01/2011
6	Corinne Christina Ruckstuhl	03531399	18/04/2011

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Devesh Pathak & Associates  
Practising Company Secretaries**

**Place :Vadodara  
Date: 8th June, 2020**

**Sd/-  
Devesh Pathak  
Sole Proprietor  
Membership No. FCS 4559  
COP No. 2306  
UDIN: F004559B000303374**

## Annexure H

### Management Discussion and Analysis Report

#### Overview

Integra Engineering India Limited has come a long way since it commenced operations in 1987. Its comprehensive manufacturing facilities offers a unique blend of products as well as services to transport and power sectors. The operations are dependent on core sectors and their performance. The products primarily cater to Railway Control Systems as well as Contract Manufacturing for Indian railways.

Current production includes electro-mechanical relays, cable harnesses, wiring plates, fuse auto change over systems and mechanical enclosures like Power Converter, Traction Converter, Hotel Load Converter as well as Auxiliary converter. Recently introduced I-panel (own product), a unique product offering modularity as well as alternate to existing products is taking longer than expected time to make establish in the market. Consequently, it had to undergo changes by way of offering an alternative to meet market specific requirements.

The company offers specialized services to niche market and has been able to promptly respond to market needs by developing products to meet specific customer requirements.

#### Industry structure and developments

Capacity creation in sectors such as infrastructure, railway, power, mining, oil & gas, refinery, steel, automotive and consumer durables is driving demand in engineering sector.

Government plans to invest ₹100 lakh crores (US\$1.5 trillion) in infrastructure over a period of 5 years from 2019-2024.

Initiatives like 'Make in India' and sector specific incentives for various manufacturing companies is aiming to make India a global manufacturing hub.

Continuing with its expansion plans, the railways' capital expenditure is pegged at ₹1.61 lakh crores for 2020-21, which is three per cent higher than the previous year's CAPEX of ₹1.56 lakh crores.

More private sector players are involved in operation of passenger trains and introduction of more semi high-speed trains like Tejas and Train-18.

Above are some of the factors which will be of great help to Engineering Goods industry and your Company will surely benefit from the above factors.

#### Government Initiatives

Finance Minister Ms. Nirmala Sitharaman has proposed a blueprint for the railways in the Union Budget 2020-21 to be implemented with budgetary support of ₹70,000 crores.

To build a seamless national cold supply chain for perishables, including milk, meat and fish, the Indian Railways will set up a Kisan Rail through Public Private Partnership (PPP) arrangements. She mentioned that "There shall be refrigerated coaches in express and freight trains as well".

Focused on developing new infrastructure, ₹12,000 crores have been allocated for construction of new lines, ₹2,250 crores for gauge conversion, ₹700 crores for doubling, ₹5,786.97 crores for rolling stock and ₹1,650 crores for signaling and telecom in the 2020-21 budget.

#### Opportunity & Threats

The Company with technology solutions and competence supports and caters to the visionary programs of the government such as Make in India, Digital India, Power for All and Smart Cities. The Company will endeavor to increase its focus on providing specialized solutions to newer applications as well as products to current and new customers to become the preferred choice for customers across the segment of business.

The Company has taken measures to increase its competitiveness and strengthen its capabilities and offerings. The strategy has been focused on prudence, profitable growth and operational excellence. India has been one of the top performing countries and the parent company's Managing Board has been very supportive towards its growth.

2019-20 has seen the company progress well in the planned manner building on opportunities until the onset of Covid-19 pandemic. As a result of the pandemic, the various lock downs and their effects, the company has had its share of the downside of the economy. The pandemic has definitely adversely affected the performance of the company in 2019-20 and will in all likelihood affect 2020-21 to a lesser or greater extent.

#### Segment wise or products wise performance :

Currently, the Company is consolidating its selected business sector – fabrication of specialised products and manufacturing products for electrical, power and signaling industry. During the F.Y. 2019-20, total turnover of the company was ₹ 629,178 ('000) compared to the previous F.Y. 2018-19, a total turnover of ₹ 626,625 ('000). The Company continues its drive to expand its product offerings for local markets and is exploring export markets as well.

#### Outlook

The current outlook for the economy due to the global pandemic situation is mired with uncertainty. With Coronavirus spreading rapidly around the world and having been declared a pandemic by World Health Organisation (WHO), many countries have gone into overdrive to protect their population by taking safety precautions like temporarily closure of Public Places, Public Transport, Movement of Goods & Services across borders. Many countries including India had to experience a complete lock down. Every government has a social responsibility towards its citizens. Saving human lives is a primary concern of governments and such philosophy takes precedence over economic activities of the nation.

The government of India took the extreme step of complete lock down across the nation to protect its citizens from Corona virus. As a result, towards the end of 2019-20, the economic activity of the country came to a grinding halt. Companies across all sectors ranging from MSME's to large corporates have felt a substantial dent in their top line as well as bottom lines.

Your Company is not an exception to the current scenario and has also

been affected. The results for 2019-20 have been lower than expected. However, we presume that in due course the country will either overcome the pandemic or come to terms in the NEW NORMAL. This will lead us to a situation of revival of the economy – albeit at a pace difficult to forecast. We expect that the infrastructure and its core sectors will bounce back to provide the much needed stimulus to the economy. This could lead to a situation of demand exceeding supply in core sectors. Your Company will also be prepared to meet the demands in such a situation.

The Company is confident of growth in the targeted sectors and would continue to work to maintain its position as a leader in supply for rolling stock manufacturers of Indian Railways and introduce new products. The sheet metal fabrication expects to grow by focusing on developing new products for a wider gamut of industries. In its endeavour to consolidate its market presence, the Company will promote its Fuse Auto Changeover System and continue to work towards the approval of new products that are being developed.

It has primarily planned to capitalise on the new concept of “I-panel” enclosures by catering to specific requirement of industries like IT, Automation, Instrumentation and Electrical.

#### Risks & Concerns

The most important and critical concern that needs immediate attention is to control the spread of the pandemic of Covid-19. This will be followed up by working closely with all stake holders to revive the economy from its current state of disarray, chaos and confusion.

There is an impending risk of a prolonged lock down in case of aggravation of the spread of corona virus. Such a situation will make it difficult for the industry to sustain itself eventually causing substantial losses to revenue, profits and employment.

#### Internal Control Systems and their adequacy:

Currently, company has a proper and adequate system of Internal Control commensurate with its size and the nature of its operations to ensure that all assets are safeguarded and protected against loss from un-authorised use or disposition and those transactions are authorised, recorded and reported correctly. New ERP system has

#### Details of significant changes

Sr. No.	List of Ratios	Standalone		Consolidated	
		2019-20	2018-19	2019-20	2018-19
1	Operating Profit Margin Ratio (%)	12.11%	13.34%	12.11%	13.34%
2	Net Profit Margin Ratio (%)	9.17%	17.74%	9.17%	17.74%
3	Return on Net worth	19.86%	47.78%	19.86%	47.78%
4	Interest Coverage Ratio	9.94	10.97	9.94	10.97
5	Debt Equity Ratio	1.18	1.37	1.18	1.37
6	Current Ratio	1.89	1.88	1.89	1.88
7	Debtors Turnover Ratio	3.00	3.67	3.00	3.67
8	Inventory Turnover Ratio	4.26	4.96	4.26	4.96

Ratios where there have been significant changes in the current year compared to the immediate previous year:

Net profit margin % and return on Investment has been decreased compare to previous year as deferred tax assets by ₹ 40,624 ('000) was increased during the previous year. Out of total increase in

been introduced in a phased manner. The system implementation and upgradation, if required will continue in FY 2020-21 to enable better and more effective monitoring and control of company operations.

The Audit of Internal control system is carried out by an Independent firm of Chartered Accountants on a half-yearly basis and corrective actions are taken where shortcomings are identified. The Internal Auditors submit their half-yearly reports to the Audit Committee and the Board of Directors. Periodical MIS Reports are submitted to the Audit Committee and the Board for review. All the fixed assets of the company are physically examined and recorded at regular intervals.

The Board of Directors on the recommendation of the Audit Committee re-appointed M/s. Shah & Shah Associates, Chartered Accountants, Vadodara as Internal Auditors of the Company for the financial year 2019-20.

#### Discussion on financial performance with respect to operational performance

Your Company has achieved turnover of ₹ 629,178 ('000) for the financial year 2019-20 against the Company's turnover of ₹ 626,625 ('000) for the previous financial year 2018-19. Further, Company attained profit after tax of ₹ 57,690 ('000) in the F.Y. 2019-20.

#### Material developments in Human resources/Industrial relations front, including no. of people employed:

The Company regards its human resources as the most valuable asset and proactively reviews and evolves policies and processes. The Company continues its focus on attracting and retaining the best talent in the industry. The Company further makes continuous efforts to upgrade the knowledge and skills of its present employees by way adding resources – infrastructure, technological, managerial as well as technical. As new business challenges emerge, there is a need to continue to be a learning organization that supports operational excellence, continuous improvement and rising standards of performance at all levels. With this in mind the Company reviews the HR Policies from time to time as well as encourages employee engagement activities, employee benefits, trainings etc. Company has defined various policies for its operations.

deferred tax assets, the company had recognized deferred tax asset on carried forward loss and unabsorbed depreciation amounting to ₹ 27,737 ('000) pursuant to the order of Assessing Officer giving effect to the order of Commissioner of Income Tax (Appeals) for A.Y. 2007-08 considering that future taxable profit will be available against which such unused tax losses can be utilized

## INDEPENDENT AUDITOR'S REPORT

To the Members of Integra Engineering India Limited  
Report on the Audit of the Standalone Financial Statements  
Opinion

We have audited the accompanying standalone financial statements of Integra Engineering India Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the standalone financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Key Audit Matters**

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

Sr. No.	Key Audit Matter	How our audit addressed the matter
1	<p><b>Recognition and measurement of deferred taxes including unused tax credit</b></p> <p>(Refer to note no. 9 to the standalone financial statement)</p> <p>As at 31st March 2020 the Company has recorded a deferred tax asset of ₹ 1,196 ('000) relating to carry forward losses and unabsorbed depreciation and ₹ 57,455 ('000) relating to unused tax credits considering that future taxable profit will be available against which such unused tax losses can be utilised.</p> <p>We identified the recoverability of these deferred tax assets as a key audit matter as recognition of these assets involves judgement by management as to the likelihood of the realization of these deferred tax assets, which is based on a number of factors including whether there will be sufficient taxable profits in future periods to support recognition.</p>	<p><b>Principal Audit Procedures:</b></p> <p>Our procedures in relation to management's assessment about the recoverability of deferred tax assets including unused tax credits included:</p> <ul style="list-style-type: none"> <li>Evaluating management's assessment on the sufficiency of future taxable profits in support of the recognition of deferred tax assets by comparing management's forecasts of future profits to historical results and evaluating the assumptions used in those forecasts.</li> <li>Obtaining the communications between the Company and taxation authorities regarding tax positions.</li> <li>Assessing the adequacy of the deferred tax disclosures (Note 9) to the standalone financial statements.</li> </ul> <p><b>Conclusion:</b></p> <p>We found that the assumptions and estimates were within the acceptable range and that the disclosures (Note 9) are appropriate.</p>
2	<p><b>Litigations and claims</b></p> <p>(Refer to note 41 to the standalone financial statements)</p> <p>The cases are pending with multiple tax authorities like Income Tax, Excise, service tax etc and labour law cases which have not been acknowledged as debt by the Company.</p> <p>In normal course of business, financial exposures may arise from pending proceedings not acknowledged as debt by the Company. Whether a claim needs to be recognized as liability or disclosed as</p>	<p><b>Principal Audit Procedures:</b></p> <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Evaluation of management's judgment of tax risks, estimates of tax exposures, other claims and contingencies. Third party opinions, past and current experience with the tax authorities and management's response including on the labour law cases were used to assess the appropriateness of management's best estimate of the most likely outcome of each uncertain contingent liability.</li> </ul>

Sr. No.	Key Audit Matter	How our audit addressed the matter
	<p>contingent liability in the standalone financial statements is dependent on a number of significant assumptions and judgments. The amounts involved are potentially significant and determining the amount, if any, to be recognised or disclosed in the standalone financial statements, is inherently subjective.</p> <p>We have considered Litigations and claims as Key Audit Matter as it requires significant management judgement, including accounting estimates that involves high estimation uncertainty.</p>	<ul style="list-style-type: none"> <li>• Discussing selected matters with the entity's management.</li> <li>• Critically assessing the entity's assumptions and estimates in respect of claims, included in the contingent liabilities disclosed in the standalone financial statements. Assessment of the probability of negative result of litigation and the reliability of estimates of related obligation.</li> </ul> <p><b>Conclusion:</b> Based on the procedures described above, we did not identify any material exceptions to the management's assertions and treatment, presentation &amp; disclosure on the subject matter in the standalone financial statements.</p>
3	<p><b>Reasonableness of carrying amount of assets held for sale</b> (Refer to note 19 to the standalone financial statements)</p> <p>In March, 2018 the Company classified Water jet machine as Non-Current asset held for sale and is carried at fair value less cost to sell in accordance with 105 as at reporting date.</p> <p>Non-Current assets held for sale carried at fair value have been estimated using significant unobservable inputs as a result of which fair value is sensitive to changes in input assumptions.</p> <p>The application of 105 'Non-Current Asset Held for Sale and Discontinued operations' is significant to our audit because the transaction and its accounting is non-routine and involves significant management judgements.</p>	<p><b>Principal Audit Procedures:</b></p> <ul style="list-style-type: none"> <li>• An evaluation of the Company's conclusions on the classification of Non-Current asset as held for sale.</li> <li>• Obtaining valuation report for fair value determined by external valuer and</li> <li>• Evaluating significant inputs used by valuer for determining fair value of asset.</li> </ul> <p><b>Conclusion:</b> Based on the procedures described above, we did not identify any material exceptions to the management's assertions and treatment, presentation &amp; disclosure for asset held for sale in standalone financial statements</p>

#### Emphasis of Matter

We draw your attention to Note 56 of the Standalone Financial Statement, which describes the impact of Coronavirus disease 2019 (COVID19) on the operations and financials of the company.

Our opinion is not modified in respect of this matter.

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

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

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

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

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

#### Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going

concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the

Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act;
  - e. on the basis of the written representations received



from the directors as on 31st March, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
- g. with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, the Company has neither paid nor provided for, any remuneration to its directors during the year; and
- h. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. the Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 41 to the standalone financial statements;
  - ii. the Company did not have any long-term contracts including derivative contracts as at 31st March, 2020;
  - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For K. C. Mehta & Co.**

**Chartered Accountants**

**Firm's Registration No. 106237W**

**Vishal P. Doshi**

**Partner**

**Membership No. 101533**

**UDIN : 20101533AAAABE7252**

**Place: Vadodara**

**Date: 8th June, 2020**

#### **ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT**

The annexure referred to in our Independent Auditor's Report to the members of Integra Engineering India Limited ("the Company") on the Standalone financial statements for the year ended 31st March, 2020, we report that:

- i. (a) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a regular program of physical verification of fixed assets which, in our opinion is reasonable. The assets which were to be covered as per the said program have been physically verified by the management during the year. In our opinion and According to the information and explanations given to us, 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, the title deeds of immovable properties of the Company are held in the name of the Company.
- ii. The inventories of finished goods, stores, spare part and raw materials have been physically verified by the management. In our opinion the frequency of verification is reasonable. On the basis of our examination of the records of inventory, we are of the opinion that the discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of account.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and therefore, reporting under clause (iii) (a) to clause (iii) (c) of the Order is not applicable to the Company.
- iv. The Company has not granted any loans or provided any guarantees or security to the parties covered under section 185 of the Act. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of investments made.
- v. According to the information and explanations given to us, the Company has not accepted any deposits during the year from the public within the meaning of provisions of section 73 to 76 of the Act, and the rules framed thereunder or under the directives issued by the Reserve Bank of India and therefore, reporting under clause (v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 and

are of the opinion that prima facie the prescribed records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.

- vii. (a) According to the information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues, including provident fund, employee's state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues applicable to it. Further, no undisputed amounts payable in respect of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and other statutory dues were in arrears, as at 31st March 2020 for a period of more than six months from the date they become payable
- (b) 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 disputed dues in respect of Sales tax, Service tax, duty of customs, goods and service tax and value added tax which have not been deposited. According to the information and explanations given to us, the following are the particulars of Income tax and Service tax as at 31st March, 2020 which have not been deposited on account of dispute:

Name of the Statute	Nature of Dues	Amount (₹'000)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Income Tax	530	A.Y. 2013-14	Income tax Appellate Tribunal
		2537	A.Y. 2014-15	Commissioner of Income Tax (Appeal)
		9849	A.Y. 2007-08	Commissioner of Income Tax (Appeal)
The Finance Act, 1944	Service Tax	12,113	2008-09 to 2014-15	Custom, Excise and Service Tax Appellate Tribunal
The Finance Act, 1944	Service Tax	875	Dec-16 to June 2017	Assistant Commissioner of Sales Tax
Value added Tax Act	Sales Tax	168	F.Y. 2014-15	Assistant Commissioner of Sales Tax

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks. The Company does not have any loans or borrowings from any financial institution, government or by way of debentures.
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instrument) or term loans during the year and therefore, reporting under clause (ix) of the Order is not applicable to the Company.

- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management of the Company.
- xi. According to the information and explanations given to us, the Company has not paid or provided any managerial remuneration during the year and therefore, reporting under clause (xi) of the Order is not applicable to the Company.
- xii. The Company is not a Nidhi Company and therefore, reporting under clause (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.
- xiv. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and therefore, reporting under clause (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with directors and therefore, reporting under clause (xv) of the Order is not applicable to the Company.
- xvi. In our opinion and 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.

**For K. C. Mehta & Co.**  
**Chartered Accountants**  
**Firm's Registration No. 106237W**

**Vishal P. Doshi**  
**Partner**  
**Membership No. 101533**  
**UDIN : 20101533AAAABE7252**

**Place: Vadodara**  
**Date: 8th June, 2020**



**ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Integra Engineering India Limited** on the standalone financial statements of even date)

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

We have audited the internal financial controls with reference to standalone financial statements of **Integra Engineering India Limited** ("the Company") as of 31st March, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient

and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

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

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone 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 standalone 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 standalone financial statements.

