

**INDEPENDENT AUDITORS' REPORT**

**To the Members of
Kamla Tesio Dials Limited.**

Report on the Audit of the Financial Statements**1. Opinion**

We have audited the financial statements of **M/s Kamla Tesio Dials Limited** ("the Company"), which comprise the balance sheet as at 31 March 2022, and the statement of profit and loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and loss and other changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

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

3. Information Other than the Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

4. Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, loss, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

5. Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.



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6. Report on Other Legal and Regulatory Requirements

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

(ii) As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The balance sheet, the statement of profit and loss, the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid 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 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company, As per the Board of Directors of the company, in view of the MCA Notification No. G.S.R. 583(E) dated 13 June 2017, the company is exempt from the requirements of clause (i) of section 143(3) and therefore the report on adequacy and operating effectiveness of internal financial controls is not being made.
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There have been no amounts required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv.
 - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and



c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

h) No remuneration is paid by the Company to its Directors during the year.

Place: Chandigarh

Dated: 25-05-2022



For Singhal Karun & Co.,
Chartered Accountants
(Firm Regn no-04496N)

(Anil K. Goyal)

Proprietor

M.Ship No.FCA-80255

UDIN: 22080255AJTG RB2269

ANNEXURE REFERRED TO IN PARAGRAPH 6 OF THE AUDITORS' REPORT TO THE MEMBERS OF KAMLA TESIO DIALS LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2022

Based on audit procedures performed and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i)(a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (i)(a)(B) The Company has maintained proper records showing full particulars of intangibles assets.
- (i)(b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (i)(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (i)(d) The Company has not revalue its Property, Plant and Equipment or intangible assets during the year ended March 31, 2022.
- (i)(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii)(a) There is no inventory held by the Company and accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (ii)(b) The Company has not been sanctioned any working capital limits from banks during the year on the basis of security of current assets of the Company, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to any company, firm, Limited Liability Partnership or any other party.
- (iv) As the Company has not made investments or given loans or provided guarantees/securities to any party, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company have not accepted any deposits from any party and accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- (vii) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, income-tax, sales-tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix)(a) The Company has not availed any loan, therefore, the question of default in repayment of loans or other borrowings or in the payment of interest thereon to any lender does not arise.
- (ix)(b to f) As the Company has not availed any loans from banks/financial institutions, the requirement to report on clauses 3(viii)(b to f) of the Order are not applicable to the Company.



- (x)(a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (x)(b) The Company has not made any preferential allotment / private placement of shares during the year.
- (xi)(a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (xi)(b) During the year, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by cost auditor, secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (xi)(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the order are not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) The Company is not required to have internal audit system commensurate with the size and nature of its business and hence requirement to report on clause 3(xiv) of the Order is not applicable to the Company.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi)(a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934(2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (xvi)(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (xvi)(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order are not applicable to the Company.
- (xvi)(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses of Rs.5951053/- in the current financial year and Rs.805569/- in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note -25 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



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- (xx)(a) The Company has no new ongoing projects, accordingly, the requirement to report on clause 3(xx)(a & b) of the Order are not applicable to the Company.
- (xxi) The requirement to report on clause 3(xxi) of the Order is not applicable to the standalone financial statements of the Company.

Place: Chandigarh

Dated: 25-05-2022



For Singhal Karun & Co.,
Chartered Accountants
(Firm Regn No-04496N)

(Anil K. Goyal)
Proprietor

M.Ship No.FCA-80255

UDIN: 22080255AJTG RB2269

KAMLA TESIO DIALS LIMITED
(CIN : U33309CH1996PLC018732)
Balance Sheet as at 31 March 2022
(Amount in Rupees unless stated otherwise)

