

INNOVATIVE

TYRES & TUBES LTD



ANNUAL
REPORT

2021
2022

CORPORATE INFORMATION

RESOLUTION PROFESSIONAL

Abhishek Nagori

Regn. No. IBBI/IPA-001/IP-P00020/2016-17/10044

BOARD OF DIRECTORS

Mr. Mukesh Desai *Non-Executive Chairman*
(DIN No. 00089598)

Mr. Pradeep Kothari *Whole Time Director*
(DIN No. 00572331)
(upto 16th November 2021)

Mr. Keyoor Bakshi *Independent Director*
(DIN No. 00133588)

Dr. Mrs. Kalpana Joshipura *Independent Director*
(DIN No. 07849507)

(The Board Dissolved w.e.f. NCLT order dated 28-03-2022)

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Mr. Arvind Tambi

STATUTORY AUDITORS

M/s. Maloo Bhatt & Co.

Chartered Accountants
204-207, Parshwa Complex,
Near Cash N carry, Subhanpura,
Ellorapark, Vadodara – 390023.

COST AUDITORS

M/s. V P & Associates

Cost & Management Accountants
15, Yogeshwer Society, Part 3,
Ground floor, Subhanpura,
Vadodara – 390023.

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited
C-101, 247 Park, L.B.S.Marg,
Vikhroli (West), Mumbai - 400083.
Contact: 022 4918 6000
Website: www.linkintime.co.in

REGISTERED OFFICE

1201, 1202, 1203 GIDC Halol,
Panchmahals – 389350, Gujarat.
Contact No: 02676 – 220621
E-mail id: investors@innovativetyres.co.in
Website: www.innovativetyres.com

BANKERS TO THE COMPANY

State Bank of India

AUDIT COMMITTEE

Mr. Keyoor Bakshi – Chairman
Dr. Mrs. Kalpana Joshipura – Member
Mr. Mukesh Desai – Member

NOMINATION AND REMUNERATION COMMITTEE

Dr. Mrs. Kalpana Joshipura – Chairperson
Mr. Mukesh Desai – Member
Mr. Keyoor Bakshi – Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Dr. Mrs. Kalpana Joshipura – Chairperson
Mr. Mukesh Desai – Member
Mr. Pradeep Kothari – Member (upto 16-11-2021)
Mr. Keyoor Bakshi – Member (from 16-11-2021)

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Dr. Mrs. Kalpana Joshipura – Chairperson
Mr. Mukesh Desai – Member
Mr. Pradeep Kothari – Member (upto 16-11-2021)
Mr. Keyoor Bakshi – Member (from 16-11-2021)

CONTENTS	PAGE NO
Notice of the Meeting	01
Directors Report	09
Report on Corporate Governance	20
Management Discussion & Analysis Report	27
Independent Auditor's Report	33
Financial Statements	40

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 27th Annual General Meeting of the members of Innovative Tyres & Tubes Limited will be held on Wednesday, 28th September, 2022 through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM') at 10.00 a.m. to transact the following business(es):

ORDINARY BUSINESS:

Item No. 1: Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements of the company for the financial year ended on 31st March 2022, together with the Reports of the Board of Directors and Auditors thereon.

Item No. 2: Appointment of Statutory Auditors of the Company

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s Haribhakti & Co. LLP, Chartered Accountants, (Firm Registration No. 103523W/W100048), be and is hereby appointed as Auditors of the Company from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 28th AGM of the Company to be held for the financial year 2022-23 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

By order
Abhishek Nagori
Insolvency Professional
Resolution Professional of
Innovative Tyres and Tubes Limited
Regn. No. IBBI/IPA-001/IP-P00020/2016-17/10044
Place: Vadodara
Date: 31st August, 2022

Registered Office:
1201, 1202, 1203, GIDC Halol,
Panchmahal – 389350.
CIN: L25112GJ1995PLC086579
Website: www.innovativetyres.com
E-mail: investors@innovativetyres.co.in
Tel: 02676 -220621

NOTES:

1. In view of the continuing global outbreak of the Covid-19 pandemic, social distancing is a norm to be followed. Accordingly, the Ministry of Corporate Affairs (hereinafter referred to as "MCA") vide its General Circular No. 14/2020 dated 8th April, 2020, General Circular No. 17/2020 dated 13th April, 2020, General Circular No. 20/2020 dated 5th May, 2020, General Circular No. 02/2021 dated 13th January, 2021, General Circular No. 19/2021 dated 8th December, 2021, General Circular No. 21/2021 dated 14th December, 2021 and General Circular 02/2022 dated 5th May, 2022, (collectively referred to as "MCA Circulars"), permitted the holding of the Annual General Meeting (hereinafter referred to as "AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (hereinafter referred to as "Act"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May, 2020, Circular dated 15th January, 2021, SEBI Circular dated 13th May, 2022 (hereinafter referred to as "SEBI Circulars"), the notice of the AGM alongwith the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report will also be available on the Company's website www.innovativetyres.com, website of National Stock Exchange of India Limited at www.nseindia.com.
3. Since this AGM is being held through VC/ OAVM, pursuant to MCA Circulars, physical attendance of the Members has been dispensed with. **Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. Hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.**
4. Participation of members through VC/ OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
5. Facility of joining the AGM through VC / OAVM shall open 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 to at least 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.

6. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC / OAVM. Corporate members intending to authorize their representatives to participate and vote at the meeting, are requested to send a certified copy of the Board Resolution / authorization letter to the Company at investors@innovativetyres.co.in or upload on the VC / OAVM portal / e-voting portal.
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM, based on the request being received on investors@innovativetyres.co.in.
8. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice upto the date of AGM. Members seeking to inspect such documents can send an email to investors@innovativetyres.co.in
9. The Register of Members and Share Transfer Books of the Company will be closed from **Thursday, 22nd September 2022 to Wednesday, 28th September, 2022 (both days inclusive)** for the purpose of the Twenty-seventh AGM of the Company.
9. Members are requested to:
 - i) Register their correct email ID and correct Bank Account details:
In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/ Depositories, log in details for e-voting are being sent on the registered email address.
In case the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories and or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:
 - a) In the case of Shares held in physical mode: The shareholder may please email to RTA at rnt.helpdesk@linkintime.co.in or the Company at investors@innovativetyres.co.in.
 - b) In the case of Shares held in Demat mode: The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.
 - ii) Intimate the Registrar and Share Transfer Agent, M/s. Link Intime India Pvt. Ltd. for consolidation into a single folio Members, if they have shares in physical form in multiple folios in identical names or joint holding in the same order of names.
 - iii) Convert their holdings in dematerialised form to eliminate risks associated with physical shares and better management of the securities. Members can write to the company's registrar and share transfer agent in this regard.
 - iv) Members may avail themselves of the facility of nomination in terms of Section 72 of the Companies Act, 2013 by nominating in the prescribed form a person to whom their shares in the Company shall vest in the event of their death. Members holding shares in physical form may obtain the Nomination forms from the Company's Registrar and Share Transfer Agent and Members holding shares in electronic form may obtain the Nomination forms from their respective Depository Participant(s).
10. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts(s). Members holding shares in physical form can submit their PAN details to M/s. Link Intime India Pvt. Ltd. at C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083.
12. All documents referred to in the accompanying Notice can be obtained for inspection by sending E-mail to Company on investors@innovativetyres.co.in. Electronic copies of necessary statutory registers and auditors' report/certificates will be available for inspection by the members at the time of AGM.
13. Members desiring any information relating to the Accounts are requested to address their queries through E-mail at investors@innovativetyres.co.in at least seven days before the date of the AGM, to enable the management to keep the information ready.
14. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
15. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Link Intime India Private Limited, Company's Registrar and Transfer Agent for assistance in this regard.

16. The Company would urge shareholders holding shares of the Company under different folios to consolidate the shares under one folio. This would substantially reduce paperwork and transaction costs and benefit the shareholders and the Company. Shareholders can do so by writing to the Registrar with details on folio numbers, order of names, shares held under each folio, and the folio under which all shareholding should be consolidated. Share certificates need not be sent.
17. The Members who hold shares in physical mode and have not registered their e-mail address may register their email ids with the Company / Registrar and Transfer Agent (Link Intime India Private Limited) to enable the Company to send Notices of General Meeting/Postal Ballot, Annual Report and other shareholders communication by electronic mode.

Members are requested to support this Green Initiative by registering/updating their e-mail addresses, with the Depository Participant (in case of Shares held in dematerialised form) or with Registrar and Share Transfer Agents. (in case of Shares held in physical form).

18. Voting through electronic means (Remote E-voting):
 - i) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide to its Members the facility to exercise their right to vote on resolutions proposed to be considered at the 27th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Link Intime India Private Limited (LIPL).
 - ii) The remote e-voting period commences on **Sunday, September 25, 2022 (9:00 a.m. IST)** and ends on **Tuesday, September 27, 2022 (5:00p.m. IST)**. 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 **Wednesday, 21st September, 2022** may cast their vote electronically. The remote e-voting module shall be disabled by LIPL e-voting platform for voting thereafter.
 - iii) The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **Wednesday, 21st September, 2022**, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice.
 - iv) The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - v) The facility for e-voting at the AGM will be available and the Members attending the meeting who have not cast their vote by remote e-Voting shall be able to exercise their right at the meeting through e-voting.
 - vi) The Company has appointed Mrs. Swati Bhatt, Proprietor of M/s. Swati Bhatt & Co., Practising Company Secretaries as Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner.
 - vii) The Scrutinizer shall, immediately after the conclusion of voting at the annual general meeting, would first unblock the e-voting at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the company and make within a period not exceeding two (2) days from the conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any and submit forth with to the Chairman of the Company or a person authorized by him in writing who shall countersign the same.
 - viii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website <https://www.innovativetyres.com/> and on the website of LIPL immediately after the result is declared. The Company shall simultaneously forward the results to National Stock Exchange ("NSE"), where the shares of the Company are listed.
 - ix) The Resolution shall be deemed to be passed on the date of AGM i.e. **September 28, 2022** subject to receipt of sufficient votes.

Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9th June, 2021.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ul style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	<ul style="list-style-type: none"> Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK NTIME, CDSL. Click on e-Voting service provider name to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.
Individual Shareholders (holding securities in demat mode) & login through their depository participants	<ul style="list-style-type: none"> You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME.	<ol style="list-style-type: none"> Open the internet browser and launch the URL: https://instavote.linkintime.co.in <ul style="list-style-type: none"> Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: - <ol style="list-style-type: none"> User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above <ul style="list-style-type: none"> Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter). Click "confirm" (Your password is now generated). Click on 'Login' under 'SHARE HOLDER' tab. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'. After successful login, you will be able to see the notification for e-voting. Select 'View' icon. E-voting page will appear. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link). After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:

- o Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- o Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'.
 - In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
 - Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
 - The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:

- Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.
 - It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
 - During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 -4918 6000.

Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>
 - > Select the "Company" and 'Event Date' and register with your following details: -
 - A. **Demat Account No. or Folio No:** Enter your 16-digit Demat Account No. or Folio No
 - Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
 - Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
 - Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company
 - B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 - C. **Mobile No.:** Enter your mobile number.
 - D. **Email ID:** Enter your email id, as recorded with your DP/Company.
 - > Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 7 days in advance with the company mentioning their name, demat account no./folio no., email id, mobile no. at investors@innovativetyres.co.in
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

NOTE: Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.

5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>
or •
- b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:
Step 1: Enter your First Name, Last Name and Email ID and click on Join Now.
1 (A): If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
1 (B): If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application.
Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now.

General Guidelines for Shareholders:

- I. A Member may participate in the AGM even after exercising his right to vote through remote e-Voting but shall not be allowed to vote again at the AGM.
- II. A person, whose name is recorded in the register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e., Wednesday, 21st September, 2022, only shall be entitled to avail the facility of remote e-Voting as well as e-Voting at the AGM.

Institutional Shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as 'Custodian/ Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution / authority letter / power of attorney, etc., together with attested specimen signature of the duly authorized representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same at their registered email address office@swatibhatt.com.
- III. During the voting period, Shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- IV. Shareholders holding multiple folios / demat account shall choose the voting process separately for each of the folios / demat account.
- V. In case the Shareholders have any queries or issues regarding e-Voting, please refer the Frequently Asked Questions (FAQs) and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to enotices@linkintime.co.in or Call us: - Tel: +91 (022) – 4918 6000.
- VI. The Chairman shall, during the AGM / at the end of discussion / after every business item for the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by way of eVoting system for the purpose of conducting a poll for all those Members who are present at the AGM but have not cast their votes by availing the remote e-Voting facility.

- VII. The Scrutinizer will submit his report to the Chairman or to any other person authorized by the Chairman after the completion of the scrutiny of the e-Voting (votes cast during the AGM and votes casted through remote e-Voting), not later than 2 working days from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to NSE and RTA and will also be displayed on the Company's website at www.innovativetyres.com and on the RTA's website at <https://instavote.linkintime.co.in>.
- VIII. The voting results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.innovativetyres.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the National Stock Exchange.

By order
Abhishek Nagori
Insolvency Professional
Resolution Professional of
Innovative Tyres and Tubes Limited
Regn. No. IBBI/IPA-001/IP-P00020/2016-17/10044
Place: Vadodara
Date: 31st August, 2022

Registered Office:
1201, 1202, 1203, GIDC Halol,
Panchmahal – 389350.
CIN: L25112GJ1995PLC086579
Website: www.innovativetyres.com
E-mail: investors@innovativetyres.co.in
Tel: 02676 -220621

DIRECTORS' REPORT

To,
The Members
Innovative Tyres & Tubes Limited

Your directors have pleasure in presenting their 27th Annual Report together with the audited financial statements of the company for the financial year ended March 31, 2022.

INSOLVENCY RESOLUTION

The Hon'ble National Company Law Tribunal, Ahmedabad Bench (NCLT), vide Order dated March 28, 2022, has commenced Corporate Insolvency resolution Proceedings of your Company. The NCLT has appointed Mr. Abhishek Nagori as an Interim Resolution Professional. On 26th April 2022, Mr Abhishek Nagori was confirmed as Resolution Professional (RP) of the Company in the first Committee of Creditors meeting. Finalisation of accounts for the year ended on March 31, 2022 and preparation of this Report together with all its attachments is therefore done in consultation with the Resolution Professional.

FINANCIAL RESULTS

The Company's financial performance for the year ended March 31, 2022 is summarized below:

(₹ in Lakhs)

Particulars	Year ended 31 st March 2022	Year ended 31 st March 2021
Revenue from Operations	5,156.99	13,917.21
Other Income	204.51	101.58
Total Revenue	5,361.50	14,018.79
Total expenses	11,272.53	14,906.16
Profit/(Loss) before taxation and extraordinary items	(5,911.03)	(887.37)
Add: Extraordinary items	-	-
Profit /(Loss) before taxation	(5,911.03)	(887.37)
Less: tax expense (including adjusted deferred tax)	17.02	3.25
Profit /(Loss) after tax	(5,894.01)	(884.12)
EPS (Basic)	(32.76)	(4.91)
EPS (Diluted)	(32.76)	(4.91)

STATEMENT OF COMPANIES AFFAIRS

o **Total Revenue:**

During the year under review, total revenue of the company has reduced by 61.75% as compared to previous financial year. The Company has reported total revenue of ₹ 5,361.50 lakhs for the financial year 2021-22 as compared to ₹ 14,018.79 lakhs for the previous financial year.

o **Net Loss**

During the year under review, Loss before tax has increased substantially from ₹ 887.37 lakhs to ₹ 5,911.03 Lakhs as compared to previous financial year. Correspondingly, the Net loss after tax has also been increased on account of tax implications during current financial year.

DIVIDEND

Considering the loss during the current financial year, your directors unanimously decided not to propose any dividend for the financial year ended March 31, 2022.

TRANSFER TO RESERVE

During the year under review, the Company does not have profits, hence not proposed any amount to be transferred to General Reserve for the financial year ended 31st March, 2022.

SUBSIDIARIES AND CONSOLIDATED FINANCIAL STATEMENTS

The Company do not have any subsidiaries. Further in case of consolidation of associate concern, the Company is falling within the exemption of AS-23 hence; there is no need to prepare consolidated financial statement for the financial year 2021-22.