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

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone 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, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For K. C. Mehta & Co.**

**Chartered Accountants**

**Firm's Registration No. 106237W**

**Vishal P. Doshi**

**Partner**

**Membership No. 101533**

**UDIN : 20101533AAAABE7252**

**Place: Vadodara**

**Date: 8th June, 2020**

## Standalone Balance Sheet as at 31st March, 2020

(Amount in ₹ '000)

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
<b>ASSETS</b>			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	4	1,61,387	1,14,009
(b) Intangible assets	5	1,026	1,488
(c) Investment Property	6	561	933
(d) Financial Assets			
(i) Investments	7	-	-
(ii) Others	8	3,641	3,713
(e) Deferred tax Assets (Net)	9	46,973	53,631
(f) Other non-current assets	10	9,251	7,449
<b>Total non-current assets</b>		<b>2,22,839</b>	<b>1,81,223</b>
(2) Current Assets			
(a) Inventories	11	1,04,570	1,08,609
(b) Financial Assets			
(i) Trade receivables	12	2,35,998	1,84,025
(ii) Cash and cash equivalents	13	3,792	37,470
(iii) Other Bank Balances	14	53,501	25,439
(iv) Loans	15	46	183
(v) Others	16	2,515	1,747
(c) Current Tax Assets (net)	17	525	2,782
(d) Other current assets	18	7,854	6,437
<b>Total current assets</b>		<b>4,08,800</b>	<b>3,66,692</b>
Assets classified as held for sale	19	2,411	4,652
<b>Total assets</b>		<b>6,34,051</b>	<b>5,52,566</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	20	34,245	34,245
(b) Other Equity	21	2,56,235	1,98,435
<b>Total equity</b>		<b>2,90,481</b>	<b>2,32,680</b>
<b>Liabilities</b>			
(1) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	1,24,000	1,24,000
(b) Provisions	23	2,758	380
<b>Total non-current liabilities</b>		<b>1,26,758</b>	<b>1,24,380</b>
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	64,878	26,947
(ii) Trade payables	25		
(A) due to micro enterprises and small enterprises		4,218	7,941
(B) due to other than micro enterprises and small enterprises		50,700	73,977
(iii) Others	26	92,452	84,380
(b) Other current liabilities	27	4,261	1,685
(c) Provisions	28	302	577
(d) Current Tax Liabilities (net)	29	-	-
<b>Total current liabilities</b>		<b>2,16,812</b>	<b>1,95,506</b>
<b>Total Equity and Liabilities</b>		<b>6,34,051</b>	<b>5,52,566</b>
<b>Significant Accounting Policies and Notes to Financial Statements</b>	1-57		
<b>As per our report of even date attached</b>			
<b>For K. C. Mehta &amp; Co.</b>		<b>For and on behalf of the Board</b>	
Chartered Accountants			
Vishal P. Doshi	Partner	Corinne Ruckstuhl	Shalin Divatia
Membership No. 101533		Director	Director
Place : Vadodara		DIN: 03531399	DIN: 00749517
Date: 8th June, 2020		Place : Wallisellen	Place : Mumbai
		Place : Mumbai	Bhavin Kariya
			CFO
			Harneetkaur Anand
			Secretary
			Place : Mumbai

**Standalone Statement of Profit and Loss for the year ended 31st March, 2020** (Amount in ₹ '000)

Particulars	Note No.	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>I Revenue from operations</b>	<b>30</b>	<b>6,29,178</b>	6,26,625
<b>II Other income</b>	<b>31</b>	<b>21,448</b>	18,154
<b>III Total income (I+II)</b>		<b>6,50,625</b>	6,44,779
<b>IV EXPENSES</b>			
Cost of materials consumed	<b>32</b>	<b>3,17,986</b>	3,34,164
Purchase of Stock in trade	<b>33</b>	<b>17,323</b>	16,710
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	<b>34</b>	<b>(4,755)</b>	(18,692)
Employee Benefits Expense	<b>35</b>	<b>84,445</b>	74,555
Finance Costs	<b>36</b>	<b>7,821</b>	7,654
Depreciation and amortization expense	<b>37</b>	<b>13,776</b>	11,227
Other Expenses	<b>38</b>	<b>1,30,184</b>	1,28,593
<b>Total expenses (IV)</b>		<b>5,66,779</b>	5,54,211
<b>V Profit before tax(III-IV)</b>		<b>83,846</b>	90,568
<b>VI Tax expense:</b>	<b>39</b>		
(a) Current tax relating to:			
- current year		<b>18,163</b>	19,640
- earlier years		<b>1,012</b>	383
(b) Deferred tax		<b>6,981</b>	(40,624)
<b>VII Profit for the year (V-VI)</b>		<b>57,690</b>	1,11,169
<b>VIII Other comprehensive income (OCI)</b>			
(a) Items that will not be reclassified to profit or loss			
(i) Re-measurement of the defined benefit plans		<b>(1,020)</b>	188
- tax impact		<b>284</b>	(52)
		<b>(737)</b>	136
<b>IX Total comprehensive income for the year (VII+VIII)</b>		<b>56,954</b>	1,11,305
<b>X Earnings per equity share:</b>	<b>46</b>		
Basic (in ₹)		<b>1.68</b>	3.25
Diluted (in ₹)		<b>1.68</b>	3.25
See accompanying notes to the Financial Statements	<b>1-57</b>		

As per our report of even date attached

For K. C. Mehta & Co.  
Chartered AccountantsVishal P. Doshi  
Partner  
Membership No. 101533  
Place : Vadodara  
Date: 8th June, 2020

For and on behalf of the Board

Corinne Ruckstuhl  
Director  
DIN: 03531399  
Place : Wallisellen  
Date: 8th June, 2020Shalin Divatia  
Director  
DIN: 00749517  
Place : MumbaiBhavin Kariya  
CFO  
Place : HalolHarneetkaur Anand  
Secretary  
Place : Mumbai

**Standalone Statement of Changes in Equity for the year ended on 31st March, 2020**
**Equity Share Capital:**

Particulars	(Amount in ₹ '000)
Balance as on 1st April, 2018	34,245
Changes during the year	-
<b>Balance as on 31st March, 2019</b>	<b>34,245</b>
Changes during the year	-
<b>Balance as on 31st March, 2020</b>	<b>34,245</b>

**Other Equity:**

(Amount in ₹ '000)

Particulars	Securities premium	Employee Stock Option Reserve	General Reserve	Retained Earnings	Total
<b>Balance as at 1st April, 2018</b>	<b>32,948</b>	<b>635</b>	<b>24,909</b>	<b>27,793</b>	<b>86,284</b>
Addition During the year	-	846	-	-	846
Profit for the year	-	-	-	1,11,169	1,11,169
Other comprehensive income for the year (net of Tax)	-	-	-	136	136
<b>Balance as at 31st March, 2019</b>	<b>32,948</b>	<b>1,481</b>	<b>24,909</b>	<b>1,39,098</b>	<b>1,98,436</b>
<b>Addition During the year</b>	<b>-</b>	<b>846</b>	<b>-</b>	<b>-</b>	<b>846</b>
<b>Profit for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>57,690</b>	<b>57,690</b>
<b>Other comprehensive income for the year (net of Tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(737)</b>	<b>(737)</b>
<b>Balance as on 31st March, 2020</b>	<b>32,948</b>	<b>2,327</b>	<b>24,909</b>	<b>1,96,051</b>	<b>2,56,235</b>

## Standalone Cash flow statement for the year ended 31st March 2020

(Amount in ₹ '000)

	Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>[A]</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Profit/(Loss) before tax	<b>83,846</b>	90,568
	<b>Adjustments for:</b>		
	Depreciation/Amortisation/Impairment of Fixed Assets	13,776	11,227
	Employee stock option expense	<b>846</b>	846
	Interest Income	<b>(5,081)</b>	(3,227)
	Reversal of Provision for Doubtful Debt	<b>(204)</b>	(590)
	Provision/Advances/Sundry Balances written back	<b>(226)</b>	(94)
	Impairment of Assets held for sale	<b>2,241</b>	390
	(Profit)/Loss on sale of Fixed Assets (Net)	-	1,067
	Remeasurement of Defined Plans	<b>(1,020)</b>	188
	Interest Expenses	<b>2,722</b>	2,017
	Provision for Doubtful Receivables/Advances/Sundry balances written off	<b>1,665</b>	462
	<b>Operating Profit/(Loss) before changes in working capital</b>	<b>98,565</b>	1,02,854
	<b>Adjustment for (Increase)/Decrease in Operating Assets</b>		
	Inventories	<b>4,039</b>	(35,389)
	Trade Receivables	<b>(15,502)</b>	424
	Loans and Advances	<b>136</b>	(16)
	Other Assets	<b>(4,585)</b>	3,892
	<b>Adjustment for Increase/(Decrease) in Operating Liabilities</b>		
	Trade Payables	<b>(26,773)</b>	2,425
	Provisions	<b>2,103</b>	(1,347)
	Other Liabilities	<b>10,648</b>	5,925
	<b>Cash flow from operations after changes in working capital</b>	<b>68,632</b>	78,768
	Net Direct Taxes (Paid)/Refunded	<b>(14,960)</b>	(28,432)
	<b>Net Cash Flow from/(used in) Operating Activities</b>	<b>53,671</b>	50,336
<b>[B]</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Fixed Assets including Capital Advances & CWIP	<b>(61,502)</b>	(16,079)
	Sale of Fixed Assets	-	300
	Interest Income	<b>4,937</b>	3,142
	Bank Balances not considered as Cash and Cash Equivalents held as Margin money against guarantees	<b>(28,062)</b>	(1,209)
	<b>Net Cash Flow from/(used in) Investing Activities</b>	<b>(84,627)</b>	(13,846)
<b>[C]</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Interest Expenses	<b>(2,722)</b>	(2,017)
	<b>Net Cash Flow from/(used in) Financing Activities</b>	<b>(2,722)</b>	(2,017)
	Net Increase/ (Decrease) in Cash and Cash Equivalents	<b>(33,678)</b>	34,472
	Cash & Cash Equivalents at beginning of period (see Note 1)	<b>37,470</b>	2,997
	Cash and Cash Equivalents at end of period (see Note 1)	<b>3,792</b>	37,470

## Standalone Cash flow statement for the year ended 31st March 2020

(Amount in ₹ '000)

	Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>1</b>	<b>Notes:</b>		
	<b>Cash and Cash equivalents comprise of:</b>		
	Cash on Hands	285	106
	Balance with Banks	539	5,801
	Bank Deposits (Short term Investment)	452	24,747
	Bank overdraft account	2,516	6,816
	<b>Cash and Cash equivalents</b>	<b>3,792</b>	<b>37,470</b>
	Effect of Unrealised foreign exchange (gain)/loss (Net)	-	-
	<b>Cash and Cash equivalents as restated</b>	<b>3,792</b>	<b>37,470</b>
<b>2</b>	The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 " Cash Flow Statement".		
As per our report of even date attached			
For K. C. Mehta & Co. Chartered Accountants		For and on behalf of the Board	
Vishal P. Doshi Partner Membership No. 101533 Place : Vadodara Date: 8th June, 2020	Corinne Ruckstuhl Director DIN: 03531399 Place : Wallisellen Date: 8th June, 2020	Shalin Divatia Director DIN: 00749517 Place : Mumbai	Bhavin Kariya CFO Place : Halol
			Harneetkaur Anand Secretary Place : Mumbai

**Integra Engineering India Limited**
**Notes to the Standalone Financial Statements for the year ended 31st March, 2020**
**Corporate information**

INTEGRA Engineering India Limited ('the Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 (CIN: L29199GJ1981PLC028741) having its registered office at Post Box No 55, Chandrapura Village, Taluka Halol, Dist. Panchmahal. Its shares are listed on Bombay Stock Exchange in India. The Company is engaged in manufacturing of machineries and components.

**1. Significant accounting policies**
**1.1. Statement of compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 (as amended). The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

**1.2. Basis of preparation**

The Financial Statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course due to the special nature of the industry, the same has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013. Further trade receivables, inventories and trade payables are assumed to be current as per para 68 and 70 of Ind AS-1.

The Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest thousand rupees.

**Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are

described as follows:

- (a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1, for the asset or liability.
- (c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

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

**1.3. Lease**

Ind-AS 116 replaces Ind-AS 17 Leases. It sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets and short-term leases (i.e., leases with a lease term of 12 months or less).

Lessor accounting under Ind-AS 116 is substantially unchanged from accounting under Ind-AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind-AS 17 and distinguish between two types of leases: operating and finance leases. Ind-AS 116, requires lessees and lessors to make more extensive disclosures than under Ind-AS 17.

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

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and impairment losses, if any. Freehold land is not depreciated.

Property, Plant and Equipment in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss.

The cost of an asset comprises its purchase price or its construction cost (net of applicable tax credits) 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. It includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use. Parts of an item of PPE having different useful lives and significant value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components. Capital work in progress includes the cost of PPE that are not yet ready for the intended use.

Depreciation of these PPE commences when the assets are ready for their intended use.

Depreciation is provided on the cost of PPE (other than Freehold Land, properties under construction) less their residual values, using the straight-line method over the useful life of PPE as stated in the Schedule II to the Companies Act, 2013 or based on technical assessment by the Company. Estimated useful lives of these assets are as under:

Description	Years
Building	30
Plant & Machinery	15
Computers	3
Furniture and Fixtures	10
Vehicles	8

The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

Depreciation on additions/deletions to PPE during the year is provided for on a pro-rata basis with reference to the date of additions/deletions.

Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

#### 1.5. Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives not exceeding ten years from the date of capitalisation.

The estimated useful life is reviewed at the end of each reporting period and the effect of any changes in estimate being accounted for prospectively.

Intangible assets are derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset, and recognised in the Statement of Profit and Loss when the asset is derecognised.

#### 1.6. Investment Property

Since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its investment property as recognised in its Indian GAAP financial statements as deemed cost at the transition date, viz., 1st April, 2016.

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

The Company depreciates building component of investment property over 30 years from the date of original purchase.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit or loss in the period of derecognition.

#### 1.7. Non-Current Assets held for Sale

The Company classifies Non-Current Assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets or disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Property, Plant and Equipment and intangible assets are not



depreciated or amortized once classified as held for sale.

#### 1.8. Impairment of tangible assets and intangible assets

The Company reviews the carrying amount of its tangible assets (Property, Plant and Equipment including Capital Works in Progress) of a "Cash Generating Unit" (CGU) at the end of each reporting period to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

An assessment is made at the end of each reporting period to see if there are any indications that impairment losses recognized earlier may no longer exist or may have decreased. The impairment loss is reversed, if there has been a change in the estimates used to determine the asset's recoverable amount since the previous impairment loss was recognized. If it is so, 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. After a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. Reversals of impairment loss are recognized in the Statement of Profit and Loss.

#### 1.9. Investments in associates

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

On disposal of investment in associate, the difference between net disposal proceeds and the carrying amounts (including corresponding value of dilution in deemed investment) are recognized in the Statement of Profit and Loss.

#### 1.10. Inventories

The inventories are valued at cost or net realizable value

whichever is lower. The basis of determining the value of each class of inventory is as follows:

Inventories	Cost Formula
Raw material	Weighted average cost
Work in Progress	Raw material cost plus conversion cost, wherever applicable
Stock in trade	At landed cost
Stores and Spare Parts	Weighted average cost

#### 1.11. Revenue recognition

The Company earns revenue primarily from sale of products and sale of services.

The Company has applied Ind AS 115 using the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under erstwhile Ind AS 18 and Ind AS 11. The new Standard is applied to contracts that were remaining in force as at 1st April, 2018. The application of the standard does not have any significant impact on the retained earnings as at 1st April, 2018 or on these financial statements.

##### Sale of Products and Services

Revenues are recognized when the Company satisfies the performance obligation by transferring a promised product or service to a customer. A product is transferred when the customer obtains control of that product, which is at the point of transfer of custody to customers where usually the title is passed, provided that the contract price is fixed or determinable and collectability of the receivable is reasonably assured.

Revenue is measured at the transaction price of the consideration received or receivable duly adjusted for variable consideration and represents amounts receivable for goods and services provided in the normal course of business, net off Goods and Services Tax (GST), etc. Any retrospective revision in prices is accounted for in the year of such revision..

##### Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the Statement of Profit or Loss due to its operating nature.

##### Interest Income:

Interest income from financial assets is recognised at the effective interest rate method applicable on initial recognition

##### Other Income:

Other income is recognized on accrual basis except when

realisation of such income is uncertain.

#### 1.12. Foreign Exchange Transactions

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which the Company operates.

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated using closing exchange rate prevailing on the last day of the reporting period.

Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which they arise.

Effective 1st April, 2018 the company has adopted Appendix B to Ind AS 21- Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

#### 1.13. Employee Benefits

##### Defined contribution plans

Contributions to defined contribution schemes such as provident fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

##### Defined benefit plans

Defined Benefit plans comprising of gratuity are recognized based on the present value of defined benefit obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Net interest on the net defined liability is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset and is recognised in the statement of profit and loss.

Remeasurement of defined benefit plans except for leave encashment towards un-availed leave and compensated absences, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (excluding net interest as defined above) and the return on plan assets (excluding net interest as defined above), are recognized in other comprehensive income in the period in which they occur.

Remeasurements are not reclassified to profit and loss in subsequent periods.

The Company contributes all ascertained liabilities with respect to gratuity to Life Insurance Corporation of India (LIC).

The retirement benefit obligation recognised in the Financial Statements represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

##### Short-term employee Benefits

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised, undiscounted, during the period the employee renders services. These benefits include salary, wages, bonus, performance incentives etc.

##### Other long-term employee benefits

Other long-term employee benefit comprises of leave encashment towards un-availed leave and compensated absences; these are recognized based on the present value of defined obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted as current employee cost.

Re-measurements of leave encashment towards un-availed leave and compensated absences are recognized in the Statement of Profit and Loss.

The Company contributes all ascertained liabilities with respect to un-availed leave to the Life Insurance Corporation of India (LIC).

#### 1.14. Share-based payments

The grant date fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, on a straight line basis, over the vesting period, based on the Company's estimate of equity instruments that will eventually vest. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserves.

#### 1.15. Taxes on Income

Income tax expense represents the sum of the current tax and deferred tax.

##### (i) Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**(ii) Deferred tax**

Deferred tax is recognised 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 recognised for all taxable temporary differences. Deferred tax assets are generally recognised 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 utilised.

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 utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternative Tax (MAT) paid 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. Accordingly, MAT is recognised as deferred tax asset in the Balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with asset will be realised.

**(iii) Current and deferred tax expense for the year**

Current and deferred tax expense is recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**1.16. Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

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

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised 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. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

**1.18. Financial Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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 and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and

financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

#### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

#### (i) Financial assets

##### Cash and bank balances

Cash and bank balances consist of:

- Cash and cash equivalents - which includes cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.
- Other bank balances - which includes balances and deposits with banks that are restricted for withdrawal and usage.

##### Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model 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.

##### Financial assets measured at fair value

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these 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.

##### Impairment of financial assets

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through other comprehensive income. The Company recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction. For financial assets whose credit risk has not significantly increased

since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

##### De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset.

#### (ii) Financial liabilities and equity instruments

##### Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs, if any.

##### Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

##### De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

### 1.19. Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving the basic earnings per share and the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

### 1.20. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

### 1.21. Segment reporting

Operating segments are identified and reported taking into account the different risks and returns, the organization structure and the internal reporting systems.

## 2. Significant accounting judgements, estimates and assumptions

Inherent in the application of many of the accounting policies used in preparing the Financial Statements is the need for Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual outcomes could differ from the estimates and assumptions used.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of judgments, assumptions and estimates in the preparation of the Financial Statements which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of useful lives of Property, Plant and Equipment, impairment, employee benefit obligations, provisions, provision for income tax, measurement of deferred tax assets and contingent assets & liabilities.

### 2.1. Critical judgments in applying accounting policies

The following are the critical judgements, apart from those involving estimations (Refer note 2.2), that the Management have made in the process of applying the Company's accounting policies and that have the significant effect on the amounts recognized in the Financial Statements.

#### a. Evaluation of indicators for impairment of Property, Plant and Equipment

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment.

### 2.2. Key sources of estimates and assumptions

Information about estimates and assumptions that have the significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may differ from these estimates.

#### a. Defined benefit obligation (DBO)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

#### b. Share based payments

The Company measures the cost of equity-settled transactions with employees using a model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and

dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 53.

**c. Taxes**

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be

recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Deferred tax assets include Minimum Alternative Tax (MAT) paid 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. Accordingly, MAT is recognised as deferred tax asset in the Balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with asset will be realised.