Particulars	Note	As at 31 March 2022	As at 31 March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	1	6,75,922	4,54,632
Right-of-use assets	1	49,83,237	-
Intangible assets	1	14,010	-
Financial assets			
- Investments		-	-
- Other financial assets	2	59,000	10,000
Income- tax assets (net)	3	3,94,394	3,56,809
Other non-current assets		-	-
Total non-current assets		61,26,563	8,21,441
Current assets			
Inventories		-	-
Financial assets			
-Trade receivables	4	4,72,187	-
- Cash and cash equivalents	5	26,05,192	27,22,270
- Loans and Advances	6	20,292	49,94,221
Other current assets	7	7,33,600	-
Total current assets		38,31,271	77,16,490
Total assets		99,57,834	85,37,931
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	8	1,00,00,000	1,00,00,000
Other equity	9	(79,27,692)	(15,14,344)
Total equity		20,72,308	84,85,656
LIABILITIES			
Non-current liabilities			
Financial liabilities			
-Borrowings		-	-
-Lease Liabilities	10	41,81,804	-
Other financial liabilities		-	-
Total non-current liabilities		41,81,804	-
Current liabilities			
Financial liabilities			
-Borrowings		-	-
-Lease Liabilities	10	9,11,914	-
-Trade payables	11	9,28,855	-
-Other financial liabilities	12	2,21,896	52,275
Other current liabilities	13	16,41,057	-
Total current liabilities		37,03,722	52,275
Total liabilities		78,85,526	52,275
Total Equity and Liabilities		99,57,834	85,37,931

Corporate Information and Significant accounting policies-19 & 20
The notes referred to above form an integral part of the Ind AS financial statements.-21 to 26

As per our report of even date attached.
For SINGHAL KARUN & CO.
Chartered Accountants

(Anil K. Goyal)
Proprietor
Membership No. FCA80255
UDIN : 22080255AJTG RB2269

Place: Chandigarh
Dated: 25-05-2022



For and on behalf of the Board of Directors
KAMLA TESIO DIALS LIMITED

(Y.SABOO)
Director
DIN:00012158

(S.K.MASOWN)
Director
DIN:03542390

KAMLA TESIO DIALS LIMITED
(CIN : U33309CH1996PLC018732)

Statement of Profit and Loss for the period ended 31 March 2022
(Amount in Rupees unless stated otherwise)

Particulars	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from operations	14	17,56,908	-
Other income	15	77,598	68,095
Total Income		18,34,506	68,095
Expenses			
Cost of materials consumed		-	-
Changes in inventories of finished goods and stock-in-trade		-	-
Cost of materials consumed		-	-
Employee benefit expense	16	2,47,028	2,84,541
Depreciation and amortization expense	1	4,62,295	-
Finance costs	17	2,60,527	649
Other expenses	18	72,78,003	5,88,474
Total expenses		82,47,854	8,73,664
Profit (loss) before exceptional and extraordinary items and tax		(64,13,348)	(8,05,569)
Exceptional Items ;		-	-
Profit (loss) before extraordinary items and tax		(64,13,348)	(8,05,569)
Extraordinary Items		-	-
Profit (loss) before tax		(64,13,348)	(8,05,569)
Tax expense:		-	-
Profit/(loss) for the year		(64,13,348)	(8,05,569)
Earnings per equity share [Nominal value of Rs.10 (previous year Rs.10)]			
Basic (Rs.)		(6.41)	(0.81)
Diluted (Rs.)		(6.41)	(0.81)

Corporate Information and Significant accounting policies-19 & 20

The notes referred to above form an integral part of the Ind AS financial statements.-21 to 26

As per our report of even date

For SINGHAL KARUN & CO.
Chartered Accountants

(Anil K. Goyal)
Proprietor
Membership No. FCA80255
UDIN : 22080255AJTG RB2269



For and on behalf of the Board of Directors
KAMLA TESIO DIALS LIMITED

(Y SABOO) (S.K. MASOWN)
Director Director
DIN:00012158 DIN:03542390

Place : Chandigarh

Dated: 25-05-2022

	As at 31 March 2022	As at 31 March 2021
2. Other financial assets -Long Term		
Security Deposit	59,000	10,000
	59,000	10,000
3 Income - Tax assets (net)		
MAT Recoverable	3,51,718	3,51,718
Tax deducted at Source	42,676	5091
	3,94,394	3,56,809
4. Trade receivables		
(Unsecured and considered good, unless otherwise stated)		
-Debts outstanding for a period exceeding six months		-
- Other Debtors		-
-Other debts, Due from related party	4,72,187	-
	4,72,187	-