LISTING WITH STOCK EXCHANGE

The Equity Shares of your Company are listed on the EMERGE platform of National Stock Exchange of India Limited ("NSE"). The Company had paid Annual Listing fees to the stock exchange for the Financial Year 2022-23.

MATERIAL CHANGES AND COMMITMENT:

There have not been any material changes and commitments affecting the financial position of the Company since the close of financial year i.e. since 31st March, 2022 due to the company is not in operations.

RISK MANAGEMENT:

A key factor in determining a Company's capacity to create sustainable value is the risks that the Company is willing to take (at strategic and operational levels) and its ability to manage them effectively. Our Company is mainly in manufacturing and supply of tyres and tubes. Many risks exist in a company's operating environment and they emerge on a regular basis. The Company's Risk Management processes focuses on ensuring that these risks are identified on a timely basis and addressed.

The Company has laid down a risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitor and non – business risks. In our company, audit committee has an additional oversight in the area of financial risks and its controls. Other major operational risks are being identified by the management of the Company from time to time. However, constitution of Risk Management Committee is not applicable as it is applicable to top 500 listed companies only.

EXTRACT OF ANNUAL RETURN

In accordance with the Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the annual return of the Company as on March 31, 2022 in the prescribed format is available on the Company's website. The web-link as required under the Act is as under:

LINK:https://www.innovativetyres.com/investor_relations/announcements/innovatedraftAnnualReturnFY2021-22

SECRETARIAL AUDIT REPORT

In compliance of the provisions of section 204 of the Companies Act, 2013, other applicable provisions of the Act, the Companies (Appointment and Managerial Personnel) Rules, 2014, the Board of Directors at their meeting held on 29th June, 2021 appointed M/s. Swati Bhatt & Co., Practicing Company Secretary, Vadodara as Secretarial Auditor of the company for the F.Y. 2021-22. The Secretarial Audit Report is attached as **Annexure – 1**.

CORPORATE GOVERNANCE

Your company has incorporated the appropriate standards of corporate governance. Pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company being SME listed company, is not required to mandatorily comply with the provisions of certain regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence, company is not filing Corporate Governance report to stock exchange quarterly. However as per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, company is giving report on corporate governance in Annual Report of the company. Corporate Governance Report is as per **Annexure – 2**. The requisite Certificate has been obtained from M/s. Swati Bhatt & Co., Practicing Company Secretary, Vadodara is attached to Corporate Governance Report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT:

As per Regulation 34 read with Schedule V of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 the Management Discussion and Analysis Report is attached as **Annexure – 3** to this Annual Report.

DISCLOSURE ON DEPOSITS UNDER CHAPTER V

The Company has neither accepted nor renewed any deposits during the financial year 2021-22 in terms of Chapter V of the Companies Act, 2013. However, there are some advances received from the customers against supply of materials which are lying unadjusted over one year. The delay in supplying of materials was on account of the pandemic and halting of operations. Further, the Company is not having any unpaid or unclaimed deposits at the end of the financial year.

INTERNAL FINANCIAL CONTROL SYSTEM

According to section 134(5)(e) of the Companies Act, 2013, the term Internal Financial Control (IFC) means the policies and procedures adopted by the Company 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 fraud and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

Your Company follows Internal Control Systems which are covering all business aspects to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly, as per applicable statutes. The Company generally adheres to rules, policy, statutes and laws ensuring that statutory compliances are thoroughly followed.

Your Company's Audit Committee reviews and takes suitable actions for any deviation, observation or recommendation suggested by the Internal Auditor, who is an independent auditor mandated to conduct internal audit. However, during the year under review, the Company did not receive Internal Auditors report. Your Company also adheres to environment protection laws. The employees of the Company follow the Code of Conduct devised for conducting the business of the Company. Your Company's internal control systems commensurate with the size and nature of business operations.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors comprises of following directors:

Sr. No.	Name of Directors/KMP	Designation
1.	Mr. Mukesh Desai	Non-Executive Chairman
2.	Mr. Pradeep Kothari	Whole time Director (resigned w.e.f. 16-11-2021)
3.	Mr. Keyoor Bakshi	Independent Director
4.	Dr. Mrs. Kalpana Joshipura	Independent Director

During the year our Whole Time Director Mr. Pradeep Kothari resigned w.e.f. 16-11-2021 due to his personal reasons and other pre-occupation and inability to devote full time and attention to the business of the Company and particularly due to continuously poor performance & deteriorating financial position of the company.

The Key Managerial Personnel (KMP) in the Company as per section 2(51) read with Section 203 of the Companies Act, 2013 are as follows:

Sr. No.	Name of Directors/KMP	Designation
1.	Mr. Pradeep Kothari	Whole time Director (resigned w.e.f. 16-11-2021)
2.	Mr. Arvind Tambi	Chief Financial Officer & Company Secretary

MEETINGS OF BOARD OF DIRECTORS

During the year, the Board met 6 (Six) times i. e. on June 29, 2021, July 27 2021, August 21 2021, November 14 2021, December 18 2021 and March 12, 2022. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

Details of Directors presence in each board meeting is mentioned below:

Name of Directors	Number of Meetings attended / Total Meetings held during the F.Y. 2021-22.
Mr. Mukesh Desai	06/06
Mr. Pradeep Kothari	04/04
Mr. Keyoor Bakshi	06/06
Dr. Mrs. Kalpana Joshipura	06/06

Pursuant to the requirement of Schedule IV to the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, a separate meeting of Independent Directors of the company was held on 12th March, 2022.

DECLARATION BY INDEPENDENT DIRECTORS AND RE-APPOINTMENT, IF ANY

During the year under review, all the Independent Directors have given their declarations stating that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. In the opinion of Board, they fulfill the requirement of independence as specified in the Companies Act, 2013 and rules made thereunder. All the independent Directors have given their statement of independence as on beginning of every financial year.

STATUTORY AUDITORS

The members of the company at their Annual General Meeting held on 10th July, 2017 have appointed M/s. Maloo Bhatt & Co., Chartered Accountants, Vadodara having Firm Registration Number - 129572W as Statutory Auditors of the Company to conduct the audit for the 5 (five) financial years subject to the ratification at every Annual General Meeting at such remuneration as may be decided by the Board and auditors mutually.

Pursuant to the provisions of section 139 and all other applicable provisions, if any of the Companies Act, 2013, and the rules framed thereunder, as amended from time to time, M/s Maloo Bhatt & Co., Chartered Accountants, Vadodara having Firm Registration Number - 129572W were to be re-appointed for the period of 5 years at the ensuing Annual General Meeting. However, the firm is undergoing a business integration wherein all their existing partners will be inducted as partners in M/s Haribhakti & Co. LLP, Chartered Accountants and all their employees will also be moved into M/s Haribhakti & Co. LLP, Chartered Accountants. Accordingly, the resolution for appointment of M/s Haribhakti & Co. LLP, Chartered Accountants, having Firm Registration No. 103523W/W100048, as the Statutory Auditors of the Company to hold office from the conclusion of ensuing Annual General Meeting until the conclusion of the 28th AGM of the Company for FY 2022-23 has been placed in this AGM.

COST AUDITORS

The Company has not appointed the Cost Auditor to conduct the Cost Audit for the financial year 2022-23, as per Section 148 of Companies Act, 2013 due to no production envisaged during the year as the Company is under Corporate Insolvency Resolution Process.

The Company had appointed the Cost Auditor to conduct the Cost Audit for the financial year 2021-22, M/s. V. P. & Associates, Cost & Management Accountants, Vadodara.

The Cost Audit Report for the financial year 2020-21, issued by M/s. V. P. & Associates, Cost & Management Accountants, Vadodara as prescribed under Cost Audit Rules was filed with the Ministry of Corporate Affairs within due date on 14th December, 2021. The Cost Auditors' Report for the financial year 2020-21 did not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDITORS

Board of Directors at their meeting held on 29th June 2021 appointed M/s. Swati Bhatt & Co., Practicing Company Secretary, Vadodara as Secretarial Auditor to conduct the secretarial audit for the financial year 2021-22. Secretarial Audit Report for financial year 2021-22 is attached to this report as **Annexure - 1**.

Further, Board of Directors at their meeting held on 19th May, 2022 re-appointed M/s. Swati Bhatt & Co., Practicing Company Secretary, Vadodara as Secretarial Auditor to conduct the secretarial audit for the financial year 2022-23.

INTERNAL AUDITOR:

The Board of directors has decided that since the company is not in a position to meet the remuneration of internal auditors due to huge losses, the company has postponed the appointment of the internal auditors.

BOARD'S COMMENT ON THE INDEPENDENT AUDITORS' REPORT

In the Report of the Independent Auditors for the year ended March 31, 2022, forming part of this Annual Report, the Auditors have given following observations: -

- 1) Clause (5) of the Annexure A to the Independent Auditor's Report.
- 2) Clause (7)(a) and (b) and 9(a) of the Annexure A to the Independent Auditor's Report.
- 3) Clause (14)(b) of the Annexure A to the Independent Auditor's Report.

In relation to the observations referred above, the point wise submissions are as under:

1. During the year under review, the Company has not accepted any deposits. However, there are some advances received from the customers against supply of materials which are lying unadjusted over one year. The delay in supplying of materials is on account of the pandemic and halting of operations.
2. Due to liquidity issue, the Company has not paid the undisputed statutory dues and the loan liabilities.
3. Due to pandemic and halting of operations and liquidity issue, the Company could not get done its internal audit.

Other observations and opinions of the Statutory Auditors in their report are self-explanatory and they do not call for any further explanation as required under section 134 of the Companies Act, 2013.

CHANGES IN SHARE CAPITAL

During the year under review, your company has not issued any shares or shares with different rights, sweat equity shares or employee stock options.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

With reference to Section 134(3)(g) of the Companies Act, 2013, no loans, guarantees and investments other than trade investments have been made under section 186 of the Companies Act, 2013 in the earlier years as well as during the year under review.

RELATED PARTY TRANSACTIONS

With reference to section 134(2)(h) of the Companies Act, 2013, all related party transactions that were entered into during the financial year ended 31st March, 2022 were on an arm's length basis and in the ordinary course of business, hence disclosure under Form AOC-2 not required. Details of related party transactions made during the year are attached to the notes to the balance sheet. The Board has approved a policy for related party transactions which has been updated on the Company's website. The web-link as required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 is http://www.innovativetyres.com/investor_relations/policies_programme

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES (CSR)

The Company has constituted a Corporate Social Responsibility (CSR) Committee as per provisions of Section 135 of Companies Act, 2013 to spend in various CSR initiatives as provided under schedule VII of the Companies Act, 2013 and rules made thereunder.

However due to losses suffered, the company has not spent on any CSR activities/projects. However, your Company is enthusiastic to serve the society at large, which it will do in the coming years.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE

Pursuant to Section 177(1) of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013, the company has formulated Audit Committee. Composition of Audit Committee is as follows.

Name of Member	Category
Mr. Keyoor Bakshi	Chairman to the Committee
Dr. Mrs Kalpana Joshipura	Member to the Committee
Mr. Mukesh Desai	Member to the Committee

During the year under review, members of the audit committee met on June 29, 2021, August 21 2021, November 14 2021, and March 12, 2022. Chairman of Audit Committee was present in the Annual General Meeting held during current financial year on 29th September, 2021.

VIGIL MECHANISM

In compliance with the requirement of Section 177(9) & (10) of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015, a Vigil Mechanism or Whistle Blower Policy for Directors, employees and other stakeholders to report genuine concerns has been established. The same has been uploaded on the website of the Company i.e. www.innovativetyres.com

COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

As per the provisions of Section 178 of the Companies Act, 2013, the Company has re-constituted its Nomination & Remuneration Committee with following members' w.e.f. 15th June, 2017.

Pursuant to Section 178 of the Companies Act, 2013 the company has formulated Nomination & Remuneration Committee. Composition of Nomination & Remuneration Committee is as follows

Name of Member	Category
Dr. Mrs. Kalpana Joshipura	Chairperson
Mr. Keyoor Bakshi	Member
Mr. Mukesh Desai	Member

The brief contents of Nomination & Remuneration Policy of the Company prepared in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 are provided in Corporate Governance Report.

During the year under review, members of the Nomination & Remuneration committee met on December 18, 2021. Minutes of Nomination & Remuneration Committee meeting are reviewed by the Board of directors.

STAKEHOLDERS GRIEVANCES COMMITTEE

To solve the investor's grievances, company has constituted Stakeholders/Investor Grievance Committee. Composition of Committee is as follows:

Name of Member	Category
Dr. Mrs. Kalpana Joshipura	Chairperson
Mr. Mukesh Desai	Member
Mr. Pradeep Kothari	Member (upto 16-11-2021)
Mr. Keyoor Bakshi	Member (w.e.f.16-11-2021)

The Chairperson of this Committee is non-executive director pursuant to the provisions of Regulation 20 of SEBI (LODR) Regulations, 2015.

During the year under review, members of the Stakeholders/Investor Grievance Committee met on March 12, 2022.

THE DISCLOSURES PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT' 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016:

The Disclosure pertaining to remuneration as required under Section 197(12) of the Companies Act' 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 is provided as **Annexure – 4**.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3) (C) of the Companies Act, 2013 the Board hereby submit its responsibility Statement: —

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) 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) 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) the directors had prepared the annual accounts on a going concern basis;
- e) 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;
- f) The directors have laid down internal financial controls to be followed by the company and such internal financial controls are adequate and operating efficiently.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information, functioning etc. The performance of the Committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committee, effectiveness of committee meetings etc.

The Board and the Nomination & Remuneration Committee reviewed the performance of the individual directors on the basis of criteria such as the contribution of individual director to the board and committee meetings, representation of shareholders interest and enhancing shareholders value etc. In addition, Chairman was also evaluated on the key aspects of his role. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

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

A. CONSERVATION OF ENERGY

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo have been furnished below:

1. Steps taken or impact on conservation of energy:
 - Recovery of process discharged water which was otherwise being disposed off.
 - Steam utilization efficiency improvement (Leakage).
2. The steps taken by the Company for utilizing alternate sources of energy:
 - Use of day lights by providing transparent roof sheets.
 - Use of Bio-mass fuel in the coal fired process boiler.
3. Capital investment on energy conservation equipments: NIL

B. EFFORTS MADE TOWARDS TECHNOLOGY ABSORPTION

a. Efforts made towards technology absorption:

The Company is exploring technology options for better manufacturing process. Development of R & D Centre during the year is mainly focused for exploring better technologies available in the existing product and new models.

b. Benefits derived like product improvement, cost reduction, product development or import substitution

The company is able to cater its customers through innovation in technology and through product mix Quality improvement

c. Information regarding technology imported, during the last 3 years: The Company has not imported technology. However, it has made indigenized technological development by in-house developing and installing carbon bulk handling system, Chemical ingredient weighted Machine, Four Roll Calendar Equipment, OTR band building machine, band Inserter introduced on Truck Tyre Building Machine and Hot water curing Machine installed for better performance of product.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars regarding foreign exchange earnings and outgo are given in Note No. Z(6) and Z(9) of financial statements.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant and material order has been passed by any other regulators, courts, tribunals impacting the going concern status and Company's operations in future. However, the Hon'ble National Company Law Tribunal (NCLT), Ahmedabad Bench (Hon'ble NCLT/Hon'ble Adjudicating Authority) has passed order for initiation of Corporate Insolvency Resolution Process (CIRP) vide its order dated 28th March 2022.

MATTER LISTED WITH NCLT

An application was filed against Innovative Tyres & Tubes Limited under Section 9 of Insolvency and Bankruptcy Code, 2016 before the Hon'ble NCLT Ahmedabad with a prayer to commence the Corporate Insolvency Resolution Process (CIRP). The said application for initiation of Corporate Insolvency Resolution Process (CIRP), has been admitted by Hon'ble National Company Law Tribunal (NCLT), Ahmedabad Bench (Hon'ble NCLT/Hon'ble Adjudicating Authority) vide its order dated 28th March 2022. Under the IBC proceedings, the powers of the Board were suspended with effect from 28th March, 2022. The NCLT order also provided for a moratorium with effect from 28th March 2022 till the completion of the Corporate Insolvency Resolution process (CIRP) or until it approves the resolution plan or passes an order for liquidation of the company, whichever is earlier.