## Notes to the Standalone Financial Statements

## NOTE NO. 4

## PROPERTY, PLANT AND EQUIPMENTS

(Amount in ₹ '000)

Particulars / Assets	Free Hold land	Building	Plant and Machinery	Computers	Furniture & Fixtures	Vehicles	Total
<b>GROSS BLOCK</b>							
As at 1st April, 2018	882	19,689	94,524	2,222	6,503	43	1,23,863
Additions	-	-	13,446	1,055	1,260	-	15,761
Deduction/Adjustments	-	-	1,727	-	-	-	1,727
As at 31st March, 2019	882	19,689	1,06,244	3,277	7,762	43	1,37,897
Additions	-	8,742	48,826	858	509	1,062	59,997
Deduction/Adjustments	-14	-344	-	-	-	-	-358
As at 31st March, 2020	896	28,776	1,55,069	4,135	8,271	1,104	1,98,252
<b>ACCUMULATED DEPRECIATION</b>							
As at 1st April, 2018	-	2,318	9,952	460	1,247	-	13,977
Additions	-	1,082	7,692	696	802	-	10,271
Deduction/Adjustments	-	-	360	-	-	-	360
As at 31st March, 2019	-	3,399	17,284	1,156	2,050	-	23,888
Additions	-	1,646	9,588	960	725	15	12,934
Deduction/Adjustments	-	-43	-	-	-	-	-43
As at 31st March, 2020	-	5,088	26,872	2,115	2,774	15	36,865
<b>Net Block</b>							
As at 31st March, 2019	882	16,290	88,960	2,121	5,713	43	1,14,009
As at 31st March, 2020	896	23,687	1,28,198	2,020	5,497	1,089	1,61,387

Note: The Company has elected to continue with the carrying value of its Property Plant & Equipment (PPE) recognised as of 1st April, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101.

## Notes to the Standalone Financial Statements

## NOTE NO. 5

## INTANGIBLE ASSETS

(Amount in ₹ '000)

Particulars / Assets	Computer Software	Total
<b>GROSS BLOCK</b>		
As at 1st April, 2018	3,679	3,679
Addition	318	318
Deduction/Adjustments	-	-
<b>As at 31st March, 2019</b>	<b>3,997</b>	<b>3,997</b>
<b>Addition</b>	<b>323</b>	<b>323</b>
<b>Deduction/Adjustments</b>	<b>-</b>	<b>-</b>
<b>As at 31st March, 2020</b>	<b>4,320</b>	<b>4,320</b>
<b>ACCUMULATED AMORTIZATION</b>		
As at 1st April, 2018	1,634	1,634
Charge for the year	875	875
Deduction/Adjustments	-	-
<b>As at 31st March, 2019</b>	<b>2,509</b>	<b>2,509</b>
<b>Charge for the year</b>	<b>785</b>	<b>785</b>
<b>Deduction/Adjustments</b>	<b>-</b>	<b>-</b>
<b>As at 31st March, 2020</b>	<b>3,294</b>	<b>3,294</b>
<b>Net Block</b>		
As at 31st March, 2019	1,488	1,488
<b>As at 31st March, 2020</b>	<b>1,026</b>	<b>1,026</b>

Note: The Company has elected to continue with the carrying value of its intangible assets recognised as of 1st April, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101.



## Notes to the Standalone Financial Statements

## NOTE NO. 6

## INVESTMENT PROPERTY

## GROSS BLOCK

(Amount in ₹ '000)

Particulars	Free Hold Land	Building	Amount
As at 1st April, 2018	62	1,118	1,180
Addition	-	-	-
Deduction/Adjustments	-	-	-
<b>As at 31st March, 2019</b>	<b>62</b>	<b>1,118</b>	<b>1,180</b>
Addition	-	-	-
Deduction/Adjustments	14	344	358
<b>As at 31st March, 2020</b>	<b>48</b>	<b>774</b>	<b>822</b>

## Depreciation and impairment

(Amount in ₹ '000)

Particulars	Free Hold Land	Building	Amount
As at 1st April, 2018	-	166	166
Charge for the year	-	81	81
Deduction/Adjustments	-	-	-
<b>As at 31st March, 2019</b>	<b>-</b>	<b>247</b>	<b>247</b>
Charge for the year	-	57	57
Deduction/Adjustments	-	43	43
<b>As at 31st March, 2020</b>	<b>-</b>	<b>261</b>	<b>261</b>

## Net Block

(Amount in ₹ '000)

Particulars	Free Hold Land	Building	Amount
As at 31st March, 2019	62	871	933
<b>As at 31st March, 2020</b>	<b>48</b>	<b>514</b>	<b>561</b>

The Company has elected to continue with the carrying value of all its Investment Properties recognized as of 1st April, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as of the transition date.

## Information regarding income and expenditure of Investment property

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Rental Income	10,449	13,570
Direct operating Expenses (including R & M) that generate rental income	-	-
Direct operating Expenses (including R & M) that did not generate rental income	-	-

As at 31st March, 2020 and 31st March, 2019, the fair values of the properties are ₹ 58,111 ('000) and ₹ 72,739 ('000), respectively. These valuations are based on valuations performed by Govt. Registered valuer.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties.

The Company's Investment Properties consists of land and buildings. The Fair value of land was determined using the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data. The Fair value of Buildings was determined using depreciated Replacement cost method. The valuation model considers various inputs and is dependent on Age, General conditions, normal useful life, replacement cost new, obsolescence. The Fair value measurements is categorized in level 2 or level 3 of Fair value hierarchy as appropriate.

## Notes to the Standalone Financial Statements

## NOTE NO. 7

## Investments

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Investment in Unquoted Equity shares of Associate</b>		
Integra Systems Private Limited	1,000	1,000
1,00,000 equity shares of ₹ 10/- each fully paid up		
Less: Impairment in value of Investments	1,000	1,000
<b>Total</b>	-	-
Aggregate carrying value of Unquoted Investments	1,000	1,000
Aggregate impairment in value of Investments	1,000	1,000
Refer note 2.8 for method followed for accounting of investments		

7.1 The Company has elected to continue with the carrying value of its investments in associate, measured as per the Previous GAAP and used that carrying value on the transition date 1st April, 2016 in terms of Para D15(b)(ii) of Ind AS 101.

## 7.2 Details of Associate:

(Amount in ₹ '000)

Particulars	Principal Activity	Place of incorporation	Principal place of business
Integra Systems Private Limited	Manufacturing of Passenger Information System	India	Chandrapura Village, Halol
<b>Proportion of ownership interest/ voting rights held by the Company</b>		<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>
Integra Systems Private Limited		50.00%	50.00%

## 8 Other Financial Assets

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Security Deposits	3,103	3,103
Bank Deposits of more than 12 months maturity	538	610
<b>Total</b>	<b>3,641</b>	<b>3,713</b>

## 9 Deferred Tax Assets (Net)

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deferred Tax Assets	60,062	67,409
Deferred Tax Liabilities	13,089	13,778
<b>Total</b>	<b>46,973</b>	<b>53,631</b>

**2019-20** (Amount in ₹ '000)

Particulars	Opening Balance	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Closing Balance
<b>Deferred tax liability on account of:</b>				
Fixed assets	13,778	-689	-	13,089
<b>Total Deferred Tax Liabilities</b>	<b>13,778</b>	<b>-689</b>	<b>-</b>	<b>13,089</b>
<b>Deferred tax asset on account of:</b>				
Provision for Doubtful debts	152	406	-	558
Provision for Leave encashment	133	92	-	225
Provision for Gratuity	133	777	-284	626
Carried forward business losses	21,877	(21,877)	-	-
Carried forward unabsorbed depreciation	5,860	(4,663)	-	1,197
MAT Credit entitlement	39,254	18,202	-	57,455
<b>Total Deferred Tax Assets</b>	<b>67,409</b>	<b>(7,063)</b>	<b>-284</b>	<b>60,062</b>
<b>Net Deferred Tax</b>	<b>53,631</b>	<b>-6,374</b>	<b>-284</b>	<b>46,973</b>

**2018-19** (Amount in ₹ '000)

Particulars	Opening Balance	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Closing Balance
<b>Deferred tax liability on account of:</b>				
Fixed assets	12,097	1,681	-	13,778
<b>Total Deferred Tax Liabilities</b>	<b>12,097</b>	<b>1,681</b>	<b>-</b>	<b>13,778</b>
<b>Deferred tax asset on account of:</b>				
Provision for Doubtful debts	186	-34	-	152
Provision for Leave encashment	255	-121	-	133
Provision for Gratuity	380	-195	-52	133
Carried forward business losses#	-	21,877	-	21,877
Carried forward unabsorbed depreciation#	4,307	1,553	-	5,860
MAT Credit entitlement	20,029	19,225	-	39,254
<b>Total Deferred Tax Assets</b>	<b>25,156</b>	<b>42,305</b>	<b>-52</b>	<b>67,409</b>
<b>Net Deferred Tax</b>	<b>13,059</b>	<b>40,624</b>	<b>-52</b>	<b>53,631</b>

# During the year, the company has recognised deferred tax asset on carried forward losses and unabsorbed depreciation amounting to ₹ 27,737 ('000) pursuant to order of Assessing Officer giving effect to order of Commissioner of Income Tax (Appeals) for A.Y. 2007-08 considering that future taxable profit will be available against which such unused tax losses can be utilised.

**10 Other Non Current Assets** (Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>(Unsecured, Considered Good unless Otherwise Stated)</b>		
Capital Advance	1,182	-
Balance with government department	4,253	1,636
Advance Tax and TDS	3,816	5,813
<b>Total</b>	<b>9,251</b>	<b>7,449</b>

**11 Inventories**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Raw Material	53,693	61,962
Work in Progress	45,106	40,006
Stock in Trade	3,668	4,013
Stores and Spares	2,103	2,629
<b>Total</b>	<b>1,04,570</b>	<b>1,08,609</b>

11.1 For basis of valuation refer Note 2.9

**12 Trade Receivables**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, Considered good		
Due from related Parties*	467	613
Others	2,35,531	1,83,413
Unsecured, Credit impaired	2,007	546
	<b>2,38,005</b>	<b>1,84,571</b>
Less		
Impairment for doubtful receivables	2,007	546
<b>Total</b>	<b>2,35,998</b>	<b>1,84,025</b>

\*Represents due from Aquametro AG ₹ 467 ('000) (as at 31st March 2019 ₹ 613 ('000)).

12.1 The Company assesses impairment loss on dues from its customers on facts and circumstances relevant to each transaction. Usually, Company collects all its receivables within 90 days.

12.2 As at 31st March, 2020 the Company had 6 customers (31st March, 2019: 5 customers) having outstanding more than 5% of total trade receivables that accounted for approximately 85% (31st March, 2019: 93%) of total trade receivables outstanding.

**12.3 Movement of Impairment for doubtful receivables**

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Balance at beginning of the year	546	673
Addition in expected credit loss allowance on trade receivables	1,665	462
Write off as bad debts	156	316
Recovery during the year	48	273
Reclassification/Other Adjustments	-	-
<b>Balance at end of the year</b>	<b>2,007</b>	<b>546</b>

12.4 Receivables under bill discounting arrangement does not meet the derecognition criteria stated in Ind AS 109 and hence, such receivables are not derecognized. The bill discounting liability has been recognised as the part of borrowings (Refer note no. 24).

**13 Cash and Cash Equivalents** (Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Cash on Hand	285	106
Balance with Banks in Current Account	539	5,801
Bank Deposits	452	24,747
Debit balance in bank overdraft account	2,516	6,816
<b>Total</b>	<b>3,792</b>	<b>37,470</b>

13.1 Overdraft facility is secured by pledge of Fixed Deposits.

**14 Other Bank Balances** (Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Bank Deposits pledged as security against Borrowings	53,501	25,148
Bank Deposits pledged as security deposits	-	291
<b>Total</b>	<b>53,501</b>	<b>25,439</b>

**15 Loans** (Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, considered good Loan to Employees	46	183
<b>Total</b>	<b>46</b>	<b>183</b>

**16 Other Financial Assets** (Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deposits given	836	213
Accrued Interest	1,678	1,534
<b>Total</b>	<b>2,515</b>	<b>1,747</b>

**17 Current Tax Assets (Net)** (Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advance Tax and TDS	525	2,782
<b>Total</b>	<b>525</b>	<b>2,782</b>

**18 Other Current Assets** (Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balance with Government Authorities	74	773
Prepaid Expenses	4,178	1,473
Advances to vendors	3,458	4,107
Others	143	85
<b>Total</b>	<b>7,854</b>	<b>6,437</b>

**19 Assets held for sale**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Plant & Machinery	2,411	4,652
<b>Total</b>	<b>2,411</b>	<b>4,652</b>

19.1 The Company has classified a Water Jet Machine as Non-Current assets held for sale as at 31st March, 2020 and has measured the asset at lower of carrying amount and the fair value less costs to sell resulting in Impairment Loss of ₹ 2241 ('000) (P.Y. ₹ 390 ('000)). This loss is included in other expenses in Statement of Profit and Loss.

**20 Equity Share Capital**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Authorised 212,000,000 Equity Shares of ₹ 1/- each 300,000 Unclassified Shares of ₹ 10/- each	2,12,000 3,000	2,12,000 3,000
<b>Total</b>	<b>2,15,000</b>	<b>2,15,000</b>
Issued, Subscribed and Paid Up 34,245,196 Equity Shares of ₹ 1/- each fully paid up	34,245	34,245
<b>Total</b>	<b>34,245</b>	<b>34,245</b>

**20.1 Shares held by Holding Company**

Particulars	No. of shares	% Holding
Integra Holding AG As at 31st March, 2020	1,87,23,341	54.67%
As at 31st March, 2019	1,87,23,341	54.67%

**20.2 Reconciliation of number of equity shares outstanding at the beginning and at the end of reporting period is as under:**

Particulars	No. of shares	Share Capital (Amount in ₹ '000)
As at 1st April, 2018	3,42,45,196	34,245
Additions/(Reductions)	-	-
As at 31st March, 2019	3,42,45,196	34,245
<b>As at 1st April, 2019</b>	<b>3,42,45,196</b>	<b>34,245</b>
Additions/(Reductions)	-	-
<b>As at 31st March, 2020</b>	<b>3,42,45,196</b>	<b>34,245</b>

**20.3 Details of Shareholder holding more than 5 percent share in Company:**

Particulars	No. of shares	% Holding
Integra Holding AG As at 31st March, 2020	1,87,23,341	54.67%
As at 31st March, 2019	1,87,23,341	54.67%

**20.4 Right, Preferences and restrictions attached to Shares**
**Equity shares**

The Company has only one class of equity shares having a par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share. Any dividend declared by the company shall be paid to each holder of Equity shares in proportion to the number of shares held to total equity shares outstanding as on that date.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**21 Other Equity**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Securities Premium	32,948	32,948
Employee Stock Option Reserve	2,327	1,481
General Reserve	24,909	24,909
Retained Earnings	1,96,051	1,39,097
<b>Total</b>	<b>2,56,235</b>	<b>1,98,435</b>

**21.1 Particulars relating to Other Equity**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Securities Premium (Refer Note No.21.2)</b>		
Balance at the beginning of the year	32,948	32,948
Addition/(Deduction) during the year	-	-
Balance at the end of the year	32,948	32,948
<b>Employee Stock Option Reserve (Refer Note No. 21.3)</b>		
Balance at the beginning of the year	1,481	635
Addition/(Deduction) during the year	846	846
Balance at the end of the year	2,327	1,481
<b>General Reserve (Refer Note No.21.4)</b>		
Balance at the beginning of the year	24,909	24,909
Addition/(Deduction) during the year	-	-
Balance at the end of the year	24,909	24,909
<b>Retained Earnings</b>		
Balance at the beginning of the year	1,39,098	27,793
Addition/(Deduction) during the year	56,954	1,11,305
Balance at the end of the year	1,96,051	1,39,098
<b>Total</b>	<b>2,56,235</b>	<b>1,98,436</b>

21.2 Securities Premium Reserve is used to record the premium on issue of equity shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

21.3 Employee Stock Option Reserve Stock Option Reserve is used to recognise the fair value of equity settled share based payment transactions.

21.4 The General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve is not reclassified subsequently to the Statement of Profit and Loss.

**22 Borrowings**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Secured</b>		
4% Cumulative Redeemable Preference Shares	<b>1,24,000</b>	1,24,000
<b>Total</b>	<b>1,24,000</b>	1,24,000

22.1 The Company has been authorised to issue 14,000,000 Cumulative Redeemable Preference Shares (CRPS) of ₹ 10/- each, out of which the Company has issued 12,400,000 4% Cumulative Redeemable Preference Shares of ₹ 10/- each fully paid up.

22.2 The CRPS holders comprising the present issue shall rank pari-passu inter se with any preference or priority of one over the other or others of them. The CRPS holder have right to receive dividend @ 4% p.a. in respect of the amount paid-up on the CRPS for a period of 20 years from the date of allotment of CRPS, only out of profits, if any, of the Company. The dividend as and when declared by the Company shall be paid to the shareholder on the record date, which the Board may fix from time to time. If in any year, the Company has not declared any dividend on the CRPS, the right to the dividends shall accumulate and the accumulated dividends will be paid out of the profits, if any, of the subsequent financial year(s) including carry forward profits, if any, of the previous years, before any dividend is paid to the Equity Shareholders. Such right to receive the accumulated dividend, if any, will cease on the expiry of 20 years from the date of allotment.

In the event of liquidation of the Company, the Preference shareholders will be entitled to receive their capital contribution in the Company after the distribution / repayment of all creditors but before distribution to equity shareholders. The distribution to the preference shareholders will be in proportion of the number of shares held by each shareholder.

22.3 As per requirements of Ind AS 32 "Financial Instrument Presentation", 4% cumulative redeemable preference shares have been classified as financial liabilities.

22.4 Consequent to classification of cumulative redeemable preference shares as borrowings, liability pertaining to undeclared dividend is provided for as Finance cost but it is not declared, distributed or paid and hence, the liability for dividend distribution tax would be accounted only when it accrues on declaration, distribution or payment of dividend.

**23 Provisions**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for Employee benefits		
Gratuity Provision	2,056	-
Unavailed Leave and compensated absences	<b>701</b>	380
<b>Total</b>	<b>2,758</b>	380

**24 Borrowings**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Unsecured</b>		
Bill Discounting Facility	<b>64,878</b>	26,947
<b>Total</b>	<b>64,878</b>	26,947



**25 Trade Payables****(Amount in ₹ '000)**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Micro and Small Enterprises	4,218	7,941
Others	50,700	73,977
<b>Total</b>	<b>54,918</b>	<b>81,917</b>

25.1 Payment towards trade payables is made as per the terms and conditions of the contract / purchase orders. The average credit period is 30 - 90 days.