As at 31 March 2022	Not due	< 1 years	1 year to 2 years	2 year to 3	> 3 years	Total
Undisputed Trade Receivable - considered good		4,72,187	-	-	-	4,72,187
Undisputed Trade Receivable- which have significant increase in credit risk		-	-	-	-	-
Disputed Trade Receivable- which have significant increase in credit risk		-	-	-	-	-
Total		4,72,187	-	-	-	4,72,187

5. Cash and cash equivalents		
Balances with banks in current accounts	26,05,192	27,22,270
	26,05,192	27,22,270
6 Loans and Advancers		
(Unsecured advance)		
Sugam Precision pvt. Ltd	-	36,94,223
Other-Unsecured loans	-	12,99,998
Staff Imprest	292	-
Advances to Suppliers	20,000	-
	20,292	49,94,221
7. Other Current Assets		
GST Recoverable	7,33,600	-
	7,33,600	-

	As at 31 March 2022		As at 31 March 2021	
8. Share capital	Number of shares	Amount	Number of shares	Amount
<u>Authorised</u>				
Equity shares of Rs. 10 each	10,00,000	1,00,00,000	10,00,000	1,00,00,000
	10,00,000	1,00,00,000	10,00,000	1,00,00,000
<u>Issued, optionally, subscribed and paid up</u>				
Equity shares of Rs.10 each fully paid up	10,00,000	1,00,00,000	10,00,000	1,00,00,000
	10,00,000	1,00,00,000	10,00,000	1,00,00,000
(a) <u>Reconciliation of share capital outstanding as at the beginning and at the end of the year</u>				
a) Equity shares of Rs. 10 each fully paid up				
At the beginning of the year	10,00,000	1,00,00,000	10,00,000	1,00,00,000
Add: converted during the year	-	-	-	-
At the end of the year	10,00,000	1,00,00,000	10,00,000	1,00,00,000

(b) The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share except for the members whose calls are in arrears. All holders have equal rights

(c) Shares held by ultimate holding company/ holding company and their subsidiaries/ associates

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs. 10 each fully paid up	6,99,930	69,99,300	3,00,000	30,00,000
KDDL Limited (holding company / ultimate holding company)				

(d) Details of shareholders holding more than 5% shares of the Company

	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% holding	Number of shares	% holding
Equity shares of Rs. 10 each fully paid up held by				
-KDDL Limited	6,99,930	69.99%	3,00,000	30.00%
-Tesio Precision Ind. Co.Ltd	3,00,000	30.00%	3,00,000	30.00%
-Mr Yashovardhan Saboo			2,06,010	20.60%
-Mrs Anuradha Saboo			83,510	8.35%
-Mr R.K. Saboo			57,010	5.70%

9. Other Equity	As at 31 March 2022	As at 31 March 2021
(i) Retained Earnings		
Balance at beginning of the year	(15,14,344)	(7,08,775)
Add: Profit / (loss) for the year	(64,13,348)	(8,05,569)
Balance at the end of the year	(79,27,692)	(15,14,344)
Total	(79,27,692)	(15,14,344)



	As at 31 March 2022	As at 31 March 2021
10. Lease Liability (ROU)		
Long term	41,81,804	-
Short Term	9,11,914	-
	<u>50,93,718</u>	<u>-</u>

11. Trade payable		
Other trade payables		
- Total outstanding dues to micro and small enterprises #		-
- To related parties	6,00,880	-
- Advances from customers-Related party KDDL		-
- Others	3,27,975	-
	<u>9,28,855</u>	<u>-</u>

There are no micro, small and medium enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at the end of the year. The information as required to be disclosed in relation to micro, small and medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

	Not due #	< 1 years	1 year to 2 years	2 year to 3 years	> 3 years	Total
As at 31 March 2022						
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	9,28,855	-	-	-	9,28,855
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	-	9,28,855	-	-	-	9,28,855

12. Other financial liabilities		
Expenses payable	2,21,896	52,275
	<u>2,21,896</u>	<u>52,275</u>

13. Other current liabilities		
TDS Payable	41,057	-
Advances from customers-Related party KDDL	16,00,000	-
	<u>16,41,057</u>	<u>-</u>



KAMLA TESIO DIALS LIMITED
(CIN : U33309CH1996PLC018732)
Notes forming part of the accounts as on 31 March 2022
(Amount in Rupees unless stated otherwise)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
14 . Revenue from operations		
Sales(net)		
- Sale of Services	17,56,908	-
	17,56,908	-
Foot notes:		
(i) Sale of Services	17,56,908	0
Total	17,56,908	-
15 . Other income		
Interest income	77,598	68,095
	77,598	68,095
16 . Employee benefit expenses		
Salaries and Wages,	1,63,340	2,61,689
Staff welfare expenses	83,688	22,852
	2,47,028	2,84,541
17 . Financial costs		
Interest Expenses (Ind AS)	2,58,260	-
Bank charges	2,267	649
	2,60,527	649
18 . Other expenses		
Store and spares & Consumables	1,80,770	-
Power, fuel and water charges	1,01,527	-
Contractual labour expenses	21,19,663	-
Insurance	11,169	-
Rent	3,37,460	-
Rates, Taxes & Fees	50	-
Repair and maintenance		-
- Plant and machinery	20,325	-
- Building	13,85,781	-
- Others	33,688	-
Retainership expenses	12,30,000	-
Printing & Stationary	15,421	348
Legal and professional fee/charges	26,770	9,200
Auditor's remuneration -Audit Fee	30,000	25,000
Communication expenses	40,128	5,000
Licence and Filling fee	71,892	-
Bad debts/advances written off	12,99,994	5,35,677
Travelling & Conveyance	2,02,922	13,249
Security services charges	1,68,365	-
Miscellaneous	2,080	-
Total	72,78,003	5,88,474



KAMLA TESIO DIALS LIMITED
(CIN : U33309CH1996PLC018732)

Statement of changes in Equity for the year ended 31 March 2022

a. Equity share capital

				Total
Balance as at 1st April,2019		1000000		1,00,00,000
Changes in equity share capital during 2019-20		-		-
Balance as at 31st March 2020		1000000		1,00,00,000
Changes in equity share capital during 2020-21				-
Balance as at 31st March 2021		1000000		1,00,00,000
Changes in equity share capital during 2021-22				-
Balance as at 31st March 2022		1000000		1,00,00,000

b. Other Equity

Particulars	Retained earnings	Compulsory convertible cumulative preference shares	Securities premium	Total Other Equity
Balance as at 1st April,2019	(8,39,832)	-	-	(8,39,832)
-Profit for the year	1,31,057	-	-	1,31,057
As at 31st March 2020	(7,08,775)	-	-	(7,08,775)
-Loss for the year	(8,05,569)	-	-	(8,05,569)
As at 31st March 2021	(15,14,344)	-	-	(15,14,344)
-Loss for the year	(64,13,348)	-	-	(64,13,348)
As at 31st March 2022	(79,27,692)	-	-	(79,27,692)



KAMLA TESIO DIALS LIMITED
(CIN : U33309CH1996PLC018732)
Cash flow statement for the year ended 31 March 2022
(Amount in Rupees unless stated otherwise)

Particulars	For the year ended 31 March 2022	For the year ended 31st March 2021
A. Cash flow from operating activities:		
Net profit before tax from continuing operations	(64,13,348)	(8,05,569)
Adjustments for:		
Depreciation	4,62,295	-
Bad debts/loan & advance written off	12,99,994	5,35,677
Dividend Income	-	-
Interest expense	2,58,260	-
Interest income	(77,598)	(68,095)
Less: Tax paid		
Operating profit before working capital changes		
Adjustments for:		
(Increase) / decrease in trade and other receivables	4,72,187	1,47,000
(Increase) / decrease in inventories	-	-
Other current assets	6,10,454	18,909
Increase / (decrease) in trade payables	9,28,855	-
Increase / (decrease) in other current liabilities	18,10,678	54,409
Short term provisions	-	13,130
Cash flow from operating activities before taxes	(6,85,809)	(1,04,539)
Direct taxes paid / (refunds) (net)		
Net cash flow from operating activities	(6,85,809)	(1,04,539)
B. Cash flow from investing activities:		
(Increase) / decrease in Fixed assets	2,35,300	-
Net cash used in investing activities	2,35,300	-
C. Cash flow from financing activities:		
Increase/(decrease) in unsecured loans	-	-
Interest paid	2,58,260	-
Dividend paid	-	-
Net cash used in financing activities	2,58,260	-
Net increase/(decrease) in cash and cash equivalents	(1,92,249)	(1,04,539)
Opening cash and cash equivalents	27,22,270	28,26,809
Closing cash and cash equivalents	25,30,022	27,22,270
Notes:		
1 Cash and cash equivalents include:		
Balance with banks	26,05,192	27,22,270
2 The cash flow statement has been prepared in accordance with "Indirect Method" as set out in Indian Accounting Standard-7 on "Statement on Cash Flows"		
3 Refer note no.1 for significant accounting policies.		

For SINGHAL KARUN & CO.
Chartered Accountants

(Anil K. Goyal)
Proprietor
Membership No. FCA80255
UDIN : 22080255AJTG RB2269
Place : Chandigarh
Dated: 25-05-2022



For and on behalf of the Board of Directors
KAMLA TESIO DIALS LIMITED

(Y. SABOO)
Director
DIN:00012158

(S.K. MASOWN)
Director
DIN:03542390

KAMLA TESIO DIALS LIMITED

CIN No.: U33309CH1996PLC018732

Notes forming part of the balance sheet as at 31.03.22

19 Corporate information

The company was incorporated in 1996 and had set up a facility to manufacture watch dials & accessories in 1997. The company has started a new unit for printing and affixing appliques/indexes at Derrabasi, distt Mohali. The main machinery is taken on Lease from its Holding Company -KDDL Limited. The Job work Agreement is valid upto 30.09.2026.

Address:-

Regd office: SCO-88-89, sector-8C, Chandigarh-160008

Works: Plot no 152, Hansa Industrial Park, Barwala Road, Derra Bassi, Distt: Mohali, Punjab

20 Significant accounting policies

20.1 Basis of accounting and preparation of financial statement :

The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) to comply with the accounting standards notified under the companies (accounting standards) rules, 2006 (as amended) and the relevant provisions of the companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. Further, upon becoming a subsidiary Company of Listed entity IndAS 16 has become applicable to the Company therefore the Financial Statements for year 2021-22 has been prepared as per IndAS 16

20.2 Use of estimates :

The preparation of the financial statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialised

20.3 Inventories :

As the company is working on Job Work basis it do not have any inventory of raw materials, work in progress components, stores & spares and finished goods.

20.4 Cash and cash equivalents:

Cash comprises cash on hand and demand deposits with banks.

20.5 Cash flow statement :

As the Ind As 16 cash flow statement is being reported.

20.6 Depreciation and amortisation

Depreciation on Fixed Assets has been provided on the basis of useful life and rates as given in Part "C" of schedule-II of the Companies Act 2013

20.7 Revenue recognition

Item of Income and expenditure are recognised on accrual basis

20.8 Other income

Job work income and the Interest income is accounted on accrual basis.

20.9 Tangible fixed assets

Fixed assets are shown at cost of acquisition/cost of construction.

20.10 Investments

Long-term investments (excluding investment in properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. The company has not made investment in properties. Investment in properties if any, is capitalised and depreciated (where applicable) in accordance with the policy stated for tangible fixed assets. Impairment of investment property is determined in accordance with the policy stated for impairment of assets.

20.11 Employee benefits

The provisions of employees Provident Fund Act and payment of Gratuity Act are not applicable to the company. Therefore no long term or short term benefits which are not paid during the year, are being recognised.

20.12 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred are charged to the statement of profit and loss over the tenure of the loan.

20.13 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is not computed as the company do not have any dilutive potential equity shares at the date of balance sheet.

20.14 Taxes on income

- Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the company will pay normal income tax. Accordingly, MAT paid is recognised as an asset in the balance sheet when it is probable that future economic benefit associated with it will flow to the company.

20.15 Deferred Tax Liability

- In view of accumulated losses, there is no deferred tax liability. However there are deferred tax assets but due to uncertainties in generation of adequate profits in future the deferred tax assets are also not recognised in the statement of profit and loss.

20.16 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the statement of profit and loss, except in case of revalued assets.

20.17 Provisions and contingencies

A provision is recognised when the company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes.



KAMLA TESIO DIALS LIMITED

Notes forming part of the balance sheet as at 31.03.22

Note 21 Additional information to the financial statements

21.1 Contingent liabilities and commitments (to the extent not provided for)

Contingent liabilities: Nil

21.2

- a Interest on loan advanced to M/s Sugam Precision Pvt. Ltd and other parties has not been provided for the year as per terms agreed upon.
- b No provision for income tax has been made, as there is no assessable income in view of losses. The provision for MAT has also not been created as the Company did not earned any book profit.
- c The has entered into a Lease cum Job Work Agreement with its holding Company-KDDL Ltd for printing and affixing the appliques/ indexes on watch Dials by using Machines provided by them on Lease. The Lease cum Job work Agreement is effective for five years up to 30.09.2026.
- d In the opinion of the Board, all the current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business. The provision of all known liabilities is adequate and not in excess of the amount considered reasonable.
- e Debit and credit balances in the accounts of the parties are subject to confirmation and reconciliation.
- f Previous year figures have been regrouped or rearranged, wherever considered necessary so as to give information as per Ind As 16.

Auditors' report

As per our report of even date attached.

FOR SINGHAL KARUN & CO.

CHARTERED ACCOUNTANTS

(ANIL K. GOYAL)

PROPRIETOR

M/ship No. : FCA80255

PLACE : CHANDIGARH

DATE 25-05-2022

UDIN 22080255AJTGRB2269



K. For and on behalf of the Board of Directors
KAMLA TESIO DIALS LIMITED

(Y. SABOO) (S.K. MASOON)
Director Director
DIN: 00012158 DIN: 03542390

22 a. Related parties and nature of related party relationship, where control exists:

Description of Relationship	Name of the Party
Holding / Ultimate Holding Company	KDDL Limited
b. Other related parties with whom transactions have taken place:	NIL
c. Transactions with related parties	

22A Nature of transactions	As at 31 March 2022	As at 31 March 2021
a) Lease Rent Paid - KDDL Limited	5,18,000	-
b) Sale of services Income Job work -KDDL Limited	17,56,908	-
c) Advance received KDDL Limited	16,00,000	-
d) Outstanding as at 31.03.2022		
(a) Payables KDDL Limited- for Lease rent + GST	6,00,880	-
(b) Loan /advance -KDDL	16,00,000	-
(c) Recoverable KDDL Limited-Toward sale of services	4,72,187	-



KAMLA TESIO DIALS LIMITED
Notes to the financial statements for the year ended 31 March 2022
23 Financial instruments - fair values and risk management

I.	Financial instruments by category and fair values	Note	Level of hierarchy	As at 31-Mar-22			As at 31 March 2021		
				FVTPL	Amortised cost	FVOCI	FVTPL	Amortised cost	FVOCI
Financial assets									
Non-current									
Investments									
Loans and Advances									
Other financial assets									
Current									
Trade receivables									
Loans and Advances									
Cash and cash equivalents									
Other financial assets									
Total									
Financial liabilities									
Non-current									
Borrowings									
Current									
Borrowings									
Trade payables									
Lease liability									
Other financial liabilities									
Total									

Note:

- (a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.
- (b) The fair value of borrowings is based upon a discounted cash flow analysis that used the aggregate cash flows from principal and finance costs over the life of the debt and current market interest rates.

There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31 March 2022 and 31 March 2021.



KAMLA TESIO DIALS LIMITED

Notes to the financial statements for the year ended 31 March 2022

II. Financial risk management

(i) Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to effect changes in market conditions and Company's activities.

The Company has exposure to the following risks arising from financial instruments:

- Credit risk (see (ii));
- Liquidity risk (see (iii));and
- Market risk (see (iv))

(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The carrying amount of financial assets represents the maximum credit risk exposure and arises principally from the Company's receivable from customers and loans.

Trade receivables

The credit risk on such collections is minimal, since they are primarily owned by customers' card issuing banks. The Company has adopted a policy of dealing with only credit worthy counterparties in case of institutional customers and the credit risk exposure for institutional customers is managed by the Company by credit worthiness checks. The Company's experience of delinquencies and customer disputes have been minimal. Further, Trade and other receivables consist of a large number of customers, across geographies within India, hence, the Company is not exposed to concentration risks.

Cash and cash equivalents

The Company holds cash and cash equivalents of Rs. 26,05,192 at 31 March 2022 (31 March 2021: Rs. 27,22,370). The cash and cash equivalents are held with scheduled banks.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Company's approach to manage liquidity is to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the Company's reputation.

Management manages the liquidity risk by monitoring cash flow forecasts on a periodic basis and maturity profiles of financial assets and liabilities. This monitoring takes into account the accessibility of cash and cash equivalents.



KAMLA TESIO DIALS LIMITED

Notes to the financial statements for the year ended 31 March 2022

III. Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and

31 March 2022	Contractual cash flow				
	Carrying amount	Total	Less than 1 year	1-5 years	More than 5 years
Non derivative financial liabilities					
-Borrowings(includi	-	-	-	-	-
- Lease liability	50,93,718	50,93,718	9,11,914	41,81,804	-
-Trade payables	9,28,855	9,28,855	9,28,855	-	-
-Expenses payable	2,21,896	2,21,896	2,21,896	-	-
-Statutory dues,adva	16,41,057	16,41,057	16,41,057	-	-
	<u>78,85,526</u>	<u>78,85,526</u>	<u>37,03,722</u>	<u>41,81,804</u>	<u>-</u>
31 March 2021	Contractual cash flow				
	Carrying amount	Total	Less than 1 year	1-5 years	More than 5 years
Non derivative financial liabilities					
-Borrowings(includi	-	-	-	-	-
-Trade payables	-	-	-	-	-
-Expenses payable	52,275	52,275	52,275	-	-
	<u>52,275</u>	<u>52,275</u>	<u>52,275</u>	<u>-</u>	<u>-</u>

IV. Market Risk

a) Product price risk

In a potentially inflationary economy, the Company expects periodical price increases across its retail product lines. Product price increases which are not in line with the levels of customers' discretionary spends, may affect the business/retail sales volumes. Since the Company operates in luxury category, the demand is reasonably inelastic to changes in price. However, the Company continually monitor and compares prices of its products in other developed markets as its customers tend to compare prices across markets. In the event that prices deviate significantly unfavorably from the markets, the Company negotiates with its principals for change of prices. The Company also manages the risk by offering judicious product discounts to retail customers to sustain volumes. The Company negotiates with its vendors for purchase price rebates such that the rebates substantially absorb the product discounts offered to the retail customers. This helps the Company protect itself from significant product margin losses.



KAMLA TESIO DIALS LIMITED

Notes forming part of the balance sheet as at 31.03.2022

Note : 1 Fixed Assets

Sr. No	Particulars	Gross Block			Depreciation			Net Block	
		Value as on 01.04.2021	Addition during the year	Value as on 31.03.22	Value as on 01.04.2021	Charge for the Year	Adjustm ents	WDV as on 31.03.22	WDV as on 31.03.2021
1	Plant and equipment -Owned	81,27,844	1,46,284	82,74,128	77,21,453	1,160	-	5,51,515	4,06,391
2	Office equipment -Owned	73,000	56,550	1,29,550	69,350	1,384	-	58,816	3,650
3	Furniture and Fixture -Owned	-	21,000	21,000	-	-	-	21,000	-
4	Vehicles -Owned	8,91,815	-	8,91,815	8,47,224	-	-	44,591	44,591
5	Intangible Assets	-	18,000	18,000	-	3,990	-	14,010	-
6	Right-of -use assets	-	54,38,998	54,38,998	-	4,55,761	-	49,83,237	-
	TOTAL	90,92,659	56,80,832	1,47,73,491	86,38,027	4,62,295	-	56,73,169	4,54,632
	(Previous Year)	90,92,659	-	90,92,659	86,38,027	-	-	4,54,632	4,54,632

Note: 1) No depreciation has been charged for the year on assets whose WDV as on 1.4.2021 is reduced to 5% of the Gross Cost.

2) Depreciation has been charged as per rates provided in the Part "C" of Schedule II of the Companies Act 2013.



KAMLA TESIO DIALS LIMITED

Notes to the financial statements for the year ended 31 March 2022

b) Currency risk

There is no financial liability designated in foreign currency.

24 Capital Management

(i) Risk management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management monitors the return on capital. The Company monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total borrowings net of cash and cash equivalents and other bank balances. Equity comprises all components of equity (as shown in the Balance Sheet).

(ii) The Company's adjusted net debt to equity ratio was as follows.

	31-Mar-22	31 March 2021
Total liabilities	78,85,526	52,275
Less: cash and cash equivalents	(26,05,192)	(27,22,270)
Adjusted net debt	52,80,333	(26,69,994)
Total equity	20,72,308	84,85,656
Adjusted net debt to equity ratio	2.55	(0.31)



KAMLA TESIO DIALS LIMITED
Notes to the financial statements for the year ended 31st March 2022

25 Ratio Analysis						
Ratios	Numerator	Denominator	As at 31 March 2022	As at 31 March 2021	% change	Remarks
Current Ratio	Current Assets	Current Liabilities	1.03	147.61	-0.99	
Debt Equity Ratio	Total Debts	Shareholder's Equity	NA	NA	NA	
Ratios	Numerator	Denominator	As at 31 March 2022	As at 31 March 2021	% change	Remarks
Debt Service Coverage Ratio	Earnings for debt service = Net profit before taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	-21.84	-1240.25	-0.98	
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	-3.09	-0.09	-31.60	
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	NA	NA	NA	
Trade Receivable turnover Ratio	Revenue from Operations	Average Trade Receivable	3.89	NA	100.00	
Trade Payable turnover Ratio	Purchase of stock in trade	Average Trade Payables	NA	NA	NA	
Net Capital Turnover Ratio	Revenue from Operations	Working capital = Current assets - Current liabilities	14.38	0.01	1617.80	
Gross Profit Ratio			-0.27	NA	NA	
EBITDA to Turnover			-3.65	NA	NA	
Net Profit Ratio	Net Profit after tax	Revenue from Operations	-3.50	-11.83	0.70	
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Total Assets - Current Liabilities	-0.62	-0.09	-5.55	
Return on Investment	Income on Investment	Investment	NA	NA	NA	

Note :

Since there was no business or operational activity in the company during previous financial year therefore the figures are not comparable and streamlined with current year's data to comment on analytical review on variances occurred due to ratios analysis.

26 Other Statutory Information

- 1) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 2) The Company do not have any transactions with companies struck off.
- 3) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 4) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 5) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a) 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
 - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- 6) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a) 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;
 - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 7) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

As per our report of even date attached.
For SINGHAL KARUN & CO.

Chartered Accountants

(Anil K. Goyal)

Proprietor

Membership No. FCA80255

UDIN :

Place: Chandigarh

Dated: 25.05.2022



For and on behalf of the Board of Directors

KAMLA TESIO DIALS LIMITED

(Y. SABOO)

Director

DIN: 00012158

(S.K. MASEWANI)

Director

DIN: 03542390