Currently, the CIRP process in respect of the company is in progress. Resolution Plans are yet to be passed by the CoC and filed before the Hon'ble National Company Law Tribunal (NCLT) for approval.

RE-STRUCTURING OF BANKING ACCOUNT:

During the year under review, the Company has made application for seeking Guaranteed Emergency Credit Line for an amount of ₹ 213.00 lakhs and re-scheduling the re-payment of term loans. This has been treated as re-structuring as per State Bank of India circular No. SME/P&PD/SJG/18/2021-22 dated 16th June 2021.

CLASSIFICATION OF BANK ACCOUNT AS NON-PERFORMING ASSET(NPA):

The Company has defaulted in repayment of loan taken from State Bank of India. Company's accounts have been classified as Non-Performing Assets (NPA) by the Bank as on 6th March 2022.

DOWNGRADATION IN CREDIT RATING:

During the year under review, the long-term credit rating of the Company downgraded from "BB" to "D" by its rating agencies viz. CRISIL. In view of current exposure with banks the company is not required to get rated, Therefore, the rating has been withdrawn.

DISCLOSURE OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE UNDER WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed to provide a safe and conducive work environment to its employees. During the year under review, the Company has not received any complaints under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ADDITIONAL DISCLOSURES UNDER COMPANIES ACT, 2013:

- The Company has not issued any bonus shares, sweat equity shares, shares with differential voting rights and equity shares on rights basis during the year under review.
- No material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.
- There was no change in the nature of business during the year under review.

- d) The provisions regarding receipt of remuneration or commission from holding or subsidiary of the Company are not applicable and hence, the disclosure under Section 197 (14) is not required.
- e) The Company has complied with the Secretarial Standards issued by The Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

ACKNOWLEDGEMENTS

The Board acknowledges with gratitude the co-operation and assistance provided to your company by its bankers, Financial Institutions, and government as well as non-government agencies. The Board wishes to place on record its appreciation to the contribution made by employees of the company during the year under review. Your directors' thanks the customers, clients, vendors, other business associates, Auditors, RTA and members for their continued support in the Company's growth.

**For the Board Of Directors
INNOVATIVE TYRES & TUBES LIMITED**

**Date: 31st August 2022
Place: Vadodara**

**MUKESH DESAI
Chairman
(DIN: 00089598)**

ANNEXURE – 1
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year ended 31.03.2022

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

To,
The Members,
Innovative Tyres & Tubes Limited
(CIN: L25112GJ1995PLC086579)
Plot No. 1201, 1202, 1203 GIDC Halol,
Panchmahals – 389350, Gujarat.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. INNOVATIVE TYRES & TUBES LIMITED** (hereinafter called 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 of the books, papers, minutes book, 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 ended on 31st March, 2022, 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:

1. We have examined the books, papers, minutes book, forms and returns filed and other records maintained by M/s. Innovative Tyres & Tubes Limited ("The Company") for the financial year ended on 31st March, 2022 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 there under;
 - 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') is applicable to the Company: -
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase

Scheme) Guidelines, 1999 / The Securities and Exchange Board of India (Share Based Employees Benefits), Regulations, 2014;

Not applicable as the Company has not issued any options/ shares under the said Regulations during the year under review.

- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
Not applicable as the Company has not issued any Debt Securities during the year under review.
- g) 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;
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
Not applicable as the Company has not delisted any of its shares from any of the Stock Exchanges during the year under review.
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
Not applicable as the Company has not bought back any of its securities during the year under review.
- j) The Company has complied with the requirements under the Equity Listing Agreements entered into with National Stock Exchange of India Limited;

VI Other laws specifically applicable to the Company as per the representation given by the Company.

Sr. No.	Name of Act
1.	Air (Prevention and Control of Pollution) Act, 1981 and rules made there under.
2.	Water (Prevention and control of pollution) Act, 1974 and rules made there under.
3.	Apprentices Act, 1961 and Apprenticeship Rules, 1992.
4.	Labour Welfare Fund (Gujarat) Rules, 1962.
5.	The Customs Act, 1962.
6.	Central Goods & Services Tax (CGST).
7.	State Goods & Services Tax (SGST).
8.	Integrated Goods and Service Tax (IGST).
9.	Child Labour (prohibition & Regulation) Act, 1986.
10.	Contract Labour Regulation and Abolition Act, 1970.
11.	Customs Valuation (Determination of value of imported goods) Rules, 2007.
12.	Electricity Act, 2003 and Indian Electricity Rules, 1956/2005.
13.	Employee Deposit linked insurance scheme, 1976.
14.	Employee Compensation Act, 1923 and rules made there under.

Sr. No.	Name of Act
15.	Employees Provident Fund and Miscellaneous Provisions Act, 1952.
16.	Employee State Insurance Act, 1948.
17.	Employment Exchange Act, 1959 and Rules made there under.
18.	Equal Remuneration Act, 1976 and Equal Remuneration Rules, 1976.
19.	Explosives Act, 1884 and rules made there under.
20.	Factories Act, 1948.
21.	Foreign Trade Policy.
22.	Foreign Trade (Development & Regulation) Act, 1992 and Foreign Trade (Regulation) Rules, 1993.
23.	Gujarat Panchayats, Municipalities municipal corporation Act, 1992 and Rules made there under.
24.	Gujarat Lifts and Escalators Act, 2008.
25.	Income Tax Act, 1961 and Income Tax Rules, 1962.
26.	Industrial Employment Act, 1946.
27.	Information Technology Act, 2008.
28.	Maternity Benefit Act, 1961.
29.	Minimum Wages Act, 1948.
30.	Motor Vehicles Act, 1988 and Central Motor Vehicle Rules, 1989.
31.	Payment of Bonus Act, 1965 and Payment of Bonus Rules, 1975.
32.	Payment of Gratuity Act, 1972.
33.	Payment of Wages Act, 1936.
34.	Petroleum Act, 1934 and Petroleum Rules, 2002.
35.	Professional Tax Act, 1987.
36.	Public Liability Insurance Act, 1991 and Public Liability Insurance Rules, 1991.
37.	Gujarat Shop & Establishment Act.
38.	Sexual Harassment of women at workplace prevention, prohibition redressal Act, 1991.
39.	Shipping Bill and Bill of Export (Form) Regulations, 1991.

During the year under review, generally the company has complied all applicable provisions of above-mentioned acts, but due to liquidity issue, the Company has not paid the undisputed statutory dues and the loan liabilities.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with the National Stock Exchange of India Limited.

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc as mentioned above subject to the following observation:

The Hon'ble National Company Law Tribunal, Ahmedabad Bench, has ordered the Commencement of Corporate Insolvency Resolution Process of "M/s Innovative Tyres and Tubes Limited" (Corporate Debtor) (CIN- L25112GJ1995PLC086579) vide NCLT order No C.P. (I.B)/261(AHM)2021, Dated: 28th March, 2022 (CIRP Process Commencement Date).

Pursuant to the Order, Mr. Abhishek Nagori, insolvency professional having IBBI Registration number (IBBI/PA-001/IP-P00020/2016-

17/10044) has been appointed as Interim Resolution Professional. On 26th April, 2022 Mr. Abhishek Nagori was confirmed as Resolution Professional of M/s Innovative Tyres and Tubes Limited by passing unanimous resolution in the 1st Committee of Creditor meeting at Ahmedabad.

2. We further report that, the Company has, in our opinion, complied with the provisions of the Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Rules made under the said Act and the Memorandum and Articles of Association of the Company, with regard to:

- a) Maintenance of various statutory registers and documents and making necessary entries therein;
- b) Closure of the Register of Members;
- c) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- d) Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- e) Notice of Board meetings and Committee meetings of Directors;
- f) The meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- g) The Annual General Meeting held on 29th September, 2021 for the financial year 2020-21;
- h) Minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- i) Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- j) Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
- k) Payment of remuneration to Directors including the Managing Director and Whole-time Directors,
- l) Appointment and remuneration of Auditors and Cost Auditors;
- m) Transfers and transmissions of the Company's shares and make necessary endorsement on the reverse side of the respective Share Certificates; (During the year under review, no shares were transferred and transmission.)
- n) Declaration and payment of dividends; (During the year under review, the Company has not declared dividend.)
- o) Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs; (During the year under review, no dividend was declared, hence provision of investors education and protection fund is not applicable.)
- p) Borrowings and registration, modification and satisfaction of charges wherever applicable;
- q) Investment of the Company's funds including investments and loans to others;

- r) Form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
 - s) Directors' report;
 - t) Contracts, common seal, registered office and publication of name of the Company; and
 - u) Generally, all other applicable provisions of the Act and the Rules made under the Act.
3. **We further report that:**
- A) Mr. Pradip Kothari, Whole Time Director of the Company resigned from directorship on 16th November, 2021. As on the date of signing of this report, the vacancy has not been filled in, in accordance with the section 203 of the Companies Act, 2013. However, with respect to the NCLT order dated 28th March, 2022, the insolvency proceedings against the company was admitted due to which the powers of the Board were suspended and the same were vested with the Resolution Professional.
 - b) 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.
 - c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
 - d) The Company has obtained all necessary approvals under the various provisions of the Act; and
 - e) There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
 - f) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;
4. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.
 5. We further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed there under by the Depositories with regard to dematerialization / re-materialization of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.
 6. The Company has complied with the provisions of the FEMA, 1999 and the Rules and Regulations made under that Act to the extent applicable.
 7. We further report that based on the information received and records maintained 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.

8. We further report that during the period under review, the company has not allotted any equity shares.

For, Swati Bhatt & Co.

Swati Bhatt

Practicing Company Secretary

M. No. F7323

COP: 8004

Place: Vadodara

Peer Review Certificate No.: 2448/2022

Date: 19th August, 2022

UDIN: F007323D000814965

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

"ANNEXURE A TO SECRETARIAL AUDIT REPORT"

To,

The Members,

M/s. INNOVATIVE TYRES & TUBES LIMITED

CIN: L25112GJ1995PLC086579

1201, 1202, 1203 - GIDC Halol,

Panchmahals, Halol, Gujarat – 389350.

Our report of even date is to be read along with this letter:

1. Maintenance of Secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we follow provide a responsible basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

For, Swati Bhatt & Co.

Swati Bhatt

Practicing Company Secretary

M. No. F7323

COP: 8004

Place: Vadodara

Peer Review Certificate No.: 2448/2022

Date: 19th August, 2022

UDIN: F007323D000814965

ANNEXURE – 2**CORPORATE GOVERNANCE REPORT**

In terms of Regulation 27 and 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report containing details of corporate governance systems and processes at Innovative Tyres & Tubes Limited is as under:

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company is committed to good Corporate Governance and has benchmarked itself against the prescribed standards. The fundamental objective of Corporate Governance is the enhancement of shareholders' value and protecting the interest of the stakeholders. The good corporate governance is one of the factors towards growth of company for a long-term prosperity and sustainability. Your Company's philosophy of Corporate Governance is aimed at assisting the management in the efficient conduct of the business of the Company and in the meeting its obligations to shareholders and others. A report on the matters and the practices followed by the Company is detailed herein below:

BOARD OF DIRECTORS

The Board of Directors of the Company ("Board") has optimum combination of Executive and Non-Executive Directors comprising One Executive Director and Three Non-Executive Directors. None of the Directors hold directorship in more than 20 public limited companies nor is a member of more than 10 committees or chairman of more than 5 committees across all the public limited companies in which they are Directors.

The details of composition of Board, nature of relationships, number of meetings held and attended and the directorships in other companies as at 31st March, 2022 are detailed below:

Sr. No.	Name of Directors	Category	No. of Board Meetings held and attended during the year	Attendance at last AGM held on 29.09.2021	No. of Directorships in other public companies	No. of Committee positions held in other public companies	
						as Chairman#	as member#
1.	Mr. Mukesh Desai	Non-Executive Chairman	06/06	Yes	1	1	4
2.	Mr. Pradeep Kothari	Whole time Director	04/04	Yes	N.A.***	N.A.***	N.A.***
3.	Mr. Keyoor Bakshi	Independent Director	06/06	Yes	8	1	1
4.	Dr. Mrs. Kalpana Joshipura	Independent Director	06/06	Yes	0	0	0

* Other Directorships do 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

*** During the year Mr. Pradeep Kothari, Whole Time Director resigned from 16-11-2021)

DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE:

None of the Directors are related inter-se.

NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS:

Mr. Mukesh Desai Promoter and non-executive chairman, is holding 6,99,562 equity shares. Other Non-executive directors do not hold any shares and convertible instruments in the Company.

FAMILIARIZATION TO INDEPENDENT DIRECTORS:

In Compliance of SEBI (LODR) Regulation 2015 Company has conducted a familiarization program me for Independent Directors of the Company for familiarizing with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. The details of such familiarization programme for Independent Directors are posted on the website of the Company and can be accessed at http://www.innovativetyres.com/investor_relations/policies_programme

AUDIT COMMITTEE:

The Audit Committee of the company consists of two Independent Directors and one Non-Executive Director of the Company. All the Directors have good understanding Finance, Accounts and Law. During the financial year under review, audit committee met four times June 29, 2021, August 21, 2021, November 14, 2021, and March 12, 2022. Composition of audit committee of the company is as follows:

Sr. No.	Name	Category	Nos. of meeting attended
1.	Mr. Keyoor Bakshi	Chairman	04/04
2.	Dr. Mrs. Kalpana Joshipura	Member	04/04
3.	Mr. Mukesh Desai	Member	04/04

Mr. Arvind Tambi, CFO & Company Secretary acts as a Secretary to the Committee.

Brief description of terms of reference:

Role of the Audit Committee is prescribed under the provisions of Section 177 of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014, and Regulation 18 of the SEBI (LODR), Regulations, 2015. Brief description of the same includes:

1. Overseeing the Company's financial reporting process;
2. Approval or any subsequent modification of transactions of the company with related parties;
3. Recommendation for appointment, remuneration and terms of appointment/re-appointment of auditors of the company.
4. Evaluation of internal financial controls and risk management systems.
5. Monitoring the end use of funds raised through public offers and related matters.
6. Examination of the financial statement and auditor's report thereon.

NOMINATION & REMUNERATION COMMITTEE:

The Nomination & Remuneration Committee of the company consisted of two Independent Directors and one Non-Executive Director of the Company. The members of the Nomination & Remuneration committee met on December 18, 2021. Composition of Nomination & Remuneration committee of the company is as follows:

Sr. No.	Name	Category	Nos. of meeting attended
1.	Dr. Mrs. Kalpana Joshipura	Chairperson	01/01
2.	Mr. Keyoor Bakshi	Member	01/01
3.	Mr. Mukesh Desai	Member	01/01

Mr. Arvind Tambi, CFO & Company Secretary acts as a Secretary to the Committee.

Brief description of terms of reference:

In compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR), Regulation, 2015, the Company has constituted a Nomination & Remuneration Committee of the Board. All members of the Committee are Independent Directors. The terms of reference of the Committee inter alia, include:

1. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
2. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
3. Discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.

The Board have approved a Nomination and Remuneration Policy of the Company and available on the website 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:

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the process, format, attributes and criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors.

During the year, performance evaluation of the Chairman and the Executive Director were carried out by the Independent Directors at their separate meeting held on 12th March, 2022.

DETAILS OF REMUNERATION TO ALL THE DIRECTORS:

The aggregate value of salary and perquisites paid during the year 2021-22 to the Executive Directors are as follows:

Mr. Pradeep Kothari, Whole time Director (upto 16-11-2021) – ₹ 3.28 lakhs

Sitting fees paid to Independent & Non-Executive Directors during the year 2021-22 are as follows:

Mr. Keyoor Bakshi, Independent Director – ₹ 0.70 lakh

Dr. Mrs. Kalpana Joshipura, Independent Director – ₹ 0.70 lakh

Mr. Mukesh Desai, Non-Executive Chairman – ₹ 0.65 lakh

STAKEHOLDERS, SHAREHOLDERS'/ INVESTOR'S GRIEVANCES COMMITTEE:

In compliance with Section 178 of the Companies Act, 2013 and Regulation 20 and Schedule II, Part D of the SEBI (LODR) Regulations, 2015, a Stakeholders' Relationship Committee of the Board has been constituted to solve the investor's grievances. During the year under review, members of the Stakeholders/Investor Grievance Committee met on March 12, 2022. Composition of the Committee is as follows:

Sr. No.	Name	Category
1.	Dr. Mrs. Kalpana Joshipura	Chairperson
2.	Mr. Mukesh Desai	Member
3.	Mr. Pradeep Kothari	Member (upto 16-11-2021)
4.	Mr. Keyoor Bakshi	Member (w.e.f.16-11-2021)

Name of the Non-Executive Director heading the committee:

Stakeholders' Relationship Committee is headed by Dr. Mrs. Kalpana Joshipura, Independent Director of the Company.