25.2 This information as required to be disclosed under Micro Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company. Information in terms of section 22 of Micro, Small and Medium Enterprises Development Act, 2006 are given below:

**(Amount in ₹ '000)**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Principal amount paid after appointed date during the year	26,180	28,175
Amount of interest due and payable for the delayed payment on principal amount	527	525
Principal amount remaining unpaid as at year end (over due)	2,357	2,085
Principal amount remaining unpaid as at year end (not due)	1,861	5,856
Interest due and payable on principal amount unpaid as at the year end	27	66
Total amount of interest accrued and unpaid as at year end	554	592

**26 Other Financial liabilities****(Amount in ₹ '000)**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deposits towards lease	2,507	2,744
Expenses payable	13,435	10,086
Dividend Payable on Redeemable Preference Shares (Refer Note 22.4)	76,510	71,550
<b>Total</b>	<b>92,452</b>	<b>84,380</b>

**27 Other Current Liabilities****(Amount in ₹ '000)**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Statutory dues payable	2,744	1,509
Advance Received from Customers	1,517	176
<b>Total</b>	<b>4,261</b>	<b>1,685</b>

**28 Provisions****(Amount in ₹ '000)**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for Employee benefits		
Gratuity Provision	195	479
Unavailed Leave and compensated absences	108	98
<b>Total</b>	<b>302</b>	<b>577</b>

**29 Current Tax Liabilities**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Income tax payable (net)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**30 Revenue From Operation**

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Sale of Products	6,01,615	6,01,445
Sale of Services	9,417	6,838
Other Operating Revenue	18,145	18,343
<b>Total</b>	<b>6,29,178</b>	<b>6,26,625</b>

**31 Other Income**

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Rent Income	10,449	13,570
Interest Income	5,081	3,227
Excess Liability Written Back	226	94
Reversal of Provision for Doubtful Debts	204	590
Reversal of Amount w/off	5,000	-
Exchange Fluctuations (Net)	1	-
Miscellaneous Income	487	672
<b>Total</b>	<b>21,448</b>	<b>18,154</b>

**32 Cost of Material Consumed**

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Consumption of Raw Materials	3,17,986	3,34,164
<b>Total</b>	<b>3,17,986</b>	<b>3,34,164</b>

**33 Purchases of Stock-in-Trade**

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Purchases of Stock in Trade	17,323	16,710
<b>Total</b>	<b>17,323</b>	<b>16,710</b>

**34 Changes In Inventories**

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Work in Progress</b>		
Opening Stock		
- Work in Progress	40,006	21,860
- Stock in Trade	4,013	3,467
	44,019	25,327
<b>Closing Stock</b>		
- Work in Progress	45,106	40,006
- Stock in Trade	3,668	4,013
	48,774	44,019
<b>Total</b>	<b>(4,755)</b>	<b>(18,692)</b>

**35 Employee Benefit Expenses**

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Salaries & Wages	66,400	58,381
Share based payments	846	846
Contribution of Provident Fund & Other Fund	5,141	3,676
Staff Welfare expense	12,057	11,652
<b>Total</b>	<b>84,445</b>	<b>74,555</b>

**36 Finance Costs**

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest on Bank Loan	609	451
Discounting Charges	1,559	1,241
Other Interest	554	917
Dividend on Preference shares	4,960	4,960
Bank Charges & Commission	138	85
<b>Total</b>	<b>7,821</b>	<b>7,654</b>

**37 Depreciation and amortization expense**

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Depreciation of tangible assets	12,934	10,271
Amortization of intangible assets	785	875
Depreciation on investment property	57	81
<b>Total</b>	<b>13,776</b>	<b>11,227</b>

**38 Other Expenses**

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Consumption of Stores & Spares	20,480	26,063
Impairment loss on asset held for sale	2,241	390
Loss on sale of Assets (Net)	-	1,067
Job Work & Processing Charges	10,161	12,422
Labour Charges	39,073	36,385
Power & Fuel	9,157	9,025
Repairs To Factory Building	1,666	742
Repairs To Plant & Machinery	613	316
Repairs To Others	4,376	2,539
Insurance Expenses	2,133	1,705
Audit Fees	675	675
Legal & Professional Charges	6,355	8,423
Exchange Fluctuations (Net)	-	54
Miscellaneous Expense*	8,919	8,510
Rent	1,576	1,534
Rates & Taxes	310	32
Security & Other Services	5,186	3,247
Travelling Expenses	5,597	6,413
Commission & Brokerage	4,106	1,163
Selling & Distribution Expenses	4,650	6,247
Sales Promotion	7	483
CSR Expenses	1,084	-
Bad Debts Written off	156	696
Provision for Doubtful Debts	1,665	462
<b>Total</b>	<b>1,30,184</b>	<b>1,28,593</b>

\* None of the item individually accounts for more than Rs. 1,000,000 or 1% of revenue whichever is higher.

**Payment to Auditors has been Classified Below:**

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Payment to Auditors		
-As Auditor	675	675
-For Taxation Matters	83	115
-For Other services	207	396
-For Reimbursement of Expense	43	58
<b>Total</b>	<b>1,008</b>	<b>1,244</b>

**39 Tax Expense**

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Current tax in relation to:</b>		
- Current years	18,163	19,640
- Earlier years	1,012	383
<b>Deferred Tax</b>		
In respect of current year	24,860	(21,347)
Unused Tax Credits	(18,163)	(19,225)
<b>Total</b>	<b>25,872</b>	<b>(20,549)</b>

39.1 The income tax expense for the year can be reconciled to the accounting profit as follows: **(Amount in ₹ '000)**

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Profit before tax	83,846	90,568
Income tax expense calculated at 27.82% (2018-2019: 27.82%)	23,326	25,196
Impact of Tax rate difference	-	68
Expenses not allowed in Income Tax	1,534	1,544
Tax Adjustment of earlier years	1,012	1,286
Recognition of deferred tax on Unabsorbed losses and depreciation of earlier year	-	(48,695)
Remeasurement of Defined benefit plans (recognised in other comprehensive income)	-	52
<b>Total</b>	<b>25,872</b>	<b>(20,549)</b>

**40 Commitments** **(Amount in ₹ '000)**

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Estimated amount of contracts remaining to be executed on capital account	1,182	-

**41 Contingent Liabilities**

Contingent Liabilities not provided for are classified as under: **(Amount in ₹ '000)**

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Income Tax	15,381	15,381
Excise / Service tax and Value added Tax matters	14,944	18,526
Pending Labour Cases	3,707	4,972
Claims against the Company before Labour Court	<b>Amount not ascertainable</b>	<b>Amount not ascertainable</b>

**42 Operating Lease Arrangements**

42.1 The Company has applied Appendix C to Ind AS 17 'Leases' to office and other assets to evaluate whether these contracts contains a lease or not. Based on evaluation of the terms and conditions of the arrangements, the Company has evaluated such arrangements to be operating leases.

The Company has obtained certain premises for its business operations under operating leases or leaves and license agreements. These are generally cancellable and range between 11 months to 5 years under leave and licenses or longer for other lease and are renewable by mutual consent on mutually agreeable terms. The Company has given refundable interest free security deposits in accordance with the agreed terms.

42.2 **Lease Payments recognised during the year:** **(Amount in ₹ '000)**

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Rent Expense	1,576	1,534

42.3 Rental income arising from operating leases on Investment properties is accounted over the lease terms and is included in Other Income in the Statement of Profit and Loss.

Rental Income recognised during the year: **(Amount in ₹ '000)**

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Rental Income	10,449	13,570

#### 43 Employee Benefits :

In accordance with the stipulations of the Indian Accounting Standard 19 "Employee Benefits", the disclosures of employee benefits as defined in the Indian Accounting Standard are given below:

##### 43.1 Defined Contribution Plan

The Company makes contribution towards Employee Provident Fund and Super Annuation Fund. The Company is required to contribute specified percentage of payroll cost.

The Company has recognised the following amounts in the Statement of Profit and Loss :

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Contribution to Provident Fund	2,662	1,939
<b>Total</b>	<b>2,662</b>	<b>1,939</b>

##### 43.2 Defined Benefits Plan

###### Gratuity

15 days salary for each completed year of service. Vesting period is 5 years and the payment is at actual on superannuation, resignation, termination, disablement or on death. The liability for gratuity as above is recognised on the basis of actuarial valuation.

The Company makes contribution to Life Insurance Corporation (LIC) for gratuity benefits according to the Payment of Gratuity Act, 1972.

The Company recognizes the liability towards the gratuity at each Balance Sheet date.

The most recent actuarial valuation of the defined benefit obligation for gratuity was carried out at 31st March, 2020 by an actuary. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Scheme is funded through LIC.

These plans typically expose the Company to actuarial risks such as: Investment risk, Market risk, Legislative risk, Salary risk and Liquidity risk.

Investment risk	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. this can result in wide fluctuations in the net liability or funded status if there are significant changes in the discount rate during the inter-valuation period.
Market risk	It is a collective term for risks that are related to changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in defined benefit obligation of the plan benefits & vice versa. this assumption depends on the yields on the corporate bonds and hence the valuation of liability is exposed to fluctuations in the yields at the valuation date.
Legislative risk	It is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the regulation. The government may amend the payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Salary risk	Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.
Liquidity risk	Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflow.

No other post-retirement benefits are provided to these employees.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Mortality</b>	<b>Indian Assured Lives Mortality (2006-08) Ultimate</b>	Indian Assured Lives Mortality (2006-08) Ultimate
Withdrawal Rates	1.00%	1.00%
Discount Rate (%)	6.87%	7.65%
Salary escalation rate (%)	5.00%	5.00%
Rate of Return on Plan Assets (%)	7.50%	7.50%

43.3 The following tables sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at 31st March

I. Reconciliation in present value of obligations (PVO) - Defined benefit obligation:

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
	<b>Gratuity (Funded)</b>	Gratuity (Funded)
<b>I. Defined Benefit obligation</b>		
Current Service Cost	1,183	803
Interest Cost	550	499
Actuarial (gain)/ loss on obligations	1,081	(270)
Benefits paid	(567)	(421)
PVO at the beginning of the year	7,469	6,859
PVO at the end of the year	9,717	7,469
<b>II. Reconciliation of the fair value of Plan Assets</b>		
Expected return on Plan Assets	481	462
Actuarial gain / (Loss) on Plan Assets	60	(83)
Contributions by employer	500	1,553
Benefits Paid	(567)	(421)
Fair value of Plan Assets at the beginning of the year	6,991	5,478
Fair value of Plan Assets at the end of the year	7,465	6,991

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
	<b>Gratuity (Funded)</b>	Gratuity (Funded)
<b>III. Reconciliation of PVO and Fair value of Plan of assets</b>		
PVO at the end of the year	9,717	7,469
fair value of Planned assets at the end of the year	7,465	6,991
Short / (Excess) Funded	2,251	479
Unrecognised actuarial gain / (Loss)	-	-
Net (asset) / liability recognised in the Balance Sheet	2,251	479
<b>IV. Service Cost</b>		
Current Service Cost	1,183	803
Interest Cost on benefit obligation	550	499
Expected return on Plan Assets	481	462
Components of defined benefit costs recognised in Employee Benefit expenses	1,252	839
Remeasurement on the net defined benefit liability:		
Actuarial (gain)/ loss on obligations	1,020	(188)
<b>Net Cost</b>	<b>2,272</b>	652

(Amount in ₹ '000)

Experience Adjustment	On Plan Liabilities - Loss/(Gain)	On Plan Assets - Loss/(Gain)
<b>As on 31st March,2020</b>	<b>325.88</b>	<b>60.36</b>
As on 31st March,2019	(161.17)	(82.63)
As on 31st March,2018	1,343.00	(9.00)
As on 31st March,2017	(275.00)	-
As on 31st March,2016	782.00	-

43.4 The fair value of plan assets at the end of the reporting period for each category, are as follows:

Gratuity and Leave 100% managed by Insurer (LIC).

43.5 Sensitivity analysis as for gratuity

(Amount in ₹ '000)

Significant Actuarial Assumptions	As at 31st March, 2020	As at 31st March, 2019
<b>Discount Rate</b>		
Up by 1%	(950)	(661)
Down by 1%	1,138	782
<b>Salary Escalation</b>		
Up by 1%	1,193	839
Down by 1%	(1,020)	(720)
<b>Withdrawal Rate</b>		
Up by 1%	38	87
Down by 1%	(57)	(108)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Sensitivity due to mortality & withdrawals are not material & hence impact of change not calculated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance Sheet.



**43.6 Maturity Profile of Defined Benefit Obligation and other long term employee benefits: (Amount in ₹ '000)**

Experience Adjustment	As at 31st March, 2020	As at 31st March, 2019
<b>Defined Benefit:</b>		
<b>Gratuity:</b>		
Less than One Year	195	535
One to Three Years	2,025	1,322
Three to Five Years	1,577	659
More than Five Years	5,920	4,953

**44 Operating Segment**

The Company's operations fall under single segment namely "Manufacturing of Machineries and Components", taking into account the risks and returns, the organization structure and the internal reporting systems.

Segment revenue from "Manufacturing of Machineries and Components" represents revenue generated from external customers which is attributable to the company's country of domicile i.e. India and external customers outside India as under:

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Revenue from		
- Outside India	6,994	6,497
- In India	6,22,184	6,20,128

All assets are located in the company's country of domicile i.e. India.

Company's significant revenues (more than 70%) are derived from major 8 entities. The total revenue from such entities amounted to ₹ 4,44,851 ('000) in 2019-20 and ₹ 4,67,087 ('000) in 2018-19.

**45 Disclosure as required by Indian Accounting Standard -24 are given below:-**

Name of Related Parties	Nature of Relationship
Integra Holding AG, Switzerland	Holding Company
Aquametro Oil and Manie AG, Switzerland	Fellow Subsidiary
Integra Systems Pvt. Ltd	Associates
Mr. Adrian Oehler	Non Executive Director
Mrs. Corinne Ruckstuhl	Non Executive Director
Mr. Shalin Divatia	Independent Director
Mr. Rahul Divan	Independent Director
Mr. Bhargav Patel	Independent Director
Mr. Mahendra Sanghvi	Independent Director
Mr. Utkarsh Pundlik	Key Management Personnel

## 45.1 Transactions with related parties:

(Amount in ₹ '000)

Nature of Transaction	Fellow Subsidiary	Associate	Directors / Key Management Personnel	Total
<b>Material Purchase</b>	<b>2,897</b>	-	-	<b>2,897</b>
	(173)	-	-	(173)
a. Aquametro Oil and Manine AG, Switzerland	<b>2,897</b>	-	-	<b>2,897</b>
	(173)	-	-	(173)
<b>Management Contract</b>	<b>6,994</b>	-	-	<b>6,994</b>
	(6,497)	-	-	(6,497)
a. Aquametro Oil and Manine AG, Switzerland	<b>6,994</b>	-	-	<b>6,994</b>
	(6,497)	-	-	(6,497)
<b>Director's Sitting Fees</b>	-	-	<b>1,440</b>	<b>1,440</b>
	-	-	(1,080)	(1,080)
Mr. Adrian Oehler	-	-	<b>210</b>	<b>210</b>
	-	-	(210)	(210)
Mrs. Corinne Ruckstuhl	-	-	<b>250</b>	<b>250</b>
	-	-	(250)	(250)
Mr. Shalin Divatia	-	-	<b>230</b>	<b>230</b>
	-	-	(250)	(250)
Mr. Rahul Divan	-	-	<b>250</b>	<b>250</b>
	-	-	(200)	(200)
Mr. Bhargav Patel	-	-	<b>260</b>	<b>260</b>
	-	-	(110)	(110)
Mr. Mahendra Sanghvi	-	-	<b>240</b>	<b>240</b>
	-	-	(60)	(60)
Remuneration	-	-	<b>7,408</b>	<b>7,408</b>
	-	-	(6,268)	(6,268)
a. Mr. Utkarsh Pundlik	-	-	<b>7,408</b>	<b>7,408</b>
	-	-	(6,268)	(6,268)
<b>Rent Income</b>	-	<b>131</b>	-	<b>131</b>
	-	(523)	-	(523)
a. Integra Systems Pvt Ltd	-	<b>131</b>	-	<b>131</b>
	-	(523)	-	(523)

Amounts in bracket indicate previous year figures.

**45.2 Outstanding Balances :** (Amount in ₹ '000)

Particulars	Nature of Relationship	As at 31st March, 2020	As at 31st March, 2019
<b>Receivables</b>			
a. Aquametro Oil and Marine AG, Switzerland	Fellow Subsidiary	467	613
<b>Total</b>		<b>467</b>	<b>613</b>

**45.3 Compensation to Key Management personnel** (Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Chief Executive Officer</b>		
Short term employee benefits	7,166	6,047
Post employment benefits	113	113
Long term benefits	130	109
<b>Total</b>	<b>7,408</b>	<b>6,268</b>

**46 Earnings per share (EPS) :** (Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Profit available to equity shareholders in ₹</b>	<b>5,76,90,062</b>	<b>11,11,69,416</b>
<b>Weighted Average number of Equity Shares (Face Value of ₹ 1 each)</b>		
- Basic	3,42,45,196	3,42,45,196
- Diluted	3,42,45,196	3,42,45,196
Earning per share of ₹ 1 each		
Basic Earnings per share (₹)	1.68	3.25
Diluted Earnings per share (₹)	1.68	3.25

**47 Impairment of Assets**

In accordance with the Indian Accounting Standard (Ind AS-36) on "Impairment of Assets" the Company during the year carried out an exercise of identifying the assets that may have been impaired in respect of cash generating unit in accordance with the said Indian Accounting Standard. Based on the exercise, no impairment loss is required as at 31st March, 2020.

**48** The value of realization of assets other than fixed assets and non current investment in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.

**49** The balances of trade receivables and trade payables are subject to adjustment if any on reconciliation/settlement.

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

**51 Financial instruments Disclosure**
**51.1 Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

## Categories of financial instruments

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Financial assets</b>		
<b>Measured at amortised cost</b>		
Trade and other receivables	2,35,998	1,84,025
Cash and cash equivalents	3,792	37,470
Other Bank Balance	53,501	25,439
Loans	46	183
Other financial assets	6,156	5,460
<b>Financial liabilities</b>		
<b>Measured at amortised cost</b>		
Borrowings	1,88,878	1,50,947
Trade payables	50,700	73,977
Dividend Payable on Redeemable Preference Shares	76,510	71,550
Other financial liabilities	15,942	12,830

## 51.2 Financial risk management

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include deposits, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The senior Management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

## 51.2.1 Market Risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of the business. The major components of market risk are price risk, foreign currency risk and interest rate risk.

**A. Commodity price risk**

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing manufacture of machineries and components and therefore require a continuous supply of steel as principal raw material.

The Company's management has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

**B. Foreign Currency risk**

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

The aim of the Company's approach to management of currency risk is to leave the Company with no material residual risk.

The carrying amount of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Assets</b>		
CHF	467	-
US\$	-	117

## Sensitivity to risk

A 5% strengthening of the INR against key currencies to which the Company is exposed would have led to approximately an additional ₹ 23 ('000) gain in the Statement of Profit and Loss. A 5% weakening of the INR against these currencies would have led to an equal but opposite effect.

### C. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term debt obligations with floating interest rates.

The Company invests the surplus fund generated from operations in bank deposits. Considering these bank deposits are short term in nature, there is no significant interest rate risk.

The Company has laid policies and guidelines including tenure of investment made to minimise impact of interest rate risk.

#### 51.2.2 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

#### A. Trade Receivable

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance.

An impairment analysis is performed at each reporting date on an individual basis. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note no. 12.

#### B. Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the management in accordance with the Company's policy. The Company's maximum exposure to credit risk for the components of the Balance Sheet at 31st March, 2020 and 31st March, 2019 is the carrying amounts as illustrated in Note no. 13.

#### 51.2.3 Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, preference shares and finance leases.

"The Company monitors its risk of a shortage of funds using a liquidity planning tool."

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date.

(Amount in ₹ '000)

Particulars	Within 1 year	Exceeding one year	Total
<b>As at 31st March, 2020</b>			
Borrowings	64,878	1,24,000	1,88,878
Trade Payable	50,700	-	50,700
Deposits towards lease	2,507		2,507
Dividend Payable on Redeemable Preference Shares	76,510		76,510
Expenses payable	13,435	-	13,435
<b>Total</b>	<b>2,08,031</b>	<b>1,24,000</b>	<b>3,32,031</b>
<b>As at 31st March, 2019</b>			
Borrowings	26,947	1,24,000	1,50,947
Trade Payable	73,977	-	73,977
Deposits towards lease	2,744		2,744
Dividend Payable on Redeemable Preference Shares	71,550		71,550
Expenses payable	10,086	-	10,086
<b>Total</b>	<b>1,85,303</b>	<b>1,24,000</b>	<b>3,09,303</b>

## 52. Fair Value Measurement

52.1 Fair value of the Company's financial assets that are measured at fair value on recurring basis.

Some of the Company's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined.

(Amount in ₹ '000)

Financial Assets / Financial Liabilities	Fair Value at 31st March 2020	Fair Value hierarchy	Valuation techniques and Key inputs
Asset held for sale	2411	Level - 2	1) Method of valuation is Average Cost Method. 2) Considered factors like balance life, residual life, market demand, process and atmospheric corrosion and obsolescence factor.

52.2 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required).

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements except as per note 52.1 approximate their fair values.

