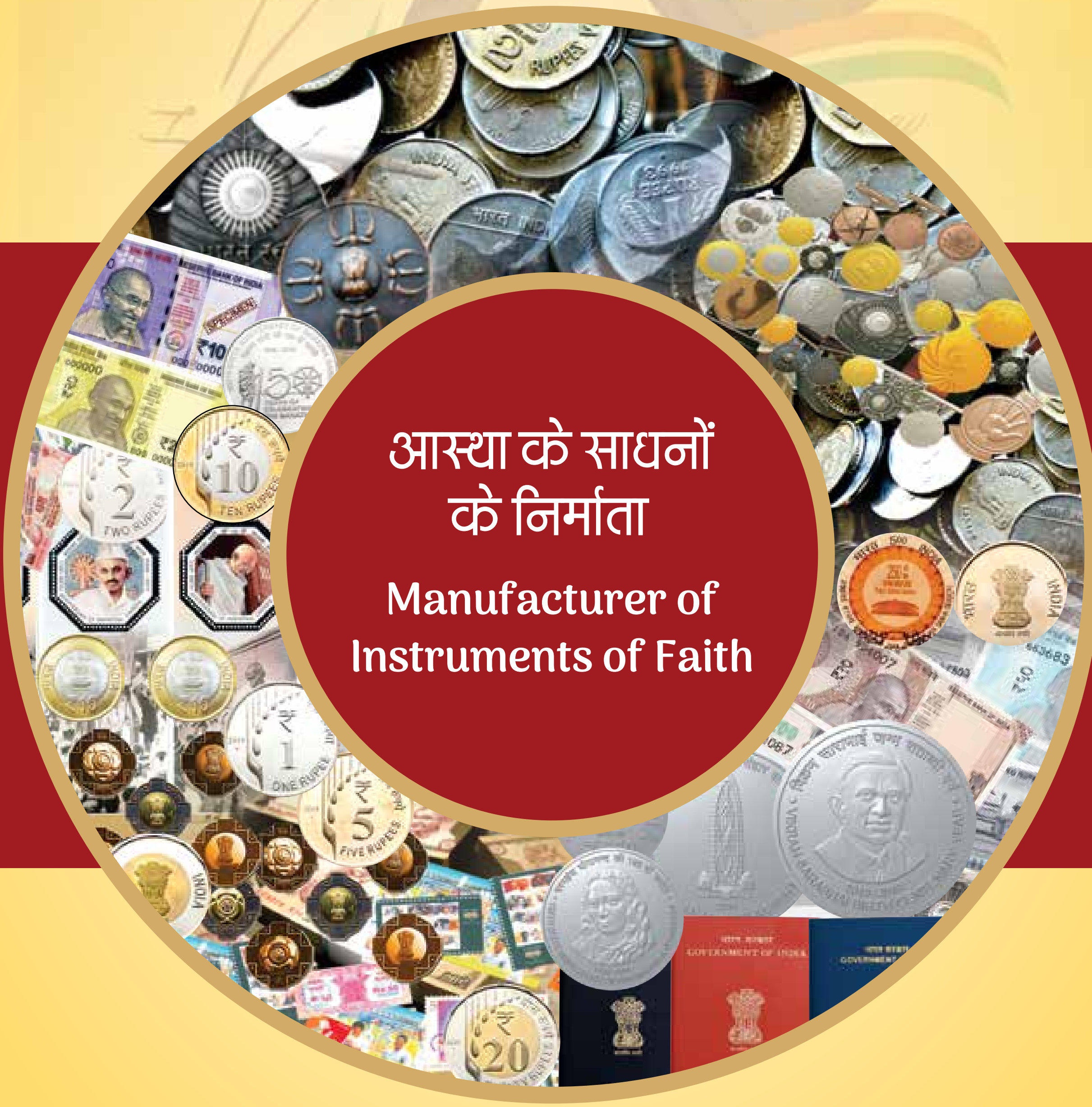
16वीं/th वार्षिक रिपोर्ट
ANNUAL REPORT
2020-21



आस्था के साधनों
के निर्माता

Manufacturer of
Instruments of Faith

भारत प्रतिभूति मुद्रण तथा मुद्रा निर्माण निगम लिमिटेड

SECURITY PRINTING AND MINTING CORPORATION OF INDIA LIMITED

SPMCIL

एसपीएमसीआईएल के बारे में
ABOUT SPMCIL

भारत प्रतिभूति मुद्रण तथा मुद्रा निर्माण निगम लिमिटेड (एसपीएमसीआईएल) अनुसूची 'ए' मिनी रत्न श्रेणी–1, केन्द्रीय सार्वजनिक क्षेत्र उद्यम (भारत सरकार के पूर्ण स्वामित्वाधीन) को 13 जनवरी 2006 को निगमित किया गया जिसका पंजीकृत कार्यालय 16वां तल, जवाहर व्यापार भवन, जनपथ, नई दिल्ली–110001 में है।

निगम करेंसी तथा बैंक नोटों, प्रतिभूति कागजों, गैर न्यायिक स्टाम्प पेपरों, डाक टिकटों तथा स्टेशनरी, यात्रा दस्तावेजों यथा पासपोर्ट एवं वीज़ा, प्रतिभूति प्रमाण पत्रों, चेक, बॉन्ड, वारंट, प्रतिभूति विशेषताओं के साथ विशेष प्रमाण पत्र, प्रतिभूति स्याही, परिचालन एवं स्मारक सिक्के, मेडालियनों, सोने, चाँदी के परिष्करण तथा बहुमूल्य धातुओं की परख आदि के विनिर्माण/उत्पादन में कार्यरत है।

Security Printing and Minting Corporation of India Ltd. (SPMCIL), Schedule 'A' Mini-Ratna Category-1, Central Public Sector Enterprise (Wholly owned by Govt. of India) was incorporated on 13th January 2006 having its registered office at 16th Floor, Jawahar Vyapar Bhawan, Janpath, New Delhi-110001.

The Corporation is engaged in the manufacturing/production of Currency and Bank Notes, Security Papers, Non-judicial Stamp Papers, Postal Stamps & Stationery, Travel Documents viz., Passport and Visa, Security Certificates, Cheques, Bonds, Warrants, Special Certificates with Security Features, Security Inks, Circulating & Commemorative Coins, Medallions, Refining of Gold, Silver and Assaying of Precious Metals, etc.

विकास का उत्प्रेरक
Catalyst of Growth

एसपीएमसीआईएल अपनी पहचान के अनुसार ग्राहक संतुष्टि सुनिश्चित करते हुए अत्यधिक सुरक्षित तथा अत्याधुनिक सुविधाओं के अंतर्गत अभिनव तथा अनुकूलित गुणवत्ता के उत्पादों का उत्पादन करता है। एसपीएमसीआईएल की इकाइयों ने प्रतिभूति मुद्रण के अभिजात वर्ग के बाजार में लगभग 100 वर्षों से अपनी साख बना रखी है। सिक्कों के निर्माण में एसपीएमसीआईएल की इकाइयाँ पिछले दो शताब्दियों से प्रचालन कर रही हैं।

Innovative and customized quality products are produced under highly secured, state of the art facilities, ensuring customer satisfaction, which is the hallmark of SPMCIL. SPMCIL units have built credibility in the elite market of security printing for almost 100 years. In the field of minting, SPMCIL units have been operating for the last two centuries.









उद्भव

एसपीएमसीआईएल तकनीकी रूप से एक नई संस्था है, जिसका प्रतिभूति मुद्रण तथा सिक्कों की ढलाई में शताब्दियों पुराना अनुभव है। सभी नौ उत्पादन इकाइयों का प्रबंधन, नियंत्रण, रख–रखाव तथा प्रचालन आर्थिक कार्य विभाग, वित्त मंत्रालय, भारत सरकार के अधीन था, जिसे एसपीएमसीआईएल को 10 फरवरी 2006 को स्थानांतरित किया गया। वित्त मंत्रालय बोर्ड निदेशकों के माध्यम से एसपीएमसीआईएल पर प्रशासनिक नियंत्रण रखता है। नौ उत्पादन इकाइयों में चार भारत सरकार टकसालें, दो चलार्थ पत्र मुद्रणालय, दो प्रतिभूति मुद्रणालय तथा एक प्रतिभूति कागज कारखाना हैं।

EMERGENCE

SPMCIL, technically a new entity, has centuries old experience in Security Printing and Minting. The management, control, maintenance and operation of the erstwhile nine production units under Department of Economics Affairs, Ministry of Finance, Government of India, was transferred to SPMCIL w.e.f. 10th February 2006. The Ministry of Finance exercises its administrative control over SPMCIL through Board of Directors. The nine production units comprises of four India Government Mints, two Currency Note Presses, two Security Printing Presses and one Security Paper Mill.

एसपीएमसीआईएल का इतिहास
History of SPMCIL

18वीं सदी / 18th Century

सिक्कों की ढलाई का कार्य कलकत्ता टकसाल में प्रारंभ हुआ। वर्ष 1790 में इंग्लैंड से आधुनिक मशीन खरीदी गई और दूसरी टकसाल की स्थापना की गई। इन टकसालों में पीतल, चांदी तथा सोने के सिक्कों की ढलाई की जाती थी।

Minting of coins started at Calcutta Mint. In 1790 modern machinery was brought from England and second Mint was established. Bronze, Silver and Gold coins were getting Minted from these mints.

S — 2006

स्याही कारखाने ने कारखाने में ही क्विकसेट इंटैग्लियो स्याही तैयार करने की चुनौती स्वीकार की। स्याही कारखाने के तकनीकी विशेषज्ञों द्वारा अनुसंधान एवं विकास के जोरदार प्रयास किए गए।
Ink Factory took up the challenge to develop the Quickset Intaglio inks in-house. Vigorous R&D efforts were made by the Technical Experts of Ink Factory.

P — 1988

भारत सरकार टकसाल, नोएडा ने नियमित उत्पादन करना प्रारंभ किया।
IGM, Noida started regular production.

M — 1974

देवास में एक नए बैंक नोट मुद्रणालय की स्थापना की गई।
A new bank note press was established at Dewas.

C — 1967

प्रतिभूति कागज विनिर्माण कारखाने ने होशंगाबाद (म.प्र.) में काम करना शुरू किया।
A Security Paper manufacturing Mill was commissioned at Hoshangabad (M.P.).

I — 1928

भाप्रमु, नासिक में मुद्रा/बैंक नोटों की छपाई शुरू हुई।
Printing of currency/bank notes started at ISP, Nashik.

L — 1925

भाप्रमु, नासिक में डाक सामग्री और टिकटों की छपाई शुरू हुई।
Printing of postal stationery & stamps started at ISP, Nashik.

Contents

Presentation of Dividend Cheque of ₹ 215.48 Crores for the Financial Year 2019-20 to Hon'ble Union Finance Minister on 14th January, 2021

Vision

To be a leader in manufacturing of currency, coins and security products through process excellence and innovation.

Mission

Achieve market leadership by:

- Developing state-of-the-art currency, coins and diversified security products in a transparent, cost-effective and efficient manner by leveraging core competency and building design capabilities;
- Constantly focusing on benchmarking, process automation, applied R&D, indigenisation and the triple bottom line of people, planet and profit; and
- Ensuring employees, customers and stakeholders delight.

BOARD OF DIRECTORS

FUNCTIONAL DIRECTORS

Ms. Tripti P. Ghosh
Chairman & Managing Director

Shri S.K. Sinha
Director (HR)

Shri Ajay Agarwal
Director (Finance)

GOVERNMENT NOMINEE DIRECTORS

Ms. Meera Swarup
AS & FA, Ministry of Finance

Dr. Shashank Saksena
Sr. Economic Advisor (C&C), DEA,
Ministry of Finance

Ms. Punya Salila Srivastava
AS (WS), Ministry of Home Affairs

END-USER REPRESENTATIVE DIRECTORS

Shri Prabhat Kumar
AS (PSP) & CPO
Ministry of External Affairs

Shri Subrata Das
CGM in-charge, DCM
Reserve Bank of India

Col. Akhilesh Kumar Pandey
DDG (Philately),
Department of Posts

SENIOR MANAGEMENT

Shri Vinay Kumar Singh
Chief Vigilance Officer

Shri Ramakant Dixit
Chief General Manager
Corporate Office, New Delhi

Shri Sudhir Kumar Sahu
Chief General Manager
ISP, Nashik

Shri S.P. Varma
Chief General Manager
Corporate R&D Centre, Nashik

Shri Rajesh Bansal
Chief General Manager,
BNP Dewas

Shri Bolewar Babu
Chief General Manager
CNP, Nashik

Shri S.B. Behera
Chief General Manager
IGM, Noida

Shri Srikara Pradhan
Chief General Manager
SPP, Hyderabad

Shri J.P. Dash
Chief General Manager
IGM, Hyderabad

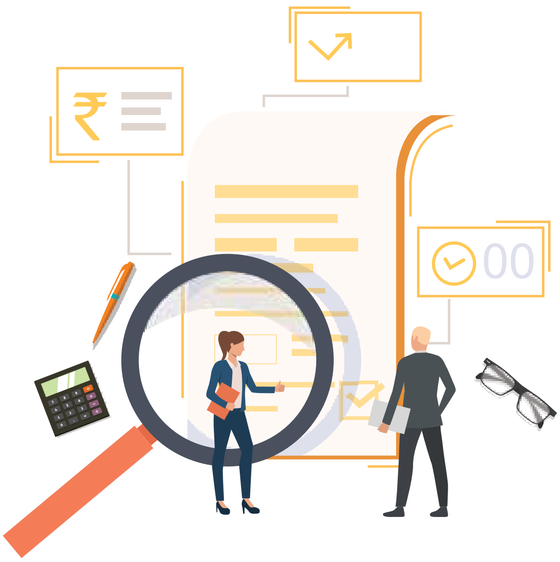
Shri B.J. Gupta
Chief General Manager (HR)
Corporate Office, New Delhi

Shri Rajat Paul
Chief General Manager
IGM, Kolkata

Shri V.N.R. Nayudu
Chief General Manager
IGM, Mumbai

Shri Praveen Kumar Pandey
Chief General Manager (Tech.)
Corporate Office, New Delhi

Shri D.P. Tiwari
CGM in-Charge, SPM,
Hoshangabad



AUDITORS OF SPMCIL

Statutory Auditor

M/s ASHWANI & ASSOCIATES
Chartered Accountants
New Delhi

Secretarial Auditor

M/s AMIT AGRAWAL & ASSOCIATES
Company Secretaries
Delhi

Cost Auditor

M/s MURTHY & CO. LLP
Cost Accountants
Bengaluru

Branch Auditors

Units	Auditors
India Security Press, Nashik	**M/s V. K. SURANA & CO.** Chartered Accountants Nagpur
Currency Note Press, Nashik	**M/s PATEL KALANTRI & ASSOCIATES** Chartered Accountants Nashik
Bank Note Press, Dewas	**M/s L. K. MAHESHWARI & CO.** Chartered Accountants Bhopal
Security Paper Mill, Hoshangabad	**M/s G.D.K. & ASSOCIATES** Chartered Accountants Bhopal
Security Printing Press, Hyderabad	**M/s D. V. RAMANA RAO & CO.** Chartered Accountants Hyderabad
India Government Mint, Hyderabad	**M/s VENUGOPAL & CHENOY** Chartered Accountants Hyderabad
India Government Mint, Mumbai	**M/s BHASIN HOTA & CO.** Chartered Accountants Mumbai
India Government Mint, Kolkata	**M/s R. P. BOOBNA & CO.** Chartered Accountants Kolkata
India Government Mint, Noida	**M/s ASHWANI & ASSOCIATES** Chartered Accountants New Delhi

From The Desk of CMD

Dear Shareholders,

It gives me immense pleasure to welcome you all to the 16th Annual General Meeting of the Company. Despite the challenges of the business and its surrounding environment, your Company has registered yet another year of strong performance during the year 2020-21.

Your Company has produced 8288 million pieces of the Bank Notes and supplied 8764 million pieces of Bank Notes to Reserve Bank of India (RBI) during the year 2020-21. This is 15.64% lower than the production of 9824 million pieces of the Bank Notes during the last year i.e. 2019-20 and this reduction in production is due to lockdown declared by the Government of India to combat the outbreak of COVID-19 pandemic. Production of the Bank Notes per employee has decreased to 3.24 million pieces in 2020-21 as against 3.33 million pieces achieved during the last year 2019-20.

Your Company has produced 2757 million pieces of the Circulating Coins and supplied 2963 million pieces of the Circulating Coins to RBI during the year 2020-21. This is 16% lower than the production of 3282 million pieces of Circulating Coins achieved during the last year 2019-20. Production of Coins per Employee has decreased to 1.53 million pieces in 2020-21 as against 1.55 million pieces achieved in the last year 2019-20. The decrease in the production of Circulating Coins is mainly due to reduction in the indent of Circulating Coins by RBI during the year 2020-21.

Your Company has produced 6870 Metric Ton (MT) of Security Paper and supplied 6742 MT of Security Paper to the printing presses during the year 2020-21. This is 2% lower than the production of 7010 MT of Security Paper during the last year 2019-20. Production of Security Paper per Employee has increased to 7.35 MT in the year 2020-21 as against 7.03 MT achieved during the previous year 2019-20.

Your Company has produced 600.42 Metric Ton (MT) of Security Inks in the year 2020-21 at Ink Factory, Dewas and supplied 595.97 Metric Ton Inks to printing presses during the year 2020-21. This is 29.44% lower than the production of 850.93 MT of Security Inks during the last year 2019-20. Production of Security Ink per Employee has decreased to 8.96 MT in the year 2020-21 as against 13.30 MT achieved during the previous year 2019-20.

Your Company has produced 6.15 mpcs of travel documents/passport booklets in the year 2020-21 and supplied 5.97 mpcs travel documents/ passport booklets to Ministry of External Affairs (MEA) during the year 2020-21. This is 58.22% lower than the production of 14.72 mpcs of travel documents/ passport booklets during the year 2019-20. Your company has also produced 241.29 mpcs of Non-Judicial Stamp Papers (NJSPs) in the year 2020-21 and supplied 244.47 mpcs NJSPs to various State Governments during the year 2020-21. This is 29.32% lower than the production of 341.36 mpcs of NJSPs during the year 2019-20.

FINANCIAL PERFORMANCE

The Revenue from Operations of your Company has decreased to ₹4712.57 crores in 2020-21 from ₹5099.71 crores (regrouped) in the previous year 2019-20. The decrease in revenue is due to lesser production consequent to reduction in indent of products by the customers and lockdown due to COVID-19 pandemic. Total expenditure for the year 2020-21 is ₹4094.00 crores as compared to ₹4133.38 crores (regrouped) for the year 2019-20. Profit before Tax (PBT) from continuing operations for the year 2020-21 is ₹789.74 crores as compared to ₹1176.69 crores (regrouped) for the year 2019-20. The Company has achieved a Total Comprehensive Income (TCI) of ₹395.99 crores in the year 2020-21 as compared to ₹745.07 crores (regrouped) in the year 2019-20. The consolidated TCI after taking into account the 50% share of Joint Venture Company, Bank Note Paper Mill India Pvt. Ltd. (BNPMIPL) is ₹523.78 crores in the year 2020-21 as compared to the Consolidated TCI of ₹875.64 crores (regrouped) in the year 2019-20.

DIVIDEND

Pursuant to guidelines on Capital Restructuring issued by DIPAM, the Board of Directors of your Company has recommended a Final Dividend @ 5% of the Net-worth of the Company for the year 2020-21 aggregating to ₹240.41 crores.

MoU PERFORMANCE

Your Company has been granted "Good" rating by the Department of Public Enterprises (DPE) for its MoU performance for the year 2019-20. For the year 2020-21, the self-evaluation report of MoU duly approved by Board and Administrative Ministry has been sent to DPE. The Company is poised to achieve the 'Good' rating for MoU 2020-21.

MODERNISATION

During the year 2020-21, your Company has taken-up many modernization and capacity augmentation initiatives. The replacement of one complete Printing Line comprising of Offset, Intaglio, Numbering & Finishing machines has been completed at CNP, Nashik. CNP, Nashik has also done installation of Online Print Quality Inspection System for 03 Super Orlof Intaglio Machines. Further, the installation of one additional Intaglio Machine and replacement of One Numbering Machine are in process at CNP, Nashik.

The installation, Commissioning, FAT and Training of one Bank Note Processing Machine was completed at BNP, Dewas on 13.03.2021 resulting into enhancement of installed finishing capacity by nearly 1200 mpcs. Further, the Installation, Commissioning, Testing & FAT of one Intaglio machine was completed at BNP, Dewas on 30.03.2021 resulting into increase in installed Intaglio printing capacity by around 1200 mpcs. In accordance with the recommendations of Group of Experts (GoE), installation of Cone & Plate Viscometer, Technimek proofer and X-rite Spectrodensitometer has been completed at Ink Factory, Dewas.

IGM, Kolkata has acquired a portable XRF which is useful for the quantitative estimation of precious metal alloys along with Platinum Group metals in the gold samples as well as in standardizing with CRMs of Gold, Silver, Copper and Lead samples. This detection procedure is a Non-destructive one. The machine is portable and may be carried to the store for heavy weight sample analysis. IGM, Mumbai has done installation & commissioning of two numbers of Hydraulic Medal Stamping Presses. The Stamping of medals & coins on these Hydraulic medal presses is expected to achieve good design relief. IGM, Hyderabad has installed (i) Microprocessor based Compact FCBC Panel in the 33/11 KV Min substation for 110 DC Control voltage; (ii) Interconnection of cooling tower of compressor; (iii) 5 nos. of 0-12KV 500A DC Rectifier for Assay Department.

ISP, Nashik has replaced the Grapha Register & counter control system to digital system as per the recommendations of OEM. SPP, Hyderabad has installed and commissioned 2 nos. high speed automatic Guillotine machines. The retrofitting of equipment for online post printing operations of Excise Adhesive Labels on Rotatek-III machine and installation of 2 nos. automatic programmable perforating machines at SPP, Hyderabad are in progress.

SPM, Hoshangabad has installed new automated boiler having improved efficient system in place of old boiler no.4. The new boiler is equipped with dual fuel burner in which two types of fuel i.e. furnace oil and LPG may be used. Installation of new boiler has resulted into saving energy and pollution control. SPM, Hoshangabad has also installed colour fiber detector for new pulp plant. The magic eye technology combines multiple detection principles which eliminate all kind of synthetic material including white and transparent polypropylene. The system detects very small foreign particles and thus, helps improve the acceptance of final paper. SPM, Hoshangabad has also done up-gradation of 3 nos. Guillotine machine and silk dosing panel control system. Installation of colour marker (8 nos.) at paper machine for thread unwind system has also been done at SPM, Hoshangabad. This has resulted into marking only for missing thread in place marking the entire sheet. Automatic Shredding and briquetting machine has also been installed at PM#5 for shredding of reject sheets and the output of machine would be in the form of briquettes. This has led to eco-friendly disposal of spoil paper. The Sheet Collection & Stacking Machine at PM#5 Pasaban Sheeter has also been installed at SPM, Hoshangabad.

RESEARCH & DEVELOPMENT (R&D)

The state-of-the-art Corporate R&D Centre has been setup at CNP, Nashik to carry out research and development activities on currency, passport and security documents etc. at par with international standards. The R&D centre at ISP, Nashik is equipped with Digital Tear Resistance Tester, Cobb Tester, Digital Tensile Strength Tester, Digital Roughness/Porosity Tester, Digital Folding Endurance Tester, Brightness/ Opacity & Colour Tester, Crumpling Instrument and Digital Bursting Strength Tester. A full-fledged R&D Centre for Paper, Pulp etc. has been established at SPM, Hoshangabad. Latest testing equipment and machinery have been installed in the said R&D Centre.

HUMAN RESOURCE

The Manpower Strength of your Company has come down to 7234 as on 31.03.2021 which includes 373 Executives, 963 Supervisors and 5898 Workers working in 9 Units and Corporate Office in comparison to previous year's employee strength of 8218. Training and retraining of employees to upgrade their functional skills and expertise along with development of their soft skills and group dynamics are thrust areas for the Company.

VIGILANCE SETUP

The objective of Vigilance is to facilitate an environment enabling people to work with integrity, efficiency and in a transparent manner, upholding highest ethical standards for the organization. To achieve this objective, the Vigilance Department of SPMCIL carries out preventive, proactive and punitive actions with greater emphasis on the preventive and proactive functions. Due to systematic institutional improvements, there has been reduction in complaints and increased observance of rules & procedures resulting into transparency, economy and efficiency in SPMCIL's operations.

CORPORATE GOVERNANCE

A Report on Corporate Governance and certificate from practicing Company Secretary thereon forms part of the Annual Report. The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct has been uploaded on the website of the Company. All the Board Members and Senior Management Personnel have affirmed compliance with the Code.

RISK MANAGEMENT

As a diversified enterprise, your Company continues to focus on a system based approach to business risk management. Pursuant to Guidelines on Corporate Governance, the Risk Management Policy of your Company was approved by the Board which covers all the functions at Corporate Office and Manufacturing Divisions. Your Company has developed and rolled out a Comprehensive Enterprise wide Risk Management (ERM) throughout the organization. The policy will ensure sustainable business growth with stability and will promote proactive approach in identifying, evaluating, reporting and managing risk associated with business.

ACKNOWLEDGEMENTS

I would like to acknowledge with deep sense of appreciation for the cooperation received from the Government of India, particularly from the Ministry of Finance, Reserve Bank of India, Ministry of External Affairs, Ministry of Home Affairs, Department of Posts, Department of Public Enterprises, Ministry of Labour & Employment, various State Governments, etc. I am also thankful to my colleague Directors for their valuable inputs, continued support and guidance. I would also like to acknowledge with thanks the constructive suggestions received from Comptroller & Auditor General of India, Statutory Auditor, Secretarial Auditor and Cost Auditor. Lastly, I would also like to place on record my sincere appreciation for the devotion and commitment of all Executives and Employees of the Company.

Jai Hind!

TPalra

(Tripti P. Ghosh)
Chairman & Managing Director
DIN : 08123112

Date: 09th November 2021
Place: New Delhi

Financial Performance of A Decade at A Glance

(Amount in ₹ Crore)

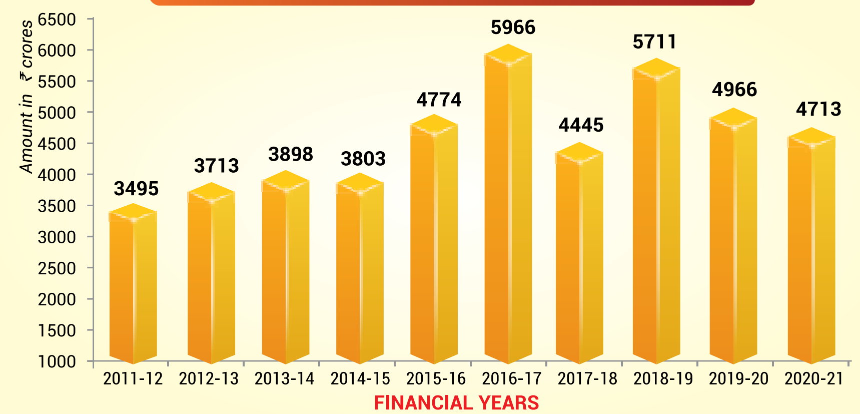
I. FINANCIAL	2020-21 (IndAS)	2019-20 (IndAS)	2018-19 (IndAS)	2017-18 (IndAS)	2016-17 (IndAS)	2015-16	2014-15	2013-14	2012-13	2011-12
Revenue from Operations	4712.57	4966.07	5711.34	4445.16	5966.02	4774.24	3803.34	3897.53	3712.94	3494.80
Add : Other Income	171.18	210.30	113.88	200.68	137.88	101.36	108.14	139.64	143.10	167.65
Less : Expenditure	4094.00	4149.58	5010.04	4015.89	5189.46	4830.81	4187.79	3700.65	3282.26	2788.08
Profit Before Exceptional Items & Tax	789.74	1026.79	815.18	629.94	914.44	44.79	(276.31)	336.52	573.78	874.38
Profit Before Tax	789.74	1026.79	815.18	629.94	914.44	54.70	(281.77)	346.72	578.72	874.87
Profit After Tax	423.81	527.60	527.87	631.46	652.41	203.08	(352.07)	214.63	423.49	582.47
Dividend Distribution	240.41	215.48	218.48	204.87	227.64	60.92	-	42.93	84.70	116.49
Assets										
Net Fixed Assets	1364.37	1282.33	1327.65	1296.84	1316.83	1312.44	970.95	1042.91	1046.63	902.42
Capital Work in Progress (CWIP)	421.27	76.06	11.79	75.49	63.65	84.34	417.49	448.95	105.79	166.02
Investments	400.00	400.00	400.00	490.09	501.09	500.92	399.45	371.60	400.06	200.10
Deferred Tax Asset	548.31	704.52	944.36	841.52	686.86	371.57	223.19	293.49	259.30	73.39
Loans and Advances & other non-current Assets	140.27	79.20	81.46	61.02	60.01	149.59	155.12	242.86	448.36	437.31
Current Assets	4953.97	5546.60	5208.81	4336.14	4941.56	5165.84	4806.72	4932.31	4548.29	5220.86
Total	**7828.19**	**8088.71**	**7972.66**	**7101.11**	**7569.99**	**7584.70**	**6972.92**	**7332.12**	**6808.43**	**7000.10**
Liabilities										
Equity										
Share Capital	987.50	987.50	1064.24	1064.24	1182.49	1182.49	0.05	0.05	0.05	0.05
Other Equity	3820.67	3322.09	3305.32	3033.19	3370.38	2936.21	2472.46	2859.79	2695.38	2370.34
Total	**4808.17**	**4309.59**	**4369.56**	**4097.43**	**4552.87**	**4118.70**	**2472.51**	**2859.84**	**2695.44**	**2370.39**
Funds from Govt. of India (Adjustable)	-	-	-	-	-	179.77	2878.65	2878.65	2879.49	2879.67
Current Liabilities	1507.64	1819.95	1801.86	2376.74	2427.39	1775.42	1303.05	1316.58	930.61	1462.68
Borrowings	-	-	-	-	-	1182.44	-	-	-	-
Other Long term liabilities & provisions	1512.38	1959.17	1801.24	626.94	589.73	328.37	318.71	277.05	302.89	287.36
Total	**7828.19**	**8088.71**	**7972.66**	**7101.11**	**7569.99**	**7584.70**	**6972.92**	**7332.12**	**6808.43**	**7000.10**
Net Worth (as per Companies Act)	4808.17	4309.59	4369.56	4097.43	4552.87	4118.70	2472.51	2859.84	2695.44	2370.39
Ratios										
Earnings Per Share*	4.01	5.18	5.00	5.75	5.21	62.76	(70415)	42926	84698	116494
Book Value Per Share*	48.69	43.64	41.06	38.50	38.50	34.83	494502	571968	539088	474078
Return on Net Worth (%)	8.81%	12.24%	12.08%	15.41%	14.33%	4.93%	(14.24%)	7.50%	15.71%	24.57%
PBT/Revenue From Operations (%)	16.75%	20.68%	14.27%	14.17%	15.33%	1.15%	(7.41%)	8.90%	15.59%	25.03%
PAT/Revenue From Operations (%)	8.99%	10.62%	9.24%	14.21%	10.94%	4.25%	(9.26%)	5.51%	11.41%	16.67%

Investments	:	Non-current Investments + Current Investments
Borrowings	:	Short Term Borrowing + Long Term Borrowing + Current Maturities of Long Term Debt + Interest Accrued and due on Loans
Earning Per Share	:	Total Comprehensive Income / Number of Equity Shares
Book Value Per Equity Share	:	Equity / Number of Equity Shares
Return on Net Worth (%)	:	Profit after Tax / Net Worth (as per Companies Act)
PBT / Revenue From Operations (%)	:	Profit before Exceptional Items & Tax / Revenue From Operations
PAT / Revenue From Operations (%)	:	Profit after Exceptional Items & Tax / Revenue From Operations

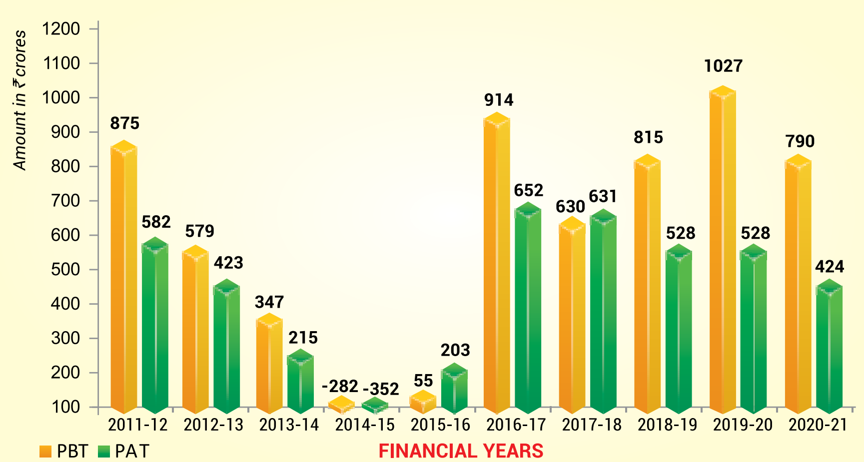
II.	**Operational Performance**	**2020-21**	**2019-20**	**2018-19**	**2017-18**	**2016-17**	**2015-16**	**2014-15**	**2013-14**	**2012-13**	**2011-12**
Bank Notes	Production (mpcs)	8288	9824	10482	9219	8785	7150	8358	8018	7421	6539
	Supply (mpcs)	8764	8453	10306	8594	9265	6785	8141	7941	7391	6602
	Productivity per Employee (mpcs)	3.24	3.33	3.29	2.72	2.48	1.93	2.12	1.98	1.80	1.61
Circulating Coins	Production (mpcs)	2757	3282	5331	6703	9681	9254	7929	7650	6708	6282
	Supply (mpcs)	2963	3169	6133	5571	9691	9257	7907	7676	6878	6094
	Productivity per Employee (mpcs)	1.53	1.55	2.24	2.55	3.37	3.07	2.49	2.26	1.87	1.69
Security Paper	Production (MT)	6870	7010	6003	5779	3200	3816	3266	3240	2925	2925
	Supply (MT)	6742	6765	6837	4657	3540	2949	3110	3106	3021	3108
	Productivity per Employee (MT)	7.35	7.03	5.68	5.16	2.74	3.07	2.44	2.51	2.52	2.74
Security Inks	Production (MT)	600	851	752	579	825	809	525	604	484	273
	Productivity per Employee (MT)	8.96	13.30	11.23	8.04	11.00	10.93	5.83	8.75	6.45	4.96
Travel Documents / Passport Booklets	Production (mpcs)	6.15	14.72	14.11	11.61	15.58	15.28	10.67	6.30	5.69	7.70
	Supply (mpcs)	5.97	14.96	13.89	11.61	15.59	15.18	10.69	6.32	5.74	7.70
Non-Judicial Stamp Paper	Production (mpcs)	241.29	341.36	309.46	259.05	258.99	289.17	414.32	411.09	407.39	329.00
	Supply (mpcs)	244.47	288.36	324.20	260.58	293.53	299.18	390.18	385.02	398.02	358.00

III.	**Manpower**	**2020-21**	**2019-20**	**2018-19**	**2017-18**	**2016-17**	**2015-16**	**2014-15**	**2013-14**	**2012-13**	**2011-12**
Currency Presses		2559	2953	3190	3386	3546	3714	3941	4054	4116	4050
Mints		1801	2120	2381	2633	2876	3013	3188	3390	3591	3707
Security Printing Presses		1864	2077	2223	2428	2695	3012	3252	3453	3673	3927
Security Paper Mill		935	997	1056	1121	1170	1244	1337	1290	1161	1068
Corporate Office		75	71	68	70	67	69	66	70	65	66
Total		**7234**	**8218**	**8918**	**9638**	**10354**	**11052**	**11784**	**12257**	**12606**	**12818**

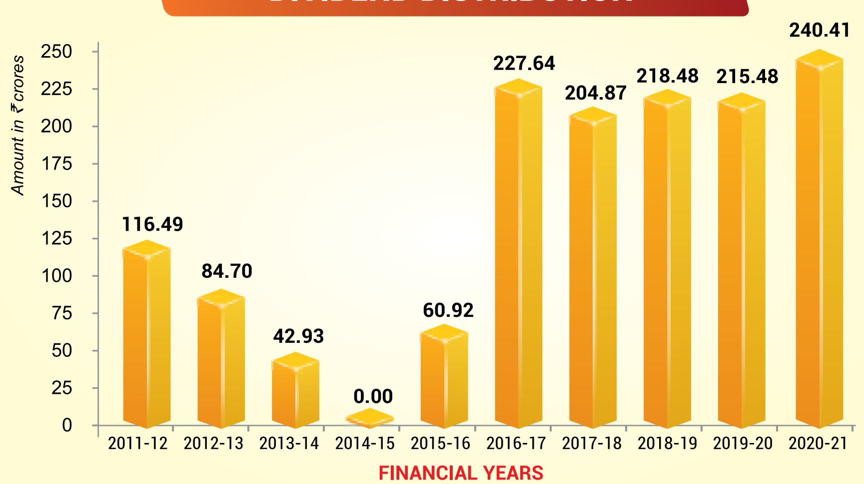
REVENUE FROM OPERATIONS



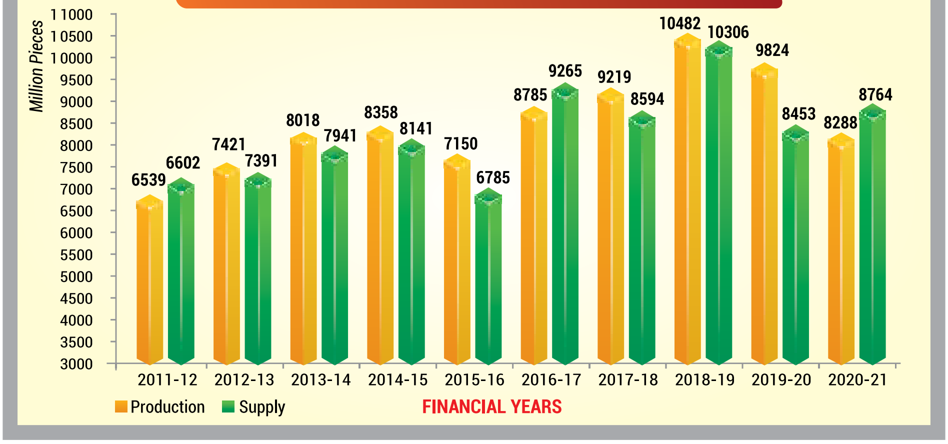
PROFIT BEFORE TAX (PBT)/PROFIT AFTER TAX (PAT)



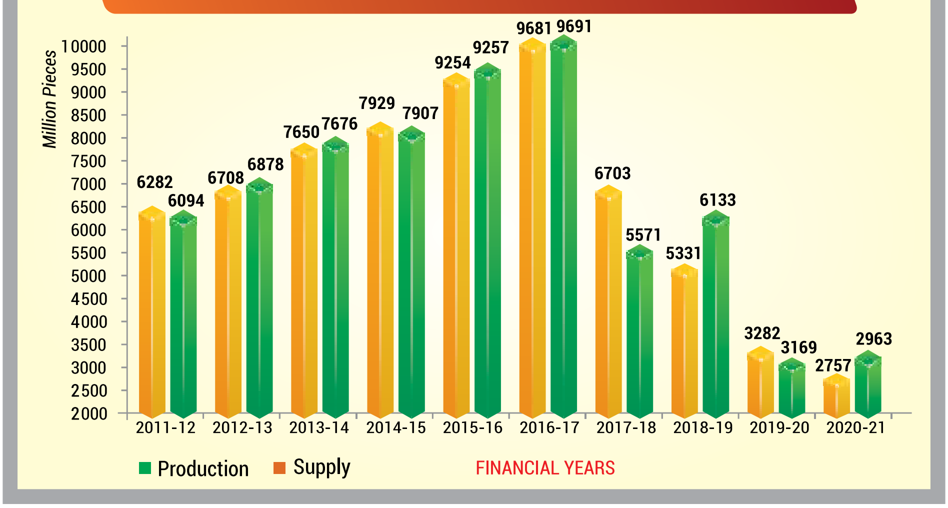
DIVIDEND DISTRIBUTION



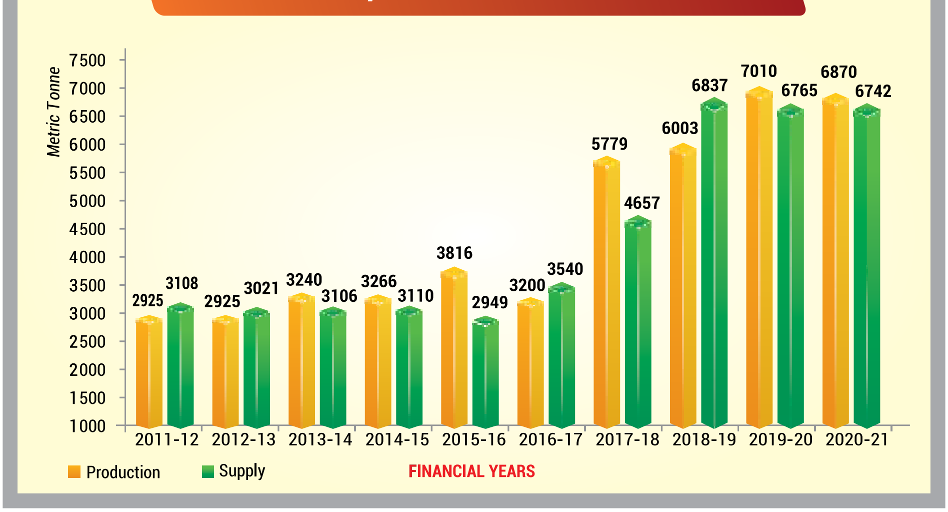
PRODUCTION/SUPPLY OF BANK NOTES

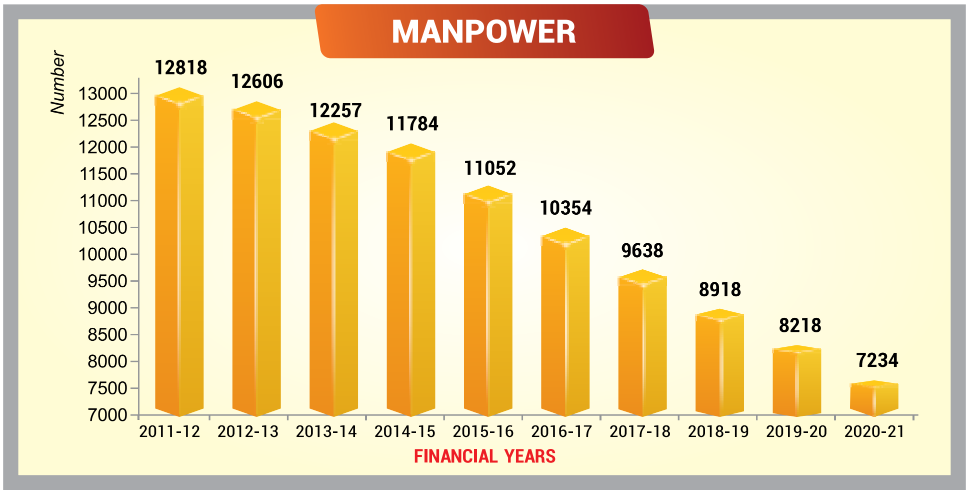


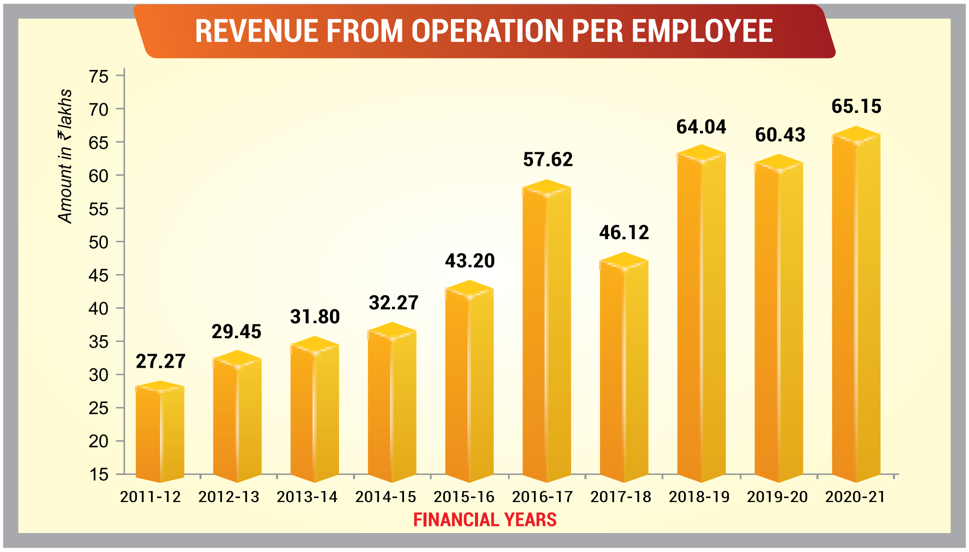
PRODUCTION/SUPPLY OF CIRCULATING COINS

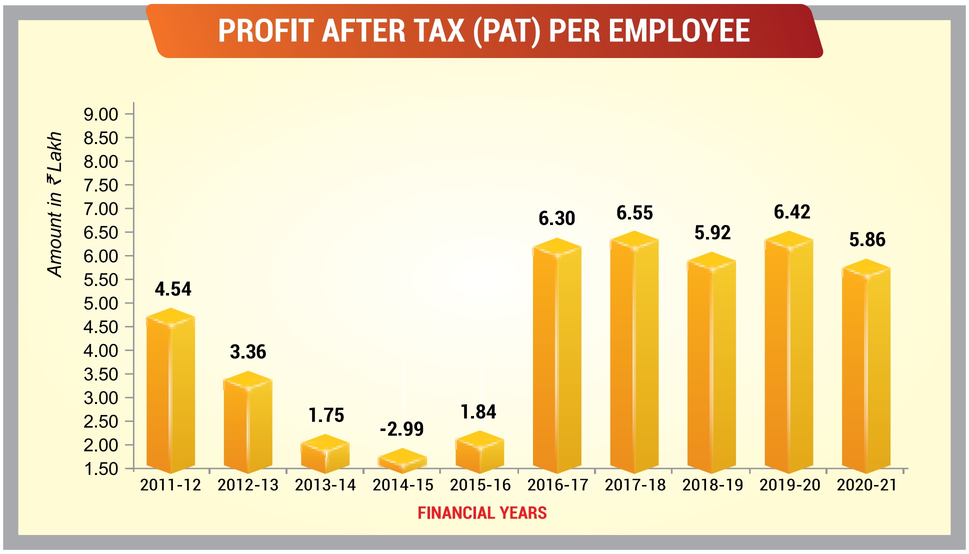


PRODUCTION/SUPPLY OF SECURITY PAPER




MANPOWER
Number
13000
12500
12000
11500
11000
10500
10000
9500
9000
8500
8000
7500
7000
12818
12606
12257
11784
11052
10354
9638
8918
8218
7234
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17
2017-18
2018-19
2019-20
2020-21
FINANCIAL YEARS


REVENUE FROM OPERATION PER EMPLOYEE
Amount in ₹ lakhs
75
70
65
60
55
50
45
40
35
30
25
20
15
27.27
29.45
31.80
32.27
43.20
57.62
46.12
64.04
60.43
65.15
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17
2017-18
2018-19
2019-20
2020-21
FINANCIAL YEARS


PROFIT AFTER TAX (PAT) PER EMPLOYEE
Amount in ₹ Lakh
9.00
8.50
8.00
7.50
7.00
6.50
6.00
5.50
5.00
4.50
4.00
3.50
3.00
2.50
2.00
1.50
4.54
3.36
1.75
-2.99
1.84
6.30
6.55
5.92
6.42
5.86
2011-12
2012-13
2013-14
2014-15
2015-16
2016-17
2017-18
2018-19
2019-20
2020-21
FINANCIAL YEARS

ABOUT SPMCIL

Security Printing and Minting Corporation of India Ltd. (SPMCIL), a Miniratna Category-I, Schedule-'A' Central Public Sector Enterprise (CPSE) was incorporated on 13th January 2006 to manage four India Government Mints, two Currency Presses, two Security Presses and one Security Paper Mill, which were earlier being managed by the Department of Economic Affairs, Ministry of Finance, Government of India directly. The Company is wholly owned by the Central Government with Authorized Share Capital of ₹2500 crores and paid-up Share Capital of ₹987.50 crores as on 31.03.2021.

The Reserve Bank of India (RBI) is the customer for currency notes supplied by two Currency Presses of the Company, i.e. Bank Note Press (BNP), Dewas and Currency Note Press (CNP), Nashik. The Ministry of External Affairs (MEA) and Ministry of Home Affairs (MHA) are customers for passports and visa stickers respectively and the State Governments are customers for Non-Judicial Stamp Papers and allied stamps specially Excise Adhesive Label which is gaining ground and the Postal Department is the customer for postal stationery, stamps, etc. supplied by the two Security Presses of the Company, i.e. Security Printing Press (SPP), Hyderabad and India Security Press (ISP), Nashik. These Security Presses also produce various security items like cheques, railway warrants, income tax return order forms, saving instruments, commemorative stamps, academic certificates with security features etc. for various customers. The Department of Economic Affairs (DEA), Ministry of Finance is the customer for circulating coins supplied by the four India Government Mints (IGMs) of the Company at Mumbai, Kolkata, Hyderabad and Noida.

In addition to core business of producing Circulation Coins, IGM, Mumbai is the only authorized agency for manufacture of Reference, Secondary and Working Weights & Measures (Mass/Volume/Length) as per Weights & Measures Act, 1976. IGM, Mumbai and IGM, Kolkata perform the sovereign function of manufacturing Commemorative Coins. Apart from this, they manufacture Medals for various Ministries, Universities, and Trusts etc. This also includes prestigious awards like Bharat Ratna Medals, Padma Series Medals, Gallantry Awards like Param Vir Chakra, Mahavir Chakra, Vir Chakra. Further, they also manufacture and supply medals for National and International Sports events. IGM, Mumbai, IGM, Kolkata and IGM, Hyderabad are also into Refining and Assaying of Gold and Silver. IGM, Mumbai and IGM ,Kolkata have manufactured Indian Gold Coins (999 purity) under Gold Monetization Scheme.

The Company has one Security Paper Mill (SPM) at Hoshangabad which manufactures Security Paper for use by Currency / Security Presses. The Company also has an Ink Factory at Dewas which manufactures Offset Ink, UV Ink and Quickset Intaglio Ink for use by the presses of SPMCIL.

SPMCIL has a Joint Venture (50:50) with Bharatiya Reserve Bank Note Mudran Private Limited (BRBNMPL) in the name of Bank Note Paper Mill India Private Limited (BNPMIPL) for manufacturing Banknote paper.

BUSINESS VERTICALS

CURRENCY PRINTING

Printing of Bank Notes of ₹500, ₹200, ₹100, ₹50, ₹20, ₹10 & ₹1 Denominations

SECURITY PRINTING

Printing of Passports, Visa Stickers, Postal Stationery, MICR Cheques, Non-Judicial Stamp Papers & other Security Documents

MINTS

Minting of Circulating Coins of ₹20, ₹10, ₹5, ₹2, ₹1 Denominations, Commemorative Coins, Gold Coins, Gold & Silver refining, Fire Assay of Gold and Silver, Medals & Medallions

SECURITY INKS

Manufacturing of Offset Inks, UV Inks & Quickset Intaglio Inks

SECURITY PAPER

Manufacturing of Paper for Bank Notes of ₹500, ₹200, ₹100, ₹50, ₹20, ₹10 Denominations, Non-Judicial Stamp Papers etc.

A BRIEF PROFILE OF UNITS OF SPMCIL

CURRENCY PRESSES

Currency Note Press (CNP), Nashik

Bank Note Press (BNP), Dewas

There are two Currency Printing Presses i.e. Currency Note Press, Nashik and Bank Note Press, Dewas under SPMCIL which are engaged in production of Currency/ Bank Notes. About 40% of Currency/Bank Notes circulated in India are printed by SPMCIL. These units are equipped with designing, engraving, complete pre-printing and offset printing facilities, intaglio printing machines, numbering & finishing machines etc. These units have captive railway treasury wagons/carriages for transporting the treasury consignments.

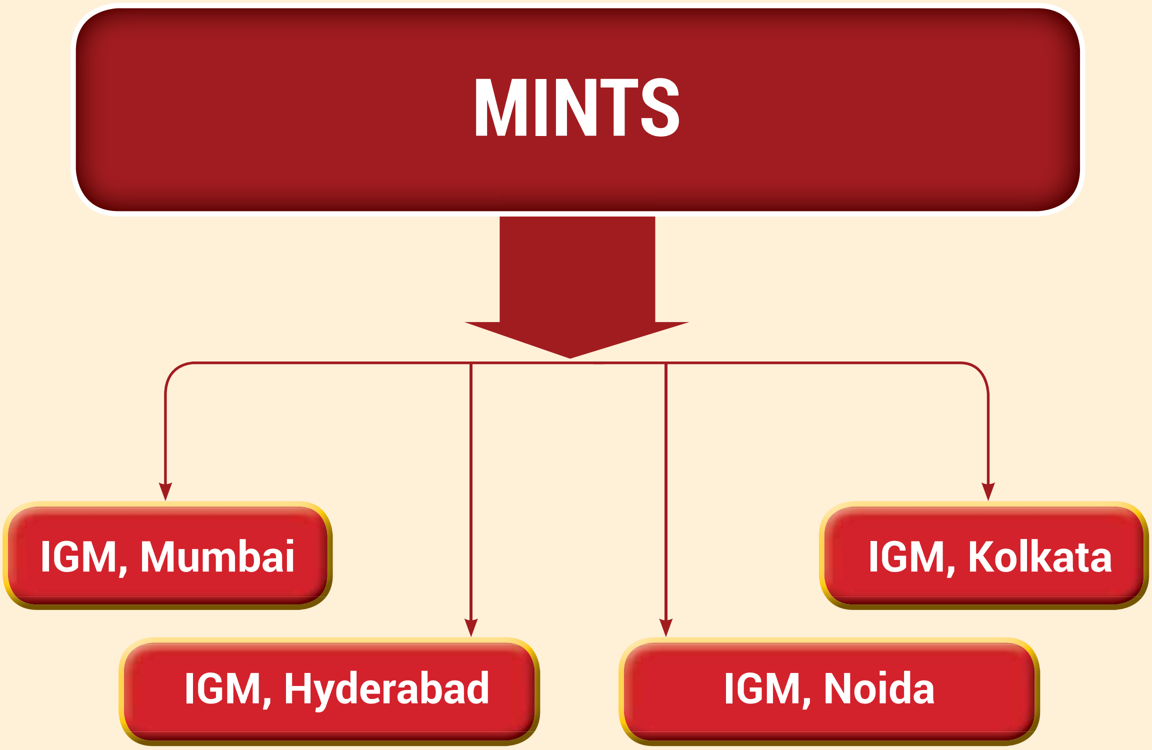
Currency Note Press (CNP), Nashik

Currency Note Press (CNP) is situated at Nashik Road, Maharashtra. It was established in the year 1928 with the objective of printing currency/bank notes of denominations as per the requirements and indents placed by Reserve Bank of India from time to time. The total area of the premises is 48 acres. It is an ISO 9001 : 2008 QMS & ISO 14001 EMS certified unit. The unit is equipped with designing, engraving, complete pre printing and offset printing facilities, intaglio printing machines, numbering & finishing machines. It has designed, printed and supplied around 300 varieties of banknotes for Govt. of India and 09 foreign countries like Nepal, Burma, Bangladesh etc. This unit is having fool proof accounting of security products, micro tints, inter-lock designs, see through designs, latent image and is using fluorescent & optically variable inks etc. to impede forgery. It is a pioneer & premier unit for examination of suspected forged notes having full-fledged Forgery Detection lab & fleet of expert officials. CNP receives suspected notes from the various investigation agencies like NIA, State CID, CBI, Banks, Courts etc. The State of Art Paper Testing Laboratory is functioning in CNP for inspection of Water marked Bank Note Paper in house.

Bank Note Press (BNP), Dewas

Bank Note Press, Dewas was established in the year 1974 with the objective of producing world class, high quality, new family bank notes to impede forgery by incorporating higher security features, latest modern techniques like, the intaglio printing, dry offset printing with security features such as continuous bleed of tints, interlock designs, see-through designs, use of fluorescent inks optically variable inks etc.

The production at BNP, Dewas was started in the year 1974 and first consignment of new family of notes was remitted to Reserve Bank of India in March, 1975. Bank Note Press has been equipped with all the facilities for printing and processing of bank notes of high quality and has various wings to control various activities like printing, quality control, engineering, examination group, auxiliary and administrative group. It has its own security ink manufacturing plant which produces offset, numbering and intaglio inks. The requirement of Security Inks of SPMCIL are being met in-house from this Ink manufacturing plant.



SPMCIL's four Mints at Mumbai, Kolkata, Hyderabad and Noida have rich minting heritage and legacy of producing quality products. These mints are carrying out minting of all coins circulated in the country. India Government Mints (IGMs) are engaged in wide range of activities covering every stage of minting process from blanking to the finished products. The advanced technology, innovation, quality and reliable delivery mechanism are some of the strengths of these mints. IGMs have made a niche in the minting world – with excellence in design, expertise in minting precious metals, and above all, a long tradition of craftsmanship.

India Government Mint, Mumbai

Mumbai Mint is one of the oldest mints of India. The history of Mumbai mint dates back to the last quarter of the seventeenth century. It's evolution over the centuries is identical to that of the rupee. The development of coins, from manufacturing the coins in a small place by means of hammer and anvil initially, to manufacturing by automatic machines, includes many interesting stories, for instance, in olden days the weight of the coins was decided in terms of grains. The first mint at Mumbai was set up by Governor Aungier for coinage of rupees, pies and bajruks. The first Mumbai Mint rupee was coined in the year 1672. Present Mumbai Mint was constructed between the years 1824 and 1829 by Capt. John Hawkins of Bombay Engineers. Apart from having coin blanks manufacturing facility, this unit produces circulating coins and also commemorative coins which are issued to celebrate special occasions/events or as a mark of respect towards distinguished individuals or monuments.

During the Gold Control Act, Mumbai Mint was the only authorized mint to process the gold in any form other than jewellery. With the setting up of the new Aqua Regia Gold Refining plant, this Mint has the facility to process gold up to a fineness of 999.9.

This Mint has been manufacturing & supplying Reference, Secondary and Working Standards of Weights and Secondary and Working Standards of Capacity and Length Measures as per Weights and Measures Act, 1976. These standards are manufactured against accurate standards authenticated, calibrated and approved by NPL, New Delhi. Each of these standards play a vital role in the work of the State Governments by ensuring that the weights and measures used in the trade and commerce are of the required accuracy.

India Government Mint, Kolkata

The history of Calcutta Mint starts with the treaty of the East India Company with Nawab Siraj-ud-Daula, dated 7th February 1757. The earliest rupee from the Calcutta Mint was issued on the pattern of the Mughal Coins with Persian inscriptions. The site of the first Mint of Calcutta is not known. The second Calcutta Mint was established in 1792. The construction of the third Mint at Strand Road was planned in 1819 and it was opened for coinage on 1st August 1829 and was known as Silver Mint though gold coins had also been stuck there. In 1860 an annexe known as the "Copper Mint" intended exclusively for copper coinage was built to the north of the Silver Mint. Meanwhile, the need was felt by the Government of India as early as 1940 and plans were laid to set up a new high capacity Mint in Alipore and Calcutta Mint was shifted to Alipore, where construction work was started in 1941. For Alipore Mint, 26 acres of land had been taken over by the Government from the Port Commissioner of Calcutta in 1941. It had started with a coinage production capacity of about 12 Lakh pieces per eight hours shift. This Mint played a glorious role in India's Coinage by minting gold, silver, nickel, copper, cupro-nickel, nickel-brass and bronze coins. Apart from this, Medals, decorations, Commemorative pieces, delicate works by skilled workmanship are done for Government Departments, educational institutions, noble families, the list is virtually endless.

It has produced coins for Australia, Great Britain, Egypt, Portuguese India, Saudi Arabia, Bhutan and Pakistan and coins for Ceylon, Straits Government or straits settlements and the Imperial British East Africa Company, Mombasa.

India Government Mint, Hyderabad

India Government Mint, Hyderabad was originally established in 1803 as the Royal Mint to serve as the mint for the Nizam of Hyderabad. In 1950, the mint was taken over by the Government of India. A new Mint was inaugurated on 28th August 1997 at Cherlapally where the Mint at Saifabad was completely shifted on 1st November 2001 and it started operation fully. The Mint is one of the prestigious organizations in twin cities of Hyderabad and Secunderabad. This gigantic task was successfully completed under the supervision of the Central Public Works Department and the consultancy from MECON. The campus is spread over an area of 80 acres of land. Apart from the high security-minting complex, it has residential complex for essential staff (nearly 100 quarters) with well-supported infrastructure. The factory and colony is nearly self-dependent for all its basic needs. This Mint is equipped with modern machinery supplied by world's leading manufacturers of coining machines. It is engaged in end-to-end processes for coin production i.e. blanking, annealing, pickling & polishing and stamping. Apart from manufacturing circulation coins, this mint is also engaged in manufacturing of commemorative coins, medals/medallions and melting & refining of Silver with state-of-the-art modern facilities. This Mint also has its own Assay and R&D Laboratory.

India Government Mint, Noida

India Government Mint, Noida, Gautam Budh Nagar, UP is the only Mint established in the post- independence era. This is the fourth Mint in the country. In order to fill the gap between demand and supply of coins in the country, Government of India decided in the year 1984 to establish a new mint project at Noida. This Mint started regular production from 1988. It was the first mint in the country to produce stainless steel coins. The project was started by the Government of India, Ministry of Finance, Department of Economic Affairs in January 1986 with an estimated budget of ₹ 30 Crore. Construction of the Mint was undertaken by National Building Construction Corporation (NBCC) and Metallurgical and Engineering Consultants (MECON) were the engineering consultants. The project was completed within the given time frame and dedicated to the nation on 1st July 1988.

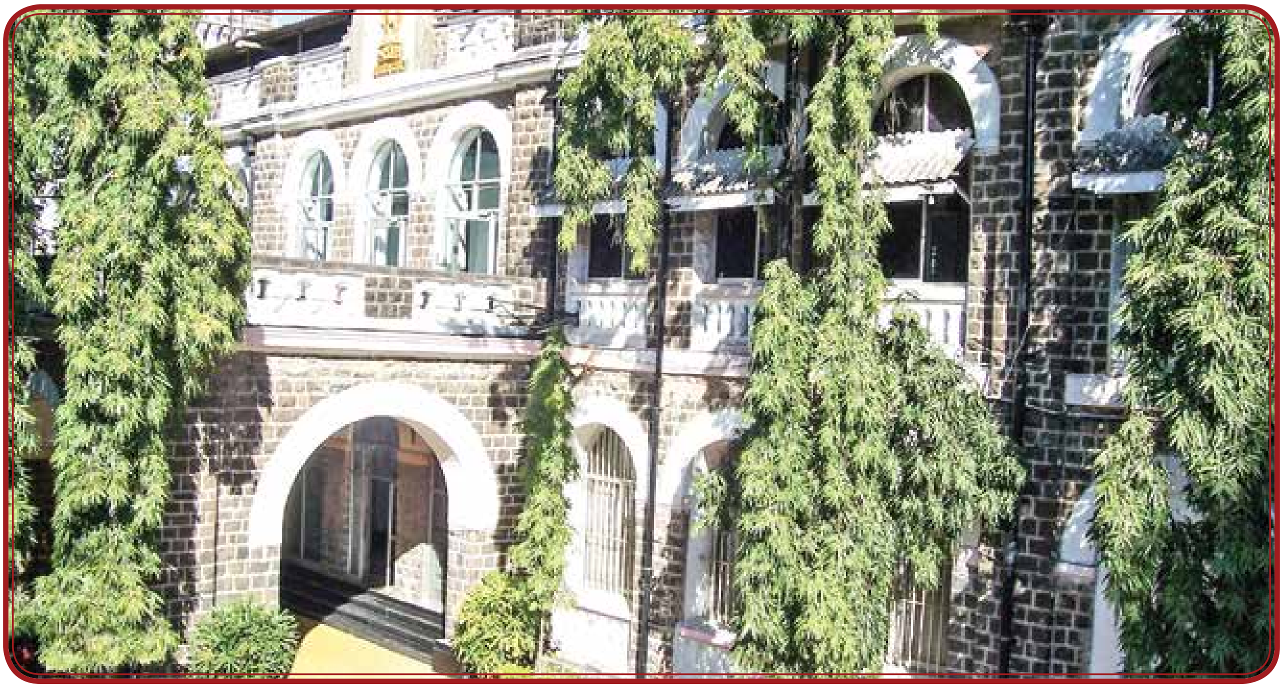
After corporatization, the Mint is functioning as one of the Units of SPMCIL. It has facilities for conversion of blanks into coins.

SECURITY PRINTING PRESSES

India Security Press (ISP), Nashik

Security Printing Press (SPP), Hyderabad

The two Security Printing Presses i.e. India Security Press, Nashik and Security Printing Press, Hyderabad use specialised technology and multiple printing processes to produce security products under secure operating procedures and manufacturing protocols. These presses have the latest technological facilities for designing, pre-printing and post-printing and have the capability of incorporating security features like chemically reactive elements, various guilloche patterns, micro lettering, designs with UV & bi-fluorescent inks, micro perforation, adhesive/glue, embossing, die-cutting, personalization etc.



India Security Press (ISP), Nashik

India Security Press (ISP), Nashik is a premier organization under SPMCIL. ISP, Nashik is more than 95 years old establishment. It was set up by British during colonial rule for printing of court fee, fiscal, postal, non-postal stamps and postal stationery items in the year 1925. Prior to 1855, Postal Stamps and other security documents were printed at Her Majesty's Mint, Calcutta by the Survey of India Organization. Between 1862 and 1924, the job was entrusted to M/s Thomas De-La-Rue & Co. Ltd., London who was awarded a Contract for printing Indian Court Fee, Fiscal and Postal Stamps and Stationery.

ISP, Nashik is engaged in printing and supplying a variety of security related products such as Non-judicial stamp papers, Judicial Stamp papers, Revenue stamps, court-fee stamps, Passport Books, Postal Stamps, Visa & other travel documents, University Certificates, Adhesive Excise Duty Stamp and other Articles like MICR Cheques in continuous stationery & booklet form, Identity Cards of Indian Army, Railway Warrants, Income Tax Return Order Forms, Saving Instruments, Commemorative Stamps etc. A Specialized Forgery Detection Cell caters to the demand of various law enforcement agencies and RBI.

Security Printing Press (SPP), Hyderabad

Security Printing Press (SPP), Hyderabad was established in the year 1982 primarily to meet the requirements of postal stationery for Department of Posts, Ministry of Communications, New Delhi. Subsequently, the press has taken-over the development and printing of Non-Judicial Stamp Papers and Court Fee Stamps for State Governments.

It is equipped with latest Pre-press, Press and Post-press machinery for printing of high value security documents. This Press also has in-house laboratory to ensure the quality conformance to high printing standards and reliability of security features of the products. SPP, Hyderabad is equipped with modern high speed printing machinery for producing high value security documents with security features like specialized numbering, perforations, UV-print technology, high-end security software for pre-press activities.

SECURITY PAPER MILLS

- **Security Paper Mill (SPM), Hoshangabad**
- **Bank Note Paper Mill India Private Limited (BNPMIPL), Mysuru**

There are two Security Paper Mills i.e Security Paper Mill, Hoshangabad and Bank Note Paper Mill India Private Limited (BNPMIPL), Mysuru which have made the Company self-reliant on currency paper, bank note paper and security paper requirement and reduced draining of foreign exchange.

In 2015, a state-of-the-art technology paper line of capacity of 6000 MT per annum was setup in Security Paper Mill, Hoshangabad for manufacturing of bank note paper.

BNPMIPL, a 50:50 Joint Venture with Bhartiya Reserve Bank Note Mudran Private Limited (BRBNMPL) was setup at Mysuru in October 2010 to implement a Green-Field project of a Bank Note Paper Mill having two state-of-the art technology paper lines of capacity of 6000 MT each.

These projects shall lead to indigenous production of major CWBN paper requirement, import substitution thereby saving valuable foreign exchange and further aiding India to become self-reliant in banknote paper production promoting AatmaNirabhar Bharat.

Security Paper Mill (SPM), Hoshangabad

Independent India had a dream to come out of import burden of currency paper for a long time. To become self-reliant in currency and bank note paper requirement and also to save drain of foreign exchange, the decision for establishing "Security Paper Mill" was taken in early sixties. Hoshangabad was chosen as the best option based on its compliance with prerequisites like land, water, electricity, transportation and manpower.

Security Paper Mill (SPM), Hoshangabad was established in the year 1968. It manufactures different types of High Quality Security Papers for Bank Notes and Non-Judicial Stamp Papers. Security Paper manufactured by this unit is used by other SPMCIL units for printing of Currency/Bank Notes and Non-Judicial Stamps. SPM, Hoshangabad has the distinction of incorporating numerous security features in security paper viz. Fluorescent Fibres, Multi-tonal three Dimensional Watermark, Electrotype Watermark, various types of Security Threads, Taggants etc.

A state-of-the-art technology paper line of capacity of 6000 MT per annum was setup in Security Paper Mill, Hoshangabad for manufacturing of bank note paper. The commercial production had started in year 2015.

It closely monitors and controls critical parameters specified by presses and is engaged in the continuous process system, i.e. Stock Preparation, Paper Making, Calendaring, Cutting and the Finishing process. Quality of the paper is a key factor for the organization which is accomplished in a very high security environment.

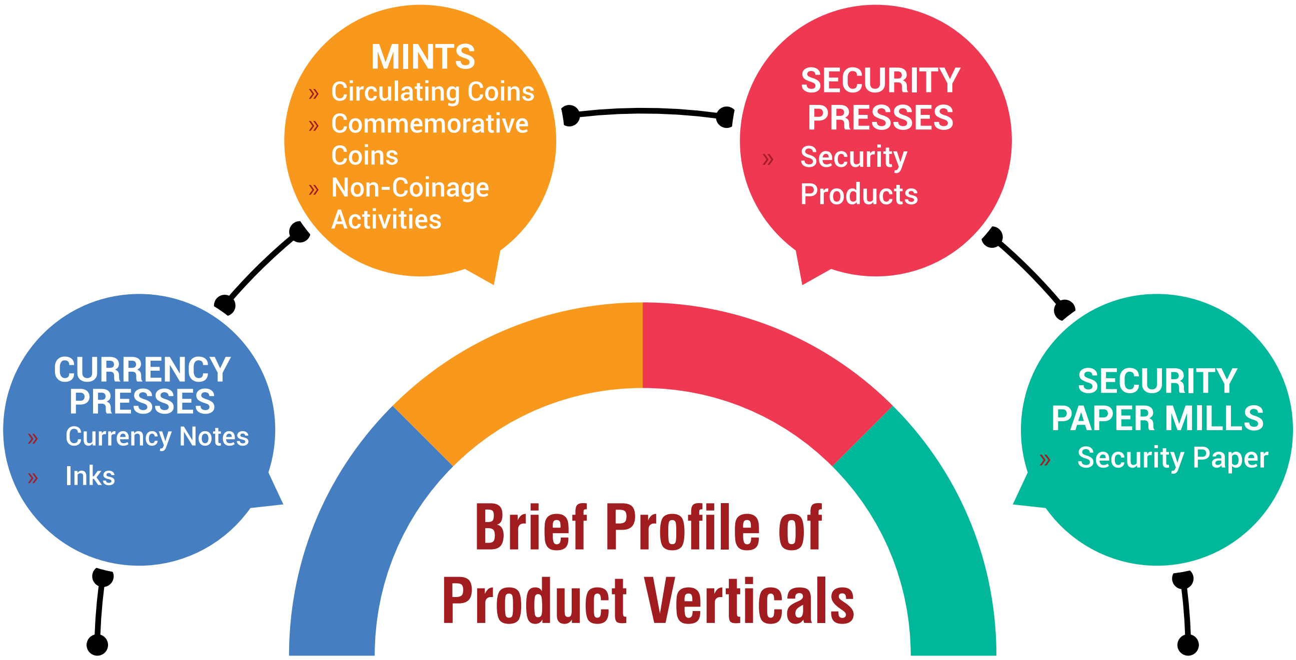
Bank Note Paper Mill India Private Limited (BNPMIPL), Mysuru

BNPMIPL was setup by SPMCIL as a 50:50 Joint Venture with Bhartiya Reserve Bank Note Mudran Private Limited (BRBNMPL) in October, 2010. It is a Green-Field project for manufacturing of Bank Note paper from two state-of-the art technology paper lines of capacity of 6000 MT per annum each. i.e. total capacity of 12000 MT per annum. The commercial production from both the lines has started in the year 2016.

The main objective of Joint Venture Company is to carry on the business of developing, designing, manufacturing, producing, and supplying in India and abroad of currency paper and bank note paper and all allied activities. This is a Continuous Process Industry and the product is unique of its kind having fiduciary value more than its intrinsic worth. BNPMIPL has achieved the rare feat of producing the high quality bank note paper within the short period of commencing the production. Now, the requirement of Bank Note paper is met domestically.


CURRENCY IC
KOMORI CORPORATION


Kg



Currency Presses

With over 75 years of experience in Currency Printing for India as well as for foreign countries, SPMCIL units have created a niche for themselves in the market.

Our Currency Note Press (CNP) at Nashik is equipped with state-of-the art complete pre-printing and offset facilities, intaglio printing machines, numbering and finishing machines and post-printing processes.

Bank Note Press at Dewas is another SPMCIL's technically equipped unit having designing, engraving, up-to-date complete pre-printing and Offset facilities, intaglio printing machines, numbering & finishing machines. It is also a leading security ink manufacturer.

Both the Currency Note printing units have fool-proof accounting of security items, stringent security systems with ultra-modern, ecofriendly efficient treatment facilities complemented by a service department to ensure maximum in transit security. These units have captive railway treasury wagons/ carriages for transporting treasury consignments.

Mahatma Gandhi (New) Series

The Republic of India witnessed the second major monetary reforms in November 2016 when it withdrew the legal tender status of ₹500 and ₹1,000 denominations of banknotes of the Mahatma Gandhi Series issued by the Reserve Bank of India till 8th November 2016.

The new banknotes were introduced in the Mahatma Gandhi (New) Series, highlighting the cultural heritage and scientific achievements of the country. Distinct colours were used for different denominations and sizes reduced. Two new denominations viz. ₹2000 on 8th November 2016 and ₹200 on 23rd August 2017 were introduced in the Mahatma Gandhi (New) Series.

Rupees Ten : Size 63 x 123 mm

Rupees Twenty : Size 63 x 129 mm

Rupees Fifty : Size 66 x 135 mm

Rupees One Hundred : Size 66 x 142 mm

Rupees Two Hundred : Size 66 x 146 mm

Rupees Five Hundred : Size 66 x 150 mm

Security Inks





The Ink Factory, Bank Note Press, Dewas is engaged in manufacturing of security inks. Initially the major products were Dry Offset Inks in different inks, Letterpress and Gravure inks. Over the period of time the technical expert of Ink Factory made dedicated efforts to develop varieties of inks used in different security documents.

The major inks for Passport, Visa, Stamp papers, Postal stationeries, Bank documents, certificates etc. are made at Ink Factory and supplied to different security presses like India Security Press, Currency Note Press and Security Printing Press, etc. To mention a few out of major achievements of Ink Factory, it has in-house development of formulations for all inks, numbering inks, invisible inks, i.e. bi-fluorescent ink, infrared sensitive ink, conventional intaglio ink and the most important Quickset Intaglio Ink.

Bank Note Press, Dewas as well as other currency printing presses were procuring Quickset Intaglio Ink from foreign suppliers. In 2006, Ink Factory took up the challenge to develop the Quickset Intaglio Ink in-house. Vigorous R&D efforts were made by the Technical Expert of Ink Factory. Commercial bulk production was made in the year 2009-10.

Initially, the Ink Factory was setup to manufacture 240 MT of different inks in a year. Keeping in view the increasing demand of the bank notes, the need for parallel expansion of Ink Factory was felt and decision was taken to erect a New Ink Factory building and install new machines and other auxiliary equipment to raise the production capacity to 1500 MT of different Inks. The ink factory supplies total requirement of BNP, CNP, ISP and SPP except OVI/CSI ink.

Mints

India Government Mints (IGMs) at Mumbai, Hyderabad, Kolkata and Noida have rich minting heritage and a legacy of producing quality minted products. IGMs offer comprehensive range of services covering every stage of minting process from planning to the finished products. Utilization of advanced technology, innovation, quality and reliable delivery methods are key strengths of our mints.

In product development and quality assurance, IGMs strictly follow global quality standards. IGMs are certified for ISO 9001, (Quality Management System) and ISO 14001, (Environment Management System). Assay laboratory at IGM Mumbai is NABL accredited (ISO 17025:2005).

New Series Circulating Coins 2019 (Visually Impaired Friendly)

The manufacturing process of circulating coins at SPMCIL constitutes a perfect symbiosis between centuries old art of engraving, the minting process and the most advanced industrial processes including world class technology and material management, traceability, automation to furnish the coins adhering to extreme quality and security norms.

Hon'ble Prime Minister of India, Shri Narendra Modi on 7th day of March 2019 released Visually Impaired Friendly New Series Circulating Coins 2019 in New Delhi. The new series includes coins of ₹1, ₹2, ₹5, ₹10 and ₹20 denominations.

The coins are characterized by the decreasing size and weight from higher to lower denominations. The specifications are as follows:

Metal	Weight	Diameter	Shape	Obverse	Reverse
Nickel Silver & Nickel Brass	8.54 g	27 mm	12 Edged (Polygon)		
Nickel Brass & Nickel Silver	7.74 g	27 mm	Circular		
Nickel Brass	6.74 g	25 mm	Circular		
Ferritic Stainless Steel	4.07 g	23 mm	Circular		
Ferritic Stainless Steel	3.09 g	20 mm	Circular		

Commemorative / Collectors' Coins

Commemorative Coins are minted to commemorate an event, occasion, place, person, organization or in memory of renowned persons and these are released by noted personalities. Most world commemorative coins were issued from 1960s onwards, although there are numerous examples of commemorative coins of earlier date. The commemorative/collectors' coins are anybody's prized possession. Such coins have a distinct design with reference to the occasion they have been issued. Many coins of this category serve as collectors items only, although some countries are also issuing commemorative coins for regular circulation.

These coins are being minted since 1964 and the first Indian commemorative coin was issued in 1964 in rememberance of the then Prime Minister Pandit Jawaharlal Nehru's birth anniversary. Since then, numerous coins from 5 paise (INR 0.05) to ₹1000 (INR 1000.00) have been issued. These coins are based on birth or death centenary of famous personalities, commemoration of special government programs or sport events, anniversaries of historical incidents, government organisations etc.

Many commemorative coins have been issued by Mumbai and Kolkata Mints. The range of these exclusive coins manufactured by IGMs are the result of proven track record, where key words like efficiency, excellence and elegance are to be reckoned with.

Commemorative coins are of two types - Proof and Uncirculated.

Proof Coins

Proof coins are the high quality commemorative coins which have a frozen effect on the surface design of the coin with a mirror finish. These coins are sold at a premium price as they are manufactured with high quality standards and have high numismatic value.

Uncirculated Coins

Uncirculated coins are the high quality commemorative coins which have mirror finish on the surface but without any frozen effect on the design. The uncirculated coins are also sold at premium but they are priced a little lower than the proof coins.

Commemorative Coins released during the year 2020-21

100th Birth Anniversary of Smt. Vijaya Raje Scindia [1919-2019]

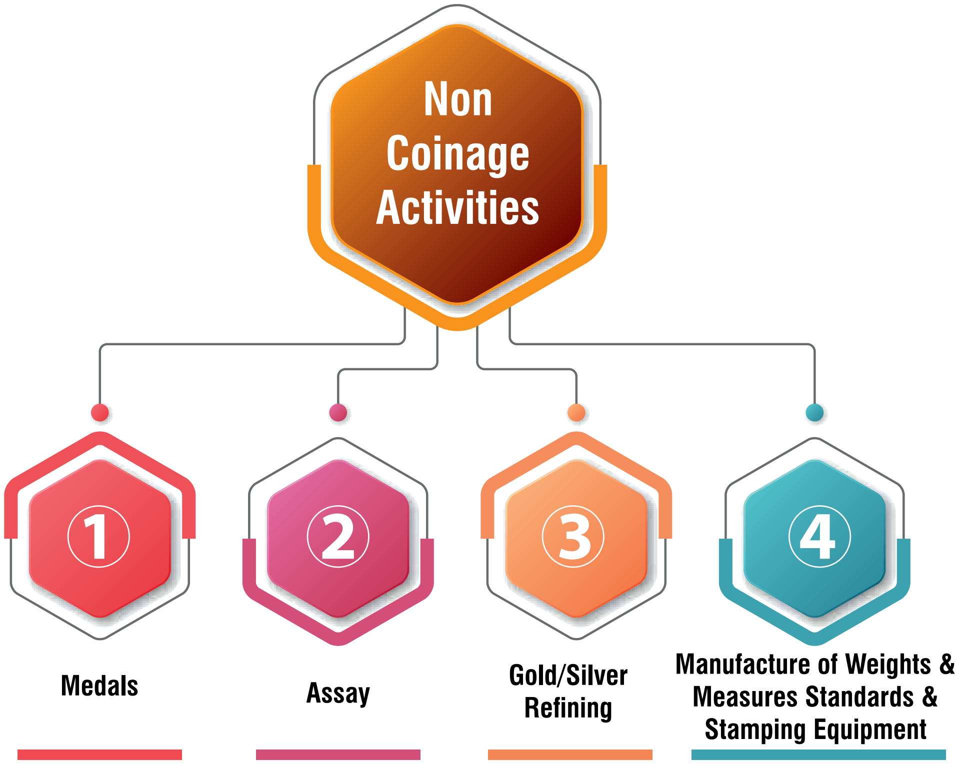
75 years of Food and Agriculture Organization (FAO) [2020]

125th Departure Anniversary of Sri Shyamacharan Lahiree Mahasaya [1895-2020]

Centennial Celebration of Foundation Day of University of Lucknow [1920-2020]

125th Birth Anniversary of Netaji Subhas Chandra Bose [2021]

Non Coinage Activities



1. Medals

Medals are manufactured for many Government & non-government organizations viz. Ministry of Home Affairs & Ministry of Defence, various Universities, various temples, trusts etc. We have manufactured medals for almost all the major institutions.

A Glimpse of Medal & Mementos


Bharat Ratna


Padma Bhushan


Padma Shri


Padma Vibhushan

Paramvir Chakra


Mahavir Chakra


Vir Chakra


North Eastern Regional Institute of Science and Technology


Shri Saibaba Sansthan Trust


Pravasi Bhartiya Samman


St. Peter's School, Panchgani


Shree Ganesh Chaturthi 2019


Kumbh Snan Souvenir 2019


Commonwealth Games 2010


Tirumala Tirupati Devasthanams


International Film Festival


Ministry of External Affairs

West Bengal University of Technology, Kolkata


Indian Film Festival

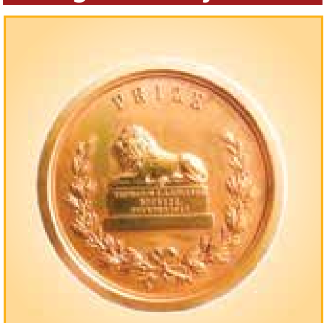
IIT Kharagpur


Asiatic Society of Bengal Barclay Medal


Burma Agri-Horticultural Society

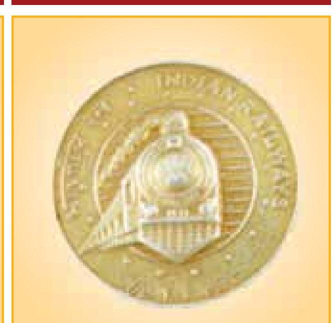

Indian Art Exhibition

Assam Rifles



Thomson Civil Engineering College Roorkee


Oudh Agricultural Exhibition


Indian Railways

2. Assay

The primary function of the Assay department is to check the quality of the coins manufactured in the mint, maintain and ensure a correct legal standards of the coinage of the country. Apart from this, assay of gold & other precious metals received from other parties is carried out for certification of its purity.

3. Gold/Silver refining

During the Gold Control Act, Mumbai Mint was the only authorized unit to process the gold in any form other than jewellery. With the setting up of the new Aqua Regia and Electrolytic Gold/Silver refining plants, we, now, have the facility to process gold up to a fineness of 999.9.

In the year, 2017 IGM Mumbai under Make in India initiative, successfully developed Certified Reference Material (CRM) for Gold with purity 999.9. This CRM was developed first time ever in India using Research & Development inputs from BARC and CSIR-NPL. The CRM is identified by a unique identification number allotted by National Physical Laboratory i.e. Bhartiya Niredeshak Drayva (BND) 4201.

Indian Reference Material

IGM, Mumbai has obtained the NABL accreditation certificate for Fire Assay of Gold and Assaying of Silver. IGM, Mumbai and IGM, Kolkata have also obtained BIS Licence to use the standard mark for Gold Coins. IGM, Mumbai has the facility of Gold refining and can process gold upto a fineness of 999.9.

Apart from the above, IGM, Mumbai was entrusted with the job of manufacturing Indian Gold Coins under Gold Monetization Scheme of Government of India with high quality standards.

4. Manufacture of Weights & Measures Standards & Stamping Equipment

One of the important activities of Mumbai Mint is manufacturing of the reference, secondary & working standards of weights and secondary & working standards of capacity & length measures. Each of these standards plays a vital role in the work of the State Governments by ensuring that the weights and measures used in the trade and commerce are of the required accuracy. Apart from this, verification stamps, identification stamps, quarter stamps, obliterating stamps etc. are also manufactured here in this unit for legal metrology department. IGM, Mumbai in the year 2015 developed 'Field Standard Test Measure' (FSTM) for 10 litre volume with an accuracy of ± 5ml. FSTM is used to verify Fuel Dispensing pumps (Petrol and Diesel). Testing & calibration of FSTM was done at Fluid Control Research Institute, Pallakad, Kerela.

Security Presses

SECURITY PRODUCTS

Preserving the sanctity of valuable documents

With more than 80 years of experience, Security Printing presses of SPMCIL employ specialized technology and multiple printing processes to produce security products under secure operating procedures and manufacturing protocols. The printing processes adopted for security printing are carried through offset, photogravure and letterpress processes.

Wide Spectrum of Security End Products

India Security Press (ISP), Nashik has exclusive printing facility and expertise in the production of Commemorative Postal Stamps. Advance machines like Automatic Passport Booklet Manufacturing Systems, World Class Standard Guillotine machines, Perforating machines, Latest Cheque Printing Systems are used to produce premium quality products.

Security Printing Press (SPP), Hyderabad is equipped with modern production machines and post printing techniques with processing facility for Perforation, Numbering, UV Print Technology, Online Envelope making, Inland Letters, Aerograms, Postal Stationery etc.

Brief History of Postal Stamp

The first postal stamp in India was introduced on 1 July 1852 in the Scinde district. In 1854 the introduction of uniform postage rates led to the development of the first postage stamps valid for use throughout India. As with the introduction of uniform postage in Britain this led to a rapid increase in use of the postal system. The volume of mail doubled between 1854 and 1866, and again between 1866 and 1871.

The first pictorial stamps were issued in 1931. There was a victory issue in 1946, followed shortly by a first Dominion issue. The three stamps in the Dominion issue depicted the Ashoka Pillar, the new flag of India, and an aeroplane.

Pictorial Stamps issued in 1931

Stamps issued after Independence in 1947

Postal Stamp

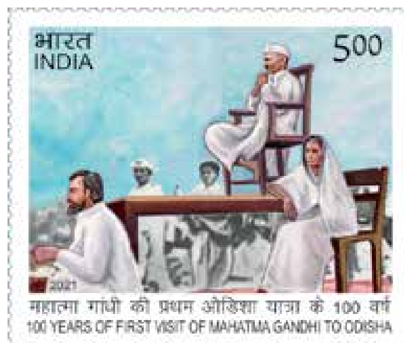
Postal Orders

Commemorative Stamps


कोविड-19 योद्धाओं को सलाम
COVID-19 WARRIORS
Salute to COVID-19 WARRIORS


2500
नेताजी सुभाष चन्द्र बोस का 125वां जयंती वर्ष
2021
125th Birth Anniversary Year of Netaji Subhas Chandra Bose
भारत INDIA


500
भारत INDIA
2021
हिमाचल प्रदेश के पूर्ण राज्यत्व के 50 वर्ष
50 Years of full Statehood of Himachal Pradesh


भारत INDIA
500
2021
महात्मा गांधी की प्रथम ओडिशा यात्रा के 100 वर्ष
100 YEARS OF FIRST VISIT OF MAHATMA GANDHI TO ODISHA

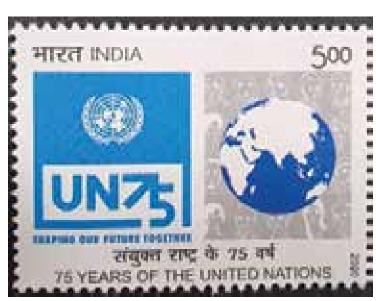

500
भारत INDIA
2021
माणिकचंद्र वाजपेयी
MANIKCHANDRA VAJPAYEE

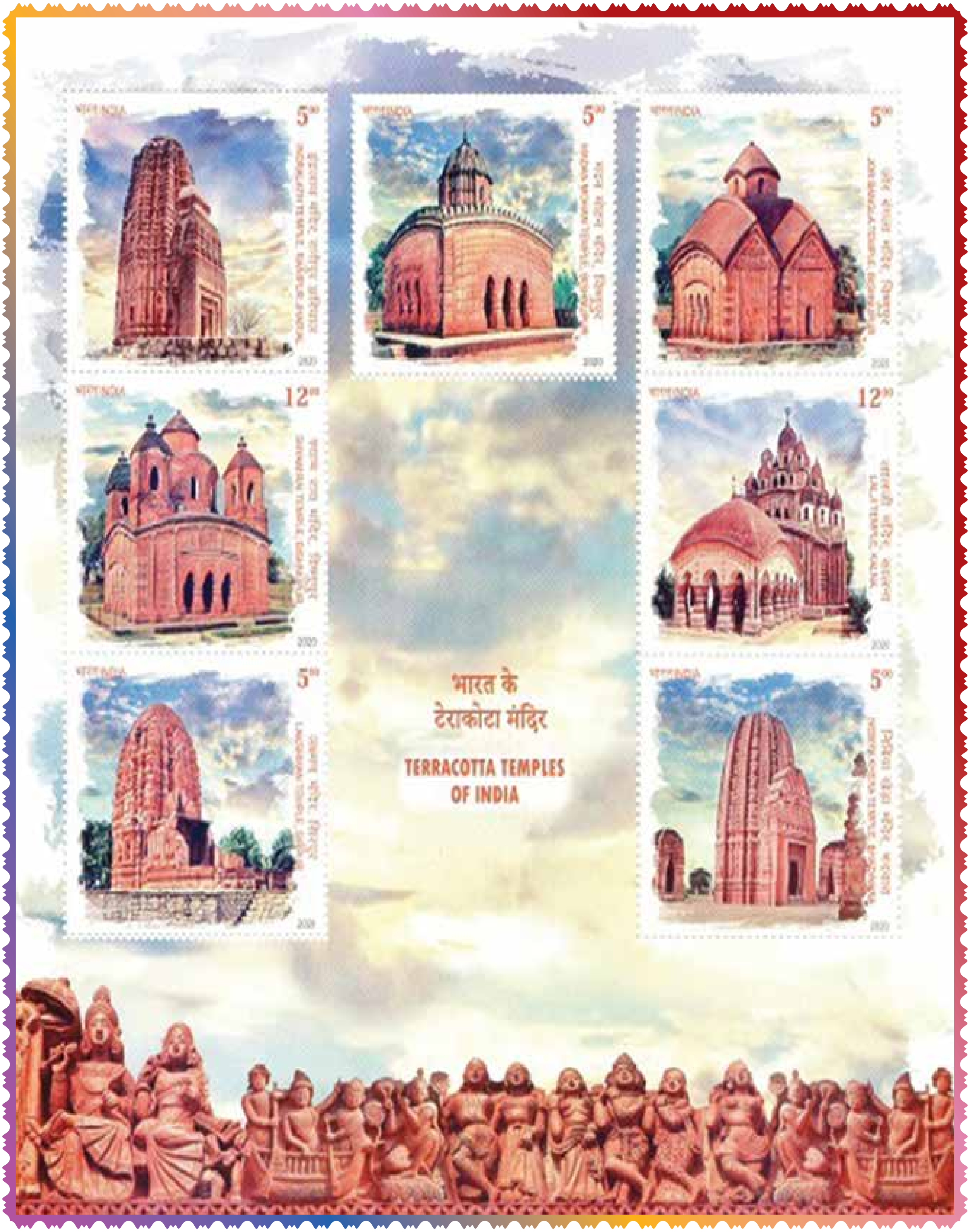

DIAMOND JUBILEE
भारत INDIA
THE HIGH COURT OF GUJARAT
1960-2020
हीरक जयंती


भारत INDIA
SHEIKH MUJIBUR RAHMAN
500
मुजीब MUJIB
शताब्दी 100
2020
MUJIB YEAR


भारत INDIA
500
आई. के. गुजराल I. K. GUJRAL


भारत INDIA
500


भारत INDIA
500
UN75
संयुक्त राष्ट्र के 75 वर्ष
75 YEARS OF THE UNITED NATIONS


भारत के
टेराकोटा मंदिर
TERRACOTTA TEMPLES
OF INDIA

Brief History of Indian Passport

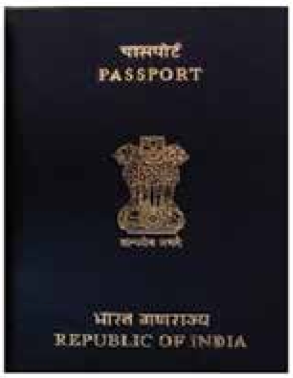
The manufacturing of Passport & other Travel documents started in 1958 in India Security Press, Nashik. All Passport & travel documents were manufacture manually from 1958 to 1999. Initially, India Security Press, Nashik was manufacturing various varieties of Passport documents like India Passport Booklet, India & Pakistan Passport Booklets, India & Ceylon Passport booklets, India-Bangladesh Passport, India-Sri Lanka passport. Indo-Myanmar Passports, Ordinary Passports, Official Passports & Diplomatic Passports were also prepared for Government of Bhutan.

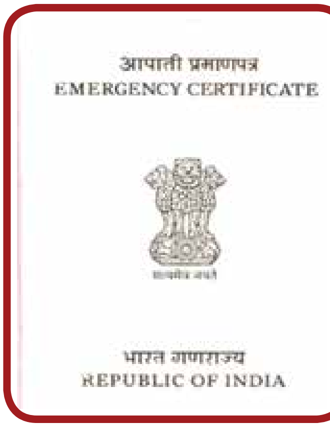
The security features were enhanced in Passport as per requirement by Govt. of India from time to time. Since 1999 all Passport booklets & travel documents are being manufactured on Automatic Passport Manufacturing System (APMS) with new design & enhanced security features.

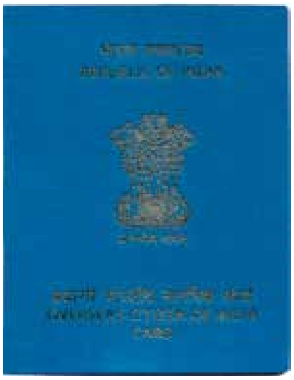
The following varieties of passports and travel documents are being made in India Security Press, Nashik

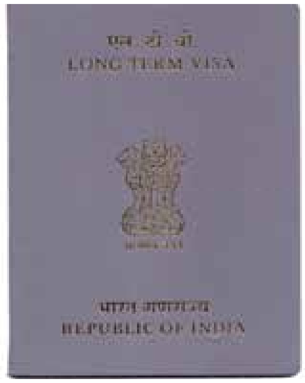
1. International Ordinary Passport Booklet
2. International Jumbo Passport booklets
3. International Official Passport Booklet
4. International Diplomatic Passport Booklet
5. International Jumbo Diplomatic Passport Booklet
6. Emergency certificates
7. Certificate of Identity
8. Overseas Citizens of India card
9. Long Term Visa Booklets
10. Continuous Discharge Certificates for Shipping Corporation of India
11. Eighteen Varieties of different forms booklets for Shipping Corporation of India
12. Now ISP is going to manufacture e-Passports with enhanced security features as per ICAO guidelines.

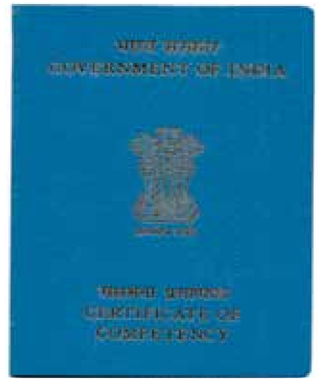
Glimpses of Passport & Allied Booklets











Visa Stickers

Brief History of Non-Judicial Stamp Papers (NJSPs)

In India, printing of Non-Judicial Stamp Papers (NJSPs) started in the year 1926 in the denominations of Annas, Rupees & Annas (eg. 1 Anna, 2 Annas & 5 Rupees & 2 Annas).

Indigenous paper was started for the printing of India NJSP. Initially, the printing of NJSP was being done provincial wise with old name of the States like Junagarh, Holkar, Rewa, Bhopal, Gwalior, Sawatwadi State, Hyderabad Residency, Rainakhol State, Nilgiri State, etc.

All NJSPs were being printed without State name & numbering for all the States of India upto 2004.

The security thread & security features were incorporated separately for Group III, IV, & V papers for the printing of ₹50 to ₹500, ₹1000 & ₹5000, & ₹10000 to ₹25000 respectively in the year 2004.

After enhancing the security features the printing started with state name, & serial number for all the states. During the year 2007-08 the imported paper was also used for printing of Non-Judicial Stamps.

Later on after enhancing the capacity of SPM, Hoshangabad entire paper for printing is being utilized for printing of NJSPs.

Micro-perforation as an additional security feature for NJSPs from ₹500 to ₹25000 was started in the year 2010. For Govt. of Maharashtra, E-SBTR (Electronically Secured Bank Transaction Receipt) printing was started since 2013.

Glimpses of Non-Judicial Stamp Papers

Glimpses of Non-Judicial Stamp Papers









Miscellaneous Products

SECURITY PAPER PRODUCTION

The Security Paper Mill (SPM), Hoshangabad and JV Company BNPMIPL, Mysuru have pioneered in high quality security paper production, where Cylinder Mould Watermark Security Paper with various overt and covert features are manufactured using the latest technology and know-how.

The Paper Mills have the distinction of incorporating numerous security features in paper viz. Fluorescent Fibres, Multi tonal Three Dimensional Watermark, Electrotype Watermark, various types of Security Threads, Taggants, etc. The eco-friendly process and the energy conservation aspects are assigned the utmost importance in the paper mills.

ACHIEVEMENTS

CMA BISWARUP BASU
PRESIDENT

THE INSTITUTE OF COST ACCOUNTANTS OF INDIA
(Statutory body under an Act of Parliament)
CMA Bhawan, 3, Institutional Area, Lodhi Road, New Delhi-110 003
Phones :+91-11-24666101, Mobile : +91-9910030124, 9874272530
E-mail : president@icmai.in, Website : www.icmai.in

National Awards/2019

8th April, 2021

Smt Tripti Patra Ghosh
Chairman & Managing Director
Security Printing and Minting Corporation of India Limited
16th Floor, Jawahar Vyapar Bhawan
Janpath, New Delhi-110001

Subject: 17th National Awards for Excellence in Cost Management-2019

Dear Madam,

Congratulations from the Institute!

The 17th National Awards for Excellence in Cost Management, 2019 of the Institute has been decided by a Jury of eminent personalities headed by Hon'ble Justice (Retd.) Shri S.J. Mukhopadhaya, Former Judge, Supreme Court of India & Former Chairperson National Company Law Appellate Tribunal (NCLAT) in the Jury meeting held on 24th February, 2021.

Winning awards always brings fresh energy and value to anyone's efforts. Yes, we take the pleasure in informing about your winning **First Position** under the category **Manufacturing – Public – Medium.** I am sure the award in recognition of your excellence in Cost Management will take your organization to newer heights.

Although receiving the award in a gala ceremony always brings immense pleasure and pride which was scheduled on 9th April, 2021. However due to the current scenario of increase in the corona cases across country and restrictions by the government for the events/gatherings at Delhi, it could not be organised.

We shall be informing you the date for The Awards Presentation Ceremony in due course.

With warm regards,

Biswarup Basu

CMA Biswarup Basu
President

Copy to :
CMA Ajay Agarwal
Director (Finance) & CFO
Security Printing and Minting Corporation of India Limited
16th Floor, Jawahar Vyapar Bhawan
Janpath, New Delhi-110001

"Governance Now PSU LEADERSHIP AWARD" – CMD of the Year to Ms. Tripti Patra Ghosh, CMD, SPMCIL Under Mini Ratna Category

Sahi Poshan Desh Roshan
On the occasion of
75th anniversary of Food and Agriculture Organisation
Release of Special Commemorative Coin
Prime Minister Narendra Modi
16 October, 2020, New Delhi
FAO 75
प्रधानमंत्री नरेन्द्र मोदी
Dedication of Seventeen Bio-fortified Crop Varieties to the Nation
by
Prime Minister Narendra Modi
on
World Food Day
(October 16, 2020)
GOVERNMENT OF INDIA
Narendra Singh Tomar (Union Minister)
Secretary (Agriculture & Farmers Welfare)

NOTABLE CLIENTELE

"A customer is the most important visitor on our premises. He is not dependent on us. We are dependent on him. He is not an interruption in our work. He is the purpose of it. He is not an outsider on our business. He is part of it. We are not doing him a favor by serving him. He is doing us a favor by giving us an opportunity to do so."

Apart from the regular manufacturing of the products of national use such as currency, stamps, judicial and non judicial documents and certificates, SPMCIL is also host to an eclectic clientele of the various temples spread accross the Nation. SPMCIL provides refining services for the precious metals donated to these temples and is also engaged in the production of momentos/ coins for such places of spiritual value. Moreover, apart from them, numerous distinguished organisations i.e. RBI, MEA, DOP and certain valuable educational institutions are also associated with us as a client. Details of some of our distinguished clients are mentioned below:

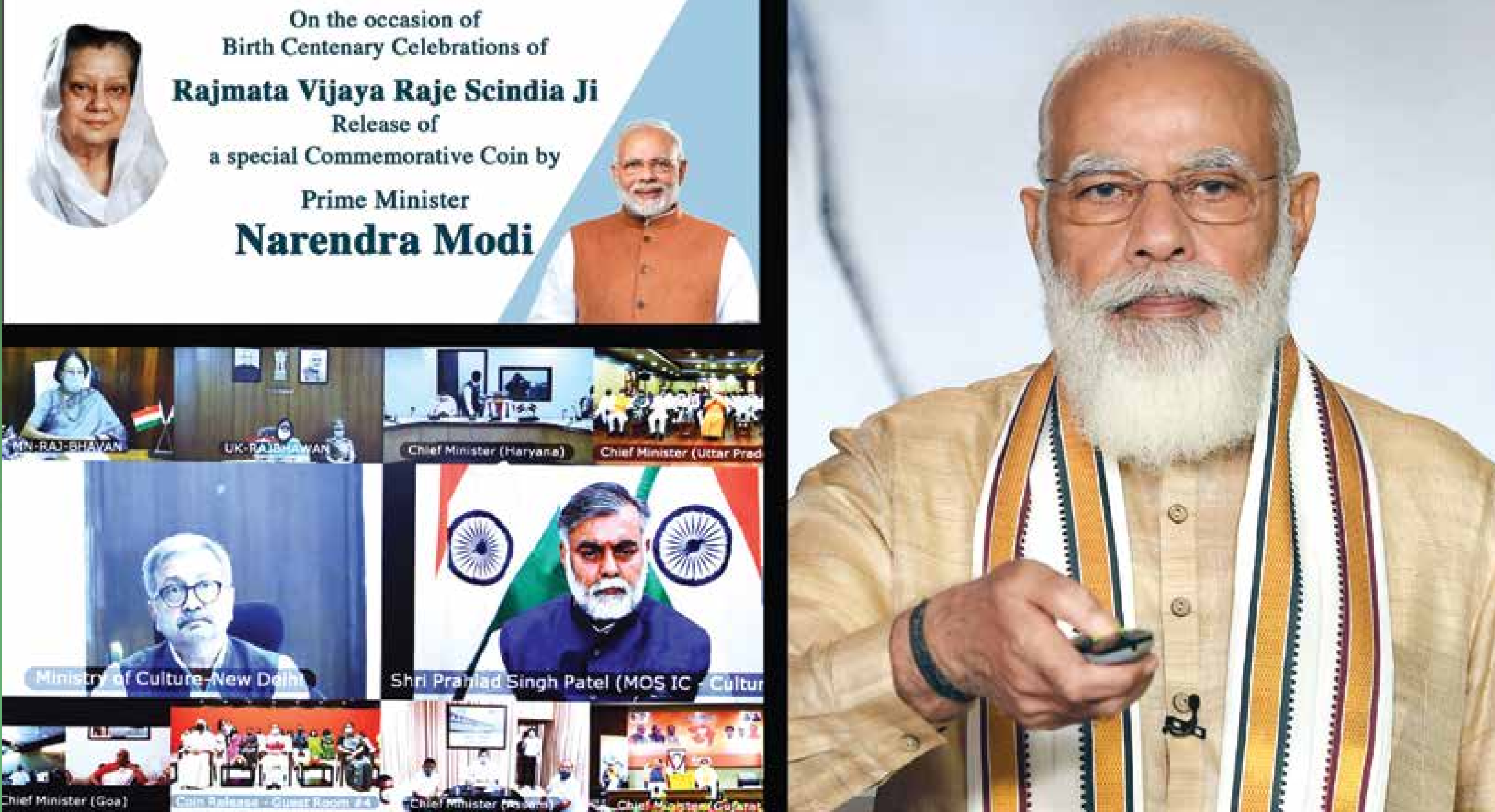
Government Organisations

Reserve Bank of India	Bank Notes
Ministry of External Affairs	Passports & Allied Booklets
Department of Posts	Postal Stationeries
Election Commission	Election Stationeries
Ministry of Home Affairs	Medals and Security Seal
Ministry of Defence	Medals, ID Cards
Ministry of Finance	Currency Notes, Coins

Prestigious Temples

Tirumala Tirupati Devasthanam	Gold Refining + Manufacturing Gold Pendants
Sidhivinayak Temple	Gold Refining + Manufacturing Gold Pendants
Sai Baba Sansthan Trust	Manufacturing Silver Coins
Mata Vaishno Devi Trust	Gold Refining
Sri Venkateswara Vari Dewasthanam	Gold Refining through SBI under Gold Monetisation Scheme
Sri Trikoteswara Swamy Temple	Gold Refining through SBI under Gold Monetisation Scheme
Sri Nettikanti Anjaneya Swamy Vari Devasthanam	Gold Refining through SBI under Gold Monetisation Scheme
Sri Varaha Lakshmi Narasimha Swamy Devasthanam	Gold Refining through SBI under Gold Monetisation Scheme
Attukal Temple	Gold Refining
Shree Jagadamba Devi Sarvajanik Trust	Gold & Silver Refining

Hon'ble Prime Minister Ji releasing Commemorative Coin on the occasion of 125th Birth Anniversary of Netaji Subhash Chandra Bose



Hon'ble Prime Minister Ji releasing Commemorative Coin via Video Conferencing on the occasion of Birth Centenary Celebration of Rajmata Vijaya Raje Scindia

Hon'ble Prime Minister Ji releasing Commemorative Coin via Video Conferencing on the occasion of Centennial Foundation Day of University of Lucknow

Directors' Profile

Brief profile of the Directors on Board of SPMCIL is furnished hereunder:

Ms. Tripti P. Ghosh
Chairman & Managing Director

Ms. Tripti P. Ghosh is a Post Graduate in Economics from Delhi University.

She belongs to 1994 batch of ICAS. She has wide experience of working in the various Ministries as a part of the accounting organization. She also held the position of Director(Finance) of NIFT, an autonomous organization under Ministry of Textiles. She was on Central Deputation from 2010 to 2015 and posted as Director (Pension Policy) and involved in policy formulation for the Central Government Pensioners. As Joint Controller General of Accounts, she was inter alia responsible for presenting the monthly status of the fiscal position of Government to Ministry of Finance.

Ms. Ghosh took over as CMD, SPMCIL w.e.f. 1st May, 2018. Ms. Ghosh is also Chairman of Bank Note Paper Mill India Pvt. Ltd. (BNPMIPL), a JV between SPMCIL & BRBNMPL.

Ms. Ghosh was presented with the award of CEO with HR Orientation by the World HRD Congress in their 28th Edition held on 15th February, 2020.

She is also recipient of CMD Leadership Award in the Mini Ratna Category 2 from Governance Now in the 8th PSU Awards conducted on 29th July, 2021.

Shri S.K. Sinha
Director (HR)

Shri S.K. Sinha started his career as Indian Railway Personnel Service (IRPS) Officer in 1993. He is Graduate (Hons) in English Literature, Bachelor of Law and has Post Graduate Diploma in HRM.

Earlier, he has worked in various capacities in Indian Railways managing large number of human resource, employee welfare and industrial relations, with stint at Bhilai, Bilaspur, Bhubaneswar and Guwahati and then with DMRC at Delhi.

In DMRC, he was responsible for setting up the organisation right from its initial days, and was in-charge of Capacity Building, Recruitment, Training, HR Consultancy, Establishment. In the capacity of General Manager (HR) in DMRC, he was instrumental in managing the entire HR framework of DMRC and also in providing consultancy for manpower planning, benchmarking, productivity and capacity building of a number of upcoming MRTS (Mass Rapid Transit Systems) in the country like- Jaipur, Kochi, Lucknow, Nagpur, Bangalore, Noida, Mumbai etc, including erstwhile PPP model Airport Line of Delhi. He has also co-ordinated Organisation & HR issues and best practices for benchmarking with Asian Metro systems and NOVA – COMET group of MRT systems in the world.

During 2013-14, he worked as an International Expert (Organisation & HR) in JICA funded Consultancy Project for Jakarta (Indonesia) Metro.

He joined as Director (HR), Security Printing and Minting Corporation of India Limited (SPMCIL) on 1st September, 2016.

In February, 2017, Sh. Sinha has been conferred with the prestigious "HR Leadership Award (PSU Focus)" in Global HR Excellence Awards organized by World HRD Congress in Mumbai. Under his leadership, SPMCIL bagged award for "Best Talent Organization of the year" at National Awards-Talent Management Leadership on 5th July 2019 at Mumbai organized by World HRD Congress & "Best in class for Training & Development" in the 18th Edition of the Asia Pacific HRM Congress held on 17th September, 2019 at Bengaluru. He has also been conferred with "Nurturing Leadership Award – 2020" for SPMCIL in January, 2020. It was based on a jury selection under the aegis of IIPA.

He is also a member on the Board of BNPMIPL (a joint venture of SPMCIL and Bharatiya Reserve Bank Note Mudran Pvt. Ltd, a subsidiary of RBI).

Shri Ajay Agarwal
Director (Finance)

Shri Ajay Agarwal joined SPMCIL as Director (Finance) w.e.f. 23rd November 2017. He is a Gold Medalist Commerce Graduate, Cost & Management Accountant and Masters in Business Administration (HR). He joined Indian Cost Accounts Service in the year 1992 and has served various Ministries & field organizations in various capacities. He has served Ministry of Food Processing Industries, Ministry of Finance, Ministry of Health & Family Welfare, Ministry of Commerce. He looked after around 110 subordinate offices spread across India during his tenure with Ministry of Health & Family Welfare as Director Administration & Vigilance. He was instrumental in bringing systemic improvements in the functioning of various offices of Ministry of Health like Central Government Health Scheme (CGHS), Port Health Offices (PHO), Airport Health Offices (APHO), Regional Offices and other health institutes of national prominence through numerous innovative measures.

He has also worked as Chief Vigilance Officer (CVO), IREDA under Ministry of New & Renewable Energy. He has served as Director (Finance), Delhi State Industrial and Infrastructure Development Corporation Limited (DSIIDC) for more than four years. Prior to joining SPMCIL, he served Office of Chief Advisor Cost, Department of Expenditure, Ministry of Finance as Advisor (Cost) for a short duration.

Shri Ajay Agarwal has travelled widely during his assignment with various Central Government Ministries and PSUs. He has attended various training programmes in India and abroad including short term course in Financial Analytical skills at London School of Economics (LSE) and in Public Private Partnership (PPP) at the Institute of Public Private Partnerships (IP3), Washington, a renowned institute of USA.

Shri Ajay Agarwal has more than 29 years of experience and expertise in corporate finance, corporate governance, capital structuring, equity and debt funding, strategic business planning, projects funding, treasury and financial management, financial and internal control, supply chain management, budgetary and cost control, process improvement, compliance, statutory and management reporting.

Ms. Meera Swarup
Director (Govt. Nominee, Ministry of Finance)

Ms. Meera Swarup joined Indian Audit and Accounts Service in 1988. She is presently working as Additional Secretary & Financial Advisor in Ministry of Finance, Government of India.

Prior to joining Ministry of Finance, She held the position of Director General (P&T Audit) and Director General (Hqrs.) in the Office of C&AG of India. She has worked as Principal Accountant General and Accountant General in the States of Gujarat, Rajasthan and Madhya Pradesh. She was posted as Director of External Audit at Geneva responsible for external audit of WHO, WIPO and IOM from 2010 to 2012. While on deputation with Government of India from 1994-1998, She worked as Deputy/Joint Director in the Fund Bank Division, Department of Economic Affairs, Ministry of Finance.

She has a Master's degree in Political Science from University of Delhi and has vast experience in administration, financial management, audit of State & Central Governments, Public Sector Companies and audit of International Organisations.

She has been appointed as a Govt. Nominee Director from the Department of Expenditure, Ministry of Finance and acting as part-time Director on the Board of SPMCIL w.e.f. 10th March 2016. She is also a Director on the Board of GSTN and IDBI Bank.

Dr. Shashank Saksena
Director (Govt. Nominee, Ministry of Finance)

Dr. Shashank Saksena, an Indian Economic Service officer from the 1987 batch, has degrees of M.A. in Economics, M.Sc. in Macro Economic Policy and Planning for Developing Countries, LL.B., and Ph.D. in Agricultural Economics.

He is Sr. Economic Adviser in the Department of Economic Affairs, Ministry of Finance and is involved with the formulation of financial sector policy and legislative reforms and financial stability issues. He has also worked on policy reforms in Agricultural Price Policy, Capital Market, External Commercial Borrowings, Banking Sector, Pension Reforms and State Finances in various Central Ministries. He has published several technical papers in many edited Books and News Magazines.

He has been nominated as Part-time Govt. of India Nominee Director from Ministry of Finance on the Board of SPMCIL w.e.f. 14th November 2019.

Ms. Punya Salila Srivastava
Director (Govt. Nominee, Ministry of Home Affairs)

Ms. Punya Salila Srivastava is an Indian Administrative Service Officer of AGMUT Cadre belonging to 1993 batch. She has done her B.Sc. (Hons) and M.Sc. in Physics from St. Stephens College, University of Delhi and Masters in Public Management from University of Maryland, USA in 2009.

She has been appointed as part-time Govt. of India Nominee Director from Ministry of Home Affairs on the Board of SPMCIL w.e.f. 24th February 2020.

Shri Prabhat Kumar
Director (Nominee, Ministry of External Affairs)

Shri Prabhat Kumar has been appointed as part-time end-user representative from Ministry of External Affairs on the Board SPMCIL w.e.f 24th May, 2021.

Born on 6th May, 1967, Shri Prabhat Kumar holds degree in Master of Arts in History. He joined the Indian Foreign Service (IFS) in 1991.

Presently, he is serving as Additional Secretary (Passport Seva Project) & Chief Passport Officer in the Ministry of External Affairs, Government of India. Prior to this appointment he was India's Ambassador to Republic of Kazakhstan. He has also served as Ambassador of India to Colombia and Equador. Earlier, he has served as Joint Secretary in charge of Energy Security & IT Division. He has also served in Protocol and Finance divisions of MEA and in Embassies in Spain, Croatia, Nepal and in the Permanent Mission of India to Conference on Disarmament in Geneva.

Shri Subrata Das
Director (Nominee, Reserve Bank of India)

He is post-graduate in Analytical & Applied Economics, graduate in Law and CAIIB. He has expertise and experience in currency management, banking regulation and supervision, payment and settlement systems, etc. Prior to the current assignment, he was Regional Director of RBI for the States of Telangana & Andhra Pradesh. He is on the Board of Bank of India. He is end-user representative from Reserve Bank of India (RBI) on the Board of SPMCIL, a Government of India Undertaking w.e.f. 6th November, 2020.

Col. Akhilesh Kumar Pandey
Director (Nominee, Department of Posts)

Colonel Akhilesh Kumar Pandey is a Post Graduate in History from Patna University, Patna. He belongs to 1995 Batch of Indian Postal Service. He has wide experience of 25 years in serving Department of Posts, Government of India in various capacities. He worked as Senior Superintendent of Post Offices, Bhopal Division and Vigilance Officer for Madhya Pradesh Postal Circle. He worked as Assistant Director General (Public Grievances), Department of Posts. He has also worked in Army Postal Service of Indian Army and worked in J&K and North East. He has commanded 2 CBPO popularly known as 99 APO as Colonel.

Presently, he is holding the post of Deputy Director General (Philately) in Department of Posts w.e.f. 15th June 2021. Before joining as DDG (Philately), he was Postmaster General (Postal Operations), Delhi Circle and played a key role in rationalising/optimizing Postal Network in NCT of Delhi to exceed the expectations of the public and setting up of Nodal Delivery Centres (NDC) for delivery of parcels.

He is end-user representative from Department of Posts on the Board of SPMCIL, a Government of India Undertaking w.e.f. 20th July, 2021.

Directors' Report

TO THE MEMBERS,

The Board of Directors of your Company is pleased to present 16th Annual Report on the performance of your company for the financial year ended March 31, 2021 along with Audited Financial Statements, Auditor's Report, Secretarial Auditor's Report & report by the Comptroller and Auditor General of India.

As a company which is a manufacturer of instruments of faith, SPMCIL is inspired by its vision to serve national priorities of producing state-of-the-art security products leveraging core competency and building design capabilities. With the commitment to aid the nation by manufacturing world class and highly secured banknotes, coins and security documents, SPMCIL has almost 100 years of security printing experience and over two centuries of experience in the field of minting.

PHYSICAL PERFORMANCE

Keeping in line with the past trend, Financial Year (FY) 2020-21 has proved to be yet another year of excellence and achievements. Backed by passionate and zealous workforce, your Company has prospered in following manner:

» **Bank Notes**

Your Company has produced 8288 million pieces of the Bank Notes and supplied 8764 million pieces of Bank Notes to Reserve Bank of India (RBI) during the year 2020-21. This is 15.64% lower than the production of 9824 million pieces of the Bank Notes during the last year i.e. 2019-20 and this reduction in production is due to lockdown declared by the Government of India to combat the outbreak of COVID-19 pandemic. Production of the Bank Notes per employee has decreased to 3.24 million pieces in 2020-21 as against 3.33 million pieces achieved during the last year 2019-20.

» **Circulating Coins**

Your Company has produced 2757 million pieces of the Circulating Coins and supplied 2963 million pieces of the Circulating Coins to RBI during the year 2020-21. This is 16% lower than the production of 3282 million pieces of Circulating Coins achieved during the last year 2019-20. Production of Coins per Employee has decreased to 1.53 million pieces in 2020-21 as against 1.55 million pieces achieved in the last year 2019-20. The decrease in the production of Circulating Coins is mainly due to reduction in the indent of Circulating Coins by RBI during the year 2020-21.

» **Security Paper**

Your Company has produced 6870 Metric Ton (MT) of Security Paper and supplied 6742 MT of Security Paper to the printing presses during the year 2020-21. This is 2% lower than the production of 7010 MT of Security Paper during the last year 2019-20. Production of Security Paper per Employee has increased to 7.35 MT in the year 2020-21 as against 7.03 MT achieved during the previous year 2019-20.

» **Security Inks**

Your Company has produced 600.42 Metric Ton (MT) of Security Inks in the year 2020-21 at Ink Factory, Dewas and supplied 595.97 Metric Ton Inks to printing presses during the year 2020-21.

This is 29.44% lower than the production of 850.93 MT of Security Inks during the last year 2019-20. Production of Security Ink per Employee has decreased to 8.96 MT in the year 2020-21 as against 13.30 MT achieved during the previous year 2019-20.

» **Passport / Non-Judicial Stamp Papers**

Your Company has produced 6.15 mpcs of travel documents/passport booklets in the year 2020-21 and supplied 5.97 mpcs travel documents/passport booklets to Ministry of External Affairs (MEA) during the year 2020-21. This is 58.22% lower than the production of 14.72 mpcs of travel documents/ passport booklets during the year 2019-20. Your company has also produced 241.29 mpcs of Non-Judicial Stamp Papers (NJSPs) in the year 2020-21 and supplied 244.47 mpcs NJSPs to various State Governments during the year 2020-21. This is 29.32% lower than the production of 341.36 mpcs of NJSPs during the year 2019-20.

FINANCIAL RESULTS

The Financial Statements of your Company for the year 2020-21 along with the comparative Financial Statements of 2019-20 have been prepared in accordance with Ind AS. The Revenue from Operations of your Company has decreased to ₹4712.57 crores in 2020-21 from ₹5099.71 crores (regrouped) in the previous year 2019-20. The decrease in revenue is due to lesser production consequent to reduction in indent of products by the customers and lockdown due to COVID-19 pandemic. Total expenditure for the year 2020-21 is ₹4094.00 crores as compared to ₹4133.38 crores (regrouped) for the year 2019-20. Profit before Tax (PBT) from continuing operations for the year 2020-21 is ₹789.74 crores as compared to ₹1176.69 crores (regrouped) for the year 2019-20. The Company has achieved a Total Comprehensive Income (TCI) of ₹395.99 crores in the year 2020-21 as compared to ₹745.07 crores (regrouped) in the year 2019-20. The consolidated TCI after taking into account the 50% share of Joint Venture Company, Bank Note Paper Mill India Pvt. Ltd. (BNPMIPL) is ₹523.78 crores in the year 2020-21 as compared to the Consolidated TCI of ₹875.64 crores (regrouped) in the year 2019-20.

The summary of audited financial results of the Company on standalone basis for the financial year 2020-21 vis-à-vis 2019-20 (regrouped) is given hereunder:

(₹ in Lakh)

PARTICULARS	F.Y. 2020-21	F.Y. 2019-20 (Regrouped)
Revenue from Operations	4,71,256.60	5,09,970.97
Add: Other Income	17,117.93	21,035.92
Total Income	**4,88,374.52**	**5,31,006.89**
Less: Total Expenses	4,09,400.27	4,13,338.18
Profit Before Tax (PBT)	**78,974.26**	**1,17,668.71**
Less: Taxation	36,593.15	45,137.88
Profit for the Year	**42,381.11**	**72,530.83**
Add: Other Comprehensive Income	(2,781.89)	1,976.06
Total Comprehensive Income	**39,599.22**	**74,506.89**
Reserves & Surplus	**3,82,066.60**	**3,64,014.97**
Net Worth	**4,80,816.67**	**4,62,765.04**
Borrowings	**-**	**-**
Final Dividend	**24,040.83**	**21,547.95**

ACTIVITIES AT A GLANCE

Your company is functioning through nine units of five production verticals i.e. India Government Mints, Currency Printing Presses, Ink Factory, Security Printing Presses and Security Paper Mill. A brief introduction of SPMCIL production network along with review of operational activities during the year 2020-21 is as follows:

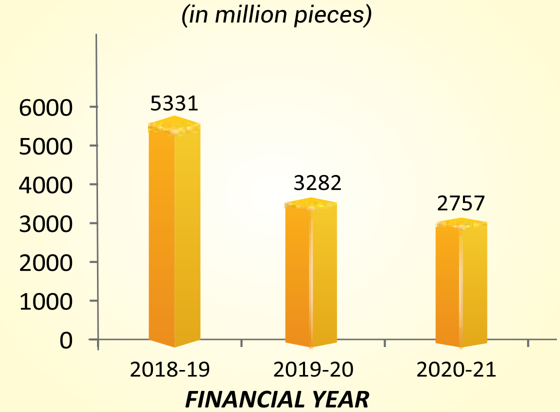
1. MINTS

Your Company's four Mints are positioned at Mumbai, Hyderabad, Kolkata and Noida.

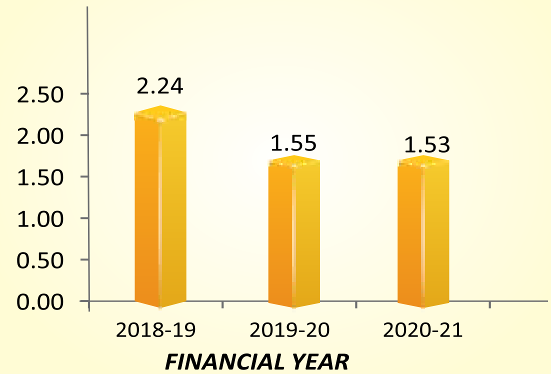
During the year 2020-21, the four mints have produced 2757 million pieces of Circulating Coins as against 3282 million pieces produced during the year 2019-20. The production per employee during the year 2020-21 has decreased to 1.53 million pieces from 1.55 million pieces during the year 2019-20.

During the year 2020-21, IGM, Noida has produced 961.98 million pieces of circulating coins as against 877.45 million pieces produced in the year 2019-20. IGM, Mumbai has produced 711.19 million pieces of circulating coins in the year 2020-21 as against 881.96 million pieces produced in the year 2019-20. IGM, Hyderabad has produced 459.53 million pieces of circulating coins in the year 2020-21 as against 807.07 million pieces produced in the year 2019-20. IGM, Kolkata has produced 624.69 million pieces of circulating coins in the year 2020-21 as against 715.95 million pieces produced in the year 2019-20.

Circulation Coins Production
(in million pieces)



Circulation Coins Productivity per Employee
(in million pieces)



COMMEMORATIVE COINS

During the year 2020-21, the following commemorative coins have been released:

» **Birth Centenary of Smt. Vijaya Raje Scindia**

India Government Mint, Kolkata has manufactured the Commemorative Coin of ₹100 denomination of QA on Birth Centenary of Smt. Vijaya Raje Scindia, which was released by the Hon'ble Prime Minister, Shri Narendra Modi on 12th October, 2020 as part of her birth centenary celebrations over virtual ceremony in the honour of Smt. Vijaya Raje Scindia's birth centenary.

» **75 Years of Food & Agriculture Organization (FAO)**

India Government Mint, Mumbai has manufactured the Commemorative Coin of ₹75 denomination of QA on 75 Years of Food & Agriculture Organization (FAO) to mark the long-standing relation of India with FAO, which was released by the Hon'ble Prime Minister, Shri Narendra Modi on World Food Day i.e. on 16th October, 2020 through Video Conferencing. Hon'ble Union Ministers, Shri Narender Singh Tomar and

Ms. Smriti Irani, Hon'ble Ministers of State, Smt. Debasree Chaudhury and Shri Kailash Chaudhary were also present.

» **125th Departure Anniversary of Sri Shyamacharan Lahiree Mahasaya**

India Government Mint, Mumbai has manufactured the Commemorative Coin of ₹125 denomination of QA on 125th Departure Anniversary of Sri Shyamacharan Lahiree Mahasaya, which was released by the then Hon'ble Minister of State – Finance and Corporate Affairs, Shri Anurag Singh Thakur on 24th October 2020 through virtual ceremony.

» **Centennial Celebration of University of Lucknow**

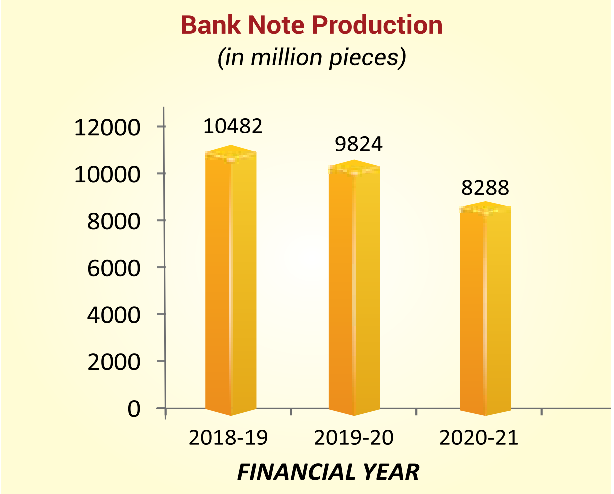
India Government Mint, Mumbai has manufactured the Commemorative Coin of ₹100 denomination of QA on Centennial Celebration of University of Lucknow, which was released by the Hon'ble Prime Minister, Shri Narendra Modi on 25th November, 2020, while attending the celebration of Centennial Foundation Day of University of Lucknow through Video Conferencing.

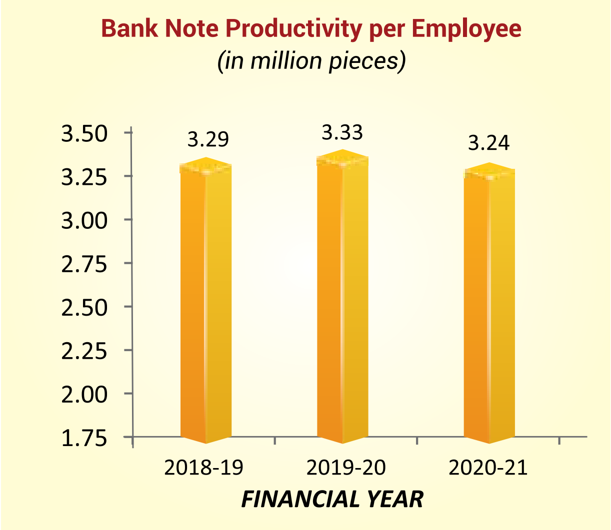
» **125th Birth Anniversary Year of Netaji Subhas Chandra Bose**

India Government Mint, Kolkata has manufactured the Commemorative Coin of ₹125 denomination of QA on 125th Birth Anniversary Year of Netaji Subhas Chandra Bose which was released by the Hon'ble Prime Minister, Shri Narendra Modi on the occasion of Netaji Subhas Chandra Bose's 125th birth anniversary at the 'Parakram Divas' celebrations held at Kolkata on 23rd January 2021.

2. CURRENCY NOTE PRESSES

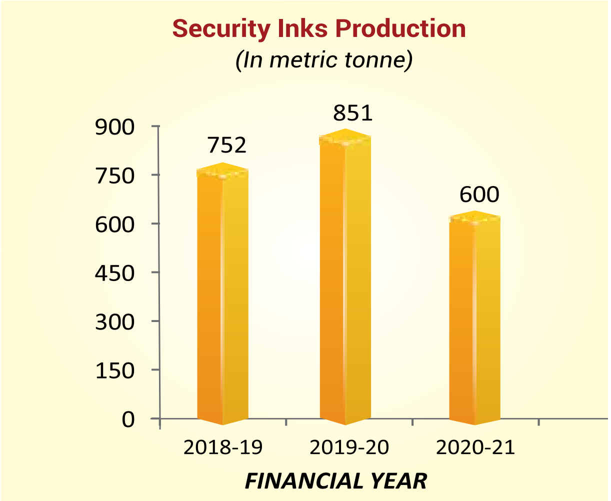
There are two Currency Printing Presses i.e. Currency Note Press (CNP), Nashik and Bank Note Press (BNP), Dewas. CNP, Nashik has produced 4428 million pieces of Bank Notes in the year 2020-21 as against 5205 million pieces produced in the year 2019-20. CNP, Nashik has supplied 4176 million pieces of banknotes to RBI during the year 2020-21 as against 4727 million pieces of Bank Notes supplied during the last financial year, 2019-20. BNP, Dewas has produced 3860 million pieces of Bank Notes in 2020-21 as against 4619 million pieces in the previous year 2019-20. BNP, Dewas has supplied 4588 million pieces of Bank Notes to RBI during the year 2020-21 as against 3726 million pieces of Bank Notes supplied during the last financial year, 2019-20.

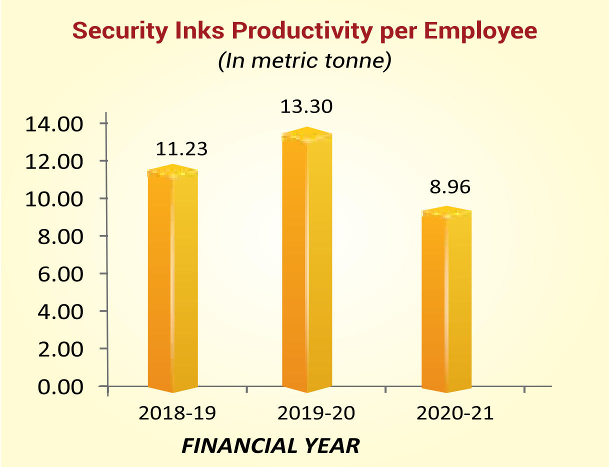




3. INK FACTORY AT DEWAS

Ink Factory is manufacturing Offset Ink, UV Ink and Quickset Intaglio Ink. During the year 2020-21, Ink Factory has manufactured 600.42 MT of Inks as against 850.93 MT of inks produced during the previous year 2019-20. Ink Factory has supplied 595.97 MT of Security Inks to printing presses during the year 2020-21 as against 861.09 MT of Security Inks supplied during the last financial year 2019-20.





4. SECURITY PRINTING PRESSES

There are two Security Presses, i.e. India Security Press (ISP), Nashik and Security Printing Press (SPP), Hyderabad. These Security Printing Presses are involved in the printing of various security products like Passport booklets, International Visa Stickers, Non-Judicial Stamp Papers (NJSPs), Postal Stamps & Stationery, MICR Cheques, Excise Labels, Certificates and other security documents.

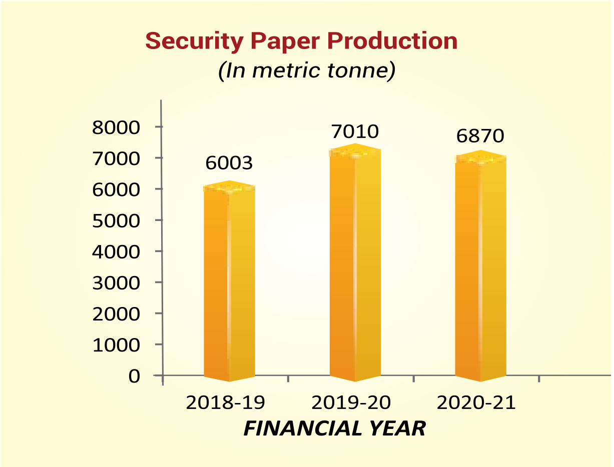
During the year 2020-21, your company has printed 6.15 million pieces of travel documents/ passport booklets as against 14.72 million pieces in the previous year. The decrease in the production of travel documents/passports is due to decrease in indent from Ministry of External Affairs. During the year 2020-21, your Company has printed 241.29 million pieces of NJSPs as against 341.36 million pieces printed during the year 2019-20.

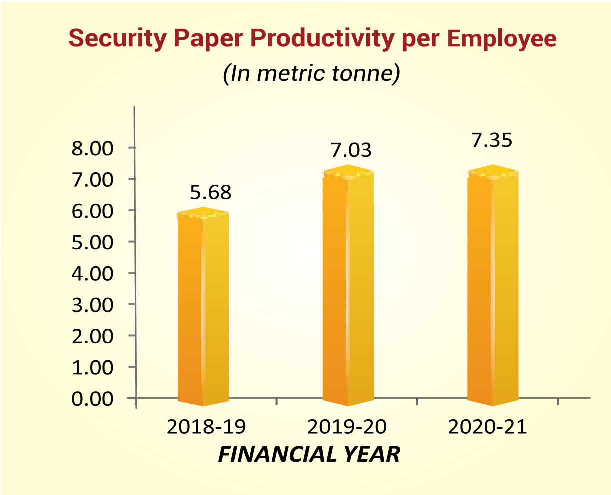
5. SECURITY PAPER MILLS

(a) Security Paper Mill, Hoshangabad

Security Paper Mill (SPM), Hoshangabad is manufacturing different types of Security Papers. Security Paper manufactured by this unit is used for printing of Bank Notes and other security documents by the Printing Presses of the Company.

During the year 2020-21, your company has produced 6870 MT of Security Paper and supplied 6742 MT of Security Paper to the presses. This is 2% lower than the production of 7010 MT of Security Paper during the year 2019-20.





(b) Bank Note Paper Mill India Private Limited (BNPMIPL)

SPMCIL has a Joint Venture Company in the name of Bank Note Paper Mill India Private Limited (BNPMIPL). It is a Green-Field project of CWBN Paper manufacturing having total capacity of 12000 MT per annum consisting of two state-of-the-art technology paper lines of the capacity of 6000 MT each per annum. BNPMIPL has produced 14807.52 MT of Security Paper during the year 2020-21 against the production of 15874 MT during the previous year 2019-20.

MODERNISATION AND CAPACITY AUGMENTATION

The details of the modernization and capacity augmentation initiatives of the Company are as under:

Currency Presses

» The replacement of one complete Printing Line comprising of Offset, Intaglio, Numbering & Finishing machines has been completed at CNP, Nashik. CNP, Nashik has also done installation of Online Print Quality Inspection System for 03 Super Orlof Intaglio Machines. Further, the installation of one additional Intaglio Machine and replacement of One Numbering Machine are in process at CNP, Nashik.

» The installation, Commissioning, FAT and Training of one Bank Note Processing Machine was completed at BNP, Dewas on 13.03.2021 resulting into enhancement of installed finishing capacity by nearly 1200 mpcs. Further, the Installation, Commissioning, Testing & FAT of one Intaglio machine was completed at BNP, Dewas on 30.03.2021 resulting into increase in installed Intaglio printing capacity by around 1200 mpcs.

Ink Factory

» In accordance with the recommendations of Group of Experts (GoE), installation of Cone & Plate Viscometer, Technimek proofer and X-rite Spectrodensitometer has been completed at Ink Factory, Dewas.

Mints

» IGM, Kolkata has acquired a portable XRF which is useful for the quantitative estimation of precious metal alloys along with Platinum Group metals in the gold samples as well as in standardizing with CRMs of Gold, Silver, Copper and Lead samples. This detection procedure is a Non-destructive one. The machine is portable and may be carried to the store for heavy weight sample analysis.

» IGM, Mumbai has done installation & commissioning of two numbers of Hydraulic Medal Stamping Presses. The Stamping of medals & coins on these Hydraulic medal presses is expected to achieve good design relief.

» IGM, Hyderabad has installed the following machines/equipment:

- Microprocessor based Compact FCBC Panel in the 33/11 KV Min substation for 110 DC Control voltage.
- Interconnection of cooling tower of compressor.

- 5 nos. of 0-12KV 500A DC Rectifier for Assay Department.

Printing Presses

» ISP, Nashik has replaced the Grapha Register & counter control system to digital system as per the recommendations of OEM.

» SPP, Hyderabad has installed and commissioned 2 nos. high speed automatic Guillotine machines. The retrofitting of equipment for online post printing operations of Excise Adhesive Labels on Rotatek-III machine and installation of 2 nos. automatic programmable perforating machines at SPP, Hyderabad are in progress.

Paper Mill

» SPM, Hoshangabad has installed new automated boiler having improved efficient system in place of old boiler no.4. The new boiler is equipped with dual fuel burner in which two types of fuel i.e. furnace oil and LPG may be used. Installation of new boiler has resulted into saving energy and pollution control. SPM, Hoshangabad has also installed colour fiber detector for new pulp plant. The magic eye technology combines multiple detection principles which eliminate all kind of synthetic material including white and transparent polypropylene. The system detects very small foreign particles and thus, helps improve the acceptance of final paper.

» SPM, Hoshangabad has also done up-gradation of 3 nos. Guillotine machine and silk dosing panel control system. Installation of colour marker (8 nos.) at paper machine for thread unwind system has also been done at SPM, Hoshangabad. This has resulted into marking only for missing thread in place marking the entire sheet. Automatic Shredding and briquetting machine has also been installed at PM#5 for shredding of reject sheets and the output of machine would be in the form of briquettes. This has led to eco-friendly disposal of spoil paper. The Sheet Collection & Stacking Machine at PM#5 Pasaban Sheeter has also been installed at SPM, Hoshangabad.

HUMAN RESOURCE MANAGEMENT

Your Company believes that its Human Resources are the true assets and recognizes their contribution in providing it the competitive advantage. The Company has achieved its present level of excellence through investment in its human resource. Manpower strength of your Company at the end of the year 2020-2021 was 7234. The major initiatives during the year are listed as below:

Learning and Development:

Your Company's approach to management development is founded on the belief that learning initiatives must remain synergistic and aligned to business outcomes. Towards this end, your Company has assiduously built a culture of continuous learning, innovation and collaboration by providing cutting edge learning and development support to the managers. In the year 2020-21, in view of the travel restrictions imposed by the outbreak of COVID-19, web learning training programs were introduced. A Training Calendar of online learning programs was notified and implemented across the Company to cater to the general managerial development of all Executives. Various in-house Programs were also conducted on a virtual platform by engaging expert faculty. To cater to the enhancement of technical and behavioural skills of the supervisors and workmen, all the Units of the Company had prepared their own unit-specific training calendars and their progress was monitored.

Employee Welfare measures during COVID 19:

The COVID-19 pandemic has cast unprecedented challenges and your Company has taken a host of measures to ensure employee well-being and business continuity as summarised below:

» Various measures were taken to contain the spread of COVID-19. Guidelines & SOPs issued by the Ministry of Health & Family Welfare, Department of Personnel & Training and Department of Public Enterprises were notified and implemented from time to time to all units to take all required measures to appropriately deal with the situation.

» The production activities resumed in the end of May, 2020 after implementation of necessary SOPs.

» An Emergency Response Team (ERT) was appointed at each Unit to work under supervision of Chief General Managers for close monitoring of all preventive measures and to provide immediate help in positive cases/employees identified with symptoms.

» A Compensation Policy was also introduced under which the family of the deceased employee of SPMCIL, who was earlier attending to duties, and died due to COVID infection, is being provided monetary compensation of ₹25 lakh and ₹10 lakh compensation to the family of the re-employed consultants, contractual labourers, watch & ward, housekeeping staff, etc.

» Based on the requirement, camps for testing of COVID-19 were set up at various Units and also at Corporate Office. Further, free vaccination drives were also organised at several units for the employees and for their family members.

» To give all possible help to SPMCIL employees in this time of distress, if any regular employee /retired employee and their dependent covered under Company's Medical Policy is diagnosed with COVID positive and the treatment for patient is either not available in the Company empanelled hospital or the hospital charges are more than the prescribed rates, it is decided that the expenditure is to be reimbursed to such persons on actual basis.

Career Progression of Non Executives to Executives cadre: After notification of a common gradation list for all Senior Supervisors of the Company, for the first time the departmental selection process for promotion to Executive cadre was undertaken and 39 Sr. Supervisors were promoted to E-1 level as Executives.

Succession Planning: Your Company has implemented the Succession planning policy to identify and develop potential successors. For the purpose of their development, potential successors to critical positions at E-6 level and above were conducted by the Top Management.

Harmonious Employee Relations: The Industrial relations were cordial and peaceful throughout the year and no loss of man-days was reported. Apex Bipartite Forum Meeting between the Management and Union representatives was held on 25th and 26th September 2020 through virtual mode considering the pandemic situation to discuss various issues related to employees/ production.

Representation of Priority Section: Your Company has been complying with the Presidential Directives and other instructions / guidelines issued from time to time pertaining to Policies and Procedures of Government of India with regard to reservation, relaxations, concessions etc. for Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Classes (OBCs) and Persons with Disabilities (PWDs) in Direct Recruitment. As notified by the Govt. of India, the guidelines pertaining to EWS Category have also been implemented across the Company. Details with regard to group-wise total number of employees and the representation of Scheduled Castes, Scheduled Tribes and Other Backward Classes and Persons with Disabilities amongst them in your Company as on 31st March 2021 have been given at **Annexure-I** to this report.

IMPLEMENTATION OF OFFICIAL LANGUAGE

During the year 2020-21, the compliance of the Official Language Policy, Act, and Rules etc. was carried out in the Corporate Office and all nine Units of the Company. All the documents to be issued under Section 3(3) of the Official Language Act, 1963 were compulsorily issued in the bilingual form. The Official Language fortnight, Hindi week etc. were successfully organized in all the Units including the Corporate Office on the occasion of Hindi Divas. The meetings of the Official Language Implementation Committee were held regularly in every quarter in the Corporate Office and the Units.

Unicode is available on all computers to facilitate work in Hindi at Corporate Office and Units. The officers and employees are regularly trained through Unicode specific workshops to work easily in Hindi. The check points and incentive schemes were implemented for the promotion of Official Language in Corporate Office and Units.

Apart from the above, the following important works were done in the field of Official Language in the Company during the year 2020-21:

Publication of first edition of E-Magazine "Abhivyakti"

On the occasion of Hindi Diwas i.e. 14.09.2020, the first edition of the Official Language E-Magazine "Abhivyakti" was released through electronic medium by CMD, Director (HR), Chief General Manager (HR), Additional General Manager (TO) and Deputy Manager (HR). This magazine was also uploaded on the website of the Company and also on the website of the Department of Official Language, Ministry of Home Affairs.

Release of first edition of E-Magazine "Abhivyakti" by CMD, Director (HR) & other Senior Officers at Corporate Office, New Delhi

Official Language Training & Conference

Under the aegis of the Corporate Office, an online Official Language Conference was organized at the Corporate Office on 17.02.2021 for the officers of Official Language and translators posted at the Corporate Office and all the Units of the Company. The conference was inaugurated by Ms. Tripti P. Ghosh, CMD in the presence of Shri S.K. Sinha, Director (HR), Shri Ajay Agarwal, Director (Finance), Shri B.J. Gupta, Chief General Manager (HR) and Shri Prakash Kumar, Deputy General Manager (HR). The bilingual version of the Company's Conduct, Discipline and Appeal Rules, 2020 was also released by the Senior Management during the conference.

Inspection of the Corporate Office by the Third Sub-Committee of the Committee of Parliament on Official Language

The progress of work in the Official Language at the Corporate Office of the Company was inspected on 27.10.2020 by the third sub-committee of the Hon'ble Committee of Parliament on Official Language. This was the first inspection of the Corporate Office by the Committee. In this inspection, SPMCIL successfully played the role of coordinating office. Shri Bhartruhari Mahtab, Deputy Chairman, Committee of Parliament on Official Language thanked CMD, SPMCIL for excellent co-ordination.

The Dy. Chairman, Committee of Parliament on Official Language presenting book on instructions regarding use of Official Language to CMD, SPMCIL

Official Language Inspection of subordinate Units by Corporate Office

During the year 2020-21, the official language inspection was conducted by the Corporate Office at SPP, Hyderabad and IGM, Hyderabad on 9th – 10th March, 2021 and 11th March, 2021 respectively.

Hindi Poetry Recitation Competition under the aegis of Town Official Language Implementation Committee, Delhi (Undertaking-2)

"Hindi Poetry Recitation Competition" was organized successfully on 19.03.2021 for the participants of the member offices of the Committee under the aegis of Town Official Language Implementation Committee, Delhi (Undertaking-2) for the purpose of promotion of official language. Sh. S.K. Sinha, Director (HR), SPMCIL inaugurated the function along with Sh. B.J. Gupta, CGM (HR) and other distinguished members on stage. In his address, Shri S.K. Sinha congratulated Town Official Language Implementation Committee, Delhi (Undertaking-2) for successfully organizing official language activities and expressed his good wishes for the upcoming programs. In this program, all the participants recited the poems of famous Hindi poets like Mahadevi Verma, Ramdhari Singh Dinkar, Suryakant Tripathi 'Nirala' Sumitranandan Pant and Jaishankar Prasad. 32 participants participated in the competition from various organizations and prizes were given to the winners.

Digital Board Display

To increase the use of Hindi in the Corporate Office and Units, digital boards have been installed and new word and thought are being displayed daily.

Important Translation work

The Hindi Section has timely provided the Hindi translation of the Annual Report of the Company for the year 2019-20, MoU for the year 2020-21 and also of the Company's Conduct Discipline and Appeal Rules, 2020.

Official Language Awards and Honors

1. Security Paper Mill, Hoshangabad has been selected by the Government of India, Ministry of Home Affairs, Department of Official Language for the first prize in the category of Central Region Undertakings for the Best Official Language Implementation in the year 2019-20.
2. India Government Mint, Noida has been selected by the Government of India, Ministry of Home Affairs, Department of Official Language for the first prize for the Best Official Language Implementation in the category of Northern region Undertakings in the year 2019-20.
3. Bank Note Press, Dewas was awarded the first prize for the Best Official Language Implementation during the year 2019-20 by the Town Official Language Implementation Committee, Dewas.
4. India Security Press, Nashik was given the Third prize by Town Official Language

Implementation Committee, Nashik for better Official Language Implementation during the year 2019-20.

5. India Government Mint, Hyderabad (Cherlapally) was awarded the 3rd prize by the Town Official Language Implementation Committee, Hyderabad for better Official Language Implementation during the year 2019-20.

6. Security Printing Press, Hyderabad was awarded the Third prize for the better implementation of Official Language during the year 2019-20 by the Town Official Language Implementation Committee.

7. Currency Note Press, Nashik was awarded the Third prize by Town Official Language Implementation Committee for better implementation of Official Language and for in-house journal "Mudra Bharati" during the year 2019-20.

VIGILANCE ACTIVITIES

1. Vigilance department is headed by the Chief Vigilance Officer (CVO). Vigilance team has been constituted at each Unit and Corporate Office of the Company consisting of officers of the Company deputed on a fixed tenure basis in the Vigilance Department.

2. In order to create a conducive environment for fair decision making, Vigilance Department focuses more on preventive vigilance, systemic improvement and use of technology to reduce human interface instead of punitive vigilance. Further, it ensures implementation of laid down guidelines/procedures through preventive checks of tenders and contracts, execution of works and other functions as well as carry out investigation of complaints.

3. There were 52 complaints in the beginning of the financial year brought forward from the previous financial year. During the financial year, 113 complaints were received and 124 complaints have been disposed of. Despite COVID-19 pandemic, 6 CTE type inspections were conducted.

4. During scrutiny of complaints, CTE type reports, inquiry reports, etc. Vigilance Department has noticed some irregularities. To plug irregularities Vigilance Department issued 15 new circulars. These circulars were also uploaded on SPMCIL's website under CVO corner.

5. During the Financial Year 2020-21, various new initiatives have been taken by the Vigilance Department by using technology as a preventive vigilance tool. A brief summary of these initiatives is given below:

    » **Online Vigilance Status:** Earlier SPMCIL Vigilance Department was issuing the vigilance status manually which was taking a lot of time and effort. To reduce the same & making the process paperless, Vigilance Department has taken the initiative to issue online Vigilance Status through SAP which resulted in issuance of Vigilance status on same day in most of the cases.

    » **Vendor Payment details:** SPMCIL Vigilance Department constantly strives to ensure that SPCMIL makes payment within the prescribed time limit including e-payments. The matter has also been raised with SPMCIL management by CVO, SPMCIL. As a result, there is improvement in the timely payment process. The e-payment has been 98% (approx.) of the total payments. Further, as a new initiative to promote transparency all payment detail made to vendor are available on company's website.

- **GeM Procurement at SPMCIL:** SPMCIL Vigilance Department has emphasized use of GeM Portal for procurement of goods/services. As a result, Government e-Marketplace has been enabled in SPMCIL which is providing multiple benefits i.e. transparency, easy to search, compare, select and buy and user friendly dashboard for monitoring supplies and payments.
- **CPP Portal:** Vigilance Department has emphasized for uploading all tenders in CPP Portal. A circular for uploading all tenders issued on nomination basis or PAC tenders on CPP Portal has been issued. As a result, SPMCIL has enabled Government CPP Portal for tender published across all the units of SPMCIL.
- **Video Conferencing:** The Video conferencing has been enabled across all the units which is being used extensively for all important meetings, seminars, trainings, etc. Vendor Meets have also been conducted in various units through Video Conferencing. This has resulted into huge saving of time and travelling cost.

6. Systems Improvements undertaken:

a) **Official Tours–TA/DA reg.:** During scrutiny of a complaint, irregularities observed regarding fake claim of bills. In view of this, SPMCIL Vigilance Department has taken-up the matter at appropriate level and given the following suggestions as a system improvement measure to avoid its recurrence in future:

'Officials deputed on tour should book their tickets/hotels for both domestic and international official tours through website/authorized travel agent and should pay the amount for the same through credit/debit/prepaid card/online banking. The proof of payment should be invariably attached while settlement presenting the claims for settlement.'

b) **Online platform for inviting bids:** During surprise inspection, some irregularities were noticed regarding calling of bids through emails, which is an open communication and there is a possibility of malpractice of revealing of rates and/ or deleting of emails if there is any vested interest/ connivance. In this regard, Vigilance Department has taken up the matter to appropriate authorities and as a sequel, now bids are being invited through online platform created for this purpose by IT Department of the Company.

c) **Complaints concerning to Commemorative Coins:** SPMCIL Vigilance Department was in receipt of complaints related to commemorative coins booking/ status of booked coins/non-receipt of booked coins, non-registration of booking of coins, etc. In this regard, Vigilance Department has given the following suggestions as part of system improvement measures which not only reduce the number of complaints (subsequently reduce the man-hour handling this complaint) but also helped to encourage the sale of commemorative coins by reduction in the number grievances of the potential customers:

» At SPMCIL website (also on all the units' website) the contact details of SPMCIL officials for the following purpose may be provided regarding booking of commemorative coin, etc.

1. Name, Designation and Contact Details for coin booking/coin booking details/status of booked coin / non-receipt of booked coin, etc.

2. Name, Designation and Contact details for difficulty in registration process / technical support / IT related problem.

3. Name, Designation and Contact details of higher authority in case problem not resolved/solution not provided by person at Sr. 1 & 2 above.

» FAQs may also be uploaded on the website for frequently occurring problems related to commemorative coin booking, registration process, etc. which will further help in reducing the grievances.

d) **Annual Property Return (APR):** Executives/officials of SPMCIL were filling the statement of immovable/movable property manually till date. On the initiative of vigilance department filing of Annual Property Return (APR) has been fully digitalized.

e) **CCTV Camera:** As a transparency measure, a suggestion has been given that bid opening process may be held under the surveillance of CCTV camera. In this regard, a circular has been issued to all concerned.

f) **Participation of Vendor's Representative in Bid opening process:** To enable the vendor's representative to participate in bid opening process amid COVID-19 pandemic, it was suggested that firms may be allowed to participate in bid opening process through video conferencing. In this regard, a circular has been issued with wider publicity to all concerned.

Activities during Vigilance Awareness Week (VAW):

» The Vigilance Awareness Week was observed with the theme of the week **'Vigilant India, Prosperous India'** between 27th October 2020 to 2nd November 2020.

» During the Vigilance Awareness Week, various activities like workshops/ interactive sessions with the executives, lectures/ seminars by prominent faculty, vendors/suppliers meet through video conferencing, essay writing/poster competitions, quiz competition through WhatsApp group etc. were organized duly observing the COVID-19 protocol. These activities helped to create awareness among employees about ill effects of corruption.

» An in-house magazine of Vigilance Department, **'Satarkvani', Vol-VI** was released by CMD, SPMCIL during Vigilance Awareness Week.

On perusal of the report of observance of Vigilance Awareness Week, Central Vigilance Commission has lauded the efforts of SPMCIL Vigilance Department.

GLIMPSES OF VIGILANCE AWARENESS WEEK 2020

ERP BASED INTEGRATED INFORMATION SYSTEM

IT Key Projects, Developments and Achievements

In the Year 2020-21, the full potential of Information Technology has been unlocked with the digital transformation in SPMCIL in line with Digital India initiatives of Govt. of India resulting into saving of time, cost, efforts and bringing transparency in the system to achieve the business objectives of the Company more efficiently. The digital transformation eases the existing complex processes into user friendly environments using the state-of-the-art technology. Numerous IT projects have been undertaken to ensure that the Company attains its mission by using advanced IT technologies for process improvements in a transparent, cost-effective and efficient manner.

SPMCIL's IT department has effectively adapted latest technologies for transformation of SPMCIL's business processes. It involves automating and securing various repetitive, low added value tasks – something that is most often achieved by digitizing the relevant tools, so that the company can focus on its core business and thereby increase productivity and competitiveness.

I. Innovation Strategy and Projects

Active innovation strategies involve defending existing technologies while being prepared to respond quickly once technologies are proven. SPMCIL's IT department has achieved the business transformation by utilizing the modern technologies. The project for Technical Refresh of IT and non-IT Infrastructure at DC and DRC with an objective to upgrade to latest technology is in process. This crucial initiative is to meet the existing requirements of the organization viz. e-Procurement, e-Office, new website and e-commerce, dynamic dashboards for real time data analysis and information reporting. Therefore, it is imperative to upgrade to the latest technology and hardware for integration of various applications and to have a robust system across the Company. The technical upgrade will enable handling bigger data, real-time analytic capability, scalable solutions, flexibility and versatility.

II. Change Management - Spearheading Information Systems Transformation

IT department has been crucial in achieving automated reporting using Business Intelligence applications for data monitoring and reporting. Manual reporting has been eradicated, which was an arduous journey for converting the manual legacy reporting system to SAP generated Business Intelligence report. Management dashboards with real-time reporting from all business verticals of SPMCIL have been achieved successfully. More than 120 plus reports have been developed and implemented specifically according to business verticals i.e. currency printing, minting, paper mill & security printing etc. in SAP BI system for monitoring and reporting daily, weekly and monthly production, Inventory and finance reports to the Top Management of the Company. In addition, numerous KPI based dashboards have been designed and made live with graphical representation of data reporting. These BI MIS reports and dashboards will benefit users across SPMCIL with deep analytical insights concerning to Finance, Production, Inventory Management and Human Capital Management.

III. E-Governance projects implemented & in-progress at SPMCIL

In compliance of guidelines issued by the Government of India, key e-Governance systems were registered and activated like the Foreigner Visitor Management System required by MHA, registration in the SAMANVAY portal for CPSEs, GEM portal registration for e-procurement across SPMCIL units etc.

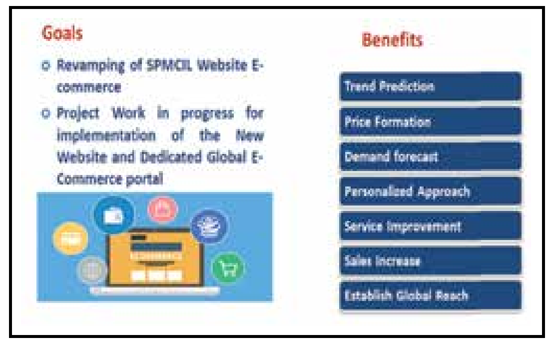
Digitization of Records

Physical records are very hard to deal with on an everyday basis as it requires immense amount of space, manpower and high maintenance which takes a toll on budget as well. The digitization of the records plays a pivotal role in seamless access, retrieval and distribution of records with safety and security. The benefits of records digitization are manifold including easy storage and preservation for digital files, easy to copy and store in multiple locations, quick access and easily retrievable, safe from natural calamities, etc. A robust strategy has been earmarked with phase wise digitization activities across SPMCIL with initial steps of creating a well accounted record room for the archived records and running records.

Business Enablement - Positioning SPMCIL as an International Brand by E-Commerce

a. Website Revamp & E-commerce Portal for Global customers

To capture a larger share of the fast-growing e-commerce market in the commemorative coin and other non-coinage verticals, the project of implementation of New Website and Global E-commerce portal is underway in line with global standards to establish SPMCIL as an International brand. At present domestic e-commerce portal is active catering to Indian customers.



b. Implementation of E-Tendering methods in SPMCIL

The implementation of e-tendering/e-procurement methods provides listing of products / services, integrated payment system, multiple procurement modes and brings in transparency and objectivity.

c. Digital Marketing Strategy

In today's online world, digital marketing is essential. It is one of the best ways to grow the business. IT Team is working to bring in the best digital marketing strategies to achieve the business goals.

IV. Cost Efficiency

a. E-Office:

The implementation of e-Office at SPMCIL has ensured a digital workplace solution for an efficient and open working environment by streamlining workflow for both Head office and units making them paperless.

b. Video Conferencing:

Video Conferencing Solution was successfully applied across the Company. Video conferencing has been crucial factor in boosting productivity, saving time, reducing travel expenses, and promoting collaboration across SPMCIL units. Due to the implementation of VC across SPMCIL, the Foundation Day celebrations could be held successfully over OTT platform to recognize the contributions and encourage the employees and units of SPMCIL. The advantages of VC in SPMCIL have been harnessed to the full during COVID-19 global pandemic. SPMCIL units were enabled and empowered throughout the lockdown period by being in constant communication with Corporate Office.

SWACHHATA PAKHWADA

SPMCIL celebrated the 'Swachhata Pakhwada' in accordance with the initiatives of Government of India and organized the cleanliness drive in all the Units of the Company. Accordingly, the Company initiated necessary action to sensitize its employees across all the units about cleanliness and sanitation. The programme has improved hygienic conditions of living of the employees in the factory/office premises.

EVENTS

» **Payment of Dividend of ₹215.48 crores to Govt. of India for F.Y. 2019-20**

SPMCIL has paid a Final Dividend of ₹215.48 crores to the Government of India for F.Y. 2019-20 in compliance of the Guidelines on Capital Restructuring of CPSEs issued by DIPAM. The blow-up of dividend cheque was presented on 14.01.2021 by Smt. Tripti P. Ghosh, CMD, SPMCIL along with Shri Ajai Kumar Srivastav, the then Director (Technical), SPMCIL to Hon'ble Union Minister of Finance, Smt. Nirmala Sitharaman in the august presence of Shri Tarun Bajaj, the then Secretary, DEA and Dr. Shashank Saksena, Senior Economic Advisor (C&C), DEA, Ministry of Finance.

» **Celebration of 74th Independence Day across SPMCIL**

All the Nine Units of your Company celebrated the 74th Independence Day enthusiastically. The programmes started with ceremonial hoisting of National Flag, tree plantation etc. with limited employees' presence on this occasion due to COVID-19 pandemic. During the Independence Day Celebration, the theme of "Atmanirbhar Bharat" was also publicized. Covid-19 warriors who have worked diligently were also recognized for their noble service in the fight against Covid-19.

» **Celebration of 16th Foundation Day on 08.04.2021 through digital mode.**

SPMCIL celebrated its 16th Foundation Day on 08.04.2021 through digital mode. Ms. Tripti P. Ghosh, CMD, SPMCIL presented the certificates to the Corporate Office employees for their excellent performance during the year 2019-20 in the presence of Dr. Shashank Saksena, Senior Economic Advisor, DEA, Ministry of Finance, Shri S.K. Sinha, Director (HR.), Shri Ajay Agarwal, Director (Finance) and Ms. Mamta Singh, the then CVO.

The Chief General Managers presented the certificates to the employees for their excellent performance in their respective 9 units during this occasion. On this occasion, awards for outstanding performance for the year 2019-20 in various categories were also presented to the Units of SPMCIL. Prestigious CMD Cup was bestowed to BNP, Dewas for overall performance amongst the Units.

CMD presenting certificate for excellent performance to officer of SPMCIL Corporate Office

» SPM, Hoshangabad accredited with ISO/IEC 17025:2017 Certification

- Security Paper Mill, Hoshangabad awarded with the ISO/IEC 17025:2017 certification by National Accreditation Board for Testing and Calibration Laboratories (NABL), on 03.08.2020. NABL accreditation brings enhanced Competency in testing, raises customer confidence and satisfaction in testing certificate issued by the laboratory with universal acceptability in the open market which provides greater access for its products in both domestic and International markets.
- SPM, Hoshangabad received "ISO 45001:2018" certificate of its Occupational Health and Safety Management System in conformity to the requirements of ISO 45001:2018. In the process, Security Paper Mill has achieved a milestone of becoming the first among nine units to secure ISO 45001:2018.

"ISO 45001:2018" Certification to SPM, Hoshangabad

- SPM, Hoshangabad has also been awarded with renewed certification of ISO 9001:2015 (Quality Management System) and ISO 14001:2015 (Environment Management System) by AQC Middle East FZE, UAE with validity upto 08/03/2024.

AWARDS

» The PSU LEADERSHIP AWARD – CMD of the Year

Ms. Tripti P. Ghosh, Chairman and Managing Director was awarded with the prestigious Governance Now PSU LEADERSHIP AWARD – CMD of the Year on 29.07.2021. The award was conferred by Erstwhile Lieutenant Governor of Puducherry, Ms. Kiran Bedi and received by Shri S. K. Sinha, Director (HR) on behalf of CMD, SPMCIL in a ceremony held through electronic mode.

» National Award for Excellence in Cost Management-2019

SPMCIL received National Award for Excellence in Cost Management-2019 from the Institute of Cost Accountants of India for wining **First Position** under the Category **Manufacturing- Public- Medium**.

» Digital Transformation Leader of the Year (CIO/CTO)

Shri Ram Sahai Goojar, Addl. General Manager (IT) was awarded the prestigious

Governance Now PSU award for Digital Transformation Leader of the Year (CIO/ CTO) on 29.07.2021.

» CNP, Nashik received Maharashtra safety award declared under Scheme – II Longest Accident Free Period Under Light Engineering Group under Maharashtra Safety Award Competition – 2019 from National Safety Council, Maharashtra Chapter.

SECURITY AND SAFETY

Your Company recognizes and accepts its responsibility for establishing and maintaining a secured working environment for all its installations, employees and associates. This is being taken care of by deploying CISF at all units of your Company as per norms of Ministry of Home Affairs. Concrete steps are being taken for upgrading surveillance systems at all the units by installing state-of-the-art security systems.

Occupational health and safety at workplace is one of the prime concerns of your Company and utmost importance is given to provide safe working environment and to inculcate safety awareness among the employees. Safety issues are discussed in the highest forum of management like Risk Management Committee (RMC), Corporate Risk Committee (CRC), etc. Regular plant inspection and review by Heads of units is being done. Internal safety audits by safety officers and external safety audits by reputed organizations as per statutory requirement are carried out for each unit. Recommendations of auditors are regularly reviewed and complied with. Adequate numbers of qualified safety officers are posted at all the units as per statutory rules/provisions to look after safety of men & materials. For strict compliance and enforcement of safety norms and practices by the contractors, safety clauses are included in General Conditions of Contract.

SAFEGUARD OF WOMEN AT WORKPLACE AND WOMEN EMPOWERMENT

Your Company is committed to prevention of sexual harassment of women at workplace and takes prompt action in the event of reporting of such incidents. In this regard, internal complaints committees have been constituted at Corporate Office and Units of the Company to deal with sexual harassment complaints, if any, and conduct enquiries. During the year 2020-21, no complaint of sexual harassment has been received.

DIVIDEND

As per Clause 5.2 of Office Memorandum No. 5/2/2016-Policy dated 27th May 2016 of Department of Investment & Public Asset Management (DIPAM) on the subject of Guidelines on Capital Restructuring of CPSEs, every CPSE would pay a minimum annual dividend of 30% of Profit after Tax or 5% of the Net worth, whichever is higher subject to the maximum dividend permitted under the extant legal provisions.

In view of above, the Board of Directors has recommended a Final Dividend @ 5% Net worth as on 31.03.2021 aggregating to ₹240.41 crores. This final dividend for the financial year 2020-21 shall be paid by the Company after approval of shareholders in the forthcoming 16th Annual General Meeting of the Company.

REPORT ON ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, R&D AND FOREIGN EXCHANGE EARNINGS

In accordance with the provisions of the Companies Act, 2013 and rules framed thereunder, particulars relating to Energy

Conservation, Technology Absorption, R&D and Foreign Exchange Earnings & Outgo (on accrual basis) are given at **Annexure-II** to the report.

BOARD OF DIRECTORS

Being a Government Company, the power of appointment of Directors on the Board of the Company is vested with the President of India acting through the Ministry of Finance, Government of India. The remuneration of Directors and employees of the Company is fixed as per extant guidelines issued by Department of Public Enterprises (DPE), from time to time. Further, the part-time Non-Official Independent Directors are paid sitting fees, as decided by the Board of Directors from time to time within the limits prescribed under the Companies Act, 2013 for attending the meetings of Board of Directors and Committees thereof. As per the norms of Government of India, the Government Nominee Director is not entitled to receive any remuneration/sitting fee from the Company. The details of remuneration paid to the Directors are given in the Corporate Governance Report annexed to this report.

During the year 2020-21, Shri Manas Ranjan Mohanty, Chief General Manager (CGM), Department of Currency Management (DCM), Reserve Bank of India (RBI) had been appointed as part-time end-user representative Director on the Board of the Company w.e.f. 11.05.2020. Further, Shri Subrata Das, Chief General Manager (in-charge), Department of Currency Management (DCM), Reserve Bank of India (RBI) was appointed as part-time end-user representative Director on the Board of the Company w.e.f. 06.11.2020 in place of Shri Manas Ranjan Mohanty, the then CGM, DCM, RBI.

Shri Amitabh Singh, Dy. Director General (Philately), Department of Posts, Ministry of Communications was appointed as part-time end-user representative Director on the Board of the Company w.e.f. 01.12.2020 in place of Dr. Amarpreet Duggal, the then Dy. Director General (Philately), Department of Posts, Ministry of Communications. Consequent upon transfer from the post of Dy. Director General (Philately), Department of Posts on 12.02.2021, Shri Amitabh Singh had ceased to be part-time end-user representative Director w.e.f. 12.02.2021.

Shri Jayant N. Khobragade, Joint Secretary (PSP) & Chief Passport Officer, Ministry of External Affairs was appointed as part-time end-user representative Director on the Board of the Company w.e.f. 29.12.2020 in place of Shri Arun K. Chatterjee, Addl. Secretary (Administration) Ministry of External affairs.

Shri Ajai Kumar Srivastav, Director (Technical) had been relieved from the services of SPMCIL w.e.f. 28.02.2021 upon attaining the age of superannuation.

The Ministry of Corporate Affairs has exempted the Government Companies from the requirement of obtaining approval of shareholders for appointment of Whole-time Director(s) and Independent Director(s) vide Notifications dated 05.06.2015 05.07.2017 respectively. Accordingly, the appointment of Functional Directors and Independent Director(s) on the Board of the Company is not required to be approved by the shareholders.

During the year, six meetings of the Board of Directors were held. The details of the meetings attended by each Director are provided in the Corporate Governance Report and are not repeated here to avoid duplication.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement referred to in clause (c) of sub-section (3), it is hereby confirmed:

(a) that in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

(b) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31.03.2021 and of profit and loss account for the year ended 31.03.2021;

(c) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) that the directors have prepared the Annual Accounts on a going concern basis; and

(e) that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

AUDITOR & AUDITOR'S REPORTS

M/s. Ashwani & Associates, Chartered Accountants, New Delhi were appointed as Statutory Auditors of your company for the financial year 2020-21 by the Comptroller and Auditor General of India in terms of Section 139 of the Companies Act, 2013. Further nine Branch Auditors were appointed/re-appointed by Comptroller and Auditor General of India for auditing the accounts of nine units of the Company for the financial year 2020-21. The Statutory Auditors have audited the annual accounts (standalone and consolidated) for the year ended 31.03.2021 and their reports are annexed to the respective annual accounts. The Management's replies to the observations/ qualifications given in the Statutory Auditors' Reports are given at **Annexure-III**.

The Comptroller & Auditor General of India has carried out the Supplementary Audit of the aforesaid annual accounts of the Company under Section 143(6)(b) of the Companies Act, 2013 and comments/observations of the Comptroller & Auditor General of India on standalone as well as consolidated annual accounts of the Company for the year ended 31.03.2021 are given at **Annexure-IV & V** respectively. The Management's Replies to the aforesaid comments/observations of Comptroller & Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 are given at **Annexure-VI**.

COST AUDIT

As prescribed under the Companies (Cost Records and Audit) Rules, 2014, the Cost Accounting Records are being maintained by the units of the Company. Pursuant to the provisions of Section 148(3) of Companies Act, 2013, the Board of Directors of your Company had appointed M/s. Murthy & Co. LLP, Cost & Management Accountants, Banglore as the Cost Auditors for the financial year 2020-21 to conduct the Cost Audit of products of your Company under the ambit of Cost Audit in accordance with the aforesaid rules and other relevant orders/clarification issued by Ministry of Corporate Affairs, Government of India and Cost Accounting Standards issued by the Institute of Cost Accountants of India, from time to time.

SECRETARIAL AUDIT REPORT

Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 notified by the Ministry of Corporate Affairs, the Board of Directors of your Company had appointed M/s. Amit Agrawal & Associates, Practicing Company Secretaries, Delhi for conducting Secretarial Audit of the Company for the year 2020-21. The Secretarial Audit Report, duly certified by the Secretarial Auditor and reply to their observations are attached at **Annexure-VII** to this Report.

CODE OF CONDUCT

The Board of your Company has enunciated SPMCIL Code of Business Conduct & Ethics-2010 for the Directors and Senior Management personnel, which has been circulated to all concerned and has also been hosted on Company's website. The Directors and Senior Management personnel have affirmed compliance with the code of conduct for the year 2020-21.

RISK MANAGEMENT

As a diversified enterprise, your Company continues to focus on a system based approach to business risk management. Pursuant to CPSE Guidelines on Corporate Governance, the Risk Management Policy of your Company was approved by the Board which covers all the functions at Corporate Office and Manufacturing Divisions. Your Company has developed and rolled out a Comprehensive Enterprise wide Risk Management (ERM) throughout the organization. The policy will ensure sustainable business growth with stability and will promote proactive approach in identifying, evaluating, reporting and managing risk associated with business.

INTERNAL FINANCIAL CONTROLS

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of standalone financial statements. SPMCIL has adequate internal financial control system in place, in the form of documented policies & procedures that cover critical as well as important activities of financial and other operating functions. These internal financial control provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's asset that could have a material effect on standalone Ind AS financial statements. The Statutory Auditors are also required to issue the Independent Auditor's Report on the Internal Financial Controls of the Company under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013. The report issued thereon has been attached along with the Financial Statements. The Company continues its efforts to align all its processes and controls with global best practices.

PUBLIC PROCUREMENT POLICY FOR MICRO AND SMALL ENTERPRISES (MSEs) ORDER 2012

The Government of India has notified a Public Procurement Policy for Micro and Small Enterprises (MSEs). The policy targets 20% of procurement from MSEs with a sub target of 4% from MSEs owned by the Scheduled Caste or the Scheduled Tribe entrepreneurs for the Goods and Services provided by such organizations. Your Company has taken necessary steps for implementation of the Public Procurement Policy of the Government of India for procurement from MSEs. All efforts are being made to procure items specified for procurement from MSEs. Necessary provision has been made in all the tenders stating the eligibility of MSEs to participate in the tender.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report forms part of this Directors' Report as per the requirements of Corporate Governance as stipulated in the Guidelines on Corporate Governance notified by the Department of Public Enterprises, Government of India in this regard. The Management Discussion and Analysis Report is enclosed as **Annexure-VIII** to this Report.

CORPORATE GOVERNANCE

Your company has taken structured initiatives towards Corporate Governance and its practices are valued by various stakeholders.

Your Company has been complying with the requirements of Corporate Governance as stipulated in the Guidelines on Corporate Governance notified by the Department of Public Enterprises, Government of India in this regard. The Corporate Governance Report is enclosed as **Annexure-IX** to this Report. The Company has obtained a Certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance, which is attached to the Corporate Governance Report. Your Company has achieved 'Excellent' grading on compliance of Guidelines on Corporate Governance issued by DPE for the year 2019-20.

EXTRACT OF ANNUAL RETURN

As per the Companies (Amendment) Act, 2017, the requirement of attaching Form MGT-9 (Annual Return) with the Board's Report has been done away.

COMPLIANCE OF SECRETARIAL STANDARDS

Your company has complied with the applicable Secretarial Standards issued by the Council of the Institute of Company Secretaries of India and approved by the Central Government.

STATUTORY DISCLOSURES

Your Directors have made necessary disclosures as required under the various provisions of the Companies Act, 2013 that:

(a) there was no change in the nature of business of the Company during the financial year 2020-21;

(b) the Company has not accepted any public deposits during the financial year 2020-21;

(c) no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future;

(d) the Company maintains an adequate system of Internal Controls including suitable monitoring procedures, which ensure accurate and timely financial reporting of various transactions, efficiency of operations and compliance with statutory regulations and Company policies;

(e) the Company has not made any loan, given guarantee or provided any security pursuant to the provisions of Section 186 of the Companies Act, 2013;

(f) since the provisions of Section 197 of the Companies Act, 2013 and Rules made thereunder, related to Managerial Remuneration, are not applicable to Government Companies, no disclosure is required to be made;

(g) being a Government Company, SPMCIL is exempt from the statutory provisions relating to performance evaluation of Directors and disclosure in respect of evaluation mechanism in the Board's Report;

(h) there are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year i.e. 31.03.2021 and the date of this report; and

(i) the terms and conditions of the appointment of Functional Directors are subject to the applicable guidelines issued by Department of Public Enterprises, Government of India.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts or arrangements entered into by the Company with its related parties during the financial year were in accordance with the provisions of Companies Act, 2013. Accordingly the particulars of contracts or arrangements entered into by the Company with its related parties are disclosed in Form AOC-2, annexed to this report at **Annexure-X**.

ACKNOWLEDGEMENTS

The Board of Directors acknowledges with deep sense of appreciation the cooperation received from the Government of India, particularly the Ministry of Finance, Reserve Bank of India, Ministry of External Affairs, Department of Posts, Department of Public Enterprises, Ministry of Home Affairs, Ministry of Labour & Employment, Department of Pension and Family Welfare, various State Governments and also from the Banks. The Board of Directors acknowledge with thanks the constructive suggestions received from the Comptroller & Auditor General of India, Statutory Auditor, Secretarial Auditor and Cost Auditor. The Board of Directors also place on record its sincere appreciation for the devotion and commitment of all employees of the Company.

For and on behalf of the Board of Directors

(Tripti P. Ghosh)
Chairman & Managing Director
DIN : 08123112

Date: 09th November 2021
Place: New Delhi

Annexure-I

Annual Statement showing the representation of SCs, STs and OBCs as on 31st March 2021 and number of appointments made during the year 2020-21

Name of Public Enterprises: **Security Printing and Minting Corporation of India Limited**

Groups	Representation of SCs/STs/ OBCs (As on 31.03.2021)				Number of Appointments made during the Financial Year 2020-21										
					By Direct Recruitment				By Promotion			By other Methods (Internal Recruitment)			
	Total No. of Employees	SCs	STs	OBCs	Total	SCs	STs	OBCs	Total	SCs	STs	Total	SCs	STs	OBCs
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group 'A'	373	60	19	69	25	2	1	5	0	0	0	0	0	0	0
Group 'B'	963	144	85	172	17	2	0	1	50	13	1	3	1	0	0
Group 'C'	5898	1133	562	849	94	3	0	23	315	85	22	3	1	2	0
Total	**7234**	**1337**	**666**	**1090**	**136**	**7**	**1**	**29**	**365**	**98**	**23**	**6**	**2**	**2**	**0**

Representation of P.W.D. as on 31st March 2021

Groups	Representation (As on 31.03.2021)				Number of Appointments made during the Financial Year 2020-21														
					Direct Recruitment							Promotion							
					No. of Vacancies reserved			No. of Appointments made				No. of Vacancies Reserved			No. of Appointments made				
	Total No. of Employees	V.H.	H.H.	O.H.	V.H.	H.H.	O.H	Total	V.H.	H.H.	O.H.	V.H.	H.H.	O.H.	Total	V.H.	H.H.	O.H.
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Group 'A'	373	0	1	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Group 'B'	963	1	0	13	0	0	0	1	0	0	0	0	0	0	21	0	0	1
Group 'C'	5898	23	48	121	1	0	0	13	1	0	0	0	0	1	119	0	0	3
Total	7234	24	49	136	1	0	0	14	1	0	0	0	0	1	140	0	0	4

Note :

(i) VH stands for Visually Handicapped (Persons suffering from blindness or low vision).

(ii) HH stands for Hearing Handicapped (Persons suffering from hearing impairment).

(iii) OH stands for Orthopaedically Handicapped (Persons suffering from locomotor disability or cerebral palsy).

(iv) PWD stands for Persons with Disability.

Annexure-II

REPORT ON ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, R&D AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS PER THE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES NOTIFIED THEREUNDER.

A) CONSERVATION OF ENERGY

As a part of continued efforts towards energy conservation, a number of Energy Conservation projects have been implemented during 2020-21 as follows:

» All units of your Company are using Solar Water Heater in Canteens and Guest Houses.

» The units of your Company have replaced / are replacing High Electrical power consuming light sources like HPSV/HPMV/Twin tube light fittings with Low electrical power consuming LED fittings being used for general lighting purpose on perimeter/inside perimeter along the road and also low voltage lamps, incandescent lamps/twin tube light fittings are being used as and when required.

» Up-gradation of plant & machinery for conservation of energy.

B) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:

With a view to improve the product pattern and product quality as well as to meet the environmental emission norms, your Company is taking measures to adopt most modern technologies in line with the latest developments worldwide.

2. Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc.

Technology absorption, adaptation and innovation would result in indigenisation, capacity enhancement and bring increased operational efficiency etc.

3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) following information may be furnished:

(a) Technology imported	:	N.A.
(b) Year of import	:	N.A.
(c) Has technology been fully absorbed?	:	N.A.

C) RESEARCH AND DEVELOPMENT (R & D)

1. Specific areas in which R&D carried out by the Company

During the year under review, the Company has taken-up R&D projects in the fields of security paper manufacturing, security printing, currency printing and coin metallurgy. The Company has set-up R&D centres across all production verticals.

2. **Benefits derived as a result of the above R&D**

The Company would be able to produce critical raw materials indigenously and thus bring more indigenisation in its operations resulting into saving in Foreign Exchange and increase in domestic manufacturing of raw materials.

3. **Future plan of action**

To enhance content of indigenisation, increase in operational efficiencies, effective utilisation of available resources, process re-engineering etc.

4. **Expenditure on R & D**

During the financial year 2020-21, the Company has incurred ₹ 0.64 crore towards Research & Development.

D) FOREIGN EXCHANGE EARNING AND OUTGO

Sl. No.	Foreign Exchange Earnings/Outgo	2020-21 (₹ in Cr)	2019-20 (₹ in Cr)
1.	Foreign Exchange Earnings	-	-
2.	Foreign Exchange Outgo	378.43	344.99

For and on behalf of the Board of Directors

(Tripti P. Ghosh)
Chairman & Managing Director
DIN : 08123112

Date: 09th November 2021
Place: New Delhi

ANNEXURE-III

EXPLANATION TO COMMENTS / QUALIFICATIONS IN STANDALONE AND CONSOLIDATED STATUTORY AUDITOR'S REPORTS DATED 5TH AUGUST 2021

Sl. No.	Auditor's Observation	Management Reply
1.	**Currency Note Press, Nashik** **Internal Financial Control** Management has installed Biometric Attendance Management System to record the attendance biometrically into SAP-HR Payroll. However, in present pandemic situation of Covid-19, attendance is not getting recorded in Biometric Attendance Management System. It is observed that attendance and overtime working was not accounted automatically in module and was processed manually. To that extent, the unit did not have effective internal control in HR module of SAP.	Due to some issues of recognized union at Apex Forum regarding integrating SAP with Biometric Attendance Management System for Salary, Allowance, Incentive, Overtime, staggering working of attendance and other allowances, these are processed manually. Due to outbreak of novel Corona Virus (Covid-19), biometric attendance system was suspended. The same will be initiated after sometime.
2.	**Security Paper Mill, Hoshangabad** According to the information and explanations given to us unit is in possession of approx. 345 acres of land out of which mutation of 230 acres of land in the name of MD, SPMCIL has been done in the Land Revenue records.	SPM, Hoshangabad is in possession of approx. 345 acres of land transferred from Govt. Of India, out of which mutation of 230 acres of land in the name of CMD, SPMCIL has been done in the Land Revenue records. For balance 115 acres mutation is in process. Matter is being regularly taken-up with local authorities for mutation of balance land.
3.	**India Government Mint, Hyderabad** According to the information and explanations given to us and on the basis of our examination of the records of the unit, the title deeds of immovable properties are not held in the name of the Company. Details are here under: Immovable Property - Land IDA Phase II, Cherlapally, Hyderabad, Telangana 78.82 acres gross book value as on 31.03.2021 ₹343.79 lakhs & net book value as on 31.03.2021	The proposal is pending with Chief Commissioner of Land Administration for issuing orders for modifications in land administration website.

Sl. No.	Auditor's Observation	Management Reply
	₹ 343.79 lakhs. Property is held in the name of the President of India. **Internal Financial Control** The following improvements are suggested to enhance the current control mechanism: Introduction of dual control/authentication mechanism for additions and updation of employee master data.	The matter has been taken up with IT Department to resolve the issue.
4.	**India Government Mint, Mumbai** The title deeds of following Immovable properties have not been transferred in favour IGM, Mumbai (a unit of SPMCIL) CS No.399 Tardeo Mumbai Maharashtra. We are however informed that the documentation for the transfer in favour of IGM Mumbai (A Unit of SPMCIL) is under process.	For the transfer of Tardeo Mumbai property, NOC is awaited from the Ministry.
5.	**India Government Mint, Noida** The unit has all the original title deeds of immovable properties in its own name, except the following with respect to the property at Sector-27 Noida, U.P.-201301. According to the information and explanation given to us, the above immovable properties had not yet been transferred in favour of IGM, Noida. **Internal Financial Control** 1. As per the information and explanation provided to us, the unit has a system in place to process all the accounting transaction through IT system except for the following: A. Inventory valuation has been carried out by SAP on real time basis. However, the same is not in accordance with provisions of Ind AS:2 "Inventories". Accordingly, manual entries have been passed to value the Inventory in accordance with Ind AS 2.	NOC is awaited from concerned department of U.P. Government for which correspondence is being done with them. Matter has been taken up with IT Department and same would be resolved in 2021-22.

Sl. No.	Auditor's Observation	Management Reply
	B. Age-wise report of Inventory is not generated from Material Management module of SAP-ERP System and the identification and valuation at lower of cost or Net realisable value (NRV) for non-moving inventory (not moved for 3-5 years) is worked out manually.	The age wise report generation will be done from SAP in FY 2021-22.
	C. The unit has not integrated the biometric system with Pay roll module of SAP-ERP system. Management installed Biometric Attendance Management System to record the attendance biometrically into SAP. However, it is observed that attendance and leave working are not accounted automatically under SAP and processed manually. The financial implication of the above disclosures cannot be quantified.	The Biometric system is installed but the working has been delayed due to COVID pandemic. The same will be synchronised soon.
6.	**India Government Mint, Kolkata** ***Emphasis of Matter***	
	1. Attention is drawn to Note no. 37 to the Standalone Ind AS Financial Statement. The Balances of Sundry Debtors, Sundry Creditors, Advances to suppliers, Advance from Customers, EMD's of customer, EMD's of Creditors, Security Deposit from Customers, Security Deposits from Creditors as on 31st March, 2021 includes balances brought forward from earlier years and are subject to confirmation/ reconciliation and consequential adjust-ment thereof, if any, will be made when reconciliation will be done.	Letters for balance confirmation have been sent to debtors and creditors. After receipt of confirmation from debtors and creditors, reconciliation will be done.
	2. Attention is drawn to Note no. 25(c) to the Standalone Ind AS Financial Statement. One party named M/s Sreebhumi Steel Pvt. Ltd. under EMD has filed a writ petition (No.17609(W)) before the hon'ble Calcutta High Court which is pending till date. Accordingly the matter being sub judice, the balance has been carry forward in the books of account, pending final adjustment.	This matter is sub-judice since long time and will be taken up with the vendor once Calcutta High Court starts operating.

Sl. No.	Auditor's Observation	Management Reply
	According to the information and explanation given to us and on basis of our examination of the records of the unit, the title deeds, comprising of leasehold land and factory building of India Government mint, Kolkata are held in the name of President of India and not in the name of the SPMCIL. The unit is taking steps with KoPT (owner) to transfer the same in its name.	The matter has been taken up with concerned authority by the Company.
	Internal Financial Control	
	1. Management has installed Biometric Attendance Management System to record the attendance biometrically into SAP. However, it is observed that the attendance is manually recorded in SAP in absence of proper synchronization of SAP and biometric device. To that extent the unit did not have effective internal control in HR module of SAP.	Action is being initiated to execute the same.
	2. Finance Module of the SAP does not provide the Age wise analysis of Sundry Debtors, Creditors, various advances, Security Deposits, EMD's at any time during the year and same has been prepared manually.	Matter has been taken up with IT Department and will be resolved in FY 2021-22.
	3. The unit is working under SAP for all accounting transactions. However, the inventory valuation regarding Coins and FG, SFG, and Scraps is done manually and not through SAP Module. It is integrated in the SAP through manual entries.	This practice is being followed due to some system issues and will be resolved with the help of IT Department.
7.	**Bank Note Press, Dewas**	
	Internal Financial Control	
	According to the information and explanations given to us and based on our audit the following material weaknesses have been identified as at March 31, 2021: The Financial software (SAP) is not properly generated the Age wise analysis of all parties,	The age wise report generation will be done from SAP in FY 2021-22.

Sl. No.	Auditor's Observation	Management Reply
	employees etc. under various control accounts i.e. Sundry Debtors, Creditors, various advances, liabilities for classification as Current and Non-current as required as per Schedule III of Companies Act, 2013 at any time during the year.	
8.	**India Security Press, Nashik** **Report on Other Legal and Regulatory Requirements**	
	1. Non-receipt of balance confirmations from all the parties, except one and despite huge overdue balances, provision for bad & doubtful debts the joint reconciliation process not implemented.	Balance confirmation letters have been sent to all vendors and customers. However, confirmations are awaited. Due to COVID-19 pandemic instead of joint reconciliation, communication was done through letters, e-mail and telephonically.
	(a) The Unit has maintained records showing full particulars, including quantitative details and situation of the fixed assets, except following deficiencies:	
	1) In many cases, the quantity of fixed assets is appearing as "1" instead of actual quantity.	As per physical verification report given by third party, all the necessary corrections in quantity has been made in Fixed Assets Register.
	2) The sufficient / technical description of the asset is not available in many cases to make identification possible.	The description was given at the time of creation of asset and the same has been continued in ERP. Further, there is space constraint in the description of asset master, thus full description could not be accommodated.
	3) In few cases, the classification of the similar nature of asset is done in multiple account heads.	As per physical verification report given by third party all the necessary corrections of reclassification for 82 nos. of assets has been made in Fixed Assets Register.
	4) Few instances are found where quantity is marked against expenditure incurred to	The capitalisation of the said assets was done many years earlier. However, as per

Sl. No.	Auditor's Observation	Management Reply
	procure the fixed assets instead of adding the same to related principal asset.	current practice only single asset code is being created in which all the main cost and incidental expenses are booked.
	5) Financial and quantitative reconciliation of land as per Land Records and as per Books/ Fixed Assets register cannot be checked and commented upon in the absence of title deeds. Even in fixed Asset register, the quantity of Land is appearing as "1" instead of actual quantity in Acre/ hectares.	During the financial year, the unit management carried out physical verification, survey and reconciliation of Land area. Accordingly, quantitative reconciliation has been done with the records of 8A abstract, 7/12 records, Property cards and city survey report. As per the land reconciliation the total quantity of land has been updated in the SAP-FAR.
	(b) The Company has a regular programme of physical verification of the fixed assets, and no material discrepancies were noticed on such verification. However, in following cases, certain qualifications are reported by branch auditor:	
	1. There are 34 assets having Gross value of ₹1167.85 Lacs with written down value of ₹77.39 Lacs which are not in use. No action is taken against the same.	As reported by third party concerned section has been asked to verify the entire asset and confirm whether all the assets are in use or not/ condemned or not/ repairable or beyond repair. After receipt of confirmation, necessary rectification shall be carried out.
	2. 33 assets are reported as not found/ missing and all the values are shown as "NIL"	As per third party report, the said assets will be retired from FAR. However due to zero value the system is not allowing retirement of these assets. Therefore, these assets are forwarded to IT team for resolution.

Sl. No.	Auditor's Observation	Management Reply
	(c)	
	1) The 7/12 extract & property card showing quantitative details only are available in the name of Security Printing And Minting Corporation Of India Limited and during the year the property card of land is obtained and tallied with 7x12 extract. Also the land as per survey number is cross checked with map of land within the jurisdiction / boundary of the Unit . However, the title deeds of the immovable properties are not found on record and as such financial and quantitative reconciliation cannot be checked and commented upon.	During the financial year, the unit management carried out physical verification, survey and reconciliation of Land area. Accordingly, quantitative reconciliation has been done with the records of 8A abstract, 7/12 records, Property cards and city survey report.
	2) Further, the part of the land is booked / appearing in the books of unit (India Security Press) and balance in the books of Currency Note Printing unit of the Company. However, the quantitative details with value thereof is not available.	
	Internal Financial Controls	
	A) The unit has not integrated the biometric system with Payroll module of SAP - ERP system. Management installed Biometric Attendance Management System to record the attendance bio-metrically into SAP. However, it is observed that attendance and overtime working was not accounted automatically under SAP and was processed manually, which may lead to error in payment of salary and overtime allowances due to manual intervention.	A) It was agreed by the unions to implement the same by 01-4-2020 but due to COVID–19 pandemic situation, as per COVID protocols, the same could not be implemented. However, the unit management have started discussion with unions to integrate the AMS with SAP payroll during the year 2021-22.
	B) Regular review of overdue/outstanding sales orders and purchase orders are not done due to which many sales order are outstanding since long, as old as F.Y. 2012-13, whereby total 96 Sales orders	B) Currently, only one sales order of F.Y. 2012-13 is open as on date for postal items and which is required to be opened as well as other sales orders, as confirmed by the user section.

Sl. No.	Auditor's Observation	Management Reply
	worth ₹23701 Lacs are outstanding for more than one year including 33 pending Sales orders of ₹5362 lacs outstanding for more than three year. Like wise total 28 Purchase orders worth ₹4460 Lacs are outstanding related to FY 2018-19 and 2019-20.	As far as open PO's, it is confirmed by purchase department that all the 28 nos. of PO's are required to be opened as they are all ongoing contracts.
	C) Despite long overdue trade receivables lying since old, as old as 2012 & onwards, specially related to Postal Department, the unit did not have any system of joint reconciliation with major customers. This leads to loose internal control over the recovery of the overdue trade receivables.	C) Necessary action for recovery of old debtors is being taken on regular basis through Joint reconciliations, letters, e-mails and telephonic conversation. However, due to COVID-19 pandemic, letters to the debtors are being sent in regular intervals for realization purpose including reminder letters, telephonic conversation in place of Joint reconciliation.
	D) Age-wise report of Inventory is not generated properly from Material Management module of SAP-ERP System and the identification and valuation at lower of cost or Net realizable value (NRV) for slow moving and non-moving inventory is worked out separately on the basis of inventory data extracted from SAP, leading to loose internal control over the identification and disposal of obsolete / non-moving inventory. Read with above, upon random checking we found many instances where the inventories are lying idle since long, as old as before the incorporation of the Unit and some of the items become obsolete & outdated and few of them are reported stolen. But the necessary provision for obsolete / outdated & stolen items have not been done.	D) Existing age wise inventory report is not as per requirement and requires many customization for which development is in process by IT team.

Sl. No.	Auditor's Observation	Management Reply
	E) In order to arrive the Net realisable value (NRV) for valuation of Inventories, the quotations have been called from the vendor for supply of material (which include his profit margin) to India Security Press instead of their buy rate / disposal rate of ISP. Even the quotations were called from two vendors only. Further the technical description of the material, availability of quantity, present condition of inventory proposed to be sold are not prescribed in the aforesaid quotations. Due to this the correct NRV cannot be ascertained which may lead to excess valuation of Inventories.	E) Valuation of inventory was done as per company policy by forming the committee to identify the NRV.
	F) Nil closing stock value is appearing in respect of 584 items involving 76422 qty / units, leading into loose internal control over the process of valuation, monitoring & supervision of Inventory.	F) The stock was uploaded at the time of SAP- go live with zero value as lying at stores / shop floor and also, this stock is available physically as per physical verification report of inventory.
	G) In few cases, Bill of Material - SAP (BoM) shows substantial variation in the standard cost of production in respect of similar products due to substantial variation in allocation of inventory and man hours in Bill of Material - SAP (BoM) as compared to actual. The technical identification & reasons for the excess consumption / allocation of cost elements was not evaluated properly and the Bill of Material - SAP (BoM) & routing is not updated / modified timely. The same was identified at the year end during the valuation of inventory. Even the elements where the modification is done gets overwritten, for which track of changes is not available to ascertain reason thereof and impact.	G) Valuation of the inventory is done based on quantity of material maintained in BOM, moving average rates of raw material in MM, machine/setup/Labor hours maintained in routing and the activity rates and overhead rates maintained in CO module. The quantity of all materials maintained in the BOM is for a Base quantity of production. Consumption of material for the actual quantity of production is calculated by system based on the base quantity of production. Upon executing internal movement transaction for Goods Issue/Goods receipt for the semi finished/

Sl. No.	Auditor's Observation	Management Reply
		finished production, the accounting entry for consumption of material is generated in the backend. At the time of checking of inventory at the year-end, 9 items of the inventory out of more than 1100 nos. of products were wrongly valued in SAP due to incorrect man and machine hours maintained in routing. This was identified and the necessary correction was done including correction of BOM and routing for cost sheet.
9.	**SPMCIL Corporate Office, New Delhi** **Basis of Qualified Opinion** According to Section 149, of Companies Act, 2013, the company must have a minimum of two Independent Directors. However, according to the information and explanations given to us, the company had only one independent director from April 1, 2019 to February 15, 2020 and no independent director thereafter thereby contravening the provisions of Section 149 of the Companies Act 2013.	SPMCIL being a Govt. Company, as per Articles of association, the power to appoint Directors vests with the President of India, through Ministry of Finance. The appointment of Independent Directors is under the consideration of Ministry of Finance.
	Emphasis of Matter (c) Note no.40 regarding the amount to be spent for Corporate Social Responsibility (CSR) as per section 135 of the Company's Act, 2013 read with Schedule VII for the year 2020-21 is ₹1647.94 lakhs while the company spend ₹1556.32 lakhs, thus a shortfall of ₹91.62 lakhs. However, as per the information and explanation provided to us, the company has deposited ₹1220.85 lakhs under separate bank account opened for Unspent CSR in accordance with provision of Section 135 of the Companies Act 2013.	The company has deposited ₹1220.85 lakhs under separate bank account opened for unspent CSR in accordance with provision of Section 135 of the Companies Act 2013.

Sl. No.	Auditor's Observation	Management Reply
	d). Note 46 (II) to the financial statements which states the effect of changes in the accounting policies for Revenue recognition for Bank Notes and Postal Stationery and defining materiality in relation to income/ expenditure relating to Prior period in accordance with IND AS 08. The net effect resulted from the above change and rectification is increase in net profit by ₹13,333.50 lakhs for the year 2019-20 and ₹30587.54 lakhs for the year 2012-13 to 2018-19, deferred tax assets reduced by ₹409.12 lakhs for the year 2019-20 and ₹18552.18 lakhs for the year 2012-13 to 2018-19 and Provision for tax increased by ₹3355.78 lakhs for the year 2019-20 and ₹7698.27 lakhs for the year 2012-13 to 2018-19.	The details given have been disclosed as Notes to accounts.
	(e) Note no. 49 regarding an amount of ₹17,975.76 lakhs was lying in "Funds from Govt of India (adjustable) account as at April 1, 2019, which was pending for settlement with Ministry of Finance against which the Company had adjusted, in the financial year 2019-20, without confirmation from Ministry of Finance, amounts aggregating to ₹2,121.71 lakhs comprised of ₹369.50 lakhs and ₹901.97 lakhs respectively towards opening balances and interest amount recoverable from PAO at the time of Corporatisation in respect of pro-rata optee employees and un-reconciled debtors of ₹850.24 lakhs leaving a balance of ₹15,854.05 lakhs in the said account.	The amounts mentioned in the observation were receivable from GOI and have been adjusted with the amounts payable shown as Funds from GOI (adjustable) in the FY 2019-20.

Sl. No.	Auditor's Observation	Management Reply
	f) Note 52 to the financial statements which explains the management's assessment of the financial impact due to the lockdowns and other restrictions and conditions related to the COVID 19 pandemic situation. However, definite assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.	The financial statements have been prepared after assessing the impact of Covid 19 and considering all relevant measures to continue as going concern.
	Internal Financial Control	
	a) Biometric not linked with SAP-ERP for payroll processing.	The Biometric system is installed, but the working has been delayed due to pandemic situation.
	b) No prescribed chart of accounts in the organization which describe posting of expenditure as per their nature in their respective ledger.	All the account heads which are in use by the units and corporate office, are in accordance with FICO module of SAP.

For and on behalf of the Board of Directors

(Tripti P. Ghosh)
Chairman & Managing Director
DIN : 08123112

Date: 09th November 2021
Place: New Delhi

ANNEXURE-IV

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF SECURITY PRINTING AND MINTING CORPORATION OF INDIA LIMITED FOR THE YEAR ENDED 31ST MARCH 2021

The preparation of financial statements of Security Printing and Minting Corporation of India Limited (SPMCIL) for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the Management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act is responsible for expressing opinion on the Financial Statements under Section 143 of the Act based on independent audit in accordance with the Standards on Auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 05th August 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of SPMCIL for the year ended 31 March 2021 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the Financial Statements and the related audit report.

A. <u>Balance Sheet</u>

(i) Trade Receivables (Note No 5 ii)
Allowance for Bad Debts- ₹ 12280.74 Lakh

The Company makes 100% provision in the books of accounts against debtors' balances outstanding for more than three years as on date of balance sheet. The Accounting Policy is not in conformity with requirements of IND-AS 115, which requires measurement and Estimation of expected credit losses and Credit Risk Analysis before making provisions for debtors. The Company may accordingly review its provisioning for debts policy.

(ii) Other Non-Current Assets (Note No 7)- ₹ 4683.42 Lakh

The company has classified assets amounting to ₹101.66 lakh at Saifabad, as 'Other Non-Current Assets' (Note 7) instead of 'Asset Held for Sale'.

(iii) Provisions (Note No 14)
Current provisions
Provisions for Disputed Claims- ₹ 91891.85 Lakh

The above includes ₹110.84 lakh on account of provision for Property tax dues up to 31/03/2021. As per the interim Order dated 02/05/2018 passed by Hon'ble High Court, Mumbai, Nashik Municipal Corporation was restrained from taking any further steps to recover property tax in respect of the property of the India Security Press, Nashik till the final disposal of the Writ Petition. Creating a provision for full amount when the liability has not yet crystallised resulted into overstatement of provision and understatement of profit by ₹ 110.84 Lakh.

The Company could disclose the disputed claim on this account in the Contingent Liabilities instead.

For and on behalf of the
Comptroller and Auditor General of India
Sd/-
(Manish Kumar)
Director General of Audit
(Finance & Communication)

Place: Delhi
Date: 22.10.2021

ANNEXURE-V

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SECURITY PRINTING AND MINTING CORPORATION OF INDIA LIMITED FOR THE YEAR ENDED 31ST MARCH 2021

The preparation of Consolidated Financial Statements of Security Printing and Minting Corporation of India Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) read with Section 129(4) of the Act are responsible for expressing opinion on the financial statements under Section 143 read with Section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 05th August 2021.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) read with Section 129(4) of the Act of the consolidated financial statements of Security Printing and Minting Corporation of India Limited for the year ended 31 March 2021. We conducted the supplementary audit of financial statements of Security Printing and Minting Corporation of India Limited (the company) and Bank Note Paper Mill India Private Limited (Joint Venture) for the year ended 31 March 2021. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6)(b) read with Section 129(4) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

A. <u>Balance Sheet</u>

(i) Trade Receivables (Note No 5 ii)
Allowance for Bad Debts- ₹12280.74 Lakh

The Company makes 100% provision in the books of accounts against debtors' balances outstanding for more than three years as on date of balance sheet. The Accounting Policy is not in conformity with requirements of IND AS 115, which requires measurement and estimation of expected credit losses and Credit Risk Analysis before making provisions for debtors. The Company may accordingly review its provisioning for debts policy.

(ii) Other Non-Current Assets (Note No 7)- ₹ 4683.42 Lakh

The Company has classified assets amounting to ₹ 101.66 lakh at Saifabad, as 'Other Non-Current Assets' (Note 7) instead of 'Asset Held for Sale'.

(iii) Provisions (Note No 14)
Current provisions
Provision for Disputed Claims- ₹91891.85 Lakh

The above includes ₹110.84 Lakh on account of provision for Property tax dues up to 31/03/2021. As per the interim Order dated 02/05/2018 passed by Hon'ble High Court, Mumbai, Nashik Municipal Corporation was restrained from taking any further steps to recover property tax in respect of the property of the India Security Press, Nashik till the final disposal of the Writ Petition. Creating a provision for full amount when the liability has not yet crystallised resulted into overstatement of provision and understatement of profit by ₹ 110.84 Lakh.

The Company could disclose the disputed claim on this account in the Contingent Liabilities instead.

For and on behalf of the
Comptroller and Auditor General of India
Sd/-
(Manish Kumar)
Director General of Audit
(Finance & Communication)

Place: Delhi
Date: 22.10.2021

ANNEXURE-VI

MANAGEMENT REPLIES TO THE COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE STANDALONE AND CONSOLIDATED FINANCIAL STATEMENTS OF SECURITY PRINTING AND MINTING CORPORATION OF INDIA LIMITED FOR THE YEAR ENDED 31ST MARCH 2021

Para A (I)

As per IND AS -109 para 5.5.3

Subject to paragraphs 5.5.13–5.5.16, at each reporting date, an entity shall measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

Para 5.5.15 - Despite paragraphs 5.5.3, and 5.5.5 an entity shall always measure the loss allowance at an amount equal to lifetime expected credit losses for: (a) trade receivables or contract assets that result from transactions that are within the scope of Ind AS-115 and that:

(i) do not contain a significant financing component in accordance with Ind AS-115 (or when the entity applies the practical expedient in accordance with paragraph 63 of Ind AS-115); or

(ii) contain a significant financing component in accordance with Ind AS-115, if the entity chooses as its accounting policy to measure the loss allowance at an amount equal to lifetime expected credit losses. That accounting policy shall be applied to all such trade receivables or contract assets but may be applied separately to trade receivables and contract assets.

Measurement of expected credit losses:

Para 5.5.18- When measuring expected credit losses, an entity need not necessarily identify every possible scenario. However, it shall consider the risk or probability that a credit loss occurs by reflecting the possibility that a credit loss occurs and the possibility that no credit loss occurs, even if the possibility of a credit loss occurring is very low.

The amount of ₹61.46 crores includes ₹22.78 crores against NJSP & Allied products outstanding since 2011-12 and ₹38.68 crores against Postal items lying unpaid since 1994-95, and thus they are classified as Trade Receivables which have significant increase in credit risk and therefore the provision for trade receivables has been created.

These debts include outstanding amounts, related to pre IND-AS as well as pre corporatisation period and therefore the practice of making provision on a consistent basis is followed.

Over the past years, the Company, on a prudent basis, has been following the practice of making provision for debtors for more than three years in accordance with para 5.5.18 above.

Para A (II)

As per para 7 of IND AS-105

For Classification of non-current assets as held for sale

- The asset must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets and its sale must be highly probable.

As per Para 8 of IND AS-105

- For the sale to be highly probable, the appropriate level of management must be committed to a plan to sell the asset (or disposal group), and an active programme to locate a buyer and complete the plan must have been initiated.
- The sale should be expected to qualify for recognition as a completed sale within one year from the date of classification.

The company's Saifabad plant was closed in 2011, but the Plant & machinery of ₹100.16 lakhs, and other equipment of ₹1.50 lakhs being, of such a nature that a ready market is not available, the sale is not highly probable and completed sale has not occurred within the stipulated period. The assets have therefore been classified as 'other non-current assets.

Para A (III)

As per Ind AS-37, explanation in para 15, 16 , 17 & 42 is given about present obligation and past event.

As per para 15

In rare cases, it is not clear whether there is a present obligation. In these cases, a past event is deemed to give rise to a present obligation if, taking account of all available evidence, it is more likely than not that a present obligation exists at the end of the reporting period.

In para 16

In almost all cases it will be clear whether a past event has given rise to a present obligation. In rare cases, for example in a lawsuit. It may be disputed either whether certain events have occurred or whether those events result in a present obligation. In such a case, an entity determines whether a present obligation exists at the end of the reporting period by taking account of all available evidence, including, for example, the opinion of experts. The evidence considered includes any additional evidence provided by events after the reporting period. On the basis of such evidence: where it is more likely than not that a present obligation exists at the end of the reporting period, the entity recognizes a provision.

In para 17

A past event that leads to a present obligation is called an obligating event. For an event to be an obligating event, it is necessary that the entity has no realistic alternative to settling the obligation created by the event. This is the case only where the settlement of the obligation can be enforced by law.

For obligations arising from past events which exist independently of an entity's future conduct of business are recognised as provisions **as per Para 19** of IND AS-37.

As per Para 42: The risks and uncertainties that inevitably surround many events and circumstances shall be taken into account in reaching the best estimate of a provision.

The first order to look into the grievance of ISP Nashik, regarding the property tax was passed on 10.02.2018 by National Lok Adalat. The company having become IND-AS compliant, made provision in 2017-18 for an amount of ₹77.31 lakh, on the basis of pre-existed liability towards bill raised on 02.05.2018. Further in continuation ₹11.17 lakhs provision was made for the subsequent three consecutive years since it is open for the Nashik Municipal Corporation to demand service charges in accordance with law.

The company has thus been consistent in making provision in accordance with the law of prudence.

For and on behalf of the Board of Directors

Sd/-

(Tripti P. Ghosh))
Chairman and Managing Director
DIN: 08123112

Date: 09th November 2021
Place: New Delhi

ANNEXURE-VII

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March, 2021

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

To,
The Members,
Security Printing and Minting Corporation of India Limited
16TH Floor, Jawahar Vyapar Bhawan,
Janpath, New Delhi-110001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Security Printing and Minting Corporation of India Limited** (hereinafter called the Company) having its registered office at 16th Floor Jawahar Vyapar Bhawan Janpath, New Delhi-110001, India. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **M/s. Security Printing and Minting Corporation of India Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2021** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. Security Printing and Minting Corporation of India Limited** for the financial year ended on **31st March, 2021** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Secretarial Standards issued by The Institute of Company Secretaries of India

(iii) Other laws applicable specifically to the Company namely:

   a) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952

   b) Payment of Gratuity Act, 1972

   c) Payment of Wages Act, 1936

   d) Payment of Minimum Wages Act, 1948

   e) The Maternity Benefit Act, 1961

f) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Act), 2013

g) Payment of Bonus Act, 1965

h) Employees' State Insurance Act, 1948;

i) Factories Act, 1948

j) Contract Labour (Regulation and Abolition) Act, 1970

k) Industrial Dispute Act, 1947

l) Indian Trust Act, 1882 created for PF purposes for its employees.

Environmental Related

m) The Water (Prevention & Control of Pollution) Act, 1974

n) The Air (Prevention & Control of Pollution) Act, 1981

o) The Explosive Act & Rule for storing fuel/Petrol and Diesel for Generators.

p) The Environmental Protection Act, 1986 read with various rules for Handling Air, Solid, Liquid, electronic Waste.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to our below observation:

a. The Board of Directors of the Company is not duly constituted with proper balance of Independent Directors.

However, During the period under review, provisions of the following regulations were not applicable to the Company because of clause (I) no FDI and ECB has been taken by the Company since incorporation and for (II) & (III) clauses below the Company is unlisted Company. Hence, comments are not required to be made in respect of these clauses:

I. Foreign Exchange Management Act, 1999 and rules and regulation made there under to the extent Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

II. The Rules, Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').

III. The Listing Agreement with any Stock Exchange.

I, further report that:

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

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

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

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

We further report that the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit by other designated professional.

We further report that during the audit period there were no specific events /actions in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. having a major bearing on the Company`s affairs.

For Amit Agrawal & Associates
(Companies Secretaries)

Sd/-
CS Amit Agrawal
(Proprietor)
M. No. F5311
C.P. No. : 3647
UDIN: F005311C000685421

Date: 26.07.2021

Place : Delhi

To,

The Members,
Security Printing and Minting Corporation of India Limited
16th Floor Jawahar Vyapar Bhawan,
Janpath, New Delhi-110001

Dear, Sir/Madam

Our report in form no. MR-3 of even date is to be read along with this letter.

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

For Amit Agrawal & Associates
(Companies Secretaries)

Sd/-
CS Amit Agrawal
(Proprietor)
M. No. F5311
C.P. No. : 3647
UDIN: F005311C000685421

Date: 26.07.2021

Place : Delhi

REPLY TO THE OBSERVATIONS OF SECRETARIAL AUDITORS

Sl. No.	Auditor's Observations	Company's Reply
01	The Board of Directors of the Company is not duly constituted with proper balance of Independent Directors.	SPMCIL being an unlisted Government Company is required to appoint at least 2 directors as Independent Directors in pursuance of Section 149 read with Rule 4 of the Companies (Appointment and Qualifications of Directors) Rules, 2014. Further, SPMCIL is wholly owned by Government of India hence it is a Government Company under the Companies Act, 2013. As per the Articles of Association of SPMCIL, the power to appoint the Directors on the Board of Directors of the Company vests with the President of India acting through Department of Economic Affairs, Ministry of Finance. The appointment of Independent Directors on the Board of SPMCIL is under consideration of Department of Economic Affairs, Ministry of Finance.

For and on behalf of the Board of Directors

(Tripti P. Ghosh)
Chairman & Managing Director
DIN : 08123112

Date: 09th November 2021
Place: New Delhi

Annexure-VIII

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management of Security Printing and Minting Corporation of India Limited (SPMCIL) presents its Analysis Report covering the performance and outlook of the Company as follows:

A. Industry Structure and Developments

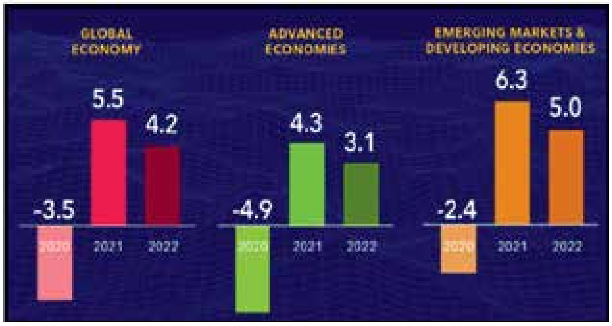
1.1. World Economic Environment

The outbreak of COVID 19 not only challenged governments, industries and businesses but also tested human endurance significantly across the globe. Post escalation of COVID 19 from March 2020 an unprecedented economic crisis occurred, where both public and private sectors struggled to manage the impact on trade at a global scale. The economic fallout due to pandemic across the world impacted certain industrial sectors disparately resulting in high unemployment rates. Some of the structural changes in trade, policies and global economic cooperation due to pandemic may imply a post pandemic economy marked by more varied governmental policies, disruptions in supply chains and accelerated digitization by businesses.

Though most of the economies across the world have started administering vaccine since year 2021, there is a stark gap in vaccination numbers in different countries. Continents such as Europe and North America are leading in terms of vaccination rates with 84% and 82% people vaccinated whereas Asia is still at 54%[1]. Governments across the globe are making diligent efforts to increase the vaccination rates raising prospects of an economic recovery this year. However different variants of COVID 19 virus and impact of vaccinations on the new variants raise questions on the pace of global economic recovery.

Impact of COVID-19 on World Economy

According to World Economic Outlook published by IMF in January 2021, the global economy is projected to grow 5.5% in 2021 (after an estimated decline of 3.5% in 2020), majorly due to launch of vaccine programs and adjustment of economic activities to the post-pandemic world with the passage of time[2].



Source: International Monetary Fund (IMF)

Despite concerns around logistics issue in vaccine distribution and new variants of COVID 19, global growth is expected to strengthen in the second half of 2021 on the back of policy measures in response to COVID 19 by advanced economies such as US and Japan. Auguring well with the economic recovery, global trade volumes are also expected to grow at 8%[3] in 2021. Overall global economy will remain below the pre-pandemic phase with diverging recoveries according to the impact and severity of COVID 19 in different nations.

1 https://www.nytimes.com/interactive/2021/world/covid-vaccinations-tracker.html

2 World Economic Outlook Update January 2021

3 World Economic Outlook Update January 2021

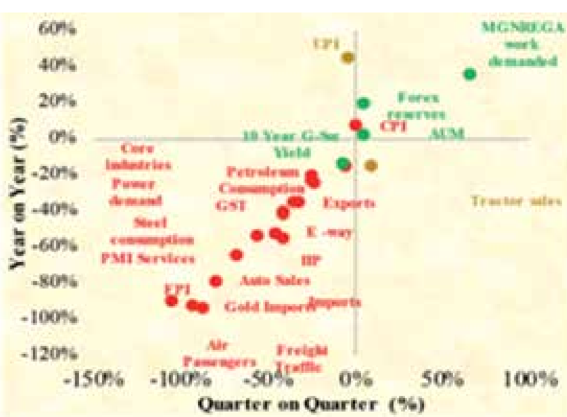
Though the world economy is reviving from the sudden jolt of pandemic, vaccine distribution especially in developing nations and controlling the impact of new variants of COVID 19 are some of the preconditions to economic recovery. Increase in vaccine distribution, will act as a key factor in driving the investments, consumption, employment, and capacity expansion by businesses in anticipation of increased demand which shall lead to the stronger global growth.

1.2. Indian Economic Environment

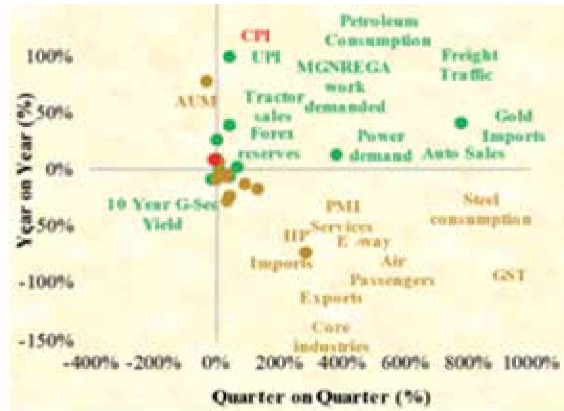
The Indian economy is estimated to be contracted by 7.7% in 2020-21[4] and is expected to show an upward trajectory by around 10-12% in 2021-22 majorly aided by structural reforms in the wake of COVID 19. While some of the sectors such as manufacturing, contact based services and hospitality were badly hit due to pandemic, sectors such as agriculture, digital, etc. managed to remain a silver lining.

After facing a sharp decline in early phase of pandemic due to nationwide complete lockdown in 2020, several high frequency indicators started showcasing a V-shaped recovery as depicted in the graphs below (showing transitions in growth)

Q1: FY 2020-21 (April-June)



Q2: FY 2020-21 (July-Sept.)



Q3: FY 2020-21 (Oct.-Dec.)

Measures taken by the Government in Investment Policy and Ease of doing business along with structural changes in global economic cooperation, trade and value chains provided an opportunity for India to stand out as preferred investment destination with 38% increase in FDI in April 2021 as compared to April 2020[5]. Also on account of positive sentiments towards quicker recovery in emerging economies, India witnessed net FPI inflows of (all-time monthly high) USD 9.8 billion in November 2020.

Inflation in December 2020 fell back to around 4.6% as per the RBI's target range driven by drastic fall in food prices. However, fuel inflation remained high due to higher crude oil prices[6]. Government spending was increased during unlock phase in order to provide fiscal stimulus

4 https://www.indiabudget.gov.in/economicsurvey/doc/vol2chapter/echap01_vol2.pdf

5 https://pib.gov.in/PressReleasePage.aspx?PRID=1729819#:~:text=Total%20FDI%20inflows%20are%2038,investment%20destination%20amongst%20global%20investors

6 https://www.indiabudget.gov.in/economicsurvey/doc/vol2chapter/echap01_vol2.pdf

to the economy by maintaining high public expenditure.

GDP performance in 2020-21 from the demand side (comprising consumption, investment and net exports)

i. The Private Final Consumption Expenditure (PFCE) declined by 6 per cent in nominal terms to 115.7 trillion in 2020-21 as compared to ₹123.1 trillion in 2019-20[7].

ii. The Government Final Consumption Expenditure (GFCE) grew by 2 per cent to 14% in 2020 from 12% in 2019[8] sustaining the growth of GDP in 2020-21.

iii. The Gross Fixed Capital Formation, an indicator of investments across the country, is expected to recover with a mild contraction of 0.8 per cent in second half of 2021 after witnessing a sharp decline of 29 per cent in first half of 2021. Percentage share of GFCF in GDP in 2020 stood at 26.1 as compared to 29.1 in 2019[9].

Growth Outlook | Impact of COVID-19 on India's Economy

With fiscal stimulus packages rolled out by the Government and boost to domestic manufacturing under "AtmaNirbhar Bharat" program, India's economy is expected to showcase a V-shaped recovery. As per IMF, India's economic growth is projected at 9.5 percent in FY22 corrected from earlier estimated rate of 12.5[10] percent , due to severe second COVID wave during March-May 2021.

But a high degree of uncertainty surrounds these projections. Vaccination rate is one of the key factors which will decide the direction of India's economic growth. Apart from fiscal incentives, various other initiatives such as infrastructure development, industrialization, demand creation, modernizing agriculture sector and exports have been taken by Government which is expected to minimize the impact of successive COVID waves and help the economy bounce back in the long-term. However, declining consumer spending due to rising health concerns and medical emergencies especially after second wave shall continue to put stress on India's economic growth prospects in the short term.

1.3. Key industry trends

It is observed that cash still remains one of the most prevalent medium of payment globally despite of local movement restrictions, a rapid acceleration in e-commerce and online spending in 2020. In fact, during the COVID-19 pandemic demand for cash has risen[11]. The reason for the same can be attributed to higher confidence in cash among the general public leading to precautionary holding giving the public more security & comfort during the pandemic. The same can be reiterated from table 1 signifying cash to GDP (%) has increased for most of the countries.

Table 1: Cash to GDP (%)

Country	2016	2017	2018	2019	2020
Japan	20.3%	20.8%	21.3%	21.8%	24.0%
Singapore	9.5%	9.8%	10.1%	10.7%	12.4%
United States of America	8.0%	8.4%	8.6%	8.9%	10.7%
United Kingdom	2.6%	2.8%	2.7%	2.7%	3.0%

Source: EMIS Database, Central Bank of respective countries

7 https://www.cmie.com/kommon/bin/sr.php?kall=warticle&dt=20210605142154&msec=730#:~:text=India's%20private%20final%20consumption%20expenditure,slowing%20through%20the%20last%20decade.
8 https://www.indiabudget.gov.in/economicsurvey/doc/vol2chapter/echap01_vol2.pdf
9 https://www.indiabudget.gov.in/economicsurvey/doc/vol2chapter/echap01_vol2.pdf
10 https://www.business-standard.com/article/economy-policy/imf-revises-downward-india-s-economic-growth-to-9-5-for-fy22-121072701313_1.html
11 EMIS Database

Moreover, globally there has been a fear of COVID-19 transmission risk through use of cash. However, various studies confirmed that the risk of transmission via banknotes and coins is very low, and thus cash remains safe to use. Still, some central banks have sought to reassure the public by taking steps that may reduce the already low risk of banknotes/ coins spreading COVID-19 by introducing disinfection procedures, quarantine procedures, or general steps to raise the quality of their circulating banknotes/ coins.

Additionally, some of the following key trends have been identified with respect to coins, banknotes, and security printing:

i. Coins

a) Demand for circulating coins has been subdued globally since last few years. However, recently (in 2020) a spike in minting of circulation coins was observed for some nations due to shortage of coins in circulation and in vaults of Central Banks (owing majorly to curb in business activities due to COVID 19).

b) Mints across the globe have progressively started to focus towards product diversification. Major share of revenues for global mints consistently accrue from bullion sales and numismatic businesses. The domestic circulation coin business for most mints has remained passive as there is always an uncertainty associated with circulation coin demand considering the high uptake of cashless mode of payments. Furthermore, foreign circulation business has become more price competitive with evidence of decreasing margins for most global players.

c) On the circulation coin front, efforts are being targeted towards making coins more secure. This is accomplished through incorporation of distinct shapes, latent imaging, micro lettering etc. in coins. On the numismatic front, focus on research and innovation tops the agenda for global mints. Colored coins, tri-metal coins with intricate high relief designs are in vogue and provide enhanced premiums to mints. Furthermore, globally, Mints are committed to significantly increase international sales of commemorative coins as well as expand range of precious metal investment products.

d) Additionally, many Mints globally (with support of Central Banks) are focusing on circulation coin recycling and installation of coin counting machines/coin ATMs to increase uptake of circulation coins in local economy by enabling ease of deposits.

e) There has also been an increasing focus towards achieving environment sustainability in operation of Mints, globally.

ii. Banknotes:

a) Globally, Central Banks are trying to innovate their banknotes with features that are visually attractive, counterfeit resilient and machine-readable. This is especially true with regard to security threads.
The unique design options of the security thread are posing maximum challenge to counterfeiters.

b) Use of durable solutions for printing currencies: Central banks are shifting from paper notes towards novel solutions with higher durability for printing currencies.

---

12 EMIS Database

c) Improved security and innovative designs: High incidence of counterfeits and fragility of banknotes developed with traditional technology and processes have given a new impetus to Central Banks to shift towards more secure solutions. Banknotes printers are increasing incorporating highly secure features such as Ink taggants, Holograms, ink-based security features (Spark ink, IR Inks and UV Inks), micro perforations etc. The designs are also becoming simple, interesting and exciting, while containing novel optical and covert features.

iii. Security Printing:

a) Multi-purpose ID/digital IDs are already growing within many countries. In next 2-3 years, this is expected to be underpinned by developments in secure biometrics and driven by national and international programmes and technology developments. This may lead to reduction of printed forms of ID.

b) Automation at borders is already emerging, from ePassports to biometrics (face recognition); passports on chip cards are being developed linking to other ID, such as driving licenses. Demand in digital documents will continue to rise.

c) The shift from physical security print to platform approaches/software (blockchain, track and trace across supply chain) continues as demand will increase and full system solutions will be a pre-requisite.

B. Swot Analysis of SPMCIL

Strengths	1. SPMCIL is the only company in India manufacturing Circulating Coins, Passports, Non-Judicial Stamp Papers, Postal Stationery and one of the two Companies printing Bank Notes. 2. Over 75 years of experience in Currency Printing for India as well as for foreign countries and over 2 centuries of Minting experience. 3. Large workforce of 7234 efficient staff across different parts of India. 4. ISO 9001:2000 and ISO 14001:2004 certified units. 5. Quality assurance departments equipped with advanced assay laboratories and specialized analysis techniques to ensure excellence in end products. 6. Large security printing product portfolio. 7. Prior international experience in minting and banknote printing for foreign countries such as Nepal and Thailand. 8. Only organization authorized to mint and distribute all commemorative coins of Government of India including proof and uncirculated variety. 9. Large portfolio of clients from Central Government departments to State level agencies/ departments, Banks, temple trusts, educational institutes and many more.

	10. IGMs are one of the largest and the most reputed precious metal refiners in India. Offer refining services for precious metals donated to temples and involved in production of mementos/coins for places of spiritual value. 11. Mumbai mint is the authorized agency to manufacture and supply Reference, Secondary and Working Standards of Mass, length and Volume against the traceability of corresponding Standard Sets authenticated by National Physical Laboratory (NPL), India. 12. SPMCIL has exclusive printing facility and expertise in the production of commemorative Postal Stamps. 13. SPMCIL employs specialized technology and multiple printing processes to produce security products under secured operating procedures and manufacturing protocols.
Weaknesses	1. Being a government organization, slow bureaucratic decisions may reduce efficiency. 2. Dependence on external sources for key inputs leads to exposure of the company to market risk. 3. Reactive approach towards new product / business development. 4. Old machinery and inefficient plant layout. 5. High inventory holding period leads to blockage of working capital. 6. High manpower cost renders SPMCIL uncompetitive in public procurements. 7. Limited international partnerships with global agencies. 8. No presence in international markets.
Opportunities	1. High export potential to other countries for various security products demanding strong authentication and anti-counterfeit security features. 2. High domestic market potential in bullion, medals and medallions, educational certificates and other security documents (such as social security certificates). 3. Increasing demand of commemorative coins in domestic market. 4. Large export market for supply of Banknotes, circulation coins and commemorative coins in Asia, Africa and Americas. 5. Opportunity for international partnerships in joint product development with global mints/printers. 6. Opportunity to venture into new product segments such as theme-based medallions, color medallions and corporate gifting.

Threats	1. High debtors due to delay in payments by customers. 2. Limited suppliers of raw materials and plant & machinery. 3. Impact of COVID-19 pandemic on overall world economy might lead to spillover effect on supply chains and decline in export activities across various sectors including currency printing. 4. New impetus to growth of digital transactions during containment efforts for COVID pandemic may consequently lead to decline in demand for cash for day-to-day transactions and adversely affect future indents. 5. Rapid digitization of products such as Non-Judicial Stamp papers and track-and-trace technology in excise labels pose a threat to viability of existing printed documents. 6. High entry barriers to foray in international banknote and coin supply export market.

C. Risks and Concerns

SPMCIL has a sub-committee of the Board, called Risk Management Committee (RMC), constituted in compliance with Companies Act, 2013 and DPE Guidelines. The committee is responsible for overseeing the effective establishment and implementation of an Enterprise Risk Management framework within which identified risks are evaluated and managed. RMC focuses on the identification and management of the key risks which could impact the achievement of SPMCIL's policies, aims and strategic objectives. RMC is also instrumental in formulating risk mitigation strategies and action plans for short term as well as long term basis. SPMCIL identified the following areas as its risk priorities and framed corresponding mitigation strategies in FY 2020-21.

Strategic Risks: Strategic risks are classified as probability that company's plans and strategies will fail to play as expected. In order to stay relevant in today's rapidly changing business scenario it is imperative for our organization to take strategic decisions and look beyond conventional business models. Strategic decisions such as capacity building, new investments, resource allocation, enactment of new delivery models and business expansion across geographies have some inherent risks attached to them with a potential to impact the Company's performance. SPMCIL is taking assistance of independent advisors to ensure a broad view of strategic risk is considered which incorporates any major risks with the potential to impact SPMCIL's long-term positioning and business performance.

Global Political and Economic instability: Apart from ongoing risks posed by unstable international political and economic environment, organization also faces the risks arising from occasional events such as trade wars among nations, increased taxation, labor strikes, etc. These risks further help us in understanding the global scenario and serve as an input to our strategic decisions. SPMCIL with the help of independent advisors has been taking initiatives in assessing the impact on company's business expansion strategy due to the identified risks from global political and economic instability in the long run.

Compliance risk with respect to laws and regulations: Failure in adherence to the rules, regulations and laws laid out by the legal system can lead to risk of facing litigations and penalties. Given the nature of the business, compliance with laws and regulations becomes an essential part of SPMCIL's business. Frequent changes in legal and regulatory regime and introduction to newer regulations makes the compliance process complex. However, SPMCIL has made timely investments for meeting regulatory requirements laid out by authorities and has always been successful. The company pro-actively engages with the Government and regulators to develop a regulatory framework which best fits to the interest of stakeholders. We have made constant efforts to develop a culture of individual responsibility and accountability within the organization by ensuring each employee is aware of and comply with regulations & laws specific and relevant to their roles. SPMCIL's compliance to laws and regulations reflects in the overall culture of the company.

Key operational failure risk: Risks arising out of loss resulting from inadequate or failed processes, people and information system have the potential to impact the efficiency and effectiveness of business operations. As businesses are driven increasingly by advancements in technology, globalization and competition- operational risks have become more complex to manage. SPMCIL has formulated Standing Operating Procedures (SOPs) for various processes/systems in order to mitigate these risks.

Technology readiness to meet current and future market requirements: Importance of becoming future ready in the world of rapid digitization, automation and consistently increasing demand of sophisticated technology cannot be overstated. SPMCIL's business verticals and product portfolio face the challenge posed by rapid adoption of digital security features and process automation, to which our company has responded pro-actively by taking initiatives to expand our current digital and R&D capabilities and identify areas for developing credentials in digital product space.

Physical Security risk: Due to security sensitive nature of SPMCIL's business, there is always a risk of security breach. To maintain high levels of security, latest state-of-the-art security systems have been installed in units. The Company has also deployed Central Industrial Security Force (CISF) and the State Paramilitary forces to look after the security of the units. Intelligence Bureau (IB) officials are posted in the Security Presses and Security Paper Mill.

Cyber Security risk: SPMCIL's operations are becoming increasingly dependent on IT systems for information management. It has led to an increased digital interaction within company's intranet as well as with the external network. These developments place a greater emphasis on the need to secure IT systems & infrastructure and security of the critical information. The cyber-attack threat by unauthorized access, misuse of sensitive data and interruptions to critical application processes continues to increase. To reduce the impact of external cyber-attacks impacting our business, we have installed firewalls and threat monitoring systems with immediate response capabilities to mitigate identified threats. Our information security team continuously monitors and improve organization's cyber security posture.

Your Company's Management is committed to further strengthen its risk management capabilities in order to protect and enhance shareholders value. Considering the planned efforts, monitoring by top management and participation of all employees in the decision-making process, the identified risks are well within the appetite of the Company.

D. Outlook

SPMCIL collectively has over two centuries of minting and almost 100 years of security printing experience. The company has a strong foundation and over the years has continuously evolved and adapted to changing Marco-economic scenarios. However, with the imminent adverse impact of COVID-19 on global and Indian economy, SPMCIL might face challenges in the short-term due to changes in demand and usage pattern of banknotes and circulation coins – the two most prominent product segments. Although, this impact is expected to stabilize upon eventual revival of global as well as domestic economy. Therefore, SPMCIL would be approaching the upcoming years with a sense of determination, resilience, and optimism. Also, since the Export Promotion Policy of SPMCIL has been approved by the Ministry of Finance, GoI in August 2020, SPMCIL would be diversifying its business activities, by exploring the global market for exports as well.

In backdrop of this, SPMCIL is making constant efforts in augmenting its core product verticals by scaling up the business through existing clients, opening up new clients, and also venturing into new product lines. The strategy is based on using existing expertise and assets to grow the business by exploring new opportunities to cater to the demand of both domestic as well as overseas market. In light of this, there would be a key focus on diversification in the minting vertical as indent from RBI is expected to remain subdued in the coming years. Considering this, SPMCIL is planning to augment its export activities both in coins as well as banknotes through Indian Missions abroad helping explore new markets.

Further, SPMCIL is also focusing on augmenting sale of commemorative coins through building relationships with various numismatic associations and collector community in the country/ abroad. Accordingly, planning for new themes for commemorative coins is in progress for upcoming years. Additionally, SPMCIL plans to focus in bullion and gold, as there is a solid demand for gold investment products in India, by virtue of being the 2nd largest consumer of gold in the world. This vertical has huge revenue generation potential for SPMCIL. Moreover, in the security printing vertical, there is a key focus on providing highly secure and technically advanced security products due to increased consumer demand for such products. This shall entail introduction of latest technologies (such as track and Trace, Blockchain) in Excise Adhesive Labels and NJSPs. Lastly, SPMCIL plans to aggressively focus on non-coinage activities as well. For instance, constant efforts shall be made for refining gold, silver and other precious metals received from temple trusts & gurdwara's. Any further diversification strategy planned by SPMCIL shall be done in a phased manner with equal importance to both domestic as well as international markets.

Overall, in the long-term, SPMCIL will take key measures to stay competitive in existