



INDEPENDENT AUDITOR'S REPORT

To the Members of
INDO FARM EQUIPMENT LIMITED
(CIN-U29219CH1994PLC015132)

Report on the Consolidated Financial Statements

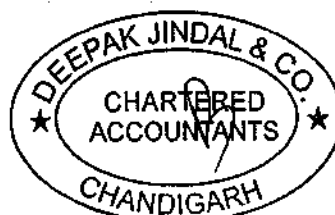
1. Opinion

We have audited the accompanying consolidated financial statements of Indo Farm Equipment Limited (the 'Holding Company'), and its subsidiary (Barota Finance Limited) (the Holding Company and its subsidiary together referred to as the 'Group'), which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Consolidated Ind AS Financial Statement").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act 2013 ('Act') in the manner so required and give a true and fair view, in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.



3. Responsibility of Management for Consolidated Financial Statements

Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the 'Act') with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act.

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

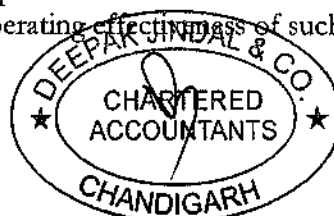
Those Board of Directors are also responsible for overseeing the group's financial reporting process.

4. Auditors' Responsibility for the Audit of the Financial Statements

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

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

- (i) Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (ii) Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.



- (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (iv) 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- (v) Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

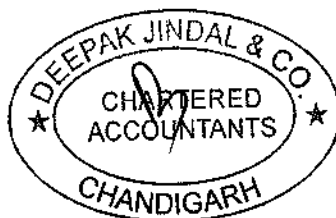
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

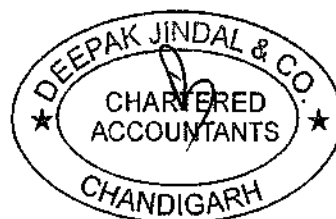
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law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

5. Report on Other Legal and Regulatory Requirements

- 1) 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 of the accompanying consolidated financial statements.
 - 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 consolidated financial statements dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.



- e) On the basis of the written representations received from the directors as on 31st March, 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) We have also audited the internal financial controls over financial reporting (IFCoFR) of the Holding Company and its subsidiary as on 31 March 2022 in conjunction with our audit of the consolidated financial statement of the company for the year ended on that date and our report dated 5 September 2022 as per Annexure I expressed unmodified opinion.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group has disclosed the impact of pending litigations on its consolidated financial position in its consolidated financial statements – Refer Note No. 32 to the consolidated financial statements;
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. No amount was required to be transferred to the Investor Education and Protection Fund by the Group during the year ended 31st March 2022.
 - iv. (a) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall,
 - 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 (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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 such audit procedures that we 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 (a) and (b) contain any material misstatement.
- v. No dividend declared or paid during the year by the Company in compliance with section 123 of the Act.



(h) With respect to the matter to be included in the Auditors' Report under section 197(16):

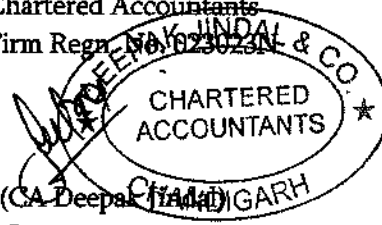
In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company and its subsidiary company to its directors during the current year is in accordance with the provisions of Section 197 read with Schedule 7 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

2) As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DEEPAK JINDAL & CO.

Chartered Accountants

Firm Regn. No. 623023A



(CA Deepak Jindal)

Partner

M. No. 503932

UDIN: 225147458C2YM24035

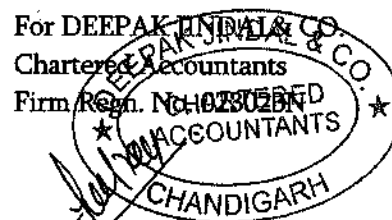
PLACE: Chandigarh

DATE: 16-09-2022

Annexure "A" to the Auditors' Report

(Referred to in paragraph 5(2) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Indo Farm Equipmnt Limited of even date)

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the company (and for its subsidiary CARO is not applicable), we report that there are no qualifications or adverse remarks in these CARO reports.



(CA Deepak Jindal)

Partner

M. No. 503932

UDIN: 22514745BCZYM24035

PLACE: Chandigarh

DATE: 16-09-2022

Indo Farm Equipment Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

1. CORPORATE INFORMATION

Indo Farm Equipment Limited (the holding company) is a public limited company incorporated under the provisions of the Companies Act, 1956 on 5th October, 1994 and commenced its operations of manufacture of Tractor and its components in the year 2000.

2. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements ('financial statements').

2.1 BASIS FOR PREPARATION

i) Statement of Compliance

The Consolidated financial statements of INDO FARM EQUIPMENT LIMITED ("the holding company") and its subsidiary company (BAROTA FINANCE LIMITED) (collectively referred to as "the Group") have been prepared and presented in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended notified under Section 133 of Companies Act, 2013, ("the Act") and other relevant provisions of the Act. All the amounts included in the financial statements are reported in Lacs of Indian Rs. and are rounded off to two decimals, except per share data.

The Subsidiary company i.e. Barota Finance Limited is a NBFC and its standalone financial statements are prepared as per Indian GAAP. The consolidation is done as per Indian Accounting Standards (Ind AS) and the necessary changes and reclassifications have been carried out accordingly.

ii) Functional and Presentation Currency

These financial statements are presented in Indian Rs. Lacs, which is also the Company's functional currency.

iii) Historical Cost Convention

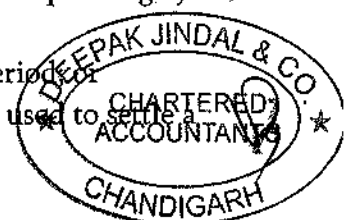
The Consolidated financial statements have been prepared under historical cost convention on accrual basis, unless otherwise stated. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

iv) Current and Non-Current classification

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

An asset is treated as current when:

- a) It is expected to be realized or intended to be sold or consumed in normal operating cycle;
- b) It is held primarily for the purpose of trading;
- c) It is expected to be realized within twelve months after the reporting period;
- d) It is cash and cash equivalent unless restricted from being exchanged or used to settle a liability.



liability for at least twelve months after the reporting period.

The Group classifies all other assets as non-current.

A liability is current when:

- a) It is expected to be settled in normal operating cycle;
- b) It is held primarily for the purpose of trading;
- c) It is due to be settled within twelve months after reporting period; or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current-non-current classification of assets and liabilities.

2.2 PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the financial statements of Indo Farm Equipments Limited., the Holding company, and its subsidiary company – Barota Finance Limited.

The proportion of ownership of the subsidiary company in the consolidation of financial statements is as follows-

Name of Company	Proportion of Ownership	
	March 31, 2022	March 31, 2021
Barota Finance Limited	100%	100%

The consolidated financial statements have been combined on a line-by-line basis by adding the book values of the items of assets, liabilities, income and expenses, after eliminating intra-group balances/transactions and resulting unrealized profit in full.

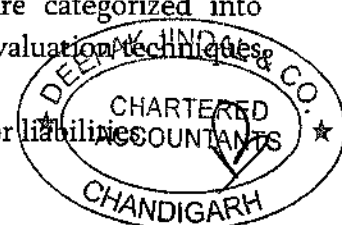
The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the holding company for its separate financial statements.

The consolidated financial statements have been prepared in accordance with Accounting Standard (AS- 21) – “Consolidated Financial Statements” issued by The Institute of Chartered Accountants of India”.

2.3 MEASUREMENT OF FAIR VALUES

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities



Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.4 BORROWING COSTS

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing cost which are not relatable to the qualifying asset are recognized as an expense in the period in which they are incurred. Borrowing cost on specific loans, used on acquisition or construction of fixed assets, which necessarily take a substantial period of time to be ready for their intended use, are capitalised. Other borrowing costs are recognized as an expense in the period in which they are incurred.

2.5 LEASES

Leases, where the lessor retains substantially all the risks and benefits of the ownership of the leased item are classified as operating leases. Lease rentals for assets taken on operating lease are charged to the profit and loss account in accordance with Accounting Standard 19 on leases.

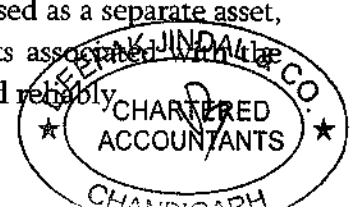
2.6 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

i) Property, Plant and Equipment

For transition to Ind AS, The Group has elected to continue with the carrying value of all of its PPE recognized as of April 1, 2019 (transition date) measured as per the previous GAAP except for Land & Building and Plant & Machinery, which have been measured at fair value and had used that carrying value as its deemed cost as of the transition date.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies, freight, any directly attributable cost of bringing the asset to its working condition for its intended use and estimated cost of dismantling and restoring onsite; any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.



The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as capital work-in-progress.

ii) Intangible Assets

For transition to Ind AS, The Group has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2019 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Internally generated goodwill is not recognized as an asset. With regard to other internally generated intangible asset:

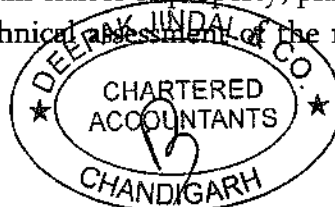
a) Expenditure on research undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the statement of profit and loss as incurred.

b) Development expenditure including regulatory cost and legal expenses leading to product registration/ market authorisation relating to the new and/or improved product and/or process development is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalized includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable finance costs (in the same manner as in the case of property, plant and equipment). Other development expenditure is recognised in the Statement of Profit and Loss as incurred.

Intangible assets that are acquired (including goodwill recognized for business combinations) are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less accumulated amortization (for finite lives intangible assets) and any accumulated impairment loss. Subsequent expenditure is capitalized only when it increases the future economic benefits from the specific asset to which it relates.