## 53 Employee Stock option

At the Annual General Meeting of the Company held on 12th August, 2015 members of the Company passed a special resolution for introducing a "Integra Engineering India Employees Stock Option Plan 2015" for the benefit of employees of the Company. The resolution also accorded approval for the Board of Directors, to formulate the Scheme as per broad parameters outlined in the resolution. Pursuant to the Scheme, the Company has granted options to eligible employees of the Company under Plan. Each option entitles for one equity share. The options under this grant will vest to the employees as 20%, 40% and 40% of the total grant at end of third, fourth and fifth year from the date of grant, respectively, with an exercise period of three years for each grant. The vesting conditions include service terms and performance of the employees. These options are exercisable at an exercise price of ₹ 36/- per share (Face Value of ₹ 1 per share).

The fair value of each equity settled option is estimated on the date of grant using the Black-Scholes-Merton model, with the following assumptions:

Particulars	
Grant date	22nd August, 2017
No of Option Granted	1,80,000
<b>Option Value as on grant date</b>	
Fair Value per ESOP option (₹)	19.06
Value of Option (₹)	34,30,800
<b>Parameters of Fair Value of Options as on grant date</b>	
Stock Price as on grant date (₹)	39.75
Exercise Price (₹)	36.00
Volatility	45.29%
Risk Free rate	6.52%
Weighted Average time of Expiry	4.2 Years

During the year ended 31st March, 2020, the company had charged to statement of Profit and Loss as employee benefit expenses ₹ 846 ('000) (P.Y. ₹ 846 ('000)) by creating an Employee stock option reserve which is grouped under the head 'Other Equity'.

54. Effective 1st April, 2019 the Company has adopted Indian Accounting Standard (Ind AS) 116 "Leases" using the "Modified Prospective Approach". The adoption of the said Ind AS did not have any impact on the retained earnings as at 1st April, 2019 and there was no material impact on financial results for the year ended on 31st March, 2020.

**55. Corporate Social Responsibility:**

Corporate Social Responsibility expenditure is as follows:

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019	
(a) Gross amount required to be spent during the year	1,084	-	
<b>Particulars</b>	<b>In Cash</b>	<b>Yet to be paid in cash</b>	<b>Yet to be paid in cash</b>
(b) Amount spent During the year on:			
(i) Construction/Acquisition of Asset	-	-	-
(ii) On purpose other than above	1,084	-	-
<b>Total</b>	<b>1,084</b>	<b>-</b>	<b>-</b>

Previous year figures are in brackets

56 In view of the outbreak of Coronavirus (COVID-19), the factories were shut down since last week of March 2020, as per Government Order. Based on the immediate assessment of the impact of COVID-19 on the operations of the Company and ongoing discussions with customers, vendors and service providers, the Company is positive of serving customer orders and obtaining regular supply of raw materials and logistics services after resumption of the operations. The Company has considered the possible financial effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, Investments, Inventories, receivables and other current assets including the Company's ability to service its debt and liability. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered and the Company expects it to service its liability as and when it becomes due. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of these financial results.

**57. Approval of Financial statements:**

Standalone financial statements were approved by the Board of Directors on 8th June, 2020.

As per our report of even date attached

For K. C. Mehta & Co.  
Chartered Accountants

Vishal P. Doshi  
Partner  
Membership No. 101533  
Place : Vadodara  
Date: 8th June, 2020

For and on behalf of the Board

Corinne Ruckstuhl Director DIN: 03531399 Place : Wallisellen Date: 8th June, 2020	Shalin Divatia Director DIN: 00749517 Place : Mumbai	Bhavin Kariya CFO Place : Halol	Harnetkaur Anand Secretary Place : Mumbai
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**INDEPENDENT AUDITOR'S REPORT**To the Members of **Integra Engineering India Limited****Report on the Audit of the Consolidated Financial Statements Opinion**

We have audited the accompanying consolidated financial statements of Integra Engineering India Limited ("the Company") and its associate, which comprise the Consolidated Balance Sheet as at 31st March, 2020, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and notes to the consolidated financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the other financial information of the associate as referred to in the "Other Matter" Paragraph, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company and its associate as at 31st March, 2020, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and their cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its associate 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 consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of these consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	How our audit addressed the matter
1	<p><b>Recognition and measurement of deferred taxes including unused tax credit</b></p> <p>(Refer to note no. 9 to the consolidated financial statement)</p> <p>As at 31st March 2020 the Company has recorded a deferred tax asset of ₹ 1,196('000) relating to carry forward losses and unabsorbed depreciation and ₹ 57,455 ('000) relating to unused tax credits considering that future taxable profit will be available against which such unused tax losses can be utilised.</p> <p>We identified the recoverability of these deferred tax assets as a key audit matter as recognition of these assets involves judgement by management as to the likelihood of the realization of these deferred tax assets, which is based on a number of factors including whether there will be sufficient taxable profits in future periods to support recognition.</p>	<p><b>Principal Audit Procedures:</b></p> <p>Our procedures in relation to management's assessment about the recoverability of deferred tax assets including unused tax credits included:</p> <ul style="list-style-type: none"> <li>Evaluating management's assessment on the sufficiency of future taxable profits in support of the recognition of deferred tax assets by comparing management's forecasts of future profits to historical results and evaluating the assumptions used in those forecasts.</li> <li>Obtaining the communications between the Company and taxation authorities regarding tax positions.</li> <li>Assessing the adequacy of the deferred tax disclosures (Note 9) to the consolidated financial statements.</li> </ul> <p><b>Conclusion:</b></p> <p>We found that the assumptions and estimates were within the acceptable range and that the disclosures (Note 9) are appropriate.</p>
2	<p><b>Litigations and claims</b></p> <p>(Refer to note 41 to the consolidated financial statements)</p> <p>The cases are pending with multiple tax authorities like Income Tax, Excise, service tax etc and labour law cases which have not been acknowledged as debt by the Company.</p> <p>In normal course of business, financial exposures may arise from pending proceedings not acknowledged as debt by the Company. Whether a claim needs to be recognized as</p>	<p><b>Principal Audit Procedures:</b></p> <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Evaluation of management's judgment of tax risks, estimates of tax exposures, other claims and contingencies. Third party opinions, past and current experience with the tax authorities and management's response including on the labour law cases were used to assess the appropriateness of management's best estimate of the most likely</li> </ul>



Sr. No.	Key Audit Matter	How our audit addressed the matter
	<p>liability or disclosed as contingent liability in the consolidated financial statements is dependent on a number of significant assumptions and judgments. The amounts involved are potentially significant and determining the amount, if any, to be recognised or disclosed in the consolidated financial statements, is inherently subjective.</p> <p>We have considered Litigations and claims as Key Audit Matter as it requires significant management judgement, including accounting estimates that involves high estimation uncertainty.</p>	<p>outcome of each uncertain contingent liability.</p> <ul style="list-style-type: none"> <li>• Discussing selected matters with the entity's management.</li> <li>• Critically assessing the entity's assumptions and estimates in respect of claims, included in the contingent liabilities disclosed in the consolidated financial statements. Assessment of the probability of negative result of litigation and the reliability of estimates of related obligation.</li> </ul> <p><b>Conclusion:</b> Based on the procedures described above, we did not identify any material exceptions to the management's assertions and treatment, presentation &amp; disclosure on the subject matter in the consolidated financial statements.</p>
3	<p><b>Reasonableness of carrying amount of assets held for sale</b> (Refer to note 19 to the consolidated financial statements)</p> <p>In March, 2018 the Company classified Water jet machine as Non-Current asset held for sale and is carried at fair value less cost to sell in accordance with 105 as at reporting date.</p> <p>Non-Current assets held for sale carried at fair value have been estimated using significant unobservable inputs as a result of which fair value is sensitive to changes in input assumptions.</p> <p>The application of 105 'Non-Current Asset Held for Sale and Discontinued operations' is significant to our audit because the transaction and its accounting is non-routine and involves significant management judgements.</p>	<p><b>Principal Audit Procedures:</b></p> <ul style="list-style-type: none"> <li>• An evaluation of the Company's conclusions on the classification of Non-Current asset as held for sale.</li> <li>• Obtaining valuation report for fair value determined by external valuer and</li> <li>• Evaluating significant inputs used by valuer for determining fair value of asset.</li> </ul> <p><b>Conclusion:</b> Based on the procedures described above, we did not identify any material exceptions to the management's assertions and treatment, presentation &amp; disclosure for asset held for sale in consolidated financial statements</p>

#### Emphasis of Matter

We draw your attention to Note 56 of the Consolidated Financial Statement, which describes the impact of Coronavirus disease 2019 (COVID19) on the operations and financials of the company.

Our opinion is not modified in respect of this matter.

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

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

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

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

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

#### Responsibilities of Management and Those Charged with Governance for the Consolidated 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Company and its associate 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 its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 and its associate incorporated in India has adequate internal financial controls with reference to consolidated financial statements 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 and its associate'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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its associate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditor.

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

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

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

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

1. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
  - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated financial statements;
  - b. in our opinion, proper books of account as required by law relating to preparation of the aforesaid

- consolidated financial statements have been kept so far as it appears from our examination of those books;
- c. the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements;
  - d. in our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act;
  - e. on the basis of the written representations received from the directors as on 31st March, 2020, taken on record by the Board of Directors, none of the directors of the Company and its associate company incorporated in India is disqualified as on 31st March, 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 consolidated financial statements of the Company and its associate and the operating effectiveness of such controls, refer to our separate report in "Annexure A";
  - g. with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, the Company has neither paid nor provided for, any remuneration to its directors during the year; and
  - h. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Consolidated financial statements disclosed the impact of pending litigations on the Consolidated financial position of the Company and its associate – Refer Note 41 to the consolidated financial statements;
    - ii. the Company and its associate did not have any long-term contracts including derivative contracts as at March 31, 2020;
    - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its associate incorporated in India.

**For K. C. Mehta & Co.**  
**Chartered Accountants**  
**Firm's Registration No. 106237W**

**Vishal P. Doshi**  
**Partner**  
**Membership No. 101533**  
**UDIN : 20101533AAAABF3985**

**Place: Vadodara**  
**Date: 8th June, 2020**

#### ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Integra Engineering India Limited on the consolidated financial statements of even date)

#### Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls with reference to consolidated financial statements of Integra Engineering India Limited ("the Company") and its associate as of 31st March, 2020 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

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

The Company's and its associate's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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

#### Meaning of Internal Financial Controls with reference to consolidated financial statements

A Company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to consolidated 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 consolidated 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 consolidated financial statements.

#### Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated 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, the Company has, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### Other Matters

In respect of the associate company, the most recent audited financial statements available are for the financial year ended 31st March 2020. Reporting on whether the company has adequate internal controls system in place and operating effectiveness of such controls is not applicable to the Company vide amendment to the notification G.S.R 464(E) dated 13th June 2017;

#### For K. C. Mehta & Co.

#### Chartered Accountants

Firm's Registration No. 106237W

Vishal P. Doshi

Partner

Membership No. 101533

UDIN : 20101533AAAABF3985

Place: Vadodara

Date: 8th June, 2020

## Consolidated Balance Sheet as at 31st March, 2020

(Amount in ₹ '000)

Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
<b>ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, Plant and Equipment	4	1,61,387	1,14,009
(b) Intangible assets	5	1,026	1,488
(c) Investment Property	6	561	933
(d) Financial Assets			
(i) Investments	7	-	-
(ii) Others	8	3,641	3,713
(e) Deferred tax Assets (Net)	9	46,973	53,631
(f) Other non-current assets	10	9,251	7,449
<b>Total non-current assets</b>		<b>2,22,839</b>	<b>1,81,223</b>
<b>(2) Current Assets</b>			
(a) Inventories	11	1,04,570	1,08,609
(b) Financial Assets			
(i) Trade receivables	12	2,35,998	1,84,025
(ii) Cash and cash equivalents	13	3,792	37,470
(iii) Other Bank Balances	14	53,501	25,439
(iv) Loans	15	46	183
(v) Others	16	2,515	1,747
(c) Current Tax Assets (net)	17	525	2,782
(d) Other current assets	18	7,854	6,437
<b>Total current assets</b>		<b>4,08,800</b>	<b>3,66,692</b>
Assets classified as held for sale	19	2,411	4,652
<b>Total assets</b>		<b>6,34,051</b>	<b>5,52,566</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	20	34,245	34,245
(b) Other Equity	21	2,56,235	1,98,435
<b>Total equity</b>		<b>2,90,481</b>	<b>2,32,680</b>
<b>Liabilities</b>			
<b>(1) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	1,24,000	1,24,000
(b) Provisions	23	2,758	380
<b>Total non-current liabilities</b>		<b>1,26,758</b>	<b>1,24,380</b>
<b>(2) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	24	64,878	26,947
(ii) Trade payables	25		
(A) due to micro enterprises and small enterprises		4,218	7,941
(B) due to other than micro enterprises and small enterprises		50,700	73,977
(iii) Others	26	92,452	84,380
(b) Other current liabilities	27	4,261	1,685
(c) Provisions	28	302	577
(d) Current Tax Liabilities (net)	29	-	-
<b>Total current liabilities</b>		<b>2,16,812</b>	<b>1,95,506</b>
<b>Total Equity and Liabilities</b>		<b>6,34,051</b>	<b>5,52,566</b>
Significant Accounting Policies and Notes consolidated Financial Statements	1-57		
<b>As per our report of even date attached</b>			
<b>For K. C. Mehta &amp; Co.</b>		<b>For and on behalf of the Board</b>	
Chartered Accountants			
Vishal P. Doshi	Corinne Ruckstuhl	Shalin Divatia	Bhavin Kariya
Partner	Director	Director	CFO
Membership No. 101533	DIN: 03531399	DIN: 00749517	Harneetkaur Anand
Place : Vadodara	Place : Wallisellen	Place : Mumbai	Secretary
Date: 8th June, 2020	Date: 8th June, 2020	Place : Halol	Place : Mumbai

**Consolidated Statement of Profit and Loss for the year ended 31st March, 2020** (Amount in ₹ '000)

Particulars	Note No.	For the year ended 31st March, 2020	For the year ended 31st March, 2019
I Revenue from operations	30	6,29,178	6,26,625
II Other income	31	21,448	18,154
III <b>Total income (I+II)</b>		<b>6,50,625</b>	<b>6,44,779</b>
<b>IV EXPENSES</b>			
Cost of materials consumed	32	3,17,986	3,34,164
Purchase of Stock in trade	33	17,323	16,710
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	34	(4,755)	(18,692)
Employee Benefits Expense	35	84,445	74,555
Finance Costs	36	7,821	7,654
Depreciation and amortization expense	37	13,776	11,227
Other Expenses	38	1,30,184	1,28,593
<b>Total expenses (IV)</b>		<b>5,66,779</b>	<b>5,54,211</b>
<b>V Profit before tax(III-IV)</b>		<b>83,846</b>	<b>90,568</b>
<b>VI Tax expense:</b>	39		
(a) Current tax relating to:			
- current year		18,163	19,640
- earlier years		1,012	383
(b) Deferred tax		6,981	(40,624)
<b>VII Profit for the year (V-VI)</b>		<b>57,690</b>	<b>1,11,169</b>
<b>VIII Add: Share in net profit of Associates</b>		-	-
<b>IX Profit for the year (VII-VIII)</b>		<b>57,690</b>	<b>1,11,169</b>
<b>X Other comprehensive income (OCI)</b>			
(a) Items that will not be reclassified to profit or loss			
(i) Re-measurement of the defined benefit plans		(1,020)	188
- tax impact		284	(52)
		(737)	136
<b>XI Total comprehensive income for the year (XI+X)</b>		<b>56,954</b>	<b>1,11,305</b>
<b>XII Earnings per equity share:</b>	46		
Basic (in ₹)		1.68	3.25
Diluted (in ₹)		1.68	3.25
See accompanying notes to the Consolidated Financial Statements	1-57		

As per our report of even date attached

For K. C. Mehta & Co.  
Chartered AccountantsVishal P. Doshi  
Partner  
Membership No. 101533  
Place : Vadodara  
Date: 8th June, 2020

For and on behalf of the Board

Corinne Ruckstuhl  
Director  
DIN: 03531399  
Place : Wallisellen  
Date: 8th June, 2020Shalin Divatia  
Director  
DIN: 00749517  
Place : MumbaiBhavin Kariya  
CFO  
Place : HalolHarneetkaur Anand  
Secretary  
Place : Mumbai

**Consolidated Statement of Changes in Equity for the year ended on 31st March, 2020**
**Equity Share Capital:**

Particulars	(Amount in ₹ '000)
Balance as on 1st April, 2018	34,245
Changes during the year	-
<b>Balance as on 31st March, 2019</b>	<b>34,245</b>
Changes during the year	-
<b>Balance as on 31st March, 2020</b>	<b>34,245</b>

**Other Equity:**

(Amount in ₹ '000)

Particulars	Securities premium	Employee Stock Option Reserve	General Reserve	Retained Earnings	Total
Balance as at 1st April, 2018	32,948	635	24,909	27,793	86,284
Addition During the year	-	846	-	-	846
Profit for the year	-	-	-	1,11,169	1,11,169
Other comprehensive income for the year (net of Tax)	-	-	-	136	136
<b>Balance as at 31st March, 2019</b>	<b>32,948</b>	<b>1,481</b>	<b>24,909</b>	<b>1,39,098</b>	<b>1,98,436</b>
<b>Addition During the year</b>	<b>-</b>	<b>846</b>	<b>-</b>	<b>-</b>	<b>846</b>
<b>Profit for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>57,690</b>	<b>57,690</b>
<b>Other comprehensive income for the year (net of Tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(737)</b>	<b>(737)</b>
<b>Balance as on 31st March, 2020</b>	<b>32,948</b>	<b>2,327</b>	<b>24,909</b>	<b>1,96,051</b>	<b>2,56,235</b>

## Consolidated Cash flow statement for the year ended 31st March 2020

(Amount in ₹ '000)

	Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>[A]</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Profit/(Loss) before tax	83,846	90,568
	<b>Adjustments for:</b>		
	Depreciation/Amortisation/Impairment of Fixed Assets	13,776	11,227
	Unrealised Gain / Loss	-	-
	Employee stock option expense	846	846
	Interest Income	(5,081)	(3,227)
	Reversal of Provision for Doubtful Debt	(204)	(590)
	Provision/Advances/Sundry Balances written back	(226)	(94)
	Impairment of Assets held for sale	2,241	390
	(Profit)/Loss on sale of Fixed Assets (Net)	-	1,067
	Remeasurement of Defined Plans	(1,020)	188
	Interest Expenses	2,722	2,017
	Provision for Doubtful Receivables/Advances/Sundry balances written off	1,665	462
	<b>Operating Profit/(Loss) before changes in working capital</b>	<b>98,565</b>	<b>1,02,854</b>
	<b>Adjustment for (Increase)/Decrease in Operating Assets</b>		
	Inventories	4,039	(35,389)
	Trade Receivables	(15,502)	424
	Loans and Advances	136	(16)
	Other Assets	(4,585)	3,892
	<b>Adjustment for Increase/(Decrease) in Operating Liabilities</b>		
	Trade Payables	(26,773)	2,425
	Provisions	2,103	(1,347)
	Other Liabilities	10,648	5,925
	<b>Cash flow from operations after changes in working capital</b>	<b>68,632</b>	<b>78,768</b>
	Net Direct Taxes (Paid)/Refunded	(14,960)	(28,432)
	<b>Net Cash Flow from/(used in) Operating Activities</b>	<b>53,672</b>	<b>50,336</b>
<b>[B]</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of Fixed Assets including Capital Advances & CWIP	(61,502)	(16,079)
	Sale of Fixed Assets	-	300
	Interest Income	4,937	3,142
	Bank Balances not considered as Cash and Cash Equivalents held as Margin money against guarantees	(28,062)	(1,209)
	<b>Net Cash Flow from/(used in) Investing Activities</b>	<b>(84,627)</b>	<b>(13,846)</b>
<b>[C]</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Interest Expenses	(2,722)	(2,017)
	<b>Net Cash Flow from/(used in) Financing Activities</b>	<b>(2,722)</b>	<b>(2,017)</b>
	<b>Net Increase/ (Decrease) in Cash and Cash Equivalents</b>	<b>(33,678)</b>	<b>34,472</b>
	Cash & Cash Equivalents at beginning of period (see Note 1)	37,470	2,997
	<b>Cash and Cash Equivalents at end of period (see Note 1)</b>	<b>3,792</b>	<b>37,470</b>



## Consolidated Cash flow statement for the year ended 31st March 2020

(Amount in ₹ '000)

	Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>1</b>	<b>Notes:</b>		
	<b>Cash and Cash equivalents comprise of:</b>		
	Cash on Hands	285	106
	Balance with Banks	539	5,801
	Bank Deposits (Short term Investment)	452	24,747
	Bank overdraft account	2,516	6,816
	<b>Cash and Cash equivalents</b>	<b>3,792</b>	<b>37,470</b>
	Effect of Unrealised foreign exchange (gain)/loss (Net)	-	-
	<b>Cash and Cash equivalents as restated</b>	<b>3,792</b>	<b>37,470</b>
<b>2</b>	The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 " Cash Flow Statement".		
<b>As per our report of even date attached</b>			
<b>For K. C. Mehta &amp; Co.</b>		<b>For and on behalf of the Board</b>	
Chartered Accountants			
Vishal P. Doshi	Corinne Ruckstuhl	Shalin Divatia	Bhavin Kariya
Partner	Director	Director	CFO
Membership No. 101533	DIN: 03531399	DIN: 00749517	
Place : Vadodara	Place : Wallisellen	Place : Mumbai	Place : Halol
Date: 8th June, 2020	Date: 8th June, 2020		Place : Mumbai

**Integra Engineering India Limited**
**Notes to the Consolidated Financial Statements for the year ended 31st March, 2020**
**Corporate information**

INTEGRA Engineering India Limited ('the Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 (CIN: L29199GJ1981PLC028741) having its registered office at Post Box No 55, Chandrapura Village, Taluka Halol, Dist. Panchmahal. Its shares are listed on Bombay Stock Exchange in India. The Company is engaged in manufacturing of machineries and components.

The consolidated financial statements comprise financial statements of Integra Engineering India Limited ("the Company") and its associate Integra Systems Private Limited for the year ended 31st March, 2020.

**1. Significant accounting policies**
**1.1. Statement of compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 (as amended). The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

**1.2. Basis of preparation**

The Financial Statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course due to the special nature of the industry, the same has been assumed to have duration of 12 months. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013. Further trade receivables, inventories and trade payables are assumed to be current as per para 68 and 70 of Ind AS-1.

The Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest thousand rupees.

**Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between

market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1, for the asset or liability.
- (c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

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

**1.3 Principles of Consolidation:**

An Associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investees but is not control or joint control over those policies.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Company's investment in its associate is accounted for using the equity method. Under the equity method, the investment in an associate is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Company's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The Statement of Profit and Loss reflects the Company's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Company's OCI. In addition, when there has been a change recognized directly in the equity of the associate, the Company recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Company and the associate are eliminated to the extent of the interest in the associate.

If Company's share of losses of an associate exceeds its interest in that associate (which includes any long term interest that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Company resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognized.

The financial statements of the associate are prepared for the same reporting period as the Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Company.

#### 1.4. Lease

Ind-AS 116 replaces Ind-AS 17 Leases. It sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets and short-term leases (i.e., leases with a lease term of 12 months or less).

Lessor accounting under Ind-AS 116 is substantially unchanged from accounting under Ind-AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind-AS 17 and distinguish between two types of leases: operating and finance leases. Ind-AS 116, requires lessees and lessors to make more extensive disclosures than under Ind-AS 17.

#### 1.5. Property Plant and Equipment (PPE)

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and impairment losses, if any. Freehold land is not depreciated.

Property, Plant and Equipment in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss.

The cost of an asset comprises its purchase price or its construction cost (net of applicable tax credits) 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. It includes professional fees and, for qualifying assets, borrowing costs capitalised in

accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use. Parts of an item of PPE having different useful lives and significant value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components. Capital work in progress includes the cost of PPE that are not yet ready for the intended use.

Depreciation of these PPE commences when the assets are ready for their intended use.

Depreciation is provided on the cost of PPE (other than Freehold Land, properties under construction) less their residual values, using the straight-line method over the useful life of PPE as stated in the Schedule II to the Companies Act, 2013 or based on technical assessment by the Company. Estimated useful lives of these assets are as under:

Description	Years
Building	30
Plant & Machinery	15
Computers	3
Furniture and Fixtures	10
Vehicles	8

The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

Depreciation on additions/deletions to PPE during the year is provided for on a pro-rata basis with reference to the date of additions/deletions.

Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

#### 1.6. Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives not exceeding ten years from the date of capitalisation. The estimated useful life is reviewed at the end of each reporting period and the effect of any changes in estimate being accounted for prospectively.

Intangible assets are derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset, and recognised in the Statement of Profit and Loss when the asset is derecognised.

#### 1.7. Investment Property

Since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its investment property as recognised in its Indian GAAP financial statements as deemed cost at the transition date, viz., 1st April, 2016.

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

The Company depreciates building component of investment property over 30 years from the date of original purchase.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit or loss in the period of derecognition.

#### 1.8. Non-Current Assets held for Sale

The Company classifies Non-Current Assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets or disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Property, Plant and Equipment and intangible assets are not depreciated or amortized once classified as held for sale.

#### 1.9. Impairment of tangible assets and intangible assets

The Company reviews the carrying amount of its tangible assets (Property, Plant and Equipment including Capital Works in Progress) of a "Cash Generating Unit" (CGU) at the end of each reporting period to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

An assessment is made at the end of each reporting period to see if there are any indications that impairment losses recognized earlier may no longer exist or may have decreased. The impairment loss is reversed, if there has been a change in the estimates used to determine the asset's recoverable amount since the previous impairment loss was recognized. If it is so, 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. After a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life. Reversals of Impairment loss are recognized in the Statement of Profit and Loss.

#### 1.10. Investments in associates

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

On disposal of investment in associate, the difference between net disposal proceeds and the carrying amounts (including corresponding value of dilution in deemed investment) are recognized in the Statement of Profit and Loss.

### 1.11. Inventories

The inventories are valued at cost or net realizable value whichever is lower. The basis of determining the value of each class of inventory is as follows:

Inventories	Cost Formula
Raw material	Weighted average cost
Work in Progress	Raw material cost plus conversion cost, wherever applicable
Stock in trade	At landed cost
Stores and Spare Parts	Weighted average cost

### 1.12. Revenue recognition

The Company earns revenue primarily from sale of products and sale of services.

The Company has applied Ind AS 115 using the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under erstwhile Ind AS 18 and Ind AS 11. The new Standard is applied to contracts that were remaining in force as at 1st April, 2018. The application of the standard does not have any significant impact on the retained earnings as at 1st April, 2018 or on these financial statements.

#### Sale of Products and Services

Revenues are recognized when the Company satisfies the performance obligation by transferring a promised product or service to a customer. A product is transferred when the customer obtains control of that product, which is at the point of transfer of custody to customers where usually the title is passed, provided that the contract price is fixed or determinable and collectability of the receivable is reasonably assured.

Revenue is measured at the transaction price of the consideration received or receivable duly adjusted for variable consideration and represents amounts receivable for goods and services provided in the normal course of business, net off Goods and Services Tax (GST), etc. Any retrospective revision in prices is accounted for in the year of such revision.

#### Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in revenue in the Statement of Profit or Loss due to its operating nature.

#### Interest Income:

Interest income from financial assets is recognised at the effective interest rate method applicable on initial recognition

#### Other Income:

Other income is recognized on accrual basis except when realisation of such income is uncertain.

### 1.13. Foreign Exchange Transactions

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which the Company operates.

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated using closing exchange rate prevailing on the last day of the reporting period.

Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which they arise.

Effective 1st April, 2018 the company has adopted Appendix B to Ind AS 21- Foreign Currency Transactions and Advance Consideration which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

### 1.14. Employee Benefits

#### Defined contribution plans

Contributions to defined contribution schemes such as provident fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

#### Defined contribution plans

Defined Benefit plans comprising of gratuity are recognized based on the present value of defined benefit obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period.

Net interest on the net defined liability is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset and is recognised in the statement of profit and loss.

Remeasurement of defined benefit plans except for leave encashment towards un-availed leave and compensated absences, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (excluding net interest as defined above) and the return on plan assets (excluding net interest as defined above), are recognized in other

comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit and loss in subsequent periods.

The Company contributes all ascertained liabilities with respect to gratuity to Life Insurance Corporation of India (LIC).

The retirement benefit obligation recognised in the Financial Statements represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

#### Short-term employee Benefits

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised, undiscounted, during the period the employee renders services. These benefits include salary, wages, bonus, performance incentives etc.

#### Other long-term employee benefits

Other long-term employee benefit comprises of leave encashment towards un-availed leave and compensated absences; these are recognized based on the present value of defined obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted as current employee cost.

Re-measurements of leave encashment towards un-availed leave and compensated absences are recognized in the Statement of Profit and Loss.

The Company contributes all ascertained liabilities with respect to un-availed leave to the Life Insurance Corporation of India (LIC).

#### 1.15. Share-based payments

The grant date fair value of options granted to employees is recognised as an employee expense, with a corresponding increase in equity, on a straight line basis, over the vesting period, based on the Company's estimate of equity instruments that will eventually vest. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserves.

#### 1.16. Taxes on Income

Income tax expense represents the sum of the current tax and deferred tax.

#### (i) Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### (ii) Deferred tax

Deferred tax is recognised 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 recognised for all taxable temporary differences. Deferred tax assets are generally recognised 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 utilised.

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 liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternative Tax (MAT) paid 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. Accordingly, MAT is recognised as deferred tax asset in the Balance sheet when the asset can be measured reliably,

and it is probable that the future economic benefit associated with asset will be realised.

**(iii) Current and deferred tax expense for the year**

Current and deferred tax expense is recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**1.17. Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

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

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised 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. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

**1.19. Financial Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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 and loss) are added to or

deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

**Effective interest method**

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

**(i) Financial assets**

**Cash and bank balances**

Cash and bank balances consist of:

- Cash and cash equivalents - which includes cash in hand, deposits held at call with banks and other short term deposits which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value and have maturities of less than one year from the date of such deposits. These balances with banks are unrestricted for withdrawal and usage.
- Other bank balances - which includes balances and deposits with banks that are restricted for withdrawal and usage.

**Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model 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.

**Financial assets measured at fair value**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these 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.

**Impairment of financial assets**

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through other comprehensive income. The Company recognises life time expected credit losses for all trade receivables that do not constitute a financing transaction. For



financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

#### De-recognition of financial assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset.

#### (ii) Financial liabilities and equity instruments

##### Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs, if any.

##### Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

##### De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

#### 1.20. Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving the basic earnings per share and the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

#### 1.21. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

#### 1.22. Segment reporting

Operating segments are identified and reported taking into account the different risks and returns, the organization structure and the internal reporting systems.

#### 2. Significant accounting judgements, estimates and assumptions

Inherent in the application of many of the accounting policies used in preparing the Financial Statements is the need for Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual outcomes could differ from the estimates and assumptions used.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key source of judgments, assumptions and estimates in the preparation of the Financial Statements which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of useful lives of Property, Plant and Equipment, impairment, employee benefit obligations, provisions, provision for income tax, measurement of deferred tax assets and contingent assets & liabilities.

#### 2.1. Critical judgments in applying accounting policies

The following are the critical judgements, apart from those involving estimations (Refer note 2.2), that the Management have made in the process of applying the Company's accounting policies and that have the significant effect on the amounts recognized in the Financial Statements.



**a. Evaluation of indicators for impairment of Property, Plant and Equipment**

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the Property, Plant and Equipment.

**2.2. Key sources of estimates and assumptions**

Information about estimates and assumptions that have the significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may differ from these estimates.

**a. Defined benefit obligation (DBO)**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change

only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

**b. Share based payments**

The Company measures the cost of equity-settled transactions with employees using a model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 53.

**c. Taxes**

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Deferred tax assets include Minimum Alternative Tax (MAT) paid 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. Accordingly, MAT is recognised as deferred tax asset in the Balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with asset will be realised.

## Consolidated Notes to the financial statements

## NOTE NO. 4

## PROPERTY, PLANT AND EQUIPMENTS

(Amount in ₹ '000)

Particulars / Assets	Free Hold land	Building	Plant and Machinery	Computers	Furniture & Fixtures	Vehicles	Total
<b>GROSS BLOCK</b>							
As at 1st April, 2018	882	19,689	94,524	2,222	6,503	43	1,23,863
Additions	-	-	13,446	1,055	1,260	-	15,761
Deduction/Adjustments	-	-	1,727	-	-	-	1,727
As at 31st March, 2019	882	19,689	1,06,244	3,277	7,762	43	1,37,897
Additions	-	8,742	48,826	858	509	1,062	59,997
Deduction/Adjustments	-14	-344	-	-	-	-	-358
As at 31st March, 2020	896	28,776	1,55,069	4,135	8,271	1,104	1,98,252
<b>ACCUMULATED DEPRECIATION</b>							
As at 1st April, 2018	-	2,318	9,952	460	1,247	-	13,977
Additions	-	1,082	7,692	696	802	-	10,271
Deduction/Adjustments	-	-	360	-	-	-	360
As at 31st March, 2019	-	3,399	17,284	1,156	2,050	-	23,888
Additions	-	1,646	9,588	960	725	15	12,934
Deduction/Adjustments	-	-43	-	-	-	-	-43
As at 31st March, 2020	-	5,088	26,872	2,115	2,774	15	36,865
<b>Net Block</b>							
As at 31st March, 2019	882	16,290	88,960	2,121	5,713	43	1,14,009
As at 31st March, 2020	896	23,687	1,28,198	2,020	5,497	1,089	1,61,387

Note: The Company has elected to continue with the carrying value of its Property Plant & Equipment (PPE) recognised as of 1st April, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101.

## Consolidated Notes to the financial statements

## NOTE NO. 5

## INTANGIBLE ASSETS

(Amount in ₹ '000)

Particulars / Assets	Computer Software	Total
<b>GROSS BLOCK</b>		
As at 1st April, 2018	3,679	3,679
Addition	318	318
Deduction/Adjustments	-	-
<b>As at 31st March, 2019</b>	<b>3,997</b>	<b>3,997</b>
<b>Addition</b>	<b>323</b>	<b>323</b>
<b>Deduction/Adjustments</b>	<b>-</b>	<b>-</b>
<b>As at 31st March, 2020</b>	<b>4,320</b>	<b>4,320</b>
<b>ACCUMULATED AMORTIZATION</b>		
As at 1st April, 2018	1,634	1,634
Charge for the year	875	875
Deduction/Adjustments	-	-
<b>As at 31st March, 2019</b>	<b>2,509</b>	<b>2,509</b>
<b>Charge for the year</b>	<b>785</b>	<b>785</b>
<b>Deduction/Adjustments</b>	<b>-</b>	<b>-</b>
<b>As at 31st March, 2020</b>	<b>3,294</b>	<b>3,294</b>
<b>Net Block</b>		
As at 31st March, 2019	1,488	1,488
<b>As at 31st March, 2020</b>	<b>1,026</b>	<b>1,026</b>

Note: The Company has elected to continue with the carrying value of its intangible assets recognised as of 1st April, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101.

## Consolidated Notes to the financial statements

## NOTE NO. 6

## INVESTMENT PROPERTY

## GROSS BLOCK

(Amount in ₹ '000)

Particulars	Free Hold Land	Building	Amount
As at 1st April, 2018	62	1,118	1,180
Addition	-	-	-
Deduction/Adjustments	-	-	-
<b>As at 31st March, 2019</b>	<b>62</b>	<b>1,118</b>	<b>1,180</b>
Addition	-	-	-
Deduction/Adjustments	14	344	358
<b>As at 31st March, 2020</b>	<b>48</b>	<b>774</b>	<b>822</b>

## Depreciation and impairment

(Amount in ₹ '000)

Particulars	Free Hold Land	Building	Amount
As at 1st April, 2018	-	166	166
Charge for the year	-	81	81
Deduction/Adjustments	-	-	-
<b>As at 31st March, 2019</b>	<b>-</b>	<b>247</b>	<b>247</b>
Charge for the year	-	57	57
Deduction/Adjustments	-	43	43
<b>As at 31st March, 2020</b>	<b>-</b>	<b>261</b>	<b>261</b>

## Net Block

(Amount in ₹ '000)

Particulars	Free Hold Land	Building	Amount
As at 31st March, 2019	62	871	933
<b>As at 31st March, 2020</b>	<b>48</b>	<b>514</b>	<b>561</b>

The Company has elected to continue with the carrying value of all its Investment Properties recognized as of 1st April, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as of the transition date.

## Information regarding income and expenditure of Investment property

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Rental Income	10,449	13,570
Direct operating Expenses (including R & M) that generate rental income	-	-
Direct operating Expenses (including R & M) that did not generate rental income	-	-

As at 31st March, 2020 and 31st March, 2019 the fair values of the properties are ₹ 58,111 ('000) and ₹ 72,739 ('000), respectively. These valuations are based on valuations performed by Govt. Registered valuer.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties.

The Company's Investment Properties consists of land and buildings. The Fair value of land was determined using the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data. The Fair value of Buildings was determined using depreciated Replacement cost method. The valuation model considers various inputs and is dependent on Age, General conditions, normal useful life, replacement cost new, obsolescence. The Fair value measurements is categorized in level 2 or level 3 of Fair value hierarchy as appropriate.

## Consolidated Notes to the financial statements

## 7 Investments

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Investment in Unquoted Equity shares of Associate</b>		
Integra Systems Private Limited	1,000	1,000
1,00,000 equity shares of ₹ 10/- each fully paid up		
Less: Impairment in value of Investments	1,000	1,000
<b>Total</b>	-	-

Aggregate carrying value of Unquoted Investments

1,000

1,000

Aggregate impairment in value of Investments

1,000

1,000

Refer note 2.8 for method followed for accounting of investments

7.1 The Company has elected to continue with the carrying value of its investments in associate, measured as per the Previous GAAP and used that carrying value on the transition date 1st April, 2016 in terms of Para D15(b)(ii) of Ind AS 101.

## 7.2 Details of Associate:

(Amount in ₹ '000)

Particulars	Principal Activity	Place of incorporation	Principal place of business
Integra Systems Private Limited	Manufacturing of Passenger Information System	India	Chandrapura Village, Halol

Proportion of ownership interest/ voting rights held by the Company	As at 31st March, 2020	As at 31st March, 2019
Integra Systems Private Limited	50.00%	50.00%

## 8 Other Financial Assets

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Security Deposits	3,103	3,103
Bank Deposits of more than 12 months maturity	538	610
<b>Total</b>	<b>3,641</b>	<b>3,713</b>

## 9 Deferred Tax Assets (Net)

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deferred Tax Assets	60,062	67,409
Deferred Tax Liabilities	13,089	13,778
<b>Total</b>	<b>46,973</b>	<b>53,631</b>

2019-20

(Amount in ₹ '000)

Particulars	Opening Balance	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Closing Balance
<b>Deferred tax liability on account of:</b>				
Fixed assets	13,778	-689	-	13,089
<b>Total Deferred Tax Liabilities</b>	<b>13,778</b>	<b>-689</b>	<b>-</b>	<b>13,089</b>
<b>Deferred tax asset on account of:</b>				
Provision for Doubtful debts	152	406	-	558
Provision for Leave encashment	133	92	-	225
Provision for Gratuity	133	777	-284	626
Carried forward business losses	21,877	(21,877)	-	-
Carried forward unabsorbed depreciation	5,860	(4,663)	-	1,197
MAT Credit entitlement	39,254	18,202	-	57,455
<b>Total Deferred Tax Assets</b>	<b>67,409</b>	<b>(7,063)</b>	<b>-284</b>	<b>60,062</b>
<b>Net Deferred Tax</b>	<b>53,631</b>	<b>-6,374</b>	<b>-284</b>	<b>46,973</b>

2018-19

(Amount in ₹ '000)

Particulars	Opening Balance	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Closing Balance
<b>Deferred tax liability on account of:</b>				
Fixed assets	12,097	1,681	-	13,778
<b>Total Deferred Tax Liabilities</b>	<b>12,097</b>	<b>1,681</b>	<b>-</b>	<b>13,778</b>
<b>Deferred tax asset on account of:</b>				
Provision for Doubtful debts	186	-34	-	152
Provision for Leave encashment	255	-121	-	133
Provision for Gratuity	380	-195	-52	133
Carried forward business losses #	-	21,877	-	21,877
Carried forward unabsorbed depreciation #	4,307	1,553	-	5,860
MAT Credit entitlement	20,029	19,225	-	39,254
<b>Total Deferred Tax Assets</b>	<b>25,156</b>	<b>42,305</b>	<b>-52</b>	<b>67,409</b>
<b>Net Deferred Tax</b>	<b>13,059</b>	<b>40,624</b>	<b>-52</b>	<b>53,631</b>

# During the previous year, the company has recognised deferred tax asset on carried forward losses and unabsorbed depreciation amounting to ₹ 27,737 ('000) pursuant to order of Assessing Officer giving effect to order of Commissioner of Income Tax (Appeals) for A.Y. 2007-08 considering that future taxable profit will be available against which such unused tax losses can be utilised.

**10 Other Non Current Assets**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>(Unsecured, Considered Good unless Otherwise Stated)</b>		
Capital Advance	1,182	-
Balance with government department	4,253	1,636
Advance Tax and TDS	3,816	5,813
<b>Total</b>	<b>9,251</b>	<b>7,449</b>

**11 Inventories**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Raw Material	53,693	61,962
Work in Progress	45,106	40,006
Stock in Trade	3,668	4,013
Stores and Spares	2,103	2,629
<b>Total</b>	<b>1,04,570</b>	<b>1,08,609</b>

11.1 For basis of valuation refer Note 2.9

**12 Trade Receivables**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Unsecured, Considered good		
Due from related Parties*	467	613
Others	2,35,531	1,83,413
Unsecured, Credit impaired	2,007	546
	<b>2,38,005</b>	<b>1,84,571</b>
<b>Less</b>		
Impairment for doubtful receivables	2,007	546
<b>Total</b>	<b>2,35,998</b>	<b>1,84,025</b>

\*Represents due from Aquametro AG ₹ 467 ('000) (as at 31st March, 2019 ₹ 613 ('000)).

12.1 The Company assesses impairment loss on dues from its customers on facts and circumstances relevant to each transaction. Usually, Company collects all its receivables within 90 days.

12.2 As at 31st March, 2020 the Company had 6 customers (31st March, 2019: 5 customers) having outstanding more than 5% of total trade receivables that accounted for approximately 85% (31st March, 2019: 93%) of total trade receivables outstanding.

**12.3 Movement of Impairment for doubtful receivables**

(Amount in ₹ '000)

Particulars	For Year ended 31st March, 2020	For Year ended 31st March, 2019
Balance at beginning of the year	546	673
Addition in expected credit loss allowance on trade receivables	1,665	462
Write off as bad debts	156	316
Recovery during the year	48	273
Reclassification/Other Adjustments	-	-
<b>Balance at end of the year</b>	<b>2,007</b>	<b>546</b>

12.4 Receivables under bill discounting arrangement does not meet the derecognition criteria stated in Ind AS 109 and hence, such receivables are not derecognized. The bill discounting liability has been recognised as the part of borrowings (Refer note no. 24).

**13 Cash and Cash Equivalents**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Cash on Hand	285	106
Balance with Banks in Current Account	539	5,801
Bank Deposits	452	24,747
Debit balance in bank overdraft account	2,516	6,816
<b>Total</b>	<b>3,792</b>	<b>37,470</b>

13.1 Overdraft facility is secured by pledge of Fixed Deposits.

**14 Other Bank Balances**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Bank Deposits pledged as security against Borrowings	53,501	25,148
Bank Deposits pledged as security deposits	-	291
<b>Total</b>	<b>53,501</b>	<b>25,439</b>

**15 Loans**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Unsecured, considered good</b> Loan to Employees	46	183
<b>Total</b>	<b>46</b>	<b>183</b>

**16 Other Financial Assets**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deposits given	836	213
Accrued Interest	1,678	1,534
<b>Total</b>	<b>2,515</b>	<b>1,747</b>

**17 Current Tax Assets (Net)**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Advance Tax and TDS	525	2782
<b>Total</b>	<b>525</b>	<b>2782</b>

**18 Other Current Assets**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Balance with Government Authorities	74	773
Prepaid Expenses	4,178	1,473
Advances to vendors	3,458	4,107
Others	143	85
<b>Total</b>	<b>7,854</b>	<b>6,437</b>



**19 Assets held for sale**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Plant & Machinery	2,411	4,652
<b>Total</b>	<b>2,411</b>	<b>4,652</b>

19.1 The Company has classified a Water Jet Machine as Non-Current assets held for sale as at 31st March, 2020 and has measured the asset at lower of carrying amount and the fair value less costs to sell resulting in Impairment Loss of ₹ 2241 ('000) (P.Y. ₹ 390 ('000)). This loss is included in other expenses in Statement of Profit and Loss.

**20 Equity Share Capital**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Authorised</b>		
212,000,000 Equity Shares of ₹ 1/- each	2,12,000	2,12,000
300,000 Unclassified Shares of ₹ 10/- each	3,000	3,000
<b>Total</b>	<b>2,15,000</b>	<b>2,15,000</b>
<b>Issued, Subscribed and Paid Up</b>		
34,245,196 Equity Shares of ₹ 1/- each fully paid up	34,245	34,245
<b>Total</b>	<b>34,245</b>	<b>34,245</b>

**20.1 Shares held by Holding Company**

(Amount in ₹ '000)

Particulars	No. of shares	% Holding
<b>Integra Holding AG</b>		
As at 31st March, 2020	1,87,23,341	54.67%
As at 31st March, 2019	1,87,23,341	54.67%

**20.2 Reconciliation of number of equity shares outstanding at the beginning and at the end of reporting period is as under:**

(Amount in ₹ '000)

Particulars	No. of shares	Share Capital
As at 1st April, 2018	3,42,45,196	34,245
Additions/(Reductions)	-	-
As at 31st March, 2019	3,42,45,196	34,245
<b>As at 1st April, 2019</b>	<b>3,42,45,196</b>	<b>34,245</b>
Additions/(Reductions)	-	-
<b>As at 31st March, 2020</b>	<b>3,42,45,196</b>	<b>34,245</b>

**20.3 Details of Shareholder holding more than 5 percent share in Company:**

Particulars	No. of shares	% Holding
<b>Integra Holding AG</b>		
As at 31st March, 2020	1,87,23,341	54.67%
As at 31st March, 2019	1,87,23,341	54.67%

**20.4 Right, Preferences and restrictions attached to Shares****Equity shares**

The Company has only one class of equity shares having a par value of ₹ 1/- per share. Each holder of equity shares is entitled to one vote per share. Any dividend declared by the company shall be paid to each holder of Equity shares in proportion to the number of shares held to total equity shares outstanding as on that date.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**21 Other Equity**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Securities Premium	32,948	32,948
Employee Stock Option Reserve	2,327	1,481
General Reserve	24,909	24,909
Retained Earnings	1,96,051	1,39,097
<b>Total</b>	<b>2,56,235</b>	<b>1,98,435</b>

**21.1 Particulars relating to Other Equity**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Securities Premium (Refer Note No.21.2)</b>		
Balance at the beginning of the year	32,948	32,948
Addition/(Deduction) during the year	-	-
Balance at the end of the year	32,948	32,948
<b>Employee Stock Option Reserve (Refer Note No. 21.3)</b>		
Balance at the beginning of the year	1,481	635
Addition/(Deduction) during the year	846	846
Balance at the end of the year	2,327	1,481
<b>General Reserve (Refer Note No.21.4)</b>		
Balance at the beginning of the year	24,909	24,909
Addition/(Deduction) during the year	-	-
Balance at the end of the year	24,909	24,909
<b>Retained Earnings</b>		
Balance at the beginning of the year	1,39,098	27,793
Addition/(Deduction) during the year	56,954	1,11,305
Balance at the end of the year	1,96,051	1,39,098
<b>Total</b>	<b>2,56,235</b>	<b>1,98,436</b>

21.2 Securities Premium Reserve is used to record the premium on issue of equity shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

21.3 Employee Stock Option Reserve Stock Option Reserve is used to recognise the fair value of equity settled share based payment transactions.

21.4 The General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve is not reclassified subsequently to the Statement of Profit and Loss.

**22 Borrowings**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Secured 4% Cumulative Redeemable Preference Shares	1,24,000	1,24,000
<b>Total</b>	<b>1,24,000</b>	1,24,000

22.1 The Company has been authorised to issue 14,000,000 Cumulative Redeemable Preference Shares (CRPS) of ₹ 10/- each, out of which the Company has issued 12,400,000 4% Cumulative Redeemable Preference Shares of ₹10/- each fully paid up.

22.2 The CRPS holders comprising the present issue shall rank pari-passu interse with any preference or priority of one over the other or others of them. The CRPS holder have right to receive dividend @ 4% p.a. in respect of the amount paid-up on the CRPS for a period of 20 years from the date of allotment of CRPS, only out of profits, if any, of the Company. The dividend as and when declared by the Company shall be paid to the shareholder on the record date, which the Board may fix from time to time. If in any year, the Company has not declared any dividend on the CRPS, the right to the dividends shall accumulate and the accumulated dividends will be paid out of the profits, if any, of the subsequent financial year(s) including carry forward profits, if any, of the previous years, before any dividend is paid to the Equity Shareholders. Such right to receive the accumulated dividend, if any, will cease on the expiry of 20 years from the date of allotment.

In the event of liquidation of the Company, the Preference shareholders will be entitled to receive their capital contribution in the Company after the distribution / repayment of all creditors but before distribution to equity shareholders. The distribution to the preference shareholders will be in proportion of the number of shares held by each shareholder.

22.3 As per requirements of Ind AS 32 "Financial Instrument Presentation", 4% cumulative redeemable preference shares have been classified as financial liabilities.

22.4 Consequent to classification of cumulative redeemable preference shares as borrowings, liability pertaining to undeclared dividend is provided for as Finance cost but it is not declared, distributed or paid and hence, the liability for dividend distribution tax would be accounted only when it accrues on declaration, distribution or payment of dividend.

**23 Provisions**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for Employee benefits Gratuity Provision	2,056	-
Unavailed Leave and compensated absences	701	380
<b>Total</b>	<b>2,758</b>	380

**24 Borrowings**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Unsecured</b> Bill Discounting Facility	64,878	26,947
<b>Total</b>	<b>64,878</b>	26,947

**25 Trade Payables****(Amount in ₹ '000)**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Micro and Small Enterprises	4,218	7,941
Others	50,700	73,977
<b>Total</b>	<b>54,918</b>	<b>81,917</b>

25.1 Payment towards trade payables is made as per the terms and conditions of the contract / purchase orders. The average credit period is 30 - 90 days.

25.2 This information as required to be disclosed under Micro Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company. Information in terms of section 22 of Micro, Small and Medium Enterprises Development Act, 2006 are given below:

**(Amount in ₹ '000)**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Principal amount paid after appointed date during the year	26,180	28,175
Amount of interest due and payable for the delayed payment on principal amount	527	525
Principal amount remaining unpaid as at year end (over due)	2,357	2,085
Principal amount remaining unpaid as at year end (not due)	1,861	5,856
Interest due and payable on principal amount unpaid as at the year end	27	66
Total amount of interest accrued and unpaid as at year end	554	592

**26 Other Financial liabilities****(Amount in ₹ '000)**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Deposits towards lease	2,507	2,744
Expenses payable	13,435	10,086
Dividend Payable on Redeemable Preference Shares (Refer Note 22.4)	76,510	71,550
<b>Total</b>	<b>92,452</b>	<b>84,380</b>

**27 Other Current Liabilities****(Amount in ₹ '000)**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Statutory dues payable	2,744	1,509
Advance Received from Customers	1,517	176
<b>Total</b>	<b>4,261</b>	<b>1,685</b>

**28 Provisions****(Amount in ₹ '000)**

Particulars	As at 31st March, 2020	As at 31st March, 2019
Provision for Employee benefits		
Gratuity Provision	195	479
Unavailed Leave and compensated absences	108	98
<b>Total</b>	<b>302</b>	<b>577</b>

**29 Current Tax Liabilities**

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Income tax payable (net)	-	-
<b>Total</b>	-	-

**30 Revenue From Operation**

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Sale of Products	6,01,615	6,01,445
Sale of Services	9,417	6,838
Other Operating Revenue	18,145	18,343
<b>Total</b>	<b>6,29,178</b>	<b>6,26,625</b>

**31 Other Income**

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Rent Income	10,449	13,570
Interest Income	5,081	3,227
Excess Liability Written Back	226	94
Reversal of Provision for Doubtful Debts	204	590
Reversal of Amount w/off	5,000	-
Exchange Fluctuations (Net)	1	-
Miscellaneous Income	487	672
<b>Total</b>	<b>21,448</b>	<b>18,154</b>

**32 Cost of Material Consumed**

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Consumption of Raw Materials	3,17,986	3,34,164
<b>Total</b>	<b>3,17,986</b>	<b>3,34,164</b>

**33 Purchases of Stock-in-Trade**

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Purchases of Stock in Trade	17,323	16,710
<b>Total</b>	<b>17,323</b>	<b>16,710</b>

**34 Changes In Inventories**

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Work in Progress</b>		
Opening Stock		
- Work in Progress	40,006	21,860
- Stock in Trade	4,013	3,467
	44,019	25,327
<b>Closing Stock</b>		
- Work in Progress	45,106	40,006
- Stock in Trade	3,668	4,013
	48,774	44,019
<b>Total</b>	<b>(4,755)</b>	<b>(18,692)</b>

**35 Employee Benefit Expenses**

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Salaries & Wages	66,400	58,381
Share based payments	846	846
Contribution of Provident Fund & Other Fund	5,141	3,676
Staff Welfare expense	12,057	11,652
<b>Total</b>	<b>84,445</b>	<b>74,555</b>

**36 Finance Costs**

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Interest on Bank Loan	609	451
Discounting Charges	1,559	1,241
Other Interest	554	917
Dividend on Preference shares	4,960	4,960
Bank Charges & Commission	138	85
<b>Total</b>	<b>7,821</b>	<b>7,654</b>

**37 Depreciation and amortization expense**

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Depreciation of tangible assets	12,934	10,271
Amortization of intangible assets	785	875
Depreciation on investment property	57	81
<b>Total</b>	<b>13,776</b>	<b>11,227</b>

**38 Other Expenses**

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Consumption of Stores & Spares	20,480	26,063
Impairment loss on asset held for sale	2,241	390
Loss on sale of Assets (Net)	-	1,067
Job Work & Processing Charges	10,161	12,422
Labour Charges	39,073	36,385
Power & Fuel	9,157	9,025
Repairs To Factory Building	1,666	742
Repairs To Plant & Machinery	613	316
Repairs To Others	4,376	2,539
Insurance Expenses	2,133	1,705
Audit Fees	675	675
Legal & Professional Charges	6,355	8,423
Exchange Fluctuations (Net)	-	54
Miscellaneous Expense*	8,919	8,510
Rent	1,576	1,534
Rates & Taxes	310	32
Security & Other Services	5,186	3,247
Travelling Expenses	5,597	6,413
Commission & Brokerage	4,106	1,163
Selling & Distribution Expenses	4,650	6,247
Sales Promotion	7	483
CSR Expenses	1,084	-
Bad Debts Written off	156	696
Provision for Doubtful Debts	1,665	462
<b>Total</b>	<b>1,30,184</b>	<b>1,28,593</b>

\* None of the item individually accounts for more than Rs. 1,000,000 or 1% of revenue whichever is higher.

**Payment to Auditors has been Classified Below:**

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Payment to Auditors		
-As Auditor	675	675
-For Taxation Matters	83	115
-For Other services	207	396
-For Reimbursement of Expense	43	58
<b>Total</b>	<b>1,008</b>	<b>1,244</b>

**39 Tax Expense**

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Current tax in relation to:</b>		
- Current years	18,163	19,640
- Earlier years	1,012	383
<b>Deferred Tax</b>		
In respect of current year	24,860	(21,347)
Unused Tax Credits	(18,163)	(19,225)
<b>Total</b>	<b>25,872</b>	<b>(20,549)</b>

39.1 The income tax expense for the year can be reconciled to the accounting profit as follows: (Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Profit before tax	83,846	90,568
Income tax expense calculated at 27.82% (2018-2019: 27.82%)	23,326	25,196
Impact of Tax rate difference	-	68
Expenses not allowed in Income Tax	1,534	1,544
Tax Adjustment of earlier years	1,012	1,286
Recognition of deferred tax on Unabsorbed losses and depreciation of earlier year	-	(48,695)
Remeasurement of Defined benefit plans (recognised in other comprehensive income)	-	52
	25,872	(20,549)

40 Commitments (Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Estimated amount of contracts remaining to be executed on capital account	1,182	-

41 Contingent Liabilities

Contingent Liabilities not provided for are classified as under: (Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Income Tax	15,381	15,381
Excise / Service tax and Value added Tax matters	14,944	18,526
Pending Labour Cases	3,707	4,972
Claims against the Company before Labour Court	Amount not ascertainable	Amount not ascertainable

42 Operating Lease Arrangements

42.1 The Company has applied Appendix C to Ind AS 17 'Leases' to office and other assets to evaluate whether these contracts contains a lease or not. Based on evaluation of the terms and conditions of the arrangements, the Company has evaluated such arrangements to be operating leases.

The Company has obtained certain premises for its business operations under operating leases or leaves and license agreements. These are generally cancellable and range between 11 months to 5 years under leave and licenses or longer for other lease and are renewable by mutual consent on mutually agreeable terms. The Company has given refundable interest free security deposits in accordance with the agreed terms.

42.2 Lease Payments recognised during the year: (Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Rent Expense	1,576	1,534

42.3 Rental income arising from operating leases on Investment properties is accounted over the lease terms and is included in Other Income in the Statement of Profit and Loss.

Rental Income recognised during the year: (Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Rental Income	10,449	13,570



#### 43 Employee Benefits :

In accordance with the stipulations of the Indian Accounting Standard 19 "Employee Benefits", the disclosures of employee benefits as defined in the Indian Accounting Standard are given below:

##### 43.1 Defined Contribution Plan

The Company makes contribution towards Employee Provident Fund and Super Annuation Fund. The Company is required to contribute specified percentage of payroll cost.

The Company has recognised the following amounts in the Statement of Profit and Loss :

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Contribution to Provident Fund	2,662	1,939
<b>Total</b>	<b>2,662</b>	<b>1,939</b>

##### 43.2 Defined Benefits Plan

###### Gratuity

15 days salary for each completed year of service. Vesting period is 5 years and the payment is at actual on superannuation, resignation, termination, disablement or on death. The liability for gratuity as above is recognised on the basis of actuarial valuation.

The Company makes contribution to Life Insurance Corporation (LIC) for gratuity benefits according to the Payment of Gratuity Act, 1972.

The Company recognizes the liability towards the gratuity at each Balance Sheet date.

The most recent actuarial valuation of the defined benefit obligation for gratuity was carried out at 31st March, 2020 by an actuary. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Scheme is funded through LIC.

These plans typically expose the Company to actuarial risks such as: Investment risk, Market risk, Legislative risk, Salary risk and Liquidity risk.

Investment risk	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. this can result in wide fluctuations in the net liability or funded status if there are significant changes in the discount rate during the inter-valuation period.
Market risk	It is a collective term for risks that are related to changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in defined benefit obligation of the plan benefits & vice versa. this assumption depends on the yields on the corporate bonds and hence the valuation of liability is exposed to fluctuations in the yields at the valuation date.
Legislative risk	It is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the regulation. The government may amend the payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Salary risk	Salary hikes that are higher than the assumed salary escalation will result into an increase in obligation at a rate that is higher than expected.
Liquidity risk	Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflow.

No other post-retirement benefits are provided to these employees.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Mortality</b>	<b>Indian Assured Lives Mortality (2006-08) Ultimate</b>	Indian Assured Lives Mortality (2006-08) Ultimate
Withdrawal Rates	1.00%	1.00%
Discount Rate (%)	6.87%	7.65%
Salary escalation rate (%)	5.00%	5.00%
Rate of Return on Plan Assets (%)	7.50%	7.50%

43.3 The following tables sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at 31st March.

I. Reconciliation in present value of obligations (PVO) - Defined benefit obligation:

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
	<b>Gratuity (Funded)</b>	Gratuity (Funded)
<b>I. Defined Benefit obligation</b>		
Current Service Cost	1,183	803
Interest Cost	550	499
Actuarial (gain)/ loss on obligations	1,081	(270)
Benefits paid	(567)	(421)
PVO at the beginning of the year	7,469	6,859
PVO at the end of the year	9,717	7,469
<b>II. Reconciliation of the fair value of Plan Assets</b>		
Expected return on Plan Assets	481	462
Actuarial gain / (Loss) on Plan Assets	60	(83)
Contributions by employer	500	1,553
Benefits Paid	(567)	(421)
Fair value of Plan Assets at the beginning of the year	6,991	5,478
Fair value of Plan Assets at the end of the year	7,465	6,991

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
	<b>Gratuity (Funded)</b>	Gratuity (Funded)
<b>III. Reconciliation of PVO and Fair value of Plan of assets</b>		
PVO at the end of the year	9,717	7,469
fair value of Planned assets at the end of the year	7,465	6,991
Short / (Excess) Funded	2,251	479
Unrecognised actuarial gain / (Loss)	-	-
Net (asset) / liability recognised in the Balance Sheet	2,251	479
<b>IV. Service Cost</b>		
Current Service Cost	1,183	803
Interest Cost on benefit obligation	550	499
Expected return on Plan Assets	481	462
Components of defined benefit costs recognised in Employee Benefit expenses	1,252	839
Remeasurement on the net defined benefit liability:		
Actuarial (gain)/ loss on obligations	1,020	(188)
<b>Net Cost</b>	<b>2,272</b>	652

(Amount in ₹ '000)

Experience Adjustment	On Plan Liabilities - Loss/(Gain)	On Plan Assets - Loss/(Gain)
<b>As on 31st March,2020</b>	<b>325.88</b>	<b>60.36</b>
As on 31st March,2019	(161.17)	(82.63)
As on 31st March,2018	1,343.00	(9.00)
As on 31st March,2017	(275.00)	-
As on 31st March,2016	782.00	-

43.4 The fair value of plan assets at the end of the reporting period for each category, are as follows:  
Gratuity and Leave 100% managed by Insurer (LIC).

## 43.5 Sensitivity analysis as for gratuity

(Amount in ₹ '000)

Significant Actuarial Assumptions	As at 31st March, 2020	As at 31st March, 2019
<b>Discount Rate</b>		
Up by 1%	(950)	(661)
Down by 1%	1,138	782
<b>Salary Escalation</b>		
Up by 1%	1,193	839
Down by 1%	(1,020)	(720)
<b>Withdrawal Rate</b>		
Up by 1%	38	87
Down by 1%	(57)	(108)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Sensitivity due to mortality & withdrawals are not material & hence impact of change not calculated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance Sheet.

## 43.6 Maturity Profile of Defined Benefit Obligation and other long term employee benefits: (Amount in ₹ '000)

Experience Adjustment	As at 31st March, 2020	As at 31st March, 2019
<b>Defined Benefit:</b>		
<b>Gratuity:</b>		
Less than One Year	195	535
One to Three Years	2,025	1,322
Three to Five Years	1,577	659
More than Five Years	5,920	4,953

**44 Operating Segment**

The Company's operations fall under single segment namely "Manufacturing of Machineries and Components", taking into account the risks and returns, the organization structure and the internal reporting systems.

Segment revenue from "Manufacturing of Machineries and Components" represents revenue generated from external customers which is attributable to the company's country of domicile i.e. India and external customers outside India as under:

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Revenue from		
- Outside India	6,994	6,497
- In India	6,22,184	6,20,128

All assets are located in the company's country of domicile i.e. India.

Company's significant revenues (more than 70%) are derived from major 8 entities. The total revenue from such entities amounted to ₹ 4,44,851 ('000) in 2019-20 and ₹ 4,67,087 ('000) in 2018-19.

**45 Disclosure as required by Indian Accounting Standard -24 are given below:-**

Name of Related Parties	Nature of Relationship
Integra Holding AG, Switzerland	Holding Company
Aquametro Oil and Manine AG, Switzerland	Fellow Subsidiary
Integra Systems Pvt. Ltd	Associates
Mr. Adrian Oehler	Non Executive Director
Mrs. Corinne Ruckstuhl	Non Executive Director
Mr. Shalin Divatia	Independent Director
Mr. Rahul Divan	Independent Director
Mr. Bhargav Patel	Independent Director
Mr. Mahendra Sanghvi	Independent Director
Mr. Utkarsh Pundlik	Key Management Personnel

## 45.1 Transactions with related parties:

(Amount in ₹ '000)

Nature of Transaction	Fellow Subsidiary	Associate	Directors / Key Management Personnel	Total
<b>Material Purchase</b>	<b>2,897</b>	-	-	<b>2,897</b>
	(173)	-	-	(173)
a. Aquametro Oil and Manine AG, Switzerland	<b>2,897</b>	-	-	<b>2,897</b>
	(173)	-	-	(173)
<b>Management Contract</b>	<b>6,994</b>	-	-	<b>6,994</b>
	(6,497)	-	-	(6,497)
a. Aquametro Oil and Manine AG, Switzerland	<b>6,994</b>	-	-	<b>6,994</b>
	(6,497)	-	-	(6,497)
<b>Director's Sitting Fees</b>	-	-	<b>1,440</b>	<b>1,440</b>
	-	-	(1,080)	(1,080)
Mr. Adrian Oehler	-	-	<b>210</b>	<b>210</b>
	-	-	(210)	(210)
Mrs. Corinne Ruckstuhl	-	-	<b>250</b>	<b>250</b>
	-	-	(250)	(250)
Mr. Shalin Divatia	-	-	<b>230</b>	<b>230</b>
	-	-	(250)	(250)
Mr. Rahul Divan	-	-	<b>250</b>	<b>250</b>
	-	-	(200)	(200)
Mr. Bhargav Patel	-	-	<b>260</b>	<b>260</b>
	-	-	(110)	(110)
Mr. Mahendra Sanghvi	-	-	<b>240</b>	<b>240</b>
	-	-	(60)	(60)
<b>Remuneration</b>	-	-	<b>7,408</b>	<b>7,408</b>
	-	-	(6,268)	(6,268)
a. Mr. Utkarsh Pundlik	-	-	<b>7,408</b>	<b>7,408</b>
	-	-	(6,268)	(6,268)
<b>Rent Income</b>	-	<b>131</b>	-	<b>131</b>
	-	(523)	-	(523)
a. Integra Systems Pvt Ltd	-	<b>131</b>	-	<b>131</b>
	-	(523)	-	(523)

## 45.2 Outstanding Balances :

(Amount in ₹ '000)

Particulars	Nature of Relationship	As at 31st March, 2020	As at 31st March, 2019
<b>Receivables</b>			
a. Aquametro Oil and Marine AG, Switzerland	Fellow Subsidiary	467	613
<b>Total</b>		<b>467</b>	<b>613</b>

## 45.3 Compensation to Key Management personnel

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Chief Executive Officer</b>		
Short term employee benefits	7,166	6,047
Post employment benefits	113	113
Long term benefits	130	109
<b>Total</b>	<b>7,408</b>	<b>6,268</b>

## 46 Earnings per share (EPS) :

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>Profit available to equity shareholders in ₹</b>	<b>5,76,90,062</b>	<b>11,11,69,416</b>
<b>Weighted Average number of Equity Shares (Face Value of ₹ 1 each)</b>		
- Basic	3,42,45,196	3,42,45,196
- Diluted	3,42,45,196	3,42,45,196
<b>Earning per share of ₹ 1 each</b>		
Basic Earnings per share (₹)	1.68	3.25
Diluted Earnings per share (₹)	1.68	3.25

## 47 Impairment of Assets

In accordance with the Indian Accounting Standard (Ind AS-36) on "Impairment of Assets" the Company during the year carried out an exercise of identifying the assets that may have been impaired in respect of cash generating unit in accordance with the said Indian Accounting Standard. Based on the exercise, no impairment loss is required as at 31st March, 2020.

48 The value of realization of assets other than fixed assets and non current investment in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet.

49 The balances of trade receivables and trade payables are subject to adjustment if any on reconciliation/settlement.

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

## 51 Financial instruments Disclosure

### 51.1 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

#### Categories of financial instruments

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Financial assets		
Measured at amortised cost		
Trade and other receivables	2,35,998	1,84,025
Cash and cash equivalents	3,792	37,470
Other Bank Balance	53,501	25,439
Loans	46	183
Other financial assets	6,156	5,460
Financial liabilities		
Measured at amortised cost		
Borrowings	1,88,878	1,50,947
Trade payables	50,700	73,977
Dividend Payable on Redeemable Preference Shares	76,510	71,550
Other financial liabilities	15,942	12,830

### 51.2 Financial risk management

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The senior Management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

#### 51.2.1 Market Risk

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of the business. The major components of market risk are price risk, foreign currency risk and interest rate risk.

##### A. Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing manufacture of machineries and components and therefore require a continuous supply of steel as principal raw material.

The Company's management has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

**B. Foreign Currency risk**

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

The aim of the Company's approach to management of currency risk is to leave the Company with no material residual risk.

The carrying amount of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(Amount in ₹ '000)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Assets</b>		
CHF	467	-
US\$	-	117

**Sensitivity to risk**

A 5% strengthening of the INR against key currencies to which the Company is exposed would have led to approximately an additional ₹ 23 ('000) gain in the Statement of Profit and Loss. A 5% weakening of the INR against these currencies would have led to an equal but opposite effect.

**C. Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term debt obligations with floating interest rates.

The Company invests the surplus fund generated from operations in bank deposits. Considering these bank deposits are short term in nature, there is no significant interest rate risk.

The Company has laid policies and guidelines including tenure of investment made to minimise impact of interest rate risk.

**51.2.2 Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

**A. Trade Receivable**

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance.

An impairment analysis is performed at each reporting date on an individual basis. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note no. 12.

**B. Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the management in accordance with the Company's policy. The Company's maximum exposure to credit risk for the components of the Balance Sheet at 31st March, 2020 and 31st March, 2019 is the carrying amounts as illustrated in Note no. 13.



### 51.2.3 Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, preference shares and finance leases.

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date.

(Amount in ₹ '000)

Particulars	Within 1 year	Exceeding one year	Total
<b>As at 31st March, 2020</b>			
Borrowings	64,878	1,24,000	1,88,878
Trade Payable	50,700	-	50,700
Deposits towards lease	2,507		2,507
Dividend Payable on Redeemable Preference Shares	76,510		76,510
Expenses payable	13,435	-	13,435
<b>Total</b>	<b>2,08,031</b>	<b>1,24,000</b>	<b>3,32,031</b>
<b>As at 31st March, 2019</b>			
Borrowings	26,947	1,24,000	1,50,947
Trade Payable	73,977	-	73,977
Deposits towards lease	2,744		2,744
Dividend Payable on Redeemable Preference Shares	71,550		71,550
Expenses payable	10,086	-	10,086
<b>Total</b>	<b>1,85,303</b>	<b>1,24,000</b>	<b>3,09,303</b>

### 52. Fair Value Measurement

52.1 Fair value of the Company's financial assets that are measured at fair value on recurring basis.

Some of the Company's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined.

(Amount in ₹ '000)

Financial Assets / Financial Liabilities	Fair Value at 31st March, 2020	Fair Value hierarchy	Valuation techniques and Key inputs
Asset held for sale	2411	Level - 2	1) Method of valuation is Average Cost Method. 2) Considered factors like balance life, residual life, market demand, process and atmospheric corrosion and obsolescence factor.

52.2 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required).

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements except as per note 52.1 approximate their fair values.

### 53 Employee Stock option

At the Annual General Meeting of the Company held on 12th August, 2015 members of the Company passed a special resolution for introducing a "Integra Engineering India Employees Stock Option Plan 2015" for the benefit of employees of the Company. The resolution also accorded approval for the Board of Directors, to formulate the Scheme as per broad parameters outlined in the resolution. Pursuant to the Scheme, the Company has granted options to eligible employees of the Company under Plan. Each option entitles for one equity share. The options under this grant will vest to the employees as 20%, 40% and 40% of the total grant at end of third, fourth and fifth year from the date of grant, respectively, with an exercise period of three years for each grant. The vesting conditions include service terms and performance of the employees. These options are exercisable at an exercise price of ₹ 36/- per share (Face Value of ₹ 1 per share).

The fair value of each equity settled option is estimated on the date of grant using the Black-Scholes-Merton model, with the following assumptions:

Particulars	
Grant date	22nd August, 2017
No of Option Granted	1,80,000
<b>Option Value as on grant date</b>	
Fair Value per ESOP option (₹)	19.06
Value of Option (₹)	34,30,800
<b>Parameters of Fair Value of Options as on grant date</b>	
Stock Price as on grant date (₹)	39.75
Exercise Price (₹)	36.00
Volatility	45.29%
Risk Free rate	6.52%
Weighted Average time of Expiry	4.2 Years

During the year ended 31st March, 2020, the company had charged to statement of Profit and Loss as employee benefit expenses ₹ 846 ('000) (P.Y. ₹ 846 ('000)) by creating an Employee stock option reserve which is grouped under the head 'Other Equity'.

54 Effective 1st April, 2019, the Company has adopted Indian Accounting Standard (Ind AS) 116 "Leases" using the "Modified Prospective Approach". The adoption of the said Ind AS did not have any impact on the retained earnings as at 1st April, 2019 and there was no material impact on financial results for the year ended on 31st March, 2020.

**55 Corporate Social Responsibility:**

Corporate Social Responsibility expenditure is as follows:

(Amount in ₹ '000)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019	
(a) Gross amount required to be spent during the year	1,084	-	
<b>Particulars</b>	<b>In Cash</b>	<b>Yet to be paid in cash</b>	<b>Yet to be paid in cash</b>
(b) Amount spent During the year on:			
(i) Construction/Acquisition of Asset	-	-	-
(ii) On purpose other than above	1,084	-	-
<b>Total</b>	<b>1,084</b>	<b>-</b>	<b>-</b>

Previous year figures are in brackets

56 In view of the outbreak of Coronavirus (COVID-19), the factories were shut down since last week of March 2020, as per Government Order. Based on the immediate assessment of the impact of COVID-19 on the operations of the Company and ongoing discussions with customers, vendors and service providers, the Company is positive of serving customer orders and obtaining regular supply of raw materials and logistics services after resumption of the operations. The Company has considered the possible financial effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, Investments, Inventories, receivables and other current assets including the Company's ability to service its debt and liability. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered and the Company expects it to service its liability as and when it becomes due. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of these financial results.

57 a. The details of associate which is included in the CFS of the Company and the Company's effective ownership therein is as under:

Name of the Company	Relationship	Country of Incorporation	Group's Proportion of Ownership Interest	
			31st March, 2020	31st March, 2019
Integra Systems Private Limited	Associate	India	50%	50%

b. Information as per Schedule III of Section 129 of the Companies Act, 2013 is provided as under:

Particulars	Net assets i.e total Assets minus total Liabilities		Share in Profit or loss	
	As a % of consolidated Net Assets	(Amount in ₹ '000)	As a % of consolidated Net Assets	(Amount in ₹ '000)
<b>Integra Engineering India Limited (Parent)</b>	<b>100</b>	<b>2,90,481</b>	<b>100</b>	<b>57,690</b>
Subsidiaries:				
1. Foreign: NA				
2. Indian: NA				
<b>Associates:</b> (Investment as per equity method)				
1. Indian:				
Integra Systems Private Limited	(Refer Note 7.1)	(23,740)	(Refer Note 7.1)	(1,953)
2. Foreign: NA				
<b>Total</b>	<b>100</b>	<b>2,90,481</b>		<b>57,690</b>

57.1 Integra Engineering India Limited (IEIL) has investment in equity shares in Integra Systems Private Limited (ISPL) amounting to Rs.1000 ('000)

During the year under consideration, ISPL has passed a resolution under section 271(A) of the Companies Act 2013 for winding up and made application C.P. 9 of 2020 before National Company Law Tribunal (NCLT), Ahmedabad Bench on 3rd February, 2020 and same was listed for hearing on 1st April, 2020, however, no hearing could be made on account of lockdown notification and the matter is pending before Tribunal. ISPL has prepared these financial statements on non going concern basis, given the plan to liquidate voluntarily and hence accounted for all assets on the realisable basis and all liabilities as expected to be discharged.

58. **Approval of Financial statements:**

Consolidated financial statements were approved by the Board of Directors on 8th June, 2020.

As per our report of even date attached

For K. C. Mehta & Co.  
Chartered Accountants

Vishal P. Doshi  
Partner  
Membership No. 101533  
Place : Vadodara  
Date: 8th June, 2020

For and on behalf of the Board

Corinne Ruckstuhl Director DIN: 03531399 Place : Wallisellen Date: 8th June, 2020	Shalin Divatia Director DIN: 00749517 Place : Mumbai	Bhavin Kariya CFO Place : Halol	Harneetkaur Anand Secretary Place : Mumbai
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## Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

## Part "A": Subsidiaries

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

(₹000)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Not Applicable
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4.	Share capital	Not Applicable
5.	Reserves & surplus	Not Applicable
6.	Total assets	Not Applicable
7.	Total Liabilities	Not Applicable
8.	Investments	Not Applicable
9.	Turnover	Not Applicable
10.	Profit before taxation	Not Applicable
11.	Provision for taxation	Not Applicable
12.	Profit after taxation	Not Applicable
13.	Proposed Dividend	Not Applicable
14.	% of shareholding	Not Applicable

**Notes:** The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations
- Names of subsidiaries which have been liquidated or sold during the year.

## Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associate company	Latest balance sheet dated	Shares of associate held by the company on the year end		Net worth attributable to shareholding as per latest balance sheet	Profit / loss		
		Nos.	Amount of investment in associate		For the year	Considered in consolidation	Not Considered in consolidation
Integra	31/03/2020	100	1,000	(25,740)	(1,953)	NIL	(1,953)
System Pvt Ltd	(Unaudited) 31/03/2019 (Unaudited)	100	1,000	(23,787)	(768)	NIL	(768)

## For Integra Engineering India Limited

Corinne Ruckstuhl  
Director  
DIN: 03531399  
Place: Wallisellen  
Date: 8th June, 2020

Shalin Divatia  
Director  
DIN: 00749517  
Place: Mumbai

Bhavin Kariya  
CFO  
Place: Halol

Harneetkaur Anand  
Secretary  
Place: Mumbai



## **INTEGRA Engineering India Limited**

Registered Office: P.O. Box No. 55, Chandrapura Village,  
Tal. Halol-389 350, Dist. Panchmahals, Gujarat, India  
Tel. No. +91 - 02676 - 221870, 09099918417  
Website: [www.integraengineering.in](http://www.integraengineering.in)  
CIN: L29199GJ1981PLC028741