Details of investor complaints received and redressed during the year 2021-22 are as follows:

Number of shareholders complaints received and resolved – NIL

Number of complaints not solved to the satisfaction of shareholders – NIL

Number of pending complaints – NIL

GENERAL BODY MEETING

The details of Annual General Meetings held during the last three years are as follows:

Year	Day, Date and Time	Venue
2020-21	Wednesday, 29 th September, 2021 at 9:00 a.m.	Through Video Conferencing (VC) /Other Audio-Visual Means (OVAM).
2019-20	Thursday, 24 th September, 2020 at 9:00 a.m.	Through Video Conferencing (VC) /Other Audio-Visual Means (OVAM).
2018-19	Monday, 30 th September, 2019 at 9:00 a.m.	Plot No. 1201, 1202, 1203, GIDC Halol, Dist Panchmahals-389350.

Details of Special Resolutions passed in the previous three AGMs:

The members have passed one special resolutions in the 24th AGM held on 30th September, 2019:

- Re-appointment of Mr. Nitin J Mankad as whole Time Director for one year.

The members have passed two special resolutions in the 25th AGM held on 24th September, 2020:

- Re-appointment of Mr. Nitin J Mankad as whole Time Director for three years.
- Re-appointment of Dr. Mrs. Kalpana Joshipura as Independent Director for three years.

Details of special resolutions passed through postal ballot:

No special resolutions passed through postal ballot during last three years.

MEANS OF COMMUNICATION

Company is listed on NSE Emerge platform. Hence, during the financial year 2021-22, half year results and year ended results have been filed with Stock Exchange in compliance of Listing Regulations. Requirement of Publishing of Results in Newspaper as per Regulation 46 of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 is not applicable for SME Listed companies. The official announcements, presentations are posted on official website of the company www.innovativetyres.com

GENERAL SHAREHOLDER INFORMATION

Date, Time and Venue of AGM	28 th September, 2022 through video conferencing or other audio-visual means at 10.00 A.M.
Financial Year	From 1 st April to 31 st March of the following year
Date of Book Closure	Thursday, September 22, 2022 to Wednesday, September 28, 2022 (both days inclusive)
Dividend payment date	No Dividend declared
Listed on Stock Exchange	National Stock Exchange of India, EMERGE platform
Trading Symbol	INNOVATIVE
ISIN	INE070Y01015

Market Price Data and Performance in comparison to other indices

The Company is listed on EMERGE platform of National Stock Exchange of India. Monthly market price high, low for the year 2021-22 and comparison at NSE is given hereunder:

Months	High (₹)	Low (₹)	NSE-Shares (lakhs)(Volume)
Apr-21	8.10	7.00	0.72
May-21	8.30	7.30	1.71
Jun-21	12.80	7.50	4.77
Jul-21	20.45	13.35	4.50
Aug-21	18.00	13.75	0.54
Sep-21	13.10	10.00	2.31
Oct-21	11.35	9.05	1.35
Nov-21	12.75	10.00	1.05
Dec-21	9.95	7.00	10.26
Jan-22	10.00	7.50	22.86
Feb-22	8.80	6.10	33.57
Mar-22	7.00	5.40	18.21

Details of Registrar and Share Transfer Agent

M/s Link Intime India Private Limited

C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai, Maharashtra – 400083.

Contact No: 022 4918 6000 Website: www.linkintime.co.in

Share Transfer System

All the transfer requests received are processed by the Registrars and Transfer Agents.

Distribution of Shareholding as on 31st March, 2022

Sr. No.	Shareholding of Nominal Value (INR)			Number of Shareholders	% Of Total	Share Amount (INR)	% of Total Share Amount
1	1	to	5000	1	0.07	100	0.00
2	5001	to	10000	5	0.34	40,000	0.02
3	10001	to	20000	2	0.14	37,950	0.02
4	20001	to	30000	952	65.61	2,85,54,380	15.87
5	30001	to	40000	0	0.00	0	-
6	40001	to	50000	0	0.00	0	-
7	50001	to	100000	316	21.78	2,24,70,000	12.49
8	100001	to	*****	175	12.06	12,88,13,180	71.60
Total				1451	100.00	17,99,15,610	100.00

DEMATERIALIZATION OF SHARES AND LIQUIDITY:

As on 31st March, 2022 out of total 1,79,91,561 share, 1,58,53,793 shares (88.12% of the issued capital of the company) are in dematerialized mode. All promoters' shares are in dematerialized mode. Company is listed on NSE Emerge platform and all the shares are traded on NSE Emerge platform.

Outstanding GDRs/ADRs/Warrants or any Convertible Instruments: NIL**Plant Locations:**

Tyre Plant: Plot No. 1201, 1202, 1203 GIDC Halol, Panchmahals – 389350, Gujarat.

Tube Plant: Plot No. 1704, GIDC Halol, Panchmahals – 389350, Gujarat.

Address for Correspondence:**Innovative Tyres & Tubes Limited**

Reg. Off.: Plot No. 1201, 1202, 1203 GIDC Halol, Panchmahals – 389350, Gujarat.

E-mail: investors@innovativetyres.co.in

Contact No.: 02676 - 220621

CIN: L25112GJ1995PLC086579

OTHER 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 from time to time. Necessary disclosures as required by Accounting Standards (AS-18) have been made in the Notes to the financial statements. As required under Regulation 46(2) of SEBI (LODR), Regulations, 2015, the Company has also formulated a Related Party Transactions Policy which is available on the website of the Company http://www.innovativetyres.com/investor_relations/policies_programme

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. Therefore, there is no requirement to report any transaction in Form No. AOC-2 in terms of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

Legal Compliances:

There were no instances of material non-compliances during the year under review. No strictures or penalties were imposed on the Company by SEBI, Stock Exchanges or any statutory authority on any matter related to capital markets during the last three years.

Vigil Mechanism:

The Company has a formal Whistle Blower Policy/ Vigil Mechanism Policy. The Directors of the Company affirms that no personnel have been denied access to the Audit Committee.

Mandatory & Non-Mandatory Requirements:

The Company has complied with all the mandatory requirements of Corporate Governance and endeavors to adopt good corporate governance practices which help in adoption of non-mandatory requirements.

COMPLIANCE CERTIFICATE

{Under Regulation 34(3) and Schedule V (E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015}

**To,
The Members of
Innovative Tyres and Tubes Limited,
1201-02-03, GIDC Halol-389350
Dist Panchmahals.**

The Corporate Governance Report prepared by Innovative Tyres & Tubes Limited ("the Company"), contains details as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") with respect to Corporate Governance for the year ended March 31, 2022 pursuant to the Listing Agreement of the Company with the Bombay Stock Exchange Ltd (Herein after referred to as the "Stock Exchange").

Management's Responsibility:

The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

Auditor's Responsibility:

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether for the year ended March 31, 2022 the Company has complied, with the conditions of Corporate Governance as stipulated in the Listing Regulations.

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

Opinion:

In our opinion, based on our examination of the relevant records and to the best of our information and according to explanations given to us, and representations provided by the management, we certify that, the Company, has complied with the conditions of Corporate Governance as stipulated, in the above-mentioned Listing Regulations.

Other Matters and Restriction on use:

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.

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, for the year ended March 31, 2022, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Swati Bhatt & Co.

Swati Bhatt

Practicing Company Secretary

M. No. 7323

COP: 8004

Peer Review Certificate No.: 2448/2022

ICSI UDIN: F007323D000814987

Place: Vadodara

Date: 19th August 2022

ANNUAL DECLARATION BY CEO / MANAGING DIRECTOR PURSUANT TO PART D OF SCHEDULE V (REGULATION 34) OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENT) REGULATIONS, 2015

I, Arvind R Tambi, CFO & CS of M/s Innovative Tyres & Tubes Limited hereby declare that all the members of the Board of Directors of the Company and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them as laid down by the Company in terms of Part D Schedule V (Regulation 34) of the Listing Regulation entered into with the Stock Exchanges for the financial year ended March 31, 2022.

For Innovative Tyres & Tubes Limited

Place: Vadodara
Date: 18th August 2022

**Sd/-
Arvind Tambi
CFO & CS**

ANNEXURE – 3

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Management Discussion and Analysis Report (MDAR) is structured as follows:

- Industry structure and developments
- Opportunities
- Segment-wise or product-wise performance
- Outlook
- Threats, Risk and Concerns
- Internal Control System
- Financial and operational performance
- Material Development in Human Resources

Some Statements in this discussion may be forward looking. The Company's actual results, performance or achievements can thus differ materially from those projected in any such forward-looking statements in the management discussion and analysis on account of various factors such as changes in Government regulations, tax regimes, impact of competition, etc.

INDUSTRY OVERVIEW

The Indian Tyre Industry was achieving continuous growth during the year despite challenges in raw materials procurement and auto industry slowdown. The tyre industry is bringing agility and flexibility into its operations by focusing on the changes affecting each and every segment in the automotive space, including the increase in number of vehicles like quadri cycles, e-rickshaws and electric buses.

Tyre demand has been relatively more resilient compared with other auto components as the replacement demand in the tyre industry insulates it from cyclicity to a large extent, while vehicle production fell around 15% in the last two years on account of weak consumer sentiments and subdued economic activities.

Exports, which constitute nearly one-fifth of the tyre industry's revenues, grew by about 10% in value and about 8% in volume terms after a marginal contraction in previous year. This helped by the fact that Tyre imports continue to remain low on the back of government regulations, thus favouring the domestic players.

The Indian tyre industry is expected to recover from five years of weakness and be on a linear growth path, subject to being supported by timely capacity expansion across companies. Improving demand, stable competitive intensity. Government's efforts to stimulate agricultural sector had some boost in Tractor sales & good monsoon also gave positive effect in the sector. However, the increase in Raw material procurement price remains a concern. The industry may not be able to pass on the full costs to the Consumer.

In early 2021-22, the country saw the start of the second Covid wave. All states had imposed lockdowns impacting business activity again. However, in the second wave, the number of cases and the severity of the disease were much more than was experienced in the first wave. This have impacted the first quarter GDP though the impact will be much lower than the last year The current wave is being tackled with localized lockdowns and not with complete lockdown as was the case last year.

RISKS AND CONCERNS

Profit margins on tyres took a hit as Raw Materials prices increases significantly and under the current economic situation it may not be possible to pass on the entire raw material price increase to customers. This will be impacting the CAPEX for the expansion facilities going forward.

However, the impact of current destabilization in the world due to Russia Ukrain crisis is yet to be ascertained. Economic slowdown can lead to decreased volume and capacity utilization.

GROWTH DRIVERS AND OUTLOOK

The Road conditions are improving virtually by the day. Indeed there has been a credible move towards concretizing road surfaces both in urban agglomerations as well as state and national highways. The progressive upgradation in road conditions and their geographical spread across the country has been a fillip to road transport. As the Indian economy expands in size, so will the road transport and therefore the demand for tyres.

The new scrappage policy could play an essential role in reviving the commercial vehicle sector in India. As per the market reports, it is expected that the situation would improve gradually during the current fiscal that has been affected by the current downturn in the industry and the corona virus pandemic.

THE COMPANY'S TYRE BUSINESS GOING FORWARD

The Company did not make much progress in the financial year 2021 – 22 as the operations at the factory were halted on account of unavailability of required working capital.

The Company bank account became NPA and subsequently it is under Corporate Insolvency Resolution Process (CIRP) as per order of Honourable National Company Law Tribunal (NCLT) dated 28-03-2022.

In overall terms, the Tyre business looks to the future with confidence.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial statements have been prepared in accordance with the requirement of the Companies Act 2013, and applicable accounting standards issued by the Institute of Chartered Accountants of India.

(₹ In Lakhs)

Particulars	2021-22	2020-21
Revenue from Operations	5,156.99	13,917.21
Other Income	204.51	101.58
Total Revenue	5,361.50	14,018.79
Total expenses	11,272.53	14,906.16
Profit /(Loss) before taxation	(5,911.03)	(887.37)
Less: tax expense (including adjusted deferred tax)	17.02	3.25
Profit /(Loss) after tax	(5,894.01)	(884.12)

The "General Review on Business Performance" incorporated in the Directors' Report sets out a brief performance resume of the Company's operating businesses.

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations thereof, including:

Particulars	31.03.2022	31-03-2021	% Variance	Reason for variance
Current Ratio (in times)	0.07	0.78	-90.84%	Refer Note 1
Debt-Equity Ratio (in times)	4.31	0.55	689.63%	Refer Note 2
Debt Service Coverage Ratio (in times)	(10.22)	0.68	-1597.44%	Refer Note 3
Return on Equity Ratio (in times)	(1.54)	(0.12)	1158.32%	Refer Note 3
Inventory Turnover Ratio (in times)	2.48	3.45	-28.14%	Refer Note 4
Trade Receivables turnover Ratio (in times)	6.49	8.75	-25.87%	Refer Note 5
Trade Payable turnover Ratio (in times)	1.47	3.33	-55.99%	Refer Note 6
Net Capital Turnover Ratio (in times)	(1.12)	(33.08)	-96.60%	Refer Note 7
Net Profit Ratio (in percentage)	(1.14)	(0.06)	1699.09%	Refer Note 3
Return on Capital Employed (in percentage)	(1.04)	(0.06)	1761.11%	Refer Note 3

1. Current assets significantly reduced because of operating losses during the year
2. Debt Equity ratio has increased because of increase in Debt and reduction in Shareholder fund (due to net losses)
3. Debt Service Coverage Ratio, Return on Equity Ratio, Net Profit ratio and Return on Capital employed negatively impacted mainly due to huge loss in current year.
4. Sales declined by 63% as compared to decline in average inventory levels by 49%
5. Sales declined by 63% as compared to decline in Average Trade receivable by 50%
6. Purchases declined by 54% whereas Average trade payable increased by 4%
7. Working Capital has eroded significantly due to operating losses in current year. Hence Net Capital turnover ratio deteriorated.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL REALTIONS FRONT, INCLUDING NO OF PEOPLE EMPLOYED

Your Company firmly believes that its human resources are the key enablers for the growth of the Company and important asset. Hence, the success of the Company is closely aligned to the goals of the human resources of the Company. People – employees, customers, partners, investors etc – form the bedrock for the success of any company. We recognize the importance of having a business –focused and performance-driven team that drives us to achieve growth ambitions.

The Company maintained cordial and harmonious industrial relations in all its manufacturing units. Several HR and industrial relations initiatives implemented by the Company have significantly helped in improving the work culture, enhancing productivity and enriching the quality of life of the workforce and maintaining your Company's supremacy in the market.

The Company also recognizes the importance of providing training and development opportunities to its people to enhance their skills and experiences, which in turn enables the Company to achieve its business objectives.

Annexure - 4

THE DISCLOSURES PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT' 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016 ARE AS UNDER:

The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Sr. No.	Name of Directors/KMP	Remuneration of Director/KMP for FY 2021-22 (₹ In Lakhs)	% Increase in Remuneration in the F.Y. 2021-22	Ratio of Remuneration of each Director/to median remuneration of employees	Comparison of the remuneration of the KMP against the performance of the company
1.	Mr. Mukesh Desai Non-Executive Chairman	N.A.	N.A.	N.A.	Company incurred net loss before tax ₹ 5894.01 lakhs during 2021-22 as compared to the previous year 2020-21 ₹ 884.12 Lakhs.
2.	Mr. Pradeep Kothari Whole time Director (upto 16-11-2021)	3.28	0.00%	N.A.	
3.	Mr. Keyoor Bakshi Independent Director	NA	NA	N.A.	
4.	Dr. Mrs. Kalpana Joshipura Independent Director	NA	NA	N.A.	
5.	Mr. Arvind Tambi Chief Financial Officer & Company Secretary	9.54	0.00%	N.A.	

The remuneration of KMP is as per the recommendations of the Nomination & Remuneration Committee.

It is hereby affirmed that the remuneration paid is as per the remuneration policy for Directors, Key Managerial Personnel and other Employees.

None of the employees of the company who has drawn salary more than the amount prescribed under the Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014 along with the circular issued by the Ministry of Corporate Affairs on June 30, 2016. Therefore, the Company is not required to provide statement under section 197[12] of the Act read with Rule 5[2] of the Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014 and hence the said statement is not available for inspection at the Registered Office of the Company.

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
Innovative Tyres and Tubes Limited,
1201-02-03, GIDC Halol-389350
Dist Panchmahals.

We have examined the relevant Registers, Records, forms, returns and disclosures received from the Directors of Innovative Tyres and Tubes Limited having CIN: L25112GJ1995PLC086579 and having registered office at 1201-02-03, GIDC Halol-389350 Dist Panchmahals (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) 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 March 31, 2022 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.

S No	Name of Director	DIN	Date of Appointment in the Company
1	Mr. Mukesh Desai	00089598	01-04-2000
2	Mr. Keyoor Bakshi	00133588	01-06-2015
3	Mr. Pradeep Kothari	00572331	14-06-2014 (Resigned w.e.f. 16-11-2021)
4	Dr. Mrs. Kalpana Joshipura	07849507	15-06-2017

Ensuring the eligibility 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 Swati Bhatt & Co.

SWATI BHATT

Practicing Company Secretary

M. No. 7323

COP: 8004

Peer Review Certificate No.: 2448/2022

UDIN: F007323D000814998

Place: Vadodara
Date: 19th August 2022

Abhishek Nagori
Insolvency Professional
Resolution Professional for M/s Innovative Tyres and Tubes Limited
(Under Corporate Insolvency Resolution Process)
Regn. No. IBBI/IPA-001/IP-P00020/2016-2017/10044
330/348, Third Floor, Tower-A, Atlantis K-10,
Opp. Vadodara Central, Sarabhai Main Road,
Vadodara-390 023, Gujarat- India
E-mail: cirp.ittl@ddip.in; jlnusb@gmail.com

REPORT OF RESOLUTION PROFESSIONAL

The members are informed that the Hon'ble National Company Law Tribunal, Ahmedabad Bench, has ordered the Commencement of Corporate Insolvency Resolution Process of "M/s Innovative Tyres and Tubes Limited" (Corporate Debtor) (CIN- L25112GJ1995PLC086579) vide NCLT order No. C.P (I.B) No. 261/NCLT(AHM)2021, Dated: 28.03.2022 (CIRP Process Commencement Date). Pursuant to the Order, Mr. Abhishek Nagori, insolvency professional having IBBI Registration number (IBBI/IPA-001/IP-P00020/2016-17/10044) has been appointed as Interim Resolution Professional. On 26th April, 2022 Mr. Abhishek Nagori confirmed as Resolution Professional of M/s Innovative Tyres and Tubes Limited by passing unanimous resolution in the 1st Committee of Creditor meeting at Ahmedabad.

The Statement of Audited Standalone Financial Results for the half year ended 31st March, 2022 and year ended 31st March, 2022 have been prepared by the management of company and Resolution Professional and certified by Mr. Mukesh G Desai - Director (suspended) and Mr. Arvind Tambi - Chief Financial Officer. The Resolution Professional has relied upon the certifications, representations and statements made by the management while reviewing the financial results.

The Resolution Professional has, however not authenticated the correctness of enclosed the Statement of Audited Standalone Financial Results for the half year ended 31st March, 2022 and year ended 31st March, 2022 of the company for any purpose whatsoever including but not limited to the Companies Act, 2013 and the Securities and Exchange Board of India Act, 1992 when they belong to the period before initiation of the Corporate Insolvency Resolution Process i.e. 28.03.2022.

Yours sincerely,

ABHISHEK NAGORI

Resolution Professional for M/s Innovative Tyres and Tubes Limited
IBBI/IPA-001/IP-P00020/2016-2017/10044
Date: 19th May 2022
Place: Vadodara

CEO AND CFO CERTIFICATION

We, Mr. Mukesh Desai, Non-Executive Chairman and Mr. Arvind Tambi, Chief Financial Officer & Company Secretary, certify that:

- a) We have reviewed the financial statements and cash flow statement for the year ended 31st March, 2022 and to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) 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) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2022 are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- d)
 - i) There has not been any significant change in internal control over financial reporting during the year under reference;
 - ii) There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - iii) We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
Mukesh Desai
Chairman
(DIN 00089598)

Sd/-
Arvind Tambi
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

To the Members of
Innovative Tyres and Tubes Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Qualified Opinion

We have audited the financial statements of Innovative Tyres and Tubes Limited, which comprise the Balance Sheet as at 31st March, 2022, and the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described under basis of qualified opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 (The Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its loss and its cash flows for the year ended on that date.

Basis for Qualified Opinion

1. Attention is invited to Note No Z(18) of Financial statements, the Company has defaulted in repayment of loan taken from State Bank of India. Company's accounts have been classified as Non-Performing Assets (NPA) by the Bank as on 6th March 2022. The bank has not charged any interest on the company's borrowing for the month of March 2022 and it has reversed the unrealized interest already charged in accounts. The Company has not made provision for such interest (including unrealized interest already charged) in books of accounts of the company. Amount of Interest including penal interest has not been provided by the Bank, hence could not be quantified. Finance cost and net losses for the year and bank liabilities as on 31st March 2022 are understated to that extent.
2. The Company has received claims from its Operational and Financial Creditors post initiation of Corporate Insolvency Resolution Process. Claims of these creditors are under process of verification with books of accounts and no impact has been taken in books of accounts. Due to pending process of verifications and reconciliations, consequential impact of the same on financial statements of the company cannot be ascertained.
3. We draw attention to the Note no. Z(20) of the financial statements with respect to assessment of impairment of Property, Plant and Equipments, based on internal evidences and in accordance to AS 28 "Impairment of Asset", the Company is required to determine impairment losses in respect of Property, Plant and Equipments as per the methodology prescribed under the said Standard. However, the Management of the Company has not done impairment testing for the reasons explained in note no. Z(20). In the absence of any working for impairment of the Property, Plant and Equipments as per AS, the impact of impairment losses, if any, on the financial statements is not ascertainable.

4. The Company has appointed external agency for internal audit under section 138 of the Companies Act 2013. However no internal audit report has been furnished to us.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there-under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidences we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Related to Going Concern:

The Company has been continuously incurring cash losses past three years. Net worth of the Company has been substantially eroded. The Company has incurred operating losses and is undergoing substantial financial stress. It has defaulted in repayment of loans (including interest thereon) taken from lenders. Further credit rating of the Company is also downgraded to "D" grade from "BB" grade during the year. The Company is unable to utilise its assets effectively and therefore its liabilities exceed its assets.

One Operational creditor has filed the petition for initiation of Corporate Insolvency Resolution Process (CIRP) with Hon'ble NCLT Ahmedabad under section 9 of Insolvency and Bankruptcy Code 2016. The said petition has been admitted vide Order of Hon'ble NCLT Ahmedabad dated 28th March 2022. Mr. Abhishek Nagori has been appointed as the Interim Resolution Professional (IRP) in terms of the Insolvency and Bankruptcy code 2016 to manage the affairs of the Company as per the provisions of the Code.

The financial statements of the Company have been prepared on the going concern basis under the ongoing Corporate Insolvency Resolution Process (CIRP), the outcome of which cannot be presently ascertained. The appropriateness of the assumptions of the going concern is critically depended upon outcome of the ongoing CIRP. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There is no key audit matter to communicate in our report.

Information Other than the 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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate

Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information are expected to be made available to us after this Auditor's Report.

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

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

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

Management's Responsibility for the Standalone Financial Statements and for Internal Financial control over Financial Reporting

The Company's Board of Directors under direction of Resolution Professional (RP) is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards (AS) specified under section 133 of the Act read with relevant rules issued thereunder.

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

The Company's Management under direction of Resolution Professional (RP) is responsible for establishing and maintaining internal financial controls based on essential components of the internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

In preparing the financial statements, management under direction of Resolution Professional (RP) 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 under direction of Resolution Professional (RP) is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the Company's internal financial controls system over financial reporting and the standalone financial statements. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account except for the possible effects of the

matters described under basis of qualified opinion section of our report.

- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards (AS) specified under Section 133 of the Act, read with relevant rules issued there-under except for the possible effects of the matters described under basis of qualified opinion section of our report.
- (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) In our opinion considering nature of business, size of the operation and organizational structure of the entity, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022 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.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note Z(3) to Financial Statements
 - ii. The Company did not have any long- term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The Management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement
- v. The Company has not declared or paid any dividend during the year.

For Maloo Bhatt & Co.
Chartered Accountants
F.R.No. 129572W

Place: Vadodara
Date: 19th May 2022

CA. YASH BHATT
Partner
M No. 117745
UDIN: 22117745AJLLYS1479

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2022:

- 1) (a) The Company has maintained fixed asset register containing proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) We have been informed that the Fixed Assets have been physically verified by the management every two to three years which is a reasonable time considering the quantum of fixed assets & nature of industry, no material discrepancies between the book records and the physical fixed assets have been noticed.
- (c) The title deeds of immovable properties are held in the name of the company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right to Use assets) and intangible assets during the year. However, the Company has revalued its Land during the Financial year 2016-17 based on independent valuer’s report.
- (e) No Proceeding have been initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- 2) (a) As explained to us, the inventory of the Company has been physically verified by the management at reasonable intervals. In our opinion, the frequency of the verification is reasonable. According to the information and explanations given to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.
- (b) The company has been sanctioned working capital facility of ₹ 29.50 Crore from State Bank of India on the basis of security of Current Assets. As mentioned in Note No. Z(14) of Financial Statements, quarterly statements submitted by the company to the Bank are not in agreement with books of accounts of the Company and reason thereof have been disclosed in said note.
- 3) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in nature of loans (except employee advances), secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties.
- 4) The Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, making investments and providing guarantees and securities, as applicable.
- 5) According to information and explanations given to us, the Company has not accepted any deposits including deemed

deposits during the year, therefore the provisions of the clause 3 (v) of the Order are not applicable to the company.

However, the company has received advance from customers amounting to ₹ 66.03 Lacs outstanding for more than 365 days at the end of year. Since the company was under financial crisis and Corporate Insolvency Resolution Process was initiated against the company, these orders could not be executed nor the company is able to repay the same.

- 6) The maintenance of cost records has been prescribed by the Central Government under sub section (1) of section 148 of the Companies Act, 2013. To the best of our knowledge and explanations provided by the management, the Company maintains such accounts and cost records. However, we have not made a detailed examination of the records with a view to determining whether they are accurate or complete
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, following amounts are outstanding as at March 31, 2022 for a period of more than six months from the date on when they become payable:

Particulars	Amount (₹ In Lacs)
Provident Fund	7.95
Employee State Insurance	1.09
Professional Tax	3.35
Tax deducted/collected at source	16.24
Labour welfare fund	0.03

- (b) As informed to us, there is no disputed amount due of income tax, sales tax, service tax, duty of custom, duty of excise or GST pending in any court of law. However following Government Authorities have submitted their claims to Resolution Professional (RP) after commencement of Corporate Insolvency Resolution Process (CIRP). The said claims have not been admitted by the RP till the date of financial statements due to certain discrepancies observed by him:

S NO	Name of Authorities	Amount of Claim (₹ In Lacs)
1	Customs	3407.15
2	Goods and Service Tax	406.67
3	Employee State Insurance Corporate	6.54

- 8) There is no transaction of unrecorded income surrendered or disclosed during the year, hence reporting under clause 3(viii) of this Order is not applicable to the Company.

9) (a) The Company has defaulted in repayment of loans taken from State Bank of India. Details thereof are as under:

Name of Lender	Nature of borrowing including debt securities	Amount not paid on due date	Whether Principal or Interest	No of days delay or unpaid
State Bank of India	Cash Credit	2574.6	Principal and Interest	March 22 to till date
State Bank of India	Cash Credit	100.89	Principal	March 22 to till date
State Bank of India	Letter of Credit	14.44	Principal	March 22 to till date
State Bank of India	Export Packing Credit Limit	123.24	Principal and Interest	March 22 to till date
State Bank of India	Term Loan	1.43	Interest	May-21
		8.5	Principal	May 21 to June 21
		1.44	Interest	Jun-21
		8.5	Principal	June 21 to Aug. 21
		1.17	Interest	July 21 to Sep. 21
		8.5	Principal	July 21 to Sep. 21
		1.38	Interest	Aug. 21 to Sep. 21
		8.5	Principal	Aug. 21 to Sep. 21
		1.33	Interest	Sep. 21
		143.53	Principal	March 22 to till date
State Bank of India	Term Loan	2.43	Interest	May-21
		7	Principal	May 21 to June 21
		2.46	Interest	June 21 to Aug. 21
		7	Principal	June 21 to Sep. 21
		2.15	Interest	July 21 to Sep. 21
		7	Principal	July 21 to Sep. 21
		2.44	Interest	Aug. 21 to Sep. 21
		2.53	Interest	Sep. 21
		2.14	Interest	Feb. 22 to till date
		2.03	Interest	March 22 to till date
State Bank of India	GECL	238.29	Principal	March 22 to till date
		1.25	Interest	Feb. 22 to till date
State Bank of India	GECL	213	Principal	March 22 to till date
		2.69	Interest	June 21 to Aug. 21
		2.7	Interest	Aug. 21 to Sep. 21
		2.72	Interest	Sep. 21 to Oct. 21
		11.86	Principal	Sep. 21 to Oct. 21
		11.86	Principal	Oct. 21
		2.63	Interest	Nov. 21
		11.86	Principal	Nov. 21
		2.43	Interest	Dec. 21
		11.86	Principal	Dec. 21
		2.45	Interest	Jan. 22 to Feb. 22
		11.86	Principal	Jan. 22 to Feb. 22
		2.4	Interest	Feb. 22 to till date
		2.17	Interest	March 22 to till date
		367.73	Principal	March 22 to till date
State Bank of India	CECL	8.34	Principal	April 21 to May 21
		0.61	Interest	May-21
		8.34	Principal	Jun-21
		0.55	Interest	June 21 to Aug. 21
		8.34	Principal	July 21 to Aug. 21
		8.34	Principal	Aug. 21 to Sep. 21
		0.49	Interest	Aug. 21 to Sep. 21
		8.34	Principal	Sep. 21
		0.46	Interest	Sep. 21
		0.28	Interest	Nov. 21 to Dec. 21
		8.34	Principal	Nov. 21 to Dec. 21
		0.24	Interest	Dec. 21
		8.34	Principal	Jan. 22 to Feb. 22
		0.24	Interest	Jan. 22 to Feb. 22
		8.34	Principal	Feb. 22 to till date
		0.2	Interest	Feb. 22 to till date
		8.34	Principal	March 22 to till date
		0.17	Interest	March 22 to till date
		8.26	Principal	March 22 to till date
State Bank of India	Vehicle Loan	2.49	Principal and Interest	March 22 to till date

- (b) The company is not a wilful defaulter by any bank or financial institution or other lender.
- (c) Terms loans were applied for the purpose for which loans were obtained.
- (d) No funds raised on short term basis, have been utilised for long term purposes during the year.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates and joint ventures.
- (f) The Company doesn't have any investment in subsidiary, associates or joint venture, hence reporting under clause 3(ix)(f) is not applicable to the Company.
- 10) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- 11) (a) According to the information and explanations given to us, we have not noticed or reported any fraud by the Company or any fraud on the Company by its officers or employees during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) The company has not received any whistleblower complaint during the year.
- 12) Clause 3 (xii) of the Order is not applicable to the Company as the Company is not a Nidhi Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) a) We have been informed that the company has internal audit system and it is commensurate with the size and nature of its business
- b) We have not been provided reports of the internal auditors for the period under audit.
- 15) 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 him and the provisions of section 192 of Companies Act, 2013 have been complied with.
- 16) Clause 3(xvi) of the Order is not applicable to the Company as the Company is not a required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- 17) The company has incurred cash losses amounting to ₹ 5130.75 Lacs and 50.23 Lacs in the current financial year and in immediately preceding financial year respectively.
- 18) There is no such case of resignation of statutory auditors, hence this clause is not applicable.
- 19) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and due to pending outcome of Corporate Insolvency Resolution Process and based on circumstantial evidences, we are of the opinion that material uncertainty exists as on the date of the audit report that the company may not be capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- 20) CSR Provisions under section 135 of Companies Act 2013 is not applicable to the company, hence Clause 3 (xx) of this Order is not applicable to the company.
- 21) Since the company is not required to prepare Consolidated financial statements, clause 3 (xxi) is not applicable.

For Maloo Bhatt & Co.
Chartered Accountants
F.R.No. 129572W

CA. YASH BHATT
Partner

Place: Vadodara
Date: 19th May 2022

M No. 117745
UDIN: 22117745AJLLYS1479

Balance Sheet as at 31st March, 2022

(₹ in Lakhs)

Particulars	Note No	As at 31 st March, 2022	As at 31 st March, 2021
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	A	1,799.16	1,799.16
(b) Reserves and Surplus	B	(927.64)	4,966.36
(2) Non-Current Liabilities			
(a) Long-term borrowings	C	-	611.31
(b) Deferred tax liabilities (Net)	D	846.72	863.74
(c) Long term provisions	E	-	143.12
(3) Current Liabilities			
(a) Short-term borrowings	F	3,759.71	3,084.94
(b) Trade payables	G		
(i) Due to Micro & Small enterprises		112.78	188.60
(ii) Others		2,922.14	3,125.91
(c) Other current liabilities	H	1,248.18	1,301.00
(d) Short-term provisions	I	-	62.20
Total		9,761.04	16,146.33
II. ASSETS			
(1) Non-current assets			
(a) Property, Plant & Equipments and Intangible Assets			
(i) Property, Plant & Equipments	J	8,961.07	9,687.07
(ii) Capital work-in-progress		24.67	143.82
(iii) Intangible assets		0.05	0.16
(b) Non-current investments	K	1.08	1.08
(c) Long term loans and advances	L	-	26.08
(d) Other Non Current Assets	M	198.85	227.47
(2) Current assets			
(a) Inventories	N	255.23	3,909.28
(b) Trade receivables	O	193.97	1,396.19
(c) Cash and cash equivalents	P	29.27	407.63
(d) Short-term loans and advances	Q	2.94	38.03
(e) Other Current Assets	R	93.89	309.52
Total		9,761.04	16,146.33
Notes forming Part of the Financial Statements	Z		

As per our Report of even date**For Maloo Bhatt & Co.**Chartered Accountants
F R No. 129572W**CA. Yash Bhatt**

Partner

M. No. 117745

Date : 19th May, 2022

Place : Vadodara

For and on behalf of Board of Directors**Director**
(Mukesh G Desai)
DIN No.00089598**Director**
(Keyoor M Bakshi)
DIN No.00133588**CFO & CS**
(Arvind Tambi)**Resolution Professional**
(Abhishek Nagori)

Profit & Loss Statement for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Note No	Year ended 31 st March, 2022	Year ended 31 st March, 2021
I. Revenue from operations	S	5,156.99	13,917.21
II. Other Income	T	204.51	101.58
III. Total Revenue (I +II)		5,361.50	14,018.79
IV. Expenses:			
Cost of materials, consumed	U	4,814.90	9,823.44
Changes in inventories of Finished Goods and Work in progress	V	3,253.22	167.01
Employee benefits expense	W	476.01	800.68
Financial costs	X	306.50	363.85
Depreciation and amortisation expense	J	780.28	837.14
Other expenses	Y	1,641.63	2,914.04
V. Total Expenses		11,272.53	14,906.16
VI. Profit/(Loss) before tax		(5,911.03)	(887.37)
VII. Tax expense:			
Deferred Tax		(17.02)	(3.25)
VIII. Profit/(Loss) for the period		(5,894.01)	(884.12)
IX. Earning per equity share: (FV ₹ 10/- each) (Refer item No. 8 of Note Z)			
- Basic		(32.76)	(4.91)
- Diluted		(32.76)	(4.91)
Notes forming Part of the Accounts	Z		

As per our Report of even date

For Maloo Bhatt & Co.

Chartered Accountants

F R No. 129572W

CA. Yash Bhatt

Partner

M. No. 117745

Date : 19th May, 2022

Place : Vadodara

For and on behalf of Board of Directors

Director
(Mukesh G Desai)
DIN No.00089598

Director
(Keyoor M Bakshi)
DIN No.00133588

CFO & CS
(Arvind Tambi)

Resolution Professional
(Abhishek Nagori)

Cash Flow Statement for the year ended 31st March, 2022

(₹ in Lakhs)

Sr. No.	Particulars	31 st March 2022	31 st March 2021
1)	Cash Flow from Operating Activities		
	Profit before taxation	(5,911.03)	(887.37)
	Adjustment for:		
	(Profit)/Loss on sale of Fixed Assets	(48.93)	(48.82)
	Depreciation	780.28	837.14
	Provision for gratuity	116.02	3.88
	Provision for leave	(74.64)	14.26
	Interest Received	(19.51)	(16.98)
	Doubtful Debts	18.19	74.17
	Sundry balance write off/write back	(97.18)	(3.53)
	Interest and finance charges	306.50	363.85
	Operating profit before working capital changes	(4,930.30)	336.61
	(Increase)/Decrease in		
	Inventories	3,654.05	257.76
	Trade Receivables	1,184.02	314.72
	Short Term Loans and Advances	35.10	(73.00)
	Other current assets	208.00	(41.92)
	Long Term loans and Advances	-	0.14
	Other Non Current Assets	28.62	
	Increase/ (Decrease) in		
	Trade payables	(182.41)	(647.09)
	Other current liabilities	(52.82)	171.78
	Short-term/long term provisions	(246.70)	23.77
	Other Long Term Liabilities	-	(2.90)
	Cash generated from operations	(302.45)	339.85
	Income taxes and other taxes (net of refunds)	7.63	-
	Net cash from Operating Activities - A	(294.82)	339.85
2)	Cash flow from Investment Activities		
	Purchase of fixed assets	(25.87)	(237.65)
	Interest received	19.51	16.98
	Sale of Fixed Assets	165.87	98.70
	Net cash from Investment Activity - B	159.51	(121.98)
3)	Cash Flow from Financing Activities:		
	Net Proceeding from All borrowings	63.46	235.05
	Interest and finance charges paid	(306.50)	(363.85)
	Net cash from Financing Activities - C	(243.04)	(128.80)
	Net Increase/(decrease) in Cash and cash equivalents (A+B+C)	(378.36)	89.07
	Cash and cash equivalents as on 1st April, 2021	407.63	318.55
	Cash and cash equivalents as on 31st March 2022	29.27	407.63

As per our Report of even date

For Maloo Bhatt & Co.

Chartered Accountants

F R No. 129572W

CA. Yash Bhatt

Partner

M. No. 117745

Date : 19th May, 2022

Place : Vadodara

For and on behalf of Board of Directors

Director
(Mukesh G Desai)
DIN No.00089598

Director
(Keyoor M Bakshi)
DIN No.00133588

CFO & CS
(Arvind Tambi)

Resolution Professional
(Abhishek Nagori)

NOTES TO BALANCE SHEET

A. SHARE CAPITAL :

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
(a) Shares authorized :		
19,000,000 Equity shares of ₹10/- each (Previous year 19,000,000 equity shares of ₹ 10/- each)	1,900.00	1,900.00
Total	1,900.00	1,900.00
(b) Shares issued, subscribed and fully paid :		
17,991,561 Equity Shares of ₹10/- each (Previous year 17,991,561 equity shares of ₹ 10/- each)	1,799.16	1,799.16
Total	1,799.16	1,799.16

(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

	No. of shares	Amount in ₹
Authorised Equity Share Capital		
At the beginning of the year	19,000,000	190,000,000
Closing Balance at the end of the year	19,000,000	190,000,000
Issued, Subscribed and Paid Up Equity Shares		
At the beginning of the year	17,991,561	179,915,610
Closing Balance at the end of the year	17,991,561	179,915,610

(d) The rights, preferences and restrictions attached to capital :

The company is having only one class of shares i.e Equity carrying a nominal value of ₹10/- per share.

Every holder of the equity share of the Company is entitled to one vote per share held. All other rights, preferences and restrictions attached to equity shares are as per provisions of Companies Act, 2013.

(e) Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held :

(i) Equity Shares

		As at 31 st March 2022		As at 31 st March 2021	
		Numbers	% held	Numbers	% held
1	Pradeep R Kothari	2,682,676	14.91	3,495,676	19.43
2	Maxim Gold Development Limited	1,637,731	9.10	1,637,731	9.10
3	Kirit T Vassa	896,858	4.98	1,022,858	5.69
4	Goldmine Stocks P Ltd	469,647	2.61	1,711,647	9.51

(f) Shares held by promoters at the end of the year

S No	Name of Promoter	No. of Equity Shares	% of total shares	% change during the year
1	Mr. Pradeep Kothari	2,682,676	14.91%	23.26%
2	Mr. Mukesh Desai	699,562	3.89%	-
	Total	3,382,238	18.80%	

B. RESERVES AND SURPLUS:

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
(a) Securities Premium A/c		
Balance as per the last financial statements	3,625.74	3,625.74
	3,625.74	3,625.74
(b) Revaluation Reserve		
Balance as per the last financial statements	728.49	728.49
(c) Surplus / (Deficit) in the Statement of Profit and Loss		
Balance as per the last financial statements	612.13	1,496.25
Add : Amount transferred from Statement of Profit & Loss	(5,894.01)	(884.12)
Total	(5,281.88)	612.13
Net Surplus in the Statement of Profit and Loss	(5,281.88)	612.13
Total Reserves and Surplus	(927.64)	4,966.36

C. LONG-TERM BORROWINGS :

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Secured		
Term Loan From Banks		
Term Loan from State Bank of India (Loan-1)	143.53	178.97
(Interest Payable @ 2% above SBI MCLR p.a.(previous year 2% above SBI MCLR p.a.) Repayable in 54 monthly installments. First 46 Installments of ₹8.34 lacs starts from June.2017 to March 2021, next 7 installments of ₹14.55 lacs from April 2021 to Oct 2021 and last installment of ₹14.51 lacs will be payable in Nov.2021. Now extended by 27 months and 2 instalment of ₹ 8.34 lakhs will due in Sep 23 and Oct 2023, 7 instalment of ₹ 14.55 lakhs will due from Nov 2023 to May 2024 and 2 instalment of rs 10 lakh will due in Jun 24 and Jul24 and last one instalment of ₹ 8.47 lakhs will due in Aug 2024).		
Term Loan from State Bank of India (Loan-2)	238.29	273.57
(Interest Payable @ 2% above SBI MCLR p.a.(previous year 2% above SBI MCLR p.a.) Repayable in 57 monthly installments. First 56 Installments of ₹7.00 lacs starts from Apr 2019 to Nov. 2023 and last installment of ₹8.00 lacs will be payable in Dec., 2023. Now extended and next 33 instalments of ₹ 7 lakhs will due from Aug 2023 to April 2026 and last one instalment of ₹ 17 lakhs will due in May 2026)		
Covid CECL Loan from State Bank of India	25.13	100.64
(Interest Payable @ SBI MCLR p.a.(previous year NIL p.a.) Repayable in 18 monthly installments. First 17 Installments of ₹8.335 lacs starts from Oct 2020 to Feb. 2023 and last installment of ₹8.305 lacs will be payable in Mar. 2023)		
Covid GECL Loan from State Bank of India	370.14	429.68
(Interest Payable @ 0.75% above SBI EBLR p.a.(previous year NIL p.a.) Repayable in 36 monthly installments. First 35 Installments of ₹11.862 lacs starts from Sep 21 to Jul. 2024 and last installment of ₹11.83 lacs will be payable in Aug 2024.)		
Covid GECL Loan 4 from State Bank of India	213.00	
(Interest Payable @ 1.00% above SBI EBLR p.a.(previous year NIL p.a.) Repayable in 36 monthly installments. First 35 Installments of ₹6 lacs starts from Sep 23 to Jul. 2026 and last installment of ₹3 lacs will be payable in Aug 2026.)		
Secured by:		
(Mortgage of Land, Building admeasuring 27833 Sq mtr situated at plot no 1201,1202,1203 RS no 1559/P, 1660/P & 2422/P, New Survey No. 69,68 and b70, GIDC Halol, Panchmahal) .		
(Mortgage over land & Building situated at plot no 1704 admeasuring 11200Sq mtr RS No 1583/P(New Survey No.126), GIDC Halol, Dist-Panchmahal.)		
(Pledge of Shares 20,34,580 shares of Company and personal guarantees of Mr. Mukesh Desai and Mr. Pradeep Kothari.)		
Less: Current Maturities	(990.09)	(404.45)
Total	-	578.41

Particulars	As at 31.03.2022	As at 31.03.2021
Long Term maturities of Finance lease Obligations		
Vehicle Lease Finances	15.98	29.88
Less: Current Maturities	(15.98)	(9.48)
Secured by: (hypothecation charge on respective Vehicles)		
Total	-	20.40
Unsecured:		
Loans from Financial Institutions	12.16	24.17
Less: Current Maturities	(12.16)	(11.67)
Total	12.50	12.50
Total Term Loans	-	611.31

D. DEFERRED TAX LAIBILITIES (NET):

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Opening Deferred Tax Liability (Net)	863.74	866.99
	863.74	866.99
Add: Deferred tax Liability (Net)		
For the Year	(17.02)	(3.25)
For Prior Years	-	-
	(17.02)	(3.25)
Closing Deferred Tax Liabilities (Net)	846.72	863.74

E. LONG TERM PROVISIONS:

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Provision for employee benefits		
Provision for Leave benefits	-	24.06
Provision for Gratuity benefits	-	119.06
Total	-	143.12

F. SHORT-TERM BORROWINGS:

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
From Banks		
Working Capital Facilities	2,618.23	1,012.40
Standby Line of Credit	-	0.20
Export Packing Credit	123.24	374.20
Secured by:		
(i) Hypothecation charge over Stocks, book debts and other current assets.		
(ii) Mortgage charge over land & Building situated at plot no 1704 admeasuring 11200Sq mtr RS No 1583/P (New Survey No. 126), GIDC Halol, Dist-Panchmahal. Pleage of Shares 20,34,580 shares of Company and personal guarantees of Mr. Mukesh Desai and Mr. Pradeep Kothari.		
(iii) Mortgage charge over Factory Land and Building admeasuring 27833 Sq mtr situated at plot no 1201,1202,1203 RS no 1559/P, 1660/P & 2422/P, New Survey No. 69,68 and b70,, GIDC Halol, Panchmahal .		
(iv) Cash Credit is repayable on demand		
Acceptance of LC Bills (refer note below)	-	1,272.54
Current Maturities of Long term borrowings		
i) Term Loan from banks	990.09	404.45
ii) Finance lease obligations(Vehicle Finance)	15.98	9.48
ii) Unsecured Loans from NBFC	12.16	11.67
Total	3,759.71	3,084.94

* L.C. Acceptance amounting to ₹ 1272.54 lakhs under Trade payable during previous year has been regrouped into short term borrowing to match and reconcile the claim from bank.

G. TRADE PAYABLE:

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
For supplies/services		
a) Due to Micro & Small enterprises	112.78	188.60
b) Others	2,922.14	3,125.91
Total	3,034.92	3,314.51

H. OTHER CURRENT LAIBILITIES:

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
(a) Statutory Dues (Liabilities)		
- PF, ESI, Prof. Tax & Others	12.41	13.27
- VAT, CST, GST & CENVAT etc	-	128.16
- TDS & TCS	16.24	8.46
(b) Staff payables	458.35	184.68
(c) Advance from Customers	681.55	582.38
(d) Creditors for Capital Goods	51.98	76.16
(e) Other Current Liabilities	27.65	135.88
(f) Trade Deposits	-	172.01
Total	1,248.18	1,301.00

J. SHORT-TERM PROVISIONS:

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Provision for employee benefits		
Provision for Leave benefits	47.61	3.19
Provision for Gratuity benefits	198.90	
Less: Balance with LIC for Trust fund	(20.71)	
Provision for Bonus	35.95	20.90
Less: Transfer to staff payable in Current Liabilities	(261.75)	
Total	-	62.20

K. PROPERTY PLANT AND EQUIPMENTS:

(₹ in Lakhs)

ASSETS	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK	
	As on 01.04.2021	Additions	Deductions/ Adjustments	As on 31.03.2022	As on 01.04.2021	Additions	Deductions / Adjustments	As on 31.03.2022	As on 31.03.2022	As on 31.03.2021
(i) TANGIBLE										
Lease hold Land	780.66	-	-	780.66	-	-	-	-	780.66	780.66
Plant & Equipment	12,511.87	169.75	624.76	12,056.86	4,182.18	720.05	524.98	4,377.26	7,679.60	8,329.68
Electrical Installation	250.92	0.20	4.90	246.22	149.62	23.84	2.06	171.40	74.82	101.30
Laboratory Equipments	40.68	0.21	-	40.89	14.90	3.87	-	18.77	22.12	25.78
Building	660.49	-	-	660.49	269.99	20.94	-	290.92	369.57	390.50
Furniture & Fixtures	25.64	-	3.03	22.61	20.37	0.61	-	20.98	1.62	5.26
Office Equipments	50.46	-	0.03	50.43	41.15	2.26	0.10	43.31	7.13	9.31
Vehicles	109.09	-	72.32	36.77	67.06	8.42	63.41	12.07	24.70	42.03
Computer & Peripherals	30.15	0.95	6.75	24.35	27.61	0.17	4.29	23.50	0.85	2.54
Total A	14,459.95	171.11	711.78	13,919.28	4,772.88	780.17	594.84	4,958.21	8,961.07	9,687.07
(ii) INTANGIBLE										
Intangible Assets	126.19	-	0.21	125.98	126.19	-	-	126.19	(0.21)	-
Technical Knowhow	1.50	0.21	-	1.71	1.34	0.11	-	1.45	0.26	0.16
Total B	127.69	0.21	0.21	127.69	127.53	0.11	-	127.64	0.05	0.16
(iii) CAPITAL WORK-IN-PROGRESS										
Capital WIP	143.82	-	119.15	24.67	-	-	-	-	24.67	143.82
Total C	143.82	-	119.15	24.67	-	-	-	-	24.67	143.82
GRAND TOTAL (A+B+C)	14,731.46	171.32	831.14	14,071.63	4,900.41	780.28	594.84	5,085.85	8,985.79	9,831.04
Previous Year	14,742.32	256.64	267.51	14,731.46	4,280.91	837.14	217.63	4,900.41	9,831.04	10,461.42

Sub Notes:
1. Ageing Schedule of Capital WIP

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
Project in Process	-	-	-	-	-
Project temporarily suspended	-	3.74	18.68	2.25	24.67

2. Land was revalued during F.Y. 2016-17 (effective date is 31-03-2017) based on independent valuers Report. The cost of land is ₹ 52.17 lakhs and it was valued as per prevailing market rates which works out to ₹ 780.66 lakhs. The balance of ₹ 728.49 lakhs is shown as revaluation reserve and not used for any distribution of profits.

L. NON-CURRENT INVESTMENTS (AT COST):

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Trade Investments :		
Quoted Equity Instruments		
Others		
1,100 (Previous year- 1,100) equity shares of ₹10/- each fully paid up in Indian Overseas Bank.	0.26	0.26
Unquoted Equity Instruments		
Associate*		
7500 (Previous year- 7500) equity shares of ₹10/- each fully paid up in Halol Industries Environment & Infrastructure Ltd. Halol	0.75	0.75
Others		
140 (Previous year- 140) equity shares of ₹50/- each fully paid up in The Halol Mercantile Co Operative bank Ltd. Halol	0.07	0.07
Total	1.08	1.08
Aggregate book value of unquoted investments	0.82	0.82
Aggregate book value of quoted investments	0.26	0.26
Aggregate market value of quoted investments	0.20	0.18

* Refer to Item No. 1 (c) of Note : Z

L. LONG TERM LOANS AND ADVANCES :

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Capital Advances	-	26.08
Total	-	26.08

M. OTHER NON CURRENT ASSETS :

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Income tax Assets (Non Current)	125.66	125.66
Security Deposit	73.19	80.10
Balance with Govt. Authorities	-	21.71
Total	198.85	227.47

N. INVENTORIES:

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
(a) Raw materials	100.35	344.28
(b) Work-in-progress	14.52	2,498.55
(c) Finished goods	140.36	909.54
(d) Stores, Spares & Consumables	-	156.91
Total	255.23	3,909.28

Raw Material, Work in progress, Semi finished goods, stores, spares and packing material valued at cost.

Finished Goods valued at Cost or Realisable value, whichever is lower.

* Refer item No. 1(D) of Note Z -Accounting Policies for basis of Valuation.

O. TRADE RECEIVABLES (UNSECURED):

(₹ in Lakhs)

Particulars	As at 31.03.2022		As at 31.03.2021	
(a) Over Six months from the due date				
Considered good	86.37		173.08	
Considered doubtful	97.68		79.48	
Less : Provision for doubtful debts	97.68	86.37	79.48	173.08
(b) Others Considered good		107.60		1,223.11
Total		193.97		1,396.19

P. CASH & CASH EQUIVALENTS:

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
(a) Cash & Cash equivalents :		
(i) Balances with Bank in Current Accounts	16.96	53.18
(ii) Cash on hand	0.26	9.45
(b) Other Bank Balance :		
- in Deposit Accounts with Bank having Maturity Period upto 12 months (Held as Margin Money against LC, bank Guarantee and Security against borrowing)	12.05	345.00
Total	29.27	407.63

Q. SHORT-TERM LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD):

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Others		
(a) Advance given to Trade Creditors	2.94	30.49
(b) Advance Given to Employees	-	7.54
Total	2.94	38.03

R. OTHER CURRENT ASSETS:

(₹ in Lakhs)

Particulars	As at 31.03.2022	As at 31.03.2021
Others		
(a) Assets held for Sale	9.98	47.15
(b) Other Receivables	-	42.42
(c) Balance with Government Authorities	35.09	138.71
(d) Advance Recoverable in cash or in kind	13.91	26.99
(e) Accrued Income	3.28	30.26
(f) Current Tax assets (net of provisions)	31.63	23.99
Total	93.89	309.52

S. REVENUE FROM:

(₹ in Lakhs)

Particulars	Year ended 31.03.2022		Year ended 31.03.2021	
a. Sale of products				
- Domestic	2,639.47		9,551.24	
- Exports	2,044.32		3,877.84	
		4,683.79		13,429.07
b. Other Operating Revenues				
- Disposal Sales	303.39		103.47	
- Export Incentives	13.30		91.77	
- Service Income	156.51		292.90	
		473.20		488.14
Revenue from Operations		5,156.99		13,917.21

T. OTHER INCOME:

(₹ in Lakhs)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Interest Income		
From Banks	6.96	13.74
From Others	12.55	3.24
Sundry Balance written back	97.18	4.79
Misc Income	5.56	-
Profit on Sales of Fixed Assets	48.93	48.82
Exchange Fluctuation Gain (Net)	33.34	30.99
Total	204.51	101.58

U. COST OF RAW MATERIAL CONSUMED:

(₹ in Lakhs)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Inventory at the beginning of the year	344.28	311.47
Add : Purchases	4,570.97	9,856.25
	4,915.25	10,167.72
Less: Inventory at the end of the year	100.35	344.28
Total	4,814.90	9,823.44

V. CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS:

(₹ in Lakhs)

Particulars	Year ended 31.03.2022		Year ended 31.03.2021	
Inventory at the end of the year				
Work in Process	14.52		2,498.55	
Finished Goods	140.36		909.54	
		154.88		3,408.09
Less : Inventory at the beginning of the year				
Work in Process	2,498.55		2,497.89	
Finished Goods	909.54		1,077.21	
		3,408.09		3,575.10
Total		3,253.22		167.01

W. EMPLOYEE BENEFIT EXPENSES:

(₹ in Lakhs)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Salaries,Wages & Bonus (Refer note below)	400.44	686.11
Retirement benefits	41.87	30.66
Contribution to Provident and other funds	16.83	44.55
Staff welfare expense	16.87	39.36
Total	476.01	800.68

(Note: Salary, Wages & Bonus includes Directors' Remuneration ₹ 3.28 Lakhs (PY ₹ 9.19 Lakhs)

X. FINANCE COST:

(₹ in Lakhs)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Interest on Working Capital	145.43	125.14
Other Interest	95.51	132.35
Bank Charges	65.56	106.36
Total	306.50	363.85

Y. OTHER EXPENSES:

(₹ in Lakhs)

Particulars	Year ended 31.03.2022		Year ended 31.03.2021	
Stores, Spares & Consumables		238.70		469.34
Conversion charges		63.02		257.71
Labour Charges		11.96		143.34
Repairs and Maintenance				
Computers	0.37		1.38	
Others		0.37	0.12	1.49
Vehicle Maintenance		15.26		34.27
Freight and Forwarding Charges		77.51		198.45
Power & Fuel		848.12		1,400.58
Water Charges		16.44		30.83
Other manufacturing expenses		20.58		19.76
Selling & Distribution Expenses		25.47		61.96
Rent		38.14		40.38
Rates and Taxes		94.06		35.02
Insurance		48.36		41.66
Statutory Compliance Expenses		60.14		44.70
Payment to Auditor				
Audit Fees	1.60		2.25	
Tax Audit Fees	-		0.50	
Certification Fees	0.07	1.67	0.35	3.10
Allowances for Doubtful debts		18.19		66.93
Doubtful debts written off				7.24
Directors' Sitting fees		2.05		1.55
Sundry balance Written off		-		1.26
Prior Period Expenses		0.60		0.29
Donation		-		0.05
Loss on impairment on assets held for sale		37.17		
Office & Other Expenses		23.83		54.14
Total		1,641.63		2,914.04

NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2022

NOTE: Z

1 SIGNIFICANT ACCOUNTING POLICIES:

(A) Basis of Accounting:

Financial statements have been prepared by the management of the company in consultation with the Resolution Professional of the Company. The financial statements are prepared as per historical cost convention and on going concern basis and comply with the applicable accounting standards specified under section 133 of the Companies Act, 2013 read with Rules 7 of the Companies (Accounts) Rules 2014.

(B) Property, Plant and Equipment:

- i) Property, Plant and Equipments are recorded at cost of acquisition / construction less accumulated depreciation & impairment loss, if any, except for land which has been shown at revalued amount. Cost comprises of the purchase price and any attributable cost of bringing the assets to its working condition for its intended use, but excluding GST credit availed.
- ii) In respect of fixed assets (other than capital work-in-progress) acquired during the year, depreciation is charged on a Straight Line Basis so as to write off the cost of the assets over the useful lives. In respect of fixed assets acquired prior to April 1, 2014, the carrying amount as on April 1, 2014 is depreciated over the remaining useful life. The useful life of the fixed assets has been adopted as prescribed under the Companies Act, 2013.

(C) Investments :

- (i) Investments are Long-term, unless stated otherwise and are stated at cost except where there is diminution in value other than temporary, in which case a provision is made to the carrying value to recognise the diminution.
- ii) In accordance with Accounting Standard – 23 'Accounting for Investments in Associates in Consolidated Financial Statements', issued by the Institute of Chartered Accountants of India, the Company is required to furnish Consolidated Financial Statements alongwith the accounts of M/s Halol Industries Environment & Infrastructure Ltd. where the shareholding of the company is more than 20% as at Balance Sheet date.

However, considering the long term restrictions imposed by M/s Halol Industries Environment & Infrastructure Ltd. on transfer of equity shares as well as the restriction on declarations on dividend, the company falls within the exemptions as stipulated in the AS-23. Consequently the Company is not required to prepare Consolidated Financial Statements. Therefore, the Company has not prepared Consolidated Financial Statement which is in line within AS-23.

(D) Inventories:

All Inventories are valued at lower of cost and net realisable value.

- i) Raw materials, Packing materials, Stores and consumables are valued at cost using First -in-First Out method. The cost of Raw materials, stores and consumables includes cost of purchases after adjusting for GST, direct expenses and other cost incurred in bringing the inventories to their present location and condition. : Cost is determined on moving weighted average
- ii) Work in Progress goods has been identified as such depending upon stage of completion of finished goods technically determined by the management. Work in Progress goods are valued at raw materials cost as calculated above including appropriate proportion of cost of conversion to the extent of stage of progress and certified by the management.
- iii) Finished goods are valued at lower of cost or net realisable value. Finished goods are valued at cost of production, including appropriate proportion of allocable cost.
- iv) Scrap is valued at net Realisable Value.

(E) Revenue from Operations:

- i) Sale of products are recognised when risk and rewards of ownership of the products are passed on to the customers, which is generally on dispatch of goods. Sales are net of Sales return and Goods & Service Tax.
- ii) Export benefits available under prevalent schemes are accounted on entitlement basis.
- iii) Service Income is recognised on completion of job work and are shown net of claims.

(F) Foreign Currency Transactions :

- i) Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- ii) Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates.
- iii) The difference in translation of monetary assets and liabilities and realized gains and losses on foreign exchange transactions are recognised in the Profit and Loss Account.

(G) Employee Benefits:**(a) Short term employee benefits**

All employee Benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as Salaries, wages, and short term compensated absences etc. is recognised in the period in which the employee renders the related service.

(b) Post Employment Benefits:**i. Defined Contribution Plans :**

Define contribution plans are post employment benefit plans under which the company pays fixed contributions into separate entities (fund) or to financial institutions or state managed benefit schemes. The Company operates defined contribution plans pertaining to Provident Fund, Employees state Insurance, Pension Fund Scheme for eligible employees. The Company contribution to defined contribution plans are recognised in the profit and loss account in the financial year to which they relate.

ii. Defined Benefit Plans:

The gratuity liabilities are funded partly with the Life Insurance Corporation of India with a recognized fund, which is administered by the trustees. The Company provides for gratuity liability payable on retirement on the basis of Actuarial Valuation as at the year end and the same is charged to profit and loss account under head Employees Cost.

The Company provides for accumulated leave liability payable on retirement on the basis of Actuarial Valuation as at the year end and the same is charged to profit and loss account under head Employees Cost.

(H) Borrowing Cost:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

(I) Earnings per share :

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year. (Including diluted potential equity shares in case of diluted EPS)

(J) Taxes on Income:

- i) Provision for taxation is made on the basis of the estimated taxable income for the current Accounting period in accordance with provision of the Income Tax Act, 1961.
- ii) The benefit of credit against the payment made towards MAT for the earlier years is available in accordance with the provisions of section 115J (AA) of income tax act 1961 over a period of subsequent 15 assessment years and it is recognised to the extent of deferred tax liability in view of the certainty involved of its realisation against reversal of deferred tax liability.
- iii) In accordance with Accounting Standard – 22 'Accounting for Taxes on Income', issued by the Institute of Chartered Accountants of India, the Deferred Tax for timing differences between the book profit and tax profit for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date.
- iv) Deferred tax assets arising from temporary timing differences are recognised to the extent there is reasonable certainty that the assets will be realized in future. In situations, where the company has un absorbed depreciation and carry forward losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidences, that the same can be realised against future taxable profits.

(K) Segment Reporting :

There is no separate reportable primary segment as per Accounting Standards 17, as most of the operations are related to only one Segment viz. Tyres & Tubes.

(L) Impairment of Assets :

A Property, Plant and Equipment is treated as impaired when the carrying cost of assets exceeds its recoverable value. An Impairment Loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The Impairment Loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(M) Provisions, Contingent Liabilities and Contingent Assets :

Provisions are recognised only when there is a present obligation as a result of past event and when a reliable estimate of the amount of the obligation can be made. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the company or (ii) Present

obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation can not be made. Contingent Assets are not recognised in the financial statements.

(N) Use of Estimates

The preparation of the financial statements requires the Management to make estimates and assumptions considered in the reported amounts of Assets and Liabilities (including Contingent Liabilities) as of the date of the financial statements and the reported income and expenses during the reported period. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could, however, differ from these estimates. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised

(O) Government grants

Government grants are recognised:

- (a) where there is reasonable assurance that the company will comply with the conditions attached to them and
- (b) where such benefits have been earned by the company and ultimate collection is reasonably certain.

(P) Leases

Operating lease

Payments are recognised as expenditure in the Statement of Profit and Loss on a straight-line basis over the lease term

Finance Lease

The lower of the fair value of the assets and present value of the minimum lease rentals is capitalised as Fixed Assets with corresponding amount disclosed as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to Profit and Loss Statement

(Q) Corporate Insolvency Resolution Process

Matter Listed With NCLT

One operational creditor has gone into Corporate Insolvency Resolution Process (CIRP) under the provisions of Insolvency & Bankruptcy Code, 2016 (Insolvency Code). In terms of order dated 28th March 2022 of the honourable NCLT, Ahmedabad Bench Ahmedabad the CIRP has commenced.

Further the NCLT Ahmedabad admitted the Corporate Insolvency Resolution Process ("CIRP") application filed against Innovative tyres and Tubes Limited and appointed Mr. Abhishek Nagori as the Interim Resolution Professional ("IRP") in term of the Insolvency and Bankruptcy Code, 2016 ("Code") to manage the affairs of the Company as per the provisions of the Code.

2 CAPITAL & OTHER COMMITMENT

Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances) ₹ NIL (Previous year for ₹ 13.50 lacs).

3 CONTINGENT LIABILITIES:

(₹ in Lakhs)

Sr. No.	Particulars	2021-2022	2020-2021
i)	Claims of Creditors exceeding books balances (refer note below)	Unascertained	-

In view of NCLT Order dated 28th March 2022 for Corporate Insolvency Resolution Process, Creditors are submitting their claims to Resolution Professional. The said claims are being reconciled with books of accounts and list of creditors is being updated. Therefore quantification of liabilities could not be made till approval of these financial statements.

4 DEFINED BENEFIT PLANS / COMPENSATED ABSENCES -

In view of NCLT Order dated 28-03-2022 for CIRP, all employees have been terminated from their service contracts and liabilities towards gratuity and leave encashment became due on the cut off date. Therefore, the Company has booked liability for payment of Gratuity and Leave Encashment due to the employees.

5 MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006:

As per requirement of Section 22 of Micro, Small & Medium Enterprises Development Act, 2006 following information is disclosed to the extent identifiable:

(₹ in Lakhs)

Sr. No.	Particulars	2021-2022	2020-2021
(a)	(i) The Principal amount remaining unpaid to any supplier at the end of accounting year	112.78	188.60
	(ii) The interest due on above	-	-
	Total of (i) & (ii) above	112.78	188.60
(b)	Amount of interest paid by the buyer in terms of Section 16 of the Act along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.		
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act.		
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year.		
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of Act.		

The information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises on the basis of information available with the company.

6 SEGMENT REPORTING:**(a) Primary Segment:**

The Company has identified "Tyres & Tubes" as the only primary reportable segment.

(b) Secondary Segment (By Geographical Segment)

(₹ in Lakhs)

Particulars	2021-22	2020-21
India	2,639.47	9,551.24
Outside India (including Demed exports)	2,044.32	3,877.84
Total Sales	4,683.79	13,429.07

In view of the inter-woven / inter-mixed nature of business and manufacturing facility, other secondary segmental information is not ascertainable.

7 DISCLOSURE AS REQUIRED BY THE ACCOUNTING STANDARD - AS-18 RELATING TO "RELATED PARTIES DISCLOSURE" ISSUED BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA ARE AS FOLLOWS:**Name of related parties and description of relationship:****Key Management Personnel and Relatives of KMP :**

Mr. Pradeep R Kothari	Whole Time Director (upto 16.11.2021)
Mr. Mukesh G Desai	Non Executive Chairman
Mr. Keyoor Bakshi	Independent Director
Ms. Kalpana Joshipura	Independent Director
Mr. Arvind Tambi	CFO & CS

Related Parties:**Associate Companies:**

Halol Industries Environment & Infrastructure Limited

Other Related Parties:

Future Tyres Private Limited
Gaia Batteries Private Limited
Goldmine Commodities Private Limited

(₹ in Lakhs)

Sr. No.	Particulars	Related Parties		Key Management Personnel and Relatives	
		2021-22	2020-21	2021-22	2020-21
1	Remuneration				
	Mr.Nitin J Mankad	-	-	-	3.94
	Mr.Pradeep R Kothari	-	-	3.28	5.25
	MR.Arvind Tambi	-	-	9.54	9.60
2	Purchase of Inventory				
	Future Tyres Pvt Ltd	60.81	308.56		
	Gaia Batteries Pvt Ltd	0.26	0.09		
3	Job Work Expenses				
	Future Tyres Pvt Ltd	110.57	286.42		
4	Sales of Goods				
	Future Tyres Pvt Ltd	613.58	1,753.55		
	Gaia Batteries Pvt Ltd	23.60			
5	Sitting Fess				
	Mr.Keyoor Bakshi			0.70	0.50
	Mr. Kalyanaraman Ganeshan			-	0.15
	Mrs.Kalpana Joshipura			0.70	0.40
	Mr. Mukesh G Desai	-	-	0.65	0.50
	Outstanding Balances				
6	Creditors / Other Payable				
	Key Managerial Remuneration	-	-	52.14	46.94
	Sitting Fee Payable	-	-	6.38	3.94
	Goldmine Commodities Pvt Ltd	410.06	410.06		
7	Debtors / Other Receivable				
	Future Tyres Pvt Ltd	163.48	649.29	-	-
8	Investment in Associate				
	Halol Industries Environment & Infrastructure Ltd.,	0.75	0.75		

8 EARNING PER SHARE:

(₹ in Lakhs)

	As at 31 st March, 2022	As at 31 st March, 2021
Earning per share has been computed as under:		
a Profit after Taxation & before extra-ordinary items	(5,894.01)	(884.12)
b Total Ordinary shares		
Weighted Average Number of Equity Shares Outstanding	17,991,561	17,991,561
Weighted Average Number of Equity Shares Outstanding (including potential Equity Shares)	17,991,561	17,991,561
c Earnings per Share (Face value ₹10/- per share) (in ₹)		
(Basic)	(32.76)	(4.91)
(Diluted)	(32.76)	(4.91)

9 INFORMATION REQUIRED UNDER SCHEDULE III OF THE COMPANIES ACT, 2013 AS CERTIFIED BY MANAGEMENT.

(₹ in Lakhs)

	2021-22	2020-21
A Value of imports calculated on C.I.F. basis made by the Company during the year :		
(i) Raw Materials (including High Sea Purchases)	413.00	2,123.33
(ii) Capital goods	41.60	16.77
B Expenditure in foreign currency :		
(i) Foreign Traveling expenses	-	-
(ii) Testing Charges	3.29	-
(iii) Subscription Charges	0.57	0.73
(ii) Foreign Bank Charges	1.33	4.04
C Value of imported raw materials, spare parts,		
Components and Packing materials consumed during the year.	413.00	2,123.33
Value of indigenous raw materials, spare parts,		
Components and packing materials consumed during the year	4,401.90	7,700.11
Percentage to total consumption :		
(a) Imported raw materials, spare parts, components and packing materials consumed.	8.58%	21.61%
(b) Indigenous raw materials, spare parts, components and packing materials consumed.	91.42%	78.39%
D Earnings in Foreign Exchange (On accrual basis)		
Export Sales (On FOB Basis)	2,044.32	3,877.84

10 AGEING OF TRADE PAYABLE

AS ON 31ST MARCH 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
(i) MSME	68.65	26.21	12.52	5.40	112.78
(ii) Others	1,101.89	835.56	314.44	670.25	2,922.14
(iii) Disputed dues-MSME					-
(iv) Disputed dues-Others					-
Total	1,170.54	861.77	326.96	675.65	3,034.92

AS ON 31ST MARCH 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	
(i) MSME	167.39	15.81	5.32	0.08	188.60
(ii) Others	2,106.48	349.18	239.30	430.95	3,125.91
(iii) Disputed dues-MSME					-
(iv) Disputed dues-Others					-
Total	2,273.87	365.00	244.62	431.03	3,314.51

11 AGEING OF TRADE RECEIVABLE

AS ON 31ST MARCH 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables-considered good	107.60	86.37	-	-	-	193.98
(ii) Undisputed Trade Receivables-considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered doubtful	-	2.40	30.35	1.25	63.68	97.68
Total	107.60	88.78	30.35	1.25	63.68	291.65

AS ON 31ST MARCH 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables-considered good	1,223.11	71.74	63.71	20.18	17.45	1,396.19
(ii) Undisputed Trade Receivables-considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered doubtful	-	-	2.21	28.13	49.14	79.48
Total	1,223.11	71.74	65.92	48.31	66.60	1,475.67

12 RATIO ANALYSIS

Particulars	Numerator	Denominator	31.03.2022	31-03-2021	% Variance	Reason for variance
Current Ratio (in times)	Current Assets	Current Liabilities	0.07	0.78	-90.84%	Refer Note 1
Debt-Equity Ratio (in times)	Total Debt	Shareholder's Equity	4.31	0.55	689.63%	Refer Note 2
Debt Service Coverage Ratio (in times)	Earning available for debt service	Debt Service	(10.22)	0.68	-1597.44%	Refer Note 3
Return on Equity Ratio (in times)	Net profit	Average shareholders equity	(1.54)	(0.12)	1158.32%	Refer Note 3
Inventory Turnover Ratio (in times)	Sales	Average inventory	2.48	3.45	-28.14%	Refer Note 4
Trade Receivables turnover Ratio (in times)	Sales	Average Trade receivables	6.49	8.75	-25.87%	Refer Note 5
Trade Payable turnover Ratio (in times)	Purchases	Average Trade payable	1.47	3.33	-55.99%	Refer Note 6
Net Capital Turnover Ratio (in times)	Net Sales	Working Capital	(1.12)	(33.08)	-96.60%	Refer Note 7
Net Profit Ratio (in percentage)	Net Profit	Net Sales	(1.14)	(0.06)	1699.09%	Refer Note 3
Return on Capital Employed (in percentage)	Earning before interest & taxes	Capital employed	(1.04)	(0.06)	1761.11%	Refer Note 3
Return on Investment (in percentage)	Earning before interest & taxes	Total Assets	0.04	0.04	-8.13%	

- 1 Current assets significantly reduced because of operating losses during the year
- 2 Debt Equity ratio has increased because of increase in Debt and reduction in Shareholder fund (due to net losses)
- 3 Debt Service Coverage Ratio, Return on Equity Ratio, Net Profit ratio and Return on Capital employed negatively impacted mainly due to huge loss in current year.
- 4 Sales declined by 63% as compared to decline in average inventory levels by 49%
- 5 Sales declined by 63% as compared to decline in Average Trade receivable by 50%
- 6 Purchases declined by 54% whereas Average trade payable increased by 4%
- 7 Working Capital has eroded significantly due to operating losses in current year. Hence Net Capital turnover ratio deteriorated.

13 CORPORATE SOCIAL RESPONSIBILITY:

The Company is consistently incurring losses. In accordance with section 135 of the Companies Act, 2013 the Company is not required to spend expenditure under the Corporate Social Responsibility.

- 14 Quarterly statements of current assets filed by the company with banks or financial institutions are not in agreement with the books of accounts.

(₹ in Lakhs)

Quarter ending	Name of Bank	Security Provided	As per Books of Accounts (unaudited)	As per Statement submitted to Bank	Difference	Reason of Difference
Jun-21	State Bank of India	Inventory, Book Debts and all other current assets	1,145.37	1,409.17	-263.80	Refer note below
Sep-21	State Bank of India		2,226.21	2,504.15	-277.94	Refer note below
Dec-21	State Bank of India		769.58	737.39	32.19	Refer note below

Note: There is difference in value of Trade receivable reported in quarterly statement submitted to the Bank and values as per books of accounts. The Reported amount mainly reconciles with gross book balance without adjustment of advance from customers

Note: Since borrowings from SBI has been declared as NPA as on 06.03.2022, Statement for quarter ending 31.03.2022 not submitted to the Bank.

- 15 To the best of our knowledge and information available to us, the company has not entered any transaction with companies struck off under section 248 of Companies Act 2013 or Section 560 of Companies Act 1956.
- 16 Cost of Change in inventory of finished goods and work in process includes cost of ₹ 2519.63 lakhs, which were deteriorated due to ecological developments and changes in properties of various grades of compound on account of non rotation of operation cycle as impacted by COVID-19 pandemic and related challenges.
- 17 An application was filed against Innovative Tyres & Tubes Limited under Section 9 of Insolvency and Bankruptcy Code, 2016 before the Hon'ble NCLT Ahmedabad with a prayer to commence the Corporate Insolvency Resolution Process (CIRP). The said application for initiation of Corporate Insolvency Resolution Process (CIRP), has been admitted by Hon'ble National Company Law Tribunal (NCLT), Ahmedabad Bench (Hon'ble NCLT/Hon'ble Adjudicating Authority) vide its order dated 28th March 2022. Under the IBC proceedings, the power of the Board were suspended with effect from 28th March, 2022. The NCLT order also provided for a moratorium with effect from 28th March 2022 till the completion of the Corporate Insolvency Resolution process (CIRP) or until it approves the resolution plan or passes an order for liquidation of the company, whichever is earlier.

In terms of Section 20 of Insolvency code, the management and operations of the Company are being managed by Resolution Professional (RP) after commencement of CIRP"

- 18 The Company's bank accounts have been classified as Non Performing Asset (NPA) by the lenders. The Lenders have not charged any interest for the month of March 2022 and it has reversed unrealised interest already charged in accounts. The Company has not made any provision for interest which has not been charged (including unrealised interest) by the bank on account of NPA on Bank Borrowings and accordingly the loss & finance cost for the half year and year ended 31st March, 2022 are understated and not quantifiable.
- 19 The management has prepared the Company's financial statements on a going concern basis notwithstanding the fact that the company has incurred net loss of ₹ 5,894.01 Lakhs during the year ended 31st March 2022 and have accumulated losses of ₹ 5,281.88 Lakhs as on that date. As of this date, its networth has been substantially eroded. The financial performance of the Company had deteriorated substantially. Currently, the Company is under Corporate Insolvency Resolution Process and all the Property, Plant & Equipments (including operations of the company) are in the possession or under control of Resolution Professional as per the order of the honourable National Company Law Tribunal, Ahmedabad Bench dated 28/03/2022. The Company continue to deal with a range of uncertainties including incapable to service its debts.
- 20 The Company's current level of capacity covering more than 250 plus sizes of tyres across 25 plus countries are an indication of the future performance of the Company. Various Core machineries were installed in recent years. Resolution Professional appointed in terms of Insolvency and Bankruptcy Code has discussed with management for preparation of a viable resolution plan and management has suggested that company will be able to implement a successful resolution plan. The Management is expected to guide to Resolution Professional to propose for strategy and develop a business plan post which reliable projections of availability of future cash flows of the company and these supporting the carrying value of Property, Plant and Equipment will be available. Accordingly, impairment testing under AS 28 has not been performed while preparing financial statements.

- 21** The Company is engaged in the business of Tyre & Tubes and therefore, there is only one reportable segment in accordance with the Accounting Standard on Segment Reporting (AS-17).
- 22** In the Opinion of the Board, the Current Assets / Non Current Assets, Loans & Advances (including Export Benefits / Incentive, Trade Payables are approximately of the value stated, if realized / paid in the ordinary course of business and are subject to confirmation / reconciliation.
- 23** The third party payments made / received on behalf of the Company as well as payment to third parties on behalf of suppliers by the Company are subject to confirmations from respective parties
- 24** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our Report of even date

For Maloo Bhatt & Co.

Chartered Accountants

F R No. 129572W

CA. Yash Bhatt

Partner

M. No. 117745

Date : 19th May, 2022

Place : Vadodara

For and on behalf of Board of Directors

Director

(Mukesh G Desai)

DIN No.00089598

Director

(Keyoor M Bakshi)

DIN No.00133588

CFO & CS

(Arvind Tambi)

Resolution Professional

(Abhishek Nagori)

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



(CIN: L25112GJ1995PLC086579)

Registered Office : 1201,1202,1203-GIDC Halol,
Dist. Panchmahals, PIN-389350. Gujarat, India

Website : www.innovativetyres.com