▪ Depreciation and amortisation methods, estimated useful lives and residual value

Depreciation is provided on straight line basis on the original cost/ acquisition cost of assets or other amounts substituted for cost of property, plant and equipment as per the useful life specified in Part 'C' of Schedule II of the Act, read with notification dated August 29, 2014 of the Ministry of Corporate Affairs, except for certain classes of property, plant and equipment which are depreciated based on the internal technical assessment of the management. The details of useful life are as under:



Useful lives of assets are as below:

Category of Assets	Management estimate of useful life	Useful life as per Schedule II
Plant and machinery	15 years	15 years
Building	60 years	60 years
Computers	3 years	3 years
Furniture and fittings	10 years	10 years
Office equipment	15 years	15 years
Vehicles	8 years	8 years

Estimated useful lives of the Intangible assets are as follow:

Category of assets	Management estimate of Useful life
Product Development	5 years

Depreciation and amortisation on property, plant and equipment and intangible assets added/disposed off during the year has been provided on pro-rata basis with reference to the date of addition/disposal.

Depreciation and amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

▪ Derecognition

Property, plant and equipment and intangible assets are derecognised on disposal or when no future economic benefits are expected from their use and disposal. Gains or Losses arising from disposal of a tangible and intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

2.7 GOVERNMENT GRANTS

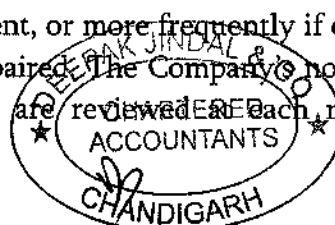
Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the years in which the Company recognises as expenses the related costs for which the grants are intended to compensate or when performance obligations are met.

Government grants, whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets and nonmonetary grants are recognised and disclosed as 'deferred income' under non-current liability in the Balance Sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

2.8 IMPAIRMENT OF NON-FINANCIAL ASSETS

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. The Company's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to



determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows (i.e. corporate assets) are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.9 FINANCIAL INSTRUMENTS

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

A) FINANCIAL ASSETS

i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

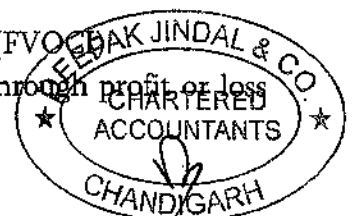
ii) Subsequent Measurement

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

a) Debt Instruments at amortized cost

b) Debt Instrument at fair value through Other Comprehensive Income (FVOCI)

c) Debt Instruments, derivatives and equity Instruments at fair value through profit or loss (FVTPL)



d) Equity Instruments measured at fair value through Other comprehensive income (FVOCI)

a) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

b) Debt instrument at FVOCI

A 'debt instrument' is classified as at the FVOCI if the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and the asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

c) Debt instrument, Derivatives and Equity instruments at FVTPL

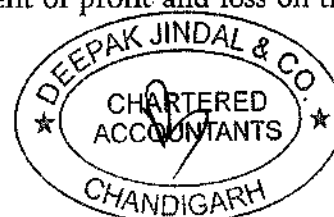
FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVOCI, is classified as at FVTPL. In addition, at initial recognition, the Company may irrevocably elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

Dividend income from investments is recognised in statement of profit and loss on the date that the right to receive payment is established.

d) Equity instrument at FVOCI



If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss to retained earnings.

iii) **Impairment of Financial Assets**

The Group recognises loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

iv) **Derecognition of Financial Assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's balance sheet) when:

- a) The rights to receive cash flow from the asset have expired, or
- b) The company has transferred its rights to receive cash flow from the asset or has assumed an obligation to pay the received cash flow in full without material delay to the third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risk and rewards of the assets, or (b) the Company has neither transferred nor retained substantially all the risk and rewards of the asset, but transferred control of the assets.

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

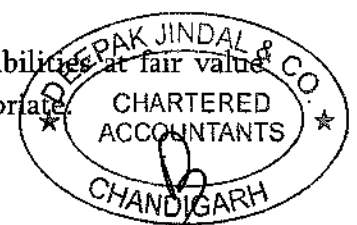
The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Write off of financial assets The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group expects no significant recovery from the amount written off.

B) **FINANCIAL LIABILITIES**

i) **Initial Recognition and Measurement**

Financial Liabilities are classified, at initial recognition, as financial liabilities at fair value through Profit or Loss and financial liabilities at amortised cost, as appropriate.



All Financial Liabilities are recognized initially at fair value and, in the case of liabilities subsequently measured at amortised cost, they are measured net of directly attributable transaction cost. In case of Financial Liabilities measured at fair value through Profit or Loss, transactions costs directly attributable to the acquisition of financial liabilities are recognized immediately in the statement of Profit or Loss.

The company's Financial Liabilities include trade and other payables, loans and borrowings including financial guarantee contracts and derivative financial instruments.

ii) **Subsequent Measurement**

a) **Financial Liabilities at Fair Value through Profit or Loss**

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

b) **Financial Liabilities at Amortised Cost**

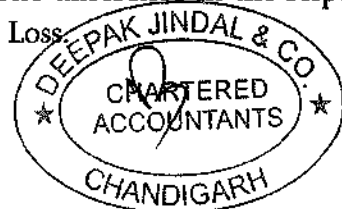
Financial Liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

c) **Financial Guarantee Contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make the payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction cost that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognised less cumulative income recognised in accordance with principles of Ind AS 115.

iii) **Derecognition of Financial Liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.



C) OFFSETTING OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.10 INVENTORIES

Inventories are valued at lower of cost and net realisable value except scrap, which is valued at net estimated realisable value.

The Group uses FIFO method to determine cost for all categories of inventories except for goods in transit which is valued at specifically identified purchase cost and other direct costs incurred. Cost includes all costs of purchase, and other costs incurred in bringing the inventories to their present location and condition inclusive of non-refundable (adjustable) taxes wherever applicable.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-item basis.

2.11 CASH AND CASH EQUIVALENTS

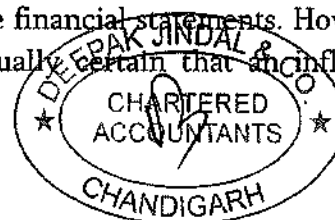
Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

For the purpose of cash flow statement, cash and cash equivalent includes cash in hand, in banks, and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

2.12 CONTINGENT LIABILITIES AND ASSETS

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities and commitments are reviewed by the management at each balance sheet date.

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of



economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

2.13 PROVISIONS

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, 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. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

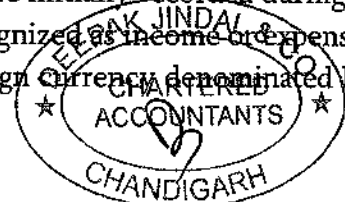
The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

2.14 FOREIGN EXCHANGE TRANSACTIONS

- i) **Initial Recognition**
Investments in foreign entities if any, are recorded at the exchange rate prevailing on the date of making the investment. Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.
- ii) **Conversion**
Monetary assets and liabilities denominated in foreign currencies, as at the balance sheet date, not covered by forward exchange contracts, are translated at year end rates.
- iii) **Exchange Differences**
Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in the previous financial statements, are recognized as income or expense in the year in which they arise. The exchange difference on foreign currency denominated long



term borrowings relating to the acquisition of depreciable capital assets are adjusted in the carrying cost of such assets for current year.

2.15 REVENUE RECOGNITION

Revenue is recognized to the extent that it can be reliably measured and is probable that the economic benefits will flow to the Company.

Sale of Goods:

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods are transferred to the customer and is stated net of sales returns and sales tax but including export benefits accruing on export sales.

Revenue is also recognised for goods sold but not dispatched, where the property in such goods is transferred from the seller to the buyers and where dispatches could not be made on account of practical difficulties at the buyers' end.

Interest:

Interest is recognized on a time proportion basis taking into account the amount of underlying outstanding and the rate applicable.

Dividends:

Dividend from investments is recognized in the Profit and Loss Account when the right to receive payment is established.

Export Benefits:

Export benefits and other benefits are accounted for on accrual basis.

2.16 EMPLOYEE BENEFITS

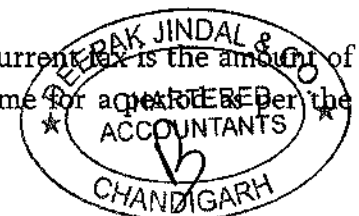
a) The Group has a Gratuity Scheme whereby the Company contributes premium annually to the Life Insurance Corporation of India to cover its statutory as well as contractual liability to its employees

b) Leave Encashment is accounted for on accrual basis whereby the company contributes premium annually to the Life Insurance Corporation of India to cover its statutory as well as contractual liability to its employees.

c) Contribution to Provident Fund is made in accordance with provision of Employees Provident Fund Act, 1952, and is recognized as an expense in the statement of Profit and Loss in the period in which the contribution is due.

2.17 INCOME TAX

The tax expense comprises of current taxes and deferred taxes. Current tax is the amount of income tax determined to be payable in respect of taxable income for a period as per the provisions of Income Tax, 1961.



Deferred tax is the effect of timing differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are reviewed at each balance sheet date and recognized/derecognized only to the extent that there is reasonable/virtual certainty, depending on the nature of the timing differences, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the period in which MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent it is not reasonably certain that the Company will pay normal income tax during the specified period.

2.18 STATEMENT OF CASH FLOW

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

2.19 SEGMENT REPORTING

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). Revenues, expenses, assets and liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "unallocated revenues/ expenses/ assets/ liabilities", as the case may be.

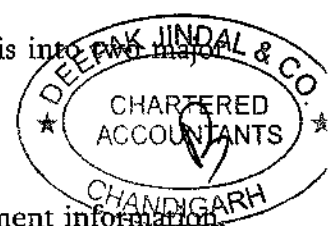
The primary and secondary reportable segments are business and geographic segments, respectively:-

a) Business Segments

For management purposes the company is organized on a worldwide basis into two major reportable segments:

- (1) Tractors & its parts
- (2) Mobile Cranes

The divisions are the basis on which the company reports its primary segment information.



The 'Tractors & its parts' segment produces broad range of Tractors & its accessories and other agricultural implements. The 'Mobile Cranes' segment manufactures cranes of various capacities ranging from 10 tonnes to 20 tonnes. Other operations include Foundry Division, Genset manufacturing, Combine Harvester, Rotavator & Hydraulic parts manufacturing activities.

b) Geographical Segments

Though the Company's business activity falls in two primary segments viz. "Tractor and its parts" and "Mobile cranes" reportable as per Accounting Standard -17 "Segment Reporting", issued by The Institute of Chartered Accountants of India but it operates in a single geographical segment that is subject to same risk & return all over, so the segment does not qualify for the disclosure requirements of the above standard for secondary reportable segment on the basis of Geographical area, as such same has not been reported.

c) Segment Revenues and Expenses

All segment revenues and expenses are directly attributable to the segments.

d) Segment Assets and Liabilities

Segment assets include all operating assets used by a segment and consist principally of operating cash, debtors, inventories and fixed assets, net of allowances and provisions which are reported as direct offsets in the balance sheet. While most such assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities. Segment assets and liabilities do not include deferred income taxes.

e) Inter-Segment Transfers:

Segment revenue, segment expenses and segment result include transfers between business segments and between geographical segments. Such transfers are accounted for at competitive market prices charged to unaffiliated customers for similar goods. Those transfers are eliminated in consolidation.

f) Accounting Policies

The accounting policies consistently used in the preparation of the financial statements are also applied to items of revenues and expenditure in individual segments.

g) Unallocable and Head Office Expenses

General administrative expenses, head-office expenses, and other expenses that arise at the corporate level and relate to the Group as a whole, are shown as unallocable item

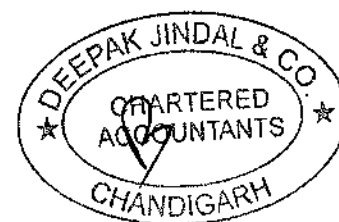
2.20 EARNING PER SHARE

i) Basic earnings per share

Basic earnings per share is calculated by dividing:

Profit/(Loss) attributable to owners of the company

Weighted average number of equity shares outstanding during the financial year*



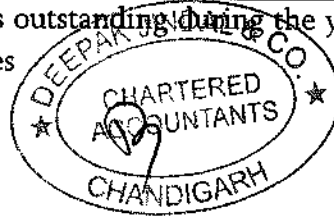
* adjusted for bonus elements in equity shares issued during the year

ii) Diluted earnings per share

Diluted earnings per share is calculated by dividing :

Profit/(loss) attributable to owners of the company + After Tax cost of Interest on Dilutive Potential Equity Shares

Weighted average number of equity shares outstanding during the year after adjustment for the effects of dilutive potential equity shares



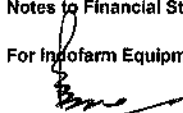
Consolidated Balance Sheet As At 31st March 2022

Particulars	NOTE	As At March 31, 2022	As At March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	18,962.08	18,086.73
Capital work-in-progress		1,951.90	1,440.61
Intangible assets	4	469.28	282.12
Financial assets			
Investments	5	104.64	4.55
Other financial assets	6	9,090.98	7,593.75
Deferred tax Assets (net)	7	317.88	461.84
Other non-current assets	8	222.63	145.30
Total Non Current Assets		31,119.39	28,014.89
Current assets			
Inventory	9	16,349.85	14,091.84
Financial assets			
Trade receivables	10	7,201.39	7,335.53
Cash and cash equivalents	11	389.83	334.00
Loans & Advances	12	213.71	269.17
Other financial assets	8	6,236.19	4,547.55
Income Tax Assets	13	21.68	21.68
Other current assets	14	426.37	423.32
Total Current Assets		30,841.03	27,023.09
Total Assets		61,960.42	55,037.98
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	1,877.58	938.79
Other equity	16	25,709.00	25,327.51
Total Equity		27,586.58	26,266.30
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	12,599.80	10,182.93
Other financial liabilities	18	375.23	390.51
Other Non-Current Liability		-	-
Provisions	19	93.59	100.18
Total Non-current liabilities		13,068.63	10,653.62
Current liabilities			
Financial liabilities			
Borrowings	17	11,320.37	10,493.12
Trade payables			
Due to MSME	20	1,205.60	1,057.35
Due to Others	20	2,401.89	445.17
Other financial liabilities	18	3,769.42	2,991.41
Other current liabilities			
Other current liabilities	21	2,107.07	2,984.07
Provisions	19	289.34	102.94
Current tax liabilities	14	211.52	44.00
Total Current liabilities		21,305.21	18,118.05
Total equity and liabilities		61,960.42	55,037.98

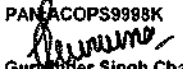
Significant Accounting Policies
Notes to Financial Statements

1 to 2
3 to 28

For Indofarm Equipment Limited


R.S. Khadwalla
Chairman cum Managing Director
(DIN:00062154)


Surinder Mohan Singla
Chief Financial Officer
PAN:ACOPS9988K


Gurinder Singh Chadha
General Manager
(PAN:AHEPC6779P)


Anshul Khadwalla
Director
(DIN:05243344)


Navpreet Kaur
Company Secretary
PAN:ANMPK5301G

As per our report of even date

For DEEPAK JINDAL & CO

Chartered Accountants

★ Firm Reg. No. 02299301

DEEPAK JINDAL & CO.

CHANDIGARH

(Partner)

M. No.: 514745

UDIN: 225147458CZYM24035

Place : Chandigarh
Dated : 16-09-2022

Consolidated Statement of Profit and Loss For the Year Ended 31st March 2022

Particulars	NOTE	Year Ended March 31, 2022	Year Ended March 31, 2021
Continuing Operations			
Revenue from Operations	22	35,208.43	26,778.11
Other Income (Net)	23	51.67	79.17
Total A		35,260.10	26,857.28
Expenses			
Raw Material Consumed	24	21,163.26	15,351.80
Changes in Inventories of Finished Goods & Work-In-Progress	25	(1,199.31)	(533.09)
Employees Benefits Expense	26	3,848.37	3,171.44
Finance Cost	27	2,382.01	2,121.02
Depreciation & Amortization	3 & 4	899.29	808.53
Other Expenses	28	6,330.86	4,743.53
Total B		33,424.48	25,663.23
Profit/(Loss) before tax (A-B)		1,835.62	1,194.05
Tax Expenses	8	515.34	335.57
Profit for the period		1,320.28	858.47

Other Comprehensive Income**Items that will not be reclassified subsequently to profit or loss**

Remeasurement of the net defined benefit liability/asset
(Net of Tax)

Total Comprehensive income for the period

1,320.28 **858.47**

Earnings per equity share (Equity Shares of Rs.10/- each fully paid up)

Basic (Rs.)	12.31	9.14
Diluted (Rs.)	12.31	9.14


Significant Accounting Policies

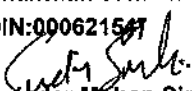
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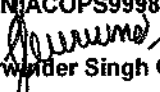
Notes to Financial Statements

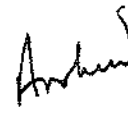
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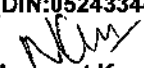
For Indo Farm Equipment Limited


R.S. Khadwalia
(Chairman cum Managing Director)
(DIN:000621547)

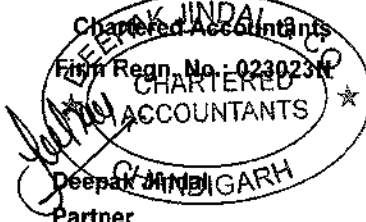

Surinder Mohan Singla
Chief Financial Officer
(PAN:ACOPS9998K)


Gurwinder Singh Chadha
General Manager
(PAN:AHEPC6779P)


Anshul Khadwalia
Director
(DIN:05243344)


Navpreet Kaur
Company Secretary
(PAN: ANMPK5301G)

As per our report of even date
For DEEPAK JINDAL & CO.


Chartered Accountants
Firm Regn. No. 02302344
DEEPAK JINDAL & CO.
CHARTERED ACCOUNTANTS
DEEPAK JINDAL GARGH
Partner

M. No.: 514745
UDIN : 22514745B CZYM4035

Place : Chandigarh

Dated : 16-09-2022

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2022

PARTICULARS	As At	
	March 31, 2022	March 31, 2021
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before Tax & Extra Ordinary Items	1,835.62	1,194.05
Adjustments For :		
Depreciation	899.29	808.53
Provision for Doubtful debts/ Insurance Claims	-	-
Provision for Standard Assets	7.51	(55.67)
Provision for Employees Retirement Benefits	112.83	66.68
Provision for Non Performing Assets	(8.71)	33.74
Provision for Warranties & Servicing costs	23.67	6.16
Loss/ (Profit) on Sale of Fixed Assets	(8.26)	31.57
Interest Income	(11.21)	(14.93)
Interest on Borrowings	1,445.15	2,121.02
Dividend Received	(0.30)	0.28
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	4,295.58	4,191.42
Adjustments For :		
(Increase)/Decrease in Inventory	(2,258.01)	(1,241.40)
(Increase)/Decrease in Trade Receivables	134.14	(535.51)
Increase/(Decrease) in Loans and Advances	(147.90)	(15.42)
Increase/ (Decrease) in Other Current Assets	45.37	384.92
Increase/(Decrease) in Trade payables	1,253.28	(273.22)
Increase/ (Decrease) in Other current liabilities	128.68	1,880.99
(Increase)/ Decrease in Non Current Assets	(79.59)	286.06
(Increase)/ Decrease in Non Current Liabilities	(6.46)	
Prior Period Adjustments	(5.46)	(4.75)
OPERATING PROFIT AFTER WORKING CAPITAL CHANGES	3,359.63	4,673.09
Cash Flow From Operating Activities: (Related to Subsidiary Company)		
Increase Short Term Loans and Advance	(1,618.06)	(1,357.15)
Increase in Long Term Loans & Advances	(1,497.23)	(1,975.66)
CASH (USED)/GENERATED FROM OPERATIONS	244.33	1,340.28
Direct Taxes Paid	(214.40)	(180.74)
CASH FLOW BEFORE EXTRA-ORDINARY ITEMS	29.93	1,159.53
Extra-Ordinary Items	-	-
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	29.93	1,159.53
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(2,652.29)	(1,606.93)
Interest Received	11.21	14.93
Dividend Received	0.30	(0.28)
Sale of Fixed Assets	189.72	(22.26)
Sale/(Purchase) of Investments	(100.09)	-
NET CASH USED IN INVESTING ACTIVITIES (B)	(2,551.15)	(1,614.54)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/(Repayment) from Term Loans from Banks	3,194.95	3,960.45
Proceeds/(Repayment) from Working Capital Limits from Banks	827.25	(1,318.24)
Interest Paid	(1,445.15)	(2,121.02)
NET CASH GENERATED FROM FINANCING ACTIVITIES (C)	2,577.05	521.19
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	55.84	66.18
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	334.00	267.82
CASH & CASH EQUIVALENTS AT THE CLOSE OF THE YEAR	389.84	334.00

Significant Accounting Policies
Notes to Financial Statements

For Indo Farm Equipment Limited

R.S. Khadwalia
Chairman cum Managing Director
(DIN: 00062154)

Sunder Mohan Singla
Chief Financial Officer
(PAN: ACOP59998K)

Gulinder Singh Chadha
General Manager
(PAN: AHEPC6779P)

Anshul Khadwalia
Director
(DIN: 05243344)

Navpreet Kaur
Company Secretary
(PAN: ANMPK5801G)

1 to 2
3 to 28

For DEEPAK JINDAL & CO.
CHARTERED ACCOUNTANTS
Firm Regn. No. 023033N
CHARTERED ACCOUNTANTS
CA Deepak Jindal
Partner
CHANDIGARH
M. No. 51476
UDIN:

Place: Chandigarh
Date:

Indo Farm Equipment Limited

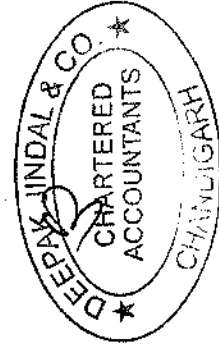
Note - 3 "Property, Plant And Equipment"

(Rs. In Lacs)

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As At 01-Apr-21	Additions	As At 31-Mar-22	Retained Earnings	During the Year	Deletion/ Adjustments	Up To 31-Mar-22	As At 31-Mar-21	As At 31-Mar-22
Land	8,560.10	-	8,560.10	-	-	-	-	8,560.10	8,560.10
Lease hold Land	-	-	-	-	-	-	-	-	-
Buildings	4,143.21	-	4,143.21	-	71.79	-	1,372.34	2,770.88	2,842.67
Plant & Machinery	9,926.37	1,544.45	11,470.82	-	566.95	-	4,368.81	7,102.01	6,124.50
Furniture & Fixture	268.59	0.27	268.86	-	8.81	-	228.18	40.68	49.21
Computer Equipments	367.51	4.44	371.95	-	5.21	-	331.63	40.32	41.09
Vehicles	1,346.09	272.91	1,319.06	-	109.99	118.48	909.99	409.08	427.61
Office Equipments	184.58	2.83	187.41	-	5.35	-	148.39	39.02	41.54
Grand Total	24,796.45	1,824.90	26,321.41	-	768.10	118.48	7,359.34	18,962.08	18,086.73

Previous Year	23,025.03	1,813.38	24,796.45	41.96	706.69	32.65	6,709.72	18,086.73	16,989.35
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Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As At 01-Apr-20	Additions	As At 31-Mar-21	Retained Earnings	During the Year	Deletion/ Adjustments	Up To 31-Mar-21	As At 31-Mar-21	As At 31-Mar-20
Land	8,560.10	-	8,560.10	-	-	-	-	8,560.10	8,560.10
Lease hold Land	-	-	-	-	-	-	-	-	-
Buildings	3,759.75	383.46	4,143.21	-	66.44	-	1,300.54	2,842.67	2,525.65
Plant & Machinery	8,506.87	1,419.50	9,926.37	-	477.21	-	3,901.87	6,124.50	5,182.21
Furniture & Fixture	268.52	0.07	268.59	-	16.53	-	219.37	49.21	65.68
Computer Equipments	366.75	1.46	367.51	-	9.73	0.31	326.42	41.09	49.76
Vehicles	1,381.51	4.96	1,346.09	-	131.79	32.09	918.48	427.61	562.74
Office Equipments	181.52	3.94	184.58	-	4.99	0.25	143.04	41.54	43.22
Grand Total	23,025.03	1,813.38	24,796.45	-	706.69	32.65	6,709.72	18,086.73	16,989.35



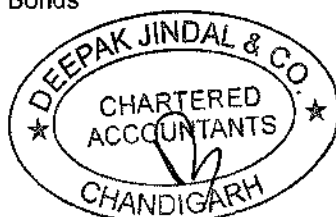
Indo Farm Equipment Limited

Note - 4 "Intangible Assets"

Particulars	(Rs. In Lacs)	
	As At March 31, 2022	As At March 31, 2021
Opening Gross Block	644.66	492.85
Additions during the year	316.09	151.80
Deletions during the year	-	-
Closing Gross Block	960.75	644.66
Opening Accumulated amortization	362.54	263.97
Amortization during the year	128.93	98.57
Closing Accumulated amortization	491.47	362.54
Carrying value as of March 31, 2021	469.28	282.12

NOTE - 5 "Investments"

Particulars	(Rs. In Lacs)	
	As At March 31, 2022	As At March 31, 2021
Non Current Investments		
Investment in Equity Instruments		
In Others		
18,000 equity shares of Rs 10/- each in Shivalik Solid Waste Management Limited(Previous Year Rs. 1.80 lacs)	1.80	1.80
QUOTED		
(Value at lower of cost or market value)		
In Others		
1000 equity shares of Rs 10/- each in Canara Bank (Market Value as on 31st March,2021 Rs. 1.52 lacs) (Previous Year Rs. 0.91 lacs)	0.35	0.35
1000 equity shares of Rs 10/- each in Max Ventures & Industries Lim (Market Value as on 31st March,2021 Rs. 0.56 lacs) (Previous Year Rs. 0.33 lacs)	0.81	0.81
100 equity shares of Rs 10/- each in MCX India Limited (Market Value as on 31st March,2021 Rs. 1.51 lacs) (Previous Year Rs. 1.12 lacs)	1.21	1.21
200 equity shares of Rs 10/- each in Jindal Steels & Power Limited (Market Value as on 31st March,2021 Rs. 0.69 lacs) (Previous Year Rs. 0.16 lacs)	0.39	0.39
8.05% Canara Bank Perpetual 2026 Bonds	100.09	-
Total	104.64	4.55

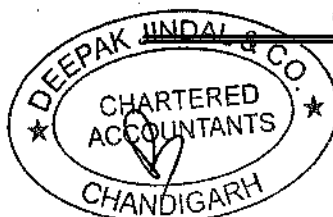


Indo Farm Equipment Limited

NOTE - 6 "Other Financial Assets"

(Rs. In Lacs)

Particulars	As At March 31, 2022	As At March 31, 2021
Non- Current		
Loans and Advances		
Hypothecation Loans - Secured and considered Good	8,653.11	7,268.91
Hypothecation Loans - Secured and considered Doubtful	437.87	324.83
	9,090.98	7,593.75
Current		
Hypothecation Loans Secured- Considered Good	5,553.66	3,873.14
Balances with Revenue Authorities	684.53	674.41
	6,238.19	4,547.55



Indo Farm Equipment Limited

NOTE - 7 "Income Taxes"

Deferred Tax (Assets)/Liabilities

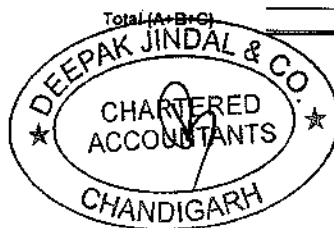
Particulars	As At	Charge/(Credit)	Charge/(Credit)	(Rs. in Lacs)
	April 1, 2021	to Profit or Loss	to OCI	As At March 31, 2022
Tax Effect of items resulting in taxable temporary differences	1,114.67	22.05		1,136.73
Allowances on Property, Plant and Equipment and Intangible Assets				
Others				
Tax effect of items resulting in deductible temporary differences				
Provision for Employee Benefits	(22.51)	(25.40)		(47.92)
Others Expenses and Provisions	(22.43)	0.30		(22.12)
Others Expenses and Provisions	(199.30)	(1.40)		(200.71)
Carry Forward of Losses	(473.40)	369.44		(103.96)
Deferred Tax (Assets)/Liabilities (Net)	397.03	364.99	-	762.01
Minimum Alternate Tax Credit	(858.86)	(221.03)	-	(1,079.90)
Net Deferred Tax (Assets)/Liabilities	(461.84)	143.95	-	(317.88)

Net Deferred Tax (Assets)/Liabilities

Particulars	As At	Charge/(Credit)	Charge/(Credit)	As At
	April 1, 2020	to Profit or Loss	to OCI	March 31, 2021
Tax Effect of items resulting in taxable temporary differences	1,109.81	4.87		1,114.67
Allowances on Property, Plant and Equipment and Intangible Assets				
Others	-			
Tax effect of items resulting in deductible temporary differences				
Provision for Employee Benefits	(6.05)	(16.46)		(22.51)
Provision for Non Performing Assets/ Standard Assets	(21.93)	(0.50)		(22.43)
Others Expenses and Provisions	(925.48)	726.17		(199.30)
Carry Forward of Losses		(473.40)		(473.40)
Deferred Tax (Assets)/Liabilities (Net)	156.35	240.68	-	397.03
Minimum Alternate Tax Credit	(722.70)	(136.16)	-	(858.86)
Net Deferred Tax (Assets)/Liabilities	(566.35)	104.52	-	(461.84)

Tax Expenses:

Particulars	(Rs. in Lacs)	
	As At March 31, 2022	As At March 31, 2021
Current Tax:		
In Respect of Current Year	356.07	221.06
In Respect of Prior Years	15.32	10.00
Total (A)	371.39	231.06
Minimum Alternate Tax Credit:		
Utilisation/(recognition) of Minimum Alternate Tax Credit	(221.03)	(136.16)
Total (B)	(221.03)	(136.16)
Deferred Tax :		
In respect of current year origination and reversal of Temporary Differences	364.99	240.68
In Respect of Prior Year		
Total (C)	364.99	240.68
Total Income Tax recognised in Profit or Loss	515.34	335.57



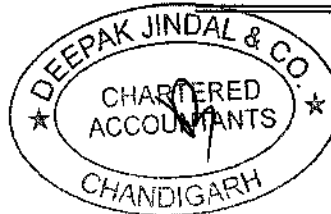
Indo Farm Equipment Limited

NOTE - 8 "Other Non-Current Assets"

Particulars	(Rs. In Lacs)	
	As At March 31, 2022	As At March 31, 2021
Opening Balance	2.25	5.52
Deferred Revenue Expenditure incurred during the year	-	-
Less : Written off during the year	2.25	3.27
	<u>-</u>	<u>2.25</u>
Security Deposits	163.90	143.05
Advances to related Parties	-	-
Advances for Capital goods	58.74	-
	<u>222.63</u>	<u>145.30</u>

NOTE - 9 "Inventory"

Particulars	(Rs. In Lacs)	
	As At March 31, 2022	As At March 31, 2021
(As Certified by The Management)		
Raw Material	7,299.18	6,240.48
Work In Progress	4,382.53	5,077.28
Finished Goods	4,668.14	2,774.08
	<u>16,349.85</u>	<u>14,091.84</u>



Indo Farm Equipment Limited

NOTE - 10 "Trade Receivables"

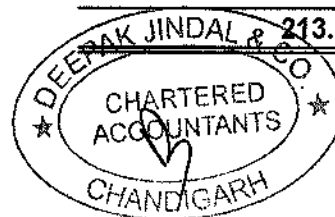
Particulars	(Rs. In Lacs)	
	As At March 31, 2022	As At March 31, 2021
Unsecured , considered good	7,201.39	7,335.53
Considered Doubtful	684.35	684.35
	<u>7,885.74</u>	<u>8,019.89</u>
Less: Allowance for Expected Credit Loss	684.35	684.35
	<u><u>7,201.39</u></u>	<u><u>7,335.53</u></u>

NOTE - 11 "Cash & Cash Equivalents"

Particulars	As At	
	March 31, 2022	March 31, 2021
Balance with Banks	84.24	88.35
Fixed Deposits	214.44	209.16
Cash In Hand (Incl Staff Imprest)	91.16	36.48
	<u>389.83</u>	<u>334.00</u>

NOTE - 12 "Loans & advances "

Particulars	As At	
	March 31, 2022	March 31, 2021
Others	154.14	216.60
Loans & Advances to Staff	89.30	82.31
Less: Provision For Doubtful Advances	29.74	29.74
	<u>213.71</u>	<u>269.17</u>



Indo Farm Equipment Limited

NOTE - 13 "Income Tax Assets/Liabilities"

Particulars	(Rs. In Lacs)	
	As At March 31, 2022	As At March 31, 2021

Current Tax Liability

Opening Balance

Add: Current Tax Payable for the year	296.14	136.16
Less: Taxes paid	84.62	92.16
Closing Balance	211.52	44.00

(The closing balance of current tax liability is net of advance tax and tax deducted at source)

Income Tax Asset

Opening Balance

Less: Current Tax Payable for the year	-	-
Add: Taxes paid	-	-
Less: Taxes Relating to Prior Years/Refund Adjusted/Received	-	3.27

Closing Balance

Closing Balance	21.68	21.68
------------------------	--------------	--------------

Deferred Tax Assets

(A) Deferred Tax Liabilities arising on account of:

Depreciation	1,133.26	1,111.92
Total - "A"	1,133.26	1,111.92

(B) Deferred Tax Assets arising on account of:

Employees Retirement Benefits	42.64	16.84
Other Expenses & Provisions	200.71	199.30
Carry Forward Of Losses	103.96	473.40
Total - "B"	347.30	689.54

Deferred Liability ("A" - "B")

Deferred Liability ("A" - "B")	785.95	422.38
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Tax Impact

Tax Impact	785.95	422.38
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Deferred Tax Liability

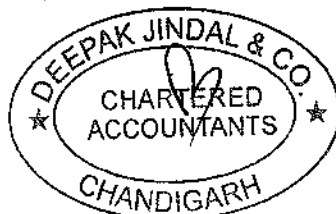
Deferred Tax Liability	785.95	422.38
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Impact of Other Comprehensive Income

MAT	(1,079.90)	(858.86)
Net Deferred Tax Liability/(Asset)	(293.94)	(436.48)

Income Tax recognised in profit or loss

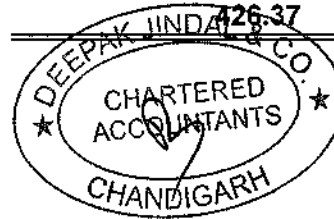
	2022	2021
Current Tax:		
In respect of current year	221.03	136.16
Total (A)	221	136
MAT Credit Entitlement :		
Utilisation/ (recognition) of Mat Credit	(221)	(859)
Total (B)	(221)	(859)
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	364	422
Total (B)	364	422
Total Income Tax recognised in profit or loss	363.57	(300.32)



Indo Farm Equipment Limited

NOTE - 14 "Other Current Assets"

Particulars	As At March 31, 2022	As At March 31, 2021
Prepaid Expenses	109.31	69.84
Others	317.06	353.48
	<u>426.37</u>	<u>423.32</u>



Indo Farm Equipment Limited

NOTE - 15 "Equity Share Capital"

(Rs. in Lacs)

Balance as at April 1, 2021	Changes in Equity Share Capital Due to Prior Period Errors	Restated Balance as at April,1 2021	Changes in Equity Share Capital during the year 2021-22	Balance as at March 31, 2022
938.79	-	938.79	938.79	1877.58

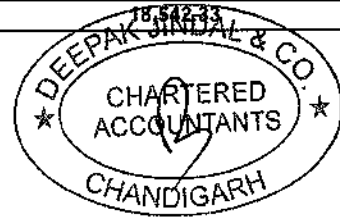
Balance as at April 1, 2020	Changes in Equity Share Capital Due to Prior Period Errors	Restated Balance as at April,1 2020	Changes in Equity Share Capital during the year 2020-21	Balance as at March 31, 2021
938.79	-	938.79	-	938.79

NOTE - 16 "Other Equity"

(Rs. in Lacs)

Particulars	Other Equity			Total Other Equity
	Security Premium	General Reserves	Retained Earnings	
Balance as at April 1, 2021	568.00	6,217.18	18,542.33	25,327.51
Changes in other equity for the year ended March 31, 2022				-
Bonus Issue of Shares	(568.00)	(370.79)	-	(938.79)
Profit for the period	-	-	1,320.28	1,320.28
Balance as at March 31, 2022	-	5,846.39	19,862.61	25,709.00

Particulars	Other Equity			Total Other Equity
	Security Premium	General Reserves	Retained Earnings	
Balance as at April 1, 2020	568.00	6,217.18	17,683.85	24,469.04
Changes in other equity for the year ended March 31, 2021				-
Dividends (including corporate dividend tax)	-	-	-	-
Profit for the period	-	-	858.47	858.47
Balance as at March 31, 2021	568.00	6,217.18	18,542.33	25,327.51



Indo Farm Equipment Limited

NOTE - 17 "Borrowings"

Particulars

As At
March 31, 2022

(Rs. In Lacs)
As At
March 31, 2021

Non Current

Secured

Term Loans

From Banks

11,662.44

8,972.87

Unsecured

Vehicle Loans

From Banks

183.08

133.82

Other Loans

From Banks

754.28

1,031.81

Inter Corporate Deposits

-

24.44

From Directors

12,599.80

10,162.93

Current

Secured

Working Capital Limits

From Banks

10,820.37

9,993.12

Unsecured

From Banks

500.00

500.00

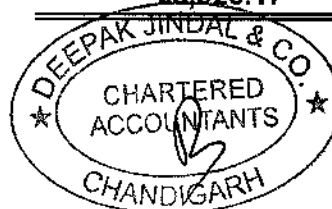
11,320.37

10,493.12

Total Borrowings

23,920.17

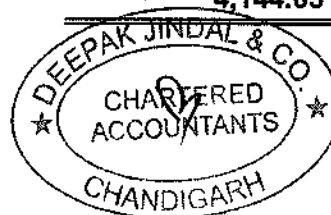
20,656.05



Indo Farm Equipment Limited

NOTE - 18 "Other Financial Liabilities"

Particulars	As At March 31, 2022	As At March 31, 2021
Non Current		
Security from Customers	375.23	390.51
	375.23	390.51
Current		
Current Maturities of Secured Long Term Debts	3,238.97	2,513.12
Current Maturities of Vehicle Loans	65.86	79.81
Current Maturities of Other Loans	275.12	228.93
Interest Accrued but not due on Borrowings	4.08	3.55
Statutory dues payable	174.71	164.66
Cheques issued but not presented	10.67	1.34
	3,769.42	2,991.41
Total Other Financial Liabilities	4,144.65	3,381.92



NOTE - 19 "Provisions"

(Rs. In Lacs)

Particulars**As At****As At****March 31, 2022****March 31, 2021****Non Current**

-

Provision for Employees Retirement Benefits

Contingent Provision on Standard Assets

21.63

18.17

Provision for Non Performing Assets

52.00

60.71

Provision for Gratuity and Leave Encashment

19.96

21.29

93.59**100.18****Current**

Provision for Warranties & Servicing costs

99.12

75.44

Contingent Provision on Standard Assets

14.27

10.22

Provision of Income Tax (Net of Advance Tax and TDS)

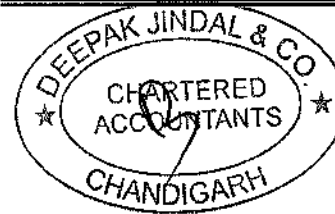
-

16.00

Provision for Employee Retirement Benefits

175.95

1.27

289.34**102.94****Total Provisions****382.93****203.12**

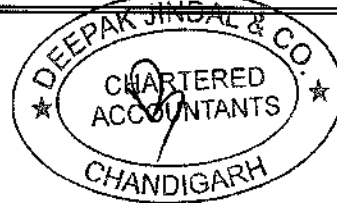
Indo Farm Equipment Limited

NOTE - 20 "Trade Payables"

Particulars	(Rs. In Lacs)	
	As At March 31, 2022	As At March 31, 2021
Due to Micro ,Small & Medium Enterprises	1,205.60	1,057.35
Due to Others	2,401.89	445.17
	3,607.50	1,502.52

NOTE -21 "Other Current Liabilities"

Particulars	(Rs. In Lacs)	
	As At March 31, 2022	As At March 31, 2021
Other payables	2,107.07	2,984.07
	2,107.07	2,984.07



Indo Farm Equipment Limited

NOTE - 22 "Revenue from Operations"

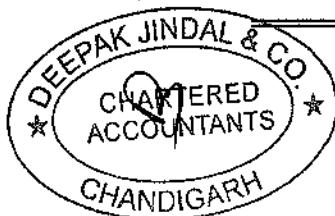
(Rs. In Lacs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Sale of Manufactured Products		
Export	1,868.37	2,789.91
Domestic	31,218.35	22,385.99
Sale of Services	2,121.71	1,602.21
	35,208.43	26,778.11

NOTE - 23 "Other Income"

(Rs. In Lacs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest On Fixed Deposits	11.21	12.04
Interest Others	0.03	2.89
Dividend From Investments	0.30	0.28
Profit on Sale / Restatement of Fixed Assets	8.26	3.07
Gain from Foreign exchange transaction	0.94	25.46
Miscellaneous income	5.48	6.83
Rent Received	0.91	0.76
Insurance Income	24.53	27.85
	51.67	79.17

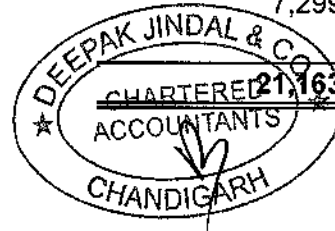


NOTE - 24 "Raw Material Consumed"

(Rs. In Lacs)

Particulars**Year Ended
March 31, 2022****Year Ended
March 31, 2021**

Opening Stock	6,240.48	5,532.17
Add:- Purchase of Raw Material	22,221.96	16,060.11
	<hr/>	<hr/>
	28,462.44	21,592.28
Less :- Closing Stock	7,299.18	6,240.48
	<hr/>	<hr/>
	21,163.26	15,351.80
	<hr/>	<hr/>



NOTE - 25 "Changes in Inventories of Finished Goods & Work in Progress"

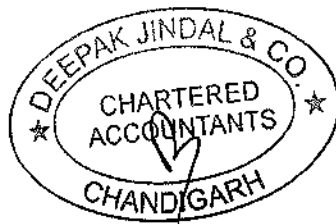
Particulars	(Rs. In Lacs)	
	Year Ended March 31, 2022	Year Ended March 31, 2021
Inventory (At Close)		
Finished Goods	4,668.14	2,774.08
Work in Process	4,382.53	5,077.28
	<u>9,050.67</u>	<u>7,851.36</u>
Inventory (At Commencement)		
Finished Goods	2,774.08	3,043.18
Work in Process	5,077.28	4,275.10
	<u>7,851.36</u>	<u>7,318.27</u>
Change	<u>1,199.31</u>	<u>533.09</u>

NOTE - 26 "Employee Benefit Expenses"

Particulars	(Rs. In Lacs)	
	Year Ended March 31, 2022	Year Ended March 31, 2021
Salaries & Wages	3,219.04	2,568.04
Remuneration To Directors	262.18	254.08
Contribution to Provident and Other Funds	163.28	129.04
Staff Welfare	84.66	149.21
Gratuity & Leave Encashment	119.22	71.08
	<u>3,848.37</u>	<u>3,171.44</u>

NOTE - 27 "Financial Expenses"

Particulars	(Rs. In Lacs)	
	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest Expenses	2,229.03	1,988.01
Other Borrowing Costs	152.98	133.01
	<u>2,382.01</u>	<u>2,121.02</u>

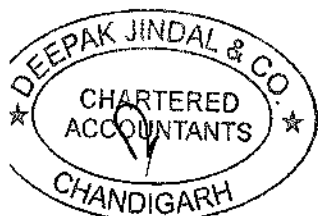


Indo Farm Equipment Limited

NOTE - 28 "Other Expenses"

(Rs. In Lacs)

Particulars	Particulars March 31, 2022	Year Ended March 31, 2021
Manufacturing Expenses		
Power, Fuel & Electricity Expenses	549.06	398.21
Job Work Charges	215.88	127.40
Total - "A"	764.94	525.61
Administrative Expenses		
Audit Fees	20.00	14.36
Charity & Donation	-	-
Misc. Expenses	41.93	26.89
Insurance	88.03	66.59
Recordkeeping Charges	1.63	0.60
Legal & Professional Charges	85.17	44.81
Loss on sale of Fixed Assets	79.61	34.64
Printing & Stationery	10.00	9.76
Rate, Fee & Tax	82.90	46.84
Rent	94.90	92.21
Repairs		
-Building	6.14	13.34
-Plant & Machinery	1.58	1.64
-Others	17.67	19.48
R&D Expenses	-	58.59
Vehicle Running & Maintenance	155.77	134.04
Telephone & Communications	31.07	22.60
Travelling & Conveyance Expenses		
-Director	20.85	19.28
-Others	398.78	303.20
CSR Expenses	26.52	19.15
Repossession Charges	17.63	14.30
Contingent Provision for Standard Assets	7.51	(55.67)
Provision for NPA's	(8.71)	33.74
Fine & Penalty	0.30	7.81
Total - "B"	1,179.30	928.19
Selling & Distribution Expenses		
Advertisement Expenses	31.46	30.02
Business promotion	92.40	59.11
Commission	127.74	42.50
Rebate Discount & Incentives	3,155.87	2,389.21
Freight & Cartage on Sale	728.47	514.71
After sale service expenses	73.48	96.83
Vat Expenses	16.84	28.79
Bad Debts written off	153.00	2,750.57
Foreign Exchange Transaction Loss	7.37	-
Provision for Doubtful Debts	-	(2,622.01)
Prior Period Expenses	-	-
Total - "C"	4,386.62	3,289.74
Grand Total ("A" + "B" + "C")	6,330.86	4,743.53



NOTES

29. EARNINGS PER SHARE (EPS)

(Rs. in Lacs)

Particulars	As on	As on
	March 31, 2022	March 31, 2021
Profit/(Loss) as per statement of profit and loss	1320.28	858.47
Weighted average number of equity shares outstanding	107.25	93.88
Basic EPS (In Rs)	12.31	9.14

The calculation of diluted earnings per share is based on profit attributes to equity shareholders and weighted average number of equity shares outstanding, after adjustment for the effects of all dilutive potential equity shares as follow:

(Rs. in Lacs)

Particulars	As on	As on
	March 31, 2022	March 31, 2021
Profit attributable to equity shareholders (diluted)	1320.28	858.47
Weighted average number of equity shares (diluted)	107.25	93.88
Weighted average number of equity shares (basic)	107.25	93.88
Effect of exercise of share option	-	-
Weighted average number of equity shares (diluted) for the year	107.25	93.88
Diluted earnings per share	12.31	9.14

30. BORROWINGS

A. SECURED LOANS

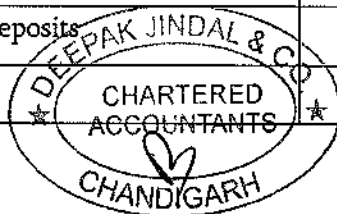
(Rs. In Lacs)

Particulars	March 31, 2022		March 31, 2021	
	Non-Current	Current	Non-Current	Current
Working Capital Loan from Bank	-	10,820.37	-	9,993.12
Term Loan from bank	11,662.44	3,238.97	8,972.87	2,513.12
Total	11,662.44	14,059.34	8,972.87	12,506.24

B. UNSECURED LOANS

(Rs. In Lacs)

Particulars	March 31, 2022		March 31, 2021	
	Non-Current	Current	Non-Current	Current
Vehicle Loans From Banks	183.08	65.86	133.82	79.81
Other Unsecured Loans from Banks	754.28	250.68	1031.81	200.52
Inter Corporate Deposits	-	24.44	24.44	28.41
Total	937.36	340.98	1,190.07	308.74



I. Security disclosure for the outstanding long-term borrowings as on 31st March 2022:

Working Capital Term Loan under GECL 2.0 Scheme from Canara Bank & Punjab National Bank is secured by way of charge on assets created out of facility so extended and additional WCTL under GECL shall rank pari passu second charge with existing credit facilities in terms of cash flows and security.

Working capital Term Loan under GECL by Federal Bank is secured by way of interest/charge on all movable and immovable assets created out of WCTL and collaterally secured by way of 2nd Charge on Residential Property, opp. Cantt. Area, Chandigarh in the name of Mr. R.S. Khadwalia and Ms. Sunita Saini.

Term Loan of Rs 5.20 Crores and Rs.1.66 Crores sanctioned by Federal Bank (Takeover form Tata Capital Financial Services Limited) collaterally secured by way of 1st charge on land situated at Bhopal. Further these term loans are primarily secured by way of hypothecation of equipment procured out of term loan. Further secured by way of personal guarantee of Ranbir Singh Khadwalia, Sunita Saini, and Anshul Khadwalia.

Working Capital Limits and COVID Demand Loans from Canara Bank & Punjab National Bank are secured by way of 1st Pari-Passu Charge on all the current assets (present & future) of the Company and further secured by way of 1st Pari-Passu Charge on all the fixed assets of the Company excluding following assets:

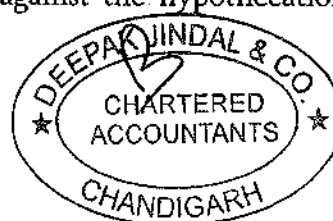
- Vehicles,
- Land building situated at Mumbai,
- Land situated at Bhopal mortgaged to federal bank and
- specific machinery which is hypothecated to Siemens Ltd.

Further working capital limits (except COVID Loans) are secured by way of personal guarantee of Ranbir Singh Khadwalia, Sunita Saini, S.P. Mittal and Anshul Khadwalia.

Term Loans from Canara Bank are secured by way of first and Exclusive Charge by hypothecation on the receivables (Standard Assets) of the Company and Execution of power of attorney to enable bank to recover money directly from the borrower of the company in the event of default and Personal guarantee of directors & corporate guarantee of Indo Farm Equipment Limited.

Term loan from The Federal Bank Ltd. is secured by way of Equitable mortgage of residential property Owned by the directors of the company and Personal guarantee of directors & corporate guarantee of Indo Farm Equipment Limited.

Car loan from The Federal Bank Ltd. is secured against the hypothecation of respective vehicles.



II. Maturity Profile:

A. Secured Loans

(Rs. In Lacs)

Particulars	1 – 2 years	2 - 5 years	Beyond 5 years
From Banks:			
- Term Loans	3,747.52	7,446.03	354.36

B. Unsecured Loans

(Rs. In Lacs)

Particulars	1 – 2 years	2 - 5 years	Beyond 5 years
From Banks:			
- Other Loans	263.64	479.30	11.34
- Vehicle Loans	69.33	110.78	2.97
- Inter Corporate Deposit	-	-	-

31. COMMITMENTS

(Rs. In Lacs)

S.No.	Particulars	31.03.2022	31.03.2021
i)	Estimated amount of contracts remaining to be executed on capital account and not provided for	198.26	Nil
ii)	Uncalled liability on shares and other investments partly paid	-	Nil
iii)	Other commitments	-	Nil

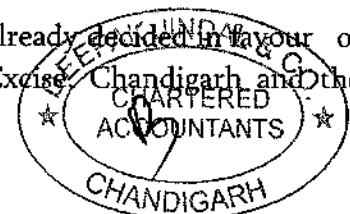
32. CONTINGENT LIABILITIES

(a) Contingent liabilities (not provided for) in respect of:

(Rs. in Lacs)

S. No.	Particulars	As at March 31, 2022	As at March 31, 2021
i)	Counter guarantee to bank	22.91	20.71
ii)	Corporate Guarantee	12000.00	8,000.00
iii)	Bond Executed by the company in favour of DGFT	68.23	68.23
iv)	Claims against the company not acknowledged as debts	312.26	290.73
v)	Excise matters in dispute #	303.67	303.67
vi)	Consumer cases in dispute/Under appeal*	231.72	240.73
vii)	Bill Discounting	-	578.53

#Excise cases related to years November 2003-January 2005 was already decided in favour of Company by Commissioner (Appeals), Customs and Central Excise Chandigarh and the demand was deleted.



However, the department has elected to file appeal against order with Customs Excise and Service Tax Appellate Tribunal (CESTAT).

The management is hopeful that, same will be decided in favour of company and no material liability will devolve on the company in respect of these matters.

*Interest and claims by customers, suppliers, lenders and employees may be payable as and when the outcome of the related matters are finally determined and hence have not been included above. Management based on legal advice and historical trends, believes that no material liability will devolve on the Company in respect of these matters.

33. EMPLOYEE BENEFITS PLAN

The following table set out the status of the plan for gratuity as required under Accounting Standard (AS) - 15 - Employee benefits and the reconciliation of opening and closing balances of the present value of the defined benefit obligation:

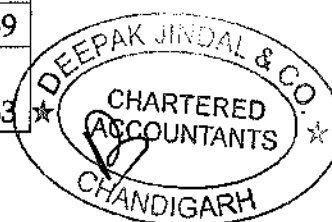
a) In case of Holding Company:

GRATUITY

Membership Data	
No. of Members	206
Average Age	41.16
Average Monthly Salary	12480.48
Average Past Service	12.21

Actuarial Assumptions	
Mortality Rate	LIC(2006-08) ultimate
Withdrawal Rate	1% to 3% depending on age
Discount rate	7% p.a

Result of Valuation	
Present Valuation of Past Services benefits	1,75,70,765
Current Service Cost	14,57,156
Total Service Gratuity	4,16,10,677
Accrued Service Gratuity	1,75,72,016
LCSA	2,40,38,661
LC Premium	82,959
GST	14,933



Recommended Contribution Rate	
Fund Value as on Renewal Date	38,00,374
Additional Contribution for existing fund	1,37,70,391
Current Service Cost	14,57,156
TOTAL AMOUNT PAYABLE	1,53,25,439

* as per Valuation by Life Insurance Corporation of India who manages the Fund.

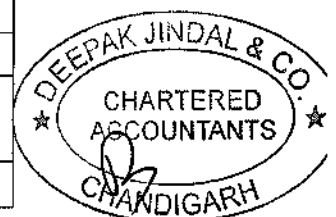
LEAVE ENCASHMENT

Membership Data	
No. of Members	207
Average Age	41
Average Monthly Salary	12507

Actuarial Assumptions	
Mortality Rate	LIC(2006-08) ultimate
Withdrawal Rate	1% to 3% depending on age
Discount rate	7% p.a

Result of Valuation	
Present Valuation of Past Services benefits	20,54,956
Current Service Cost	83,545
LCSA	51,75,000
LC Premium	23,623
GST	4,252

Recommended Contribution Rate	
Fund Value as on Renewal Date	0
Additional Contribution for existing fund	20,54,956
Current Service Cost	83,545
TOTAL AMOUNT PAYABLE	21,66,376



* as per Valuation by Life Insurance Corporation of India who manages the Fund.

b) In case of Subsidiary Company :

Membership data at the date of valuation and statistics based thereon:

(Rs. In Lacs)

Membership Data	
Number of employees	200
Total monthly salary	22.01
Total Monthly CTC for Availment	54.58
Average Age(Years)	34
Average Past Service(Years)	1.36
Average Future Service (year)	7.99
Average Accumulated leave per employee (in days)	14

Actuarial Assumptions	
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult.
Attrition	10%
Disability	No Explicit allowance
Leave Availment factor	50%
Discount rate	7.15% p.a
Estimated rate of increase in Compensation Levels	6%

Classification of Liabilities as on 31st March, 2022

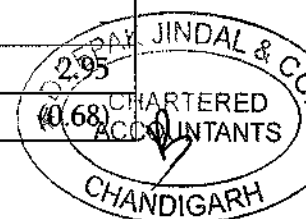
(Rs. In Lacs)

Classification	Gratuity	Leave Encashment
Current	0.02	1.01
Non-Current	15.47	4.48
Total	15.49	5.49

Changes in Present Value of Obligations

(Rs. In Lacs)

Particulars	Gratuity	Leave Encashment
Present Value of Obligations as on 01/04/2021	16.44	6.12
Interest Cost	1.18	0.44
Past Service Cost	-	
Current Service Cost	8.31	
Benefits Paid	0	



Actuarial (gain)/loss on obligations	(10.43)	(3.33)
Present Value of Obligations as on 31/03/2022	15.50	5.49

34. TRADE PAYABLES

Amount due to entities covered under micro enterprises and small enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company. The total amount due as on 31.03.2022 was 1205.60 Lacs (Previous year 1057.35 Lacs) and interest on late payment was Nil (Previous year Nil)

Particulars	Outstanding for following periods from transaction date				Total
	< 1 Year	1 to 2 Years	2 to 3 Years	3 Years	
i) MSME	1205.60		-	-	1205.60
ii) Others	2371.85	2.61	27.43	-	2401.89
iii) Disputed dues- MSME	-	-	-	-	-
iv) Disputed dues- Others	-	-	-	-	-

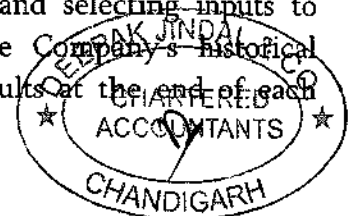
35. TRADE RECEIVABLES

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss towards expected risk of delays and default in collection.

Trade receivables are unsecured and are derived from revenue earned from sale of tractors and other Equipment. No interest is charged on the outstanding balance, regardless of the age of the balance.

Trade receivables consist of a large number of various types of customers, spread across geographical areas. Ongoing credit evaluation is performed on the financial condition of these trade receivables and where appropriate allowance for losses are provided. Further the Company, groups the trade receivables depending on type of customers and accordingly credit risk is determined.

The Company uses judgements in making certain assumptions and selecting inputs to determine impairment of these trade receivables, based on the Company's historical experience towards potential billing adjustments, delays and defaults at the end of each reporting period.

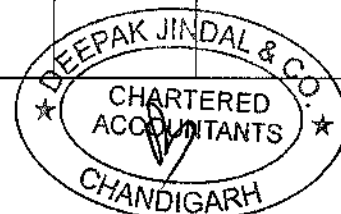


The Company has recorded an allowance 684.35 Lacs (Previous year 684.35 Lacs) towards trade receivables. The Management believes that there is no further provision required in excess of the allowance for doubtful debts.

The trade receivables are hypothecated as security towards borrowings taken by the Company.

(Rs. in Lacs)

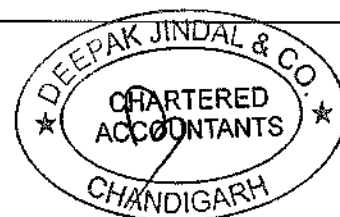
Particulars	Outstanding for following periods from the transaction date					Total
	< 6 Months	6 Months to 1 Year	1 to 2 Years	2 to 3 Years	> 3 Years	
	i)Undisputed Trade Receivables –Considered goods	6674.93	370.84	93.26	62.36	
ii)Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
iii)Undisputed Trade Receivable- credit impaired	-	-	-	-	-	-
iv)Disputed Trade Receivable- considered goods	-	-	-	-	-	-
v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	684.35	684.35
vi)Disputed Trade Receivable- credit impaired	-	-	-	-	-	-



36. RELATED PARTY DISCLOSURES

i) Disclosure of related parties and relationship between the parties

Nature of relationship	Name of related party
Joint Ventures and Associates	None
Key management personnel (KMP)	Mr. R.S. Khadwalia, Managing Director
	Mrs. Sunita Saini, Director
	Mr. Anshul Khadwalia
	Mr. Charan Singh Saini, Director(upto 31-05-2021)
	Mr. S.P. Mittal (Indo Farm Equipment Limited)
	Mr. Inder Singh Negi (Indo Farm Equipment Limited)
	Mr. Prem Kumar Dhasmana (Indo Farm Equipment Limited)
	Mr. Divender Dutt Gautam (Indo Farm Equipment Limited)
	Mr. Puneet Ralhan (Indo Farm Equipment Limited)
	Ms. Anubha (C.S. upto 28-06-2021) (Barota Finance Limited)
	Mr. Surinder Mohan Singla (CFO w.e.f. 01-06-2021) (Indo Farm Equipment Limited)
	Ms. Navpreet Kaur (Company Secretary) (Indo Farm Equipment Limited)
	Mr. Surinder Kumar Sharma (CEO upto 16-06-2021) (Barota Finance Limited)
	Ms. Aayushi (C.S. w.e.f. 01-07-2021) (Barota Finance Limited)
	Mr. Gurwinder Singh Chadha (CFO w.e.f. 16-06-2021) (Barota Finance Limited)
	Mr. Vishal Anand Dewliya (CEO w.e.f. 01-07-2021) (Barota Finance Limited)
	Mr. Brij Kishore Mahindroo (Barota Fiance Limited)
Mr. Pardeep Singh (CFO upto 12-06-2021) (Barota Finance Limited)	
Relatives of Key Management Personnel (KMP)	Ms. Ritu Saini
	Mr. Shubham Khadwalia
	Ms. Diksha Khadwalia



ii) Transactions with related parties :

Key Managerial Personnel

(Rs. In Lacs)

Sr. No	PARTICULARS	31.03.2022	31.03.2021
i.	Remuneration	380.26	363.68
ii.	Rent Paid	23.20	16.41
iii.	Sitting Fee Paid	1.60	1.80
v.	Unsecured Loans (Paid)	-	125.50

Relatives of the Key Managerial Personnel

(Rs. In Lacs)

Sr. No.	PARTICULARS	31.03.2022	31.03.2021
i.	Remuneration	110.00	126.00
ii.	Rent Paid	2.75	15.60
iii.	Professional Charges	16.00	-

37. The Information required by paragraph 5 of general instructions for preparation of the Statement of Profit and Loss as per schedule III of Companies Act, 2013

i) Imported and indigenous consumption

(Rs. In Lacs)

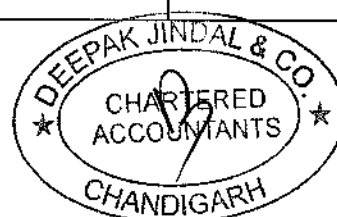
Sr. No	Particulars	Amount	2021-22(%age)	Amount	2020-21 (%age)
1.	Imported	183.61	0.92%	105.82	0.69%
2.	Indigenous	19780.34	99.08%	14,712.89	99.31%

38. CAPITAL WORK-IN-PROGRESS

Ageing schedule for the year ended March 31, 2022

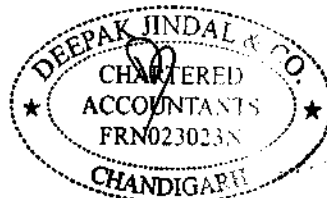
(Rs. In Lacs)

Particulars	Amount in CWIP for a period of				Total
	< 1 Year	1 to 2 Years	2 to 3 Years	> 3 Years	
CWIP PLANT AND MACHINERY	1951.90	-	-	-	1951.90



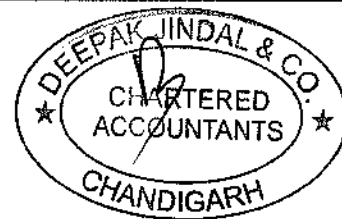
39. SEGMENT INFORMATION

Consolidated Segment Reporting Disclosure							
Particulars	Tractors	Crane	NBFC	Others	Eliminations	Unallocable Items	Rs. In Lacs Consolidated Total
	Current Year	Current Year	Current Year	Current Year	Current Year	Current Year	Current Year
	REVENUE						
External Sales	25,732.12	7,212.58	2,121.71	142.02	-	-	35,208.43
Inter Segment Sales	2,219.14	223.97	445.5	3,623.13	-6,511.74	-	-
Total Sales	27,951.26	7,436.55	2,567.21	3,765.15	-6,511.74	-	35,208.43
Miscellaneous Income	12.7	0.42	28.51	-	-1.2	-	40.43
Segment Revenue	27,963.96	7,436.97	2,595.72	3,765.15	-6,512.94	-	35,248.86
Interest Income	-	-	0.03	-	-	11.21	11.24
Other Unallocable Income	-	-	-	-	-	-	-
Total Revenue	27,963.96	7,436.97	2,595.75	3,765.15	-6,512.94	11.21	35,260.10
RESULT							
Segment Result	2,169.22	530.12	1,507.41	10.88	-	-	4,217.63
Unallocated Corporate Expenses	-	-	-	-	-	-	-
Interest Expense	-	-	-936.86	-	-	-1,445.15	-2,382.01
Profit Before Taxation	2,169.22	530.12	570.55	10.88	-	-1,445.15	1,835.62
Income Taxes	-	-	-141.91	-	-	-363.57	-505.48
Profit Before Prior Period Expenses	2,169.22	530.12	428.64	10.88	-	-1,808.72	1,330.14
Prior Period Expenses	-	-	-	-	-	-9.86	-9.86
Profit For the Year	2,169.22	530.12	428.64	10.88	-	-1,818.58	1,320.28
OTHER INFORMATION							
Segment Assets	32,976.51	4,365.88	15,151.50	3,319.03	-1,574.72	-1,700.00	52,538.20
Unallocated Corporate Assets	-	-	-	-	-	9,422.22	9,422.22
Total Assets	32,976.51	4,365.88	15,151.50	3,319.03	-1,574.72	7,722.22	61,960.42
Segment Liabilities	20,919.17	1,831.94	12,449.26	748.18	-1,574.72	-	34,373.84
Total Liabilities	20,919.17	1,831.94	12,449.26	748.18	-1,574.72	-	34,373.84
Depreciation	340.52	58.01	11.75	310.15	-	178.87	899.30



40. ANALYTICAL RATIOS

Ratio	Numerator	Denominator	31.03.2022	31.03.2021	Variance
Current Ratio	Current Assets	Current Liabilities	1.45	1.49	-2.94%
Debt Equity Ratio	Long term & Short-term borrowings	Equity	0.87	0.79	10.26%
Debt Service coverage Ratio ⁽¹⁾	Earnings before interest & tax	Interest & Principal due during the year	0.88	1.18	25.15%
Return on Equity ⁽²⁾	Net profit after tax	Average of opening & Closing equity shareholder's fund	4.90%	3.32%	47.57%
Inventory Turnover Ratio	Consumption during the year & change in inventory	Average Inventory Holdings	1.39	1.14	22.01%
Trade Receivables Turnover Ratio ⁽³⁾	Revenue from operation	Average Trade Receivables	4.84	3.79	27.85%
Trade Payables Turnover Ratio	Net Purchases During the year	Average Trade Payables	8.70	9.76	-10.91%
Net Capital Turnover Ratio ⁽⁴⁾	Revenue from operations	Average Net Working Capital	1.28	1.16	10.54%
Net Profit Ratio	Net profit after tax	Revenue from operations	3.75%	3.21%	16.97%
Return on Capital Employed	Earnings before interest & tax	Average of current year & previous year total equity, Total debt (including current maturities)	8.24%	7.14%	15.47%
Return on Investment					



Comments for Variations above 25%

- 1) The DSCR had declined during the year from 1.18 to 0.88 on account of higher repayment of Covid and GECL term loans as the covid loans were repayable over a shorter duration of 18 months and had a moratorium of 6 to 12 months.
- 2) Return on equity had improved during the year from 3.32% to 4.90% on account of improved profitability because of higher sales volume.
- 3) Trade receivable turnover ratio had improved from 3.79 times to 4.84 times on account of higher sales and better realisation.

41. AUDITOR'S REMUNERATION*

(Rs. in Lacs)

Particulars	2021-22	2020-21
Statutory Audit (in case of Holding Company)	15.00	10.00
Statutory Audit (in case of Subsidiary Company)	5.00	4.00

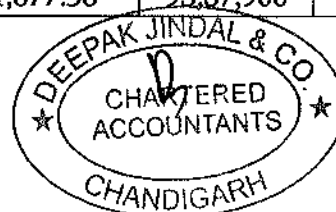
*excludes service tax/gst

42. SHARE CAPITAL

- i) The Company has only one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii) Reconciliation of share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of Shares	Amount (in Lacs)	Number of Shares	Amount (in Lacs)
Balance at the beginning of the year	93,87,900	938.79	93,87,900	938.79
Add : Issue of bonus shares	93,87,900	938.79	-	-
Balance at the end of the year	1,87,75,800	1,877.58	93,87,900	938.79



iii) Shareholders holding more than 5% of the shares


Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of Shares	% of Shareholding	Number of Shares	% of Shareholding
R.S. Khadwalia*	1,01,63,200	54.13	50,77,600	54.08
Sunita Saini*	53,25,174	28.36	26,62,587	29.36
M/s Futurisitc Mining Constructions Solutions LLP*	21,85,980	11.64	10,92,990	11.64

*Includes shares issued as bonus shares

iv) Shareholding of promoters

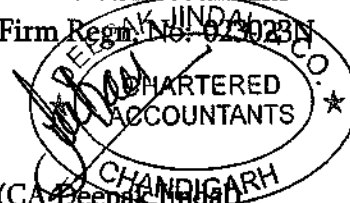
Shares held by promoters at the end of the year			%age Change during the year
Promoter Name	No. of Shares	%age of Total Shares	
R.S. Khadwalia	10,16,3200	54.13	0.05
Sunita Saini	53,25,174	28.36	-
S.P. Mittal	2,59,880	1.38	-


For Indo Farm Equipment Limited



R.S. Khadwalia
Chairman Cum Managing Director
(DIN:0062154)



Anshul Khadwalia
Director
(DIN:05243344)

For Deepak Jindal & Co.
Chartered Accountants
Firm Regn. No. 023023N


(CA Deepak Jindal)
Partner
M.No. 514745
UDIN: 22 514745BCZYM 24035


Gurwinder Singh Chadha
General Manager
(PAN:AHEPC6779P)


Surinder Mohan Singla
Chief Financial Officer
(PAN:ACOPS9998K)


Navpreet Kaur
Company Secretary
(PAN:ANMPK5801G)

Place: Chandigarh

Date: 16-09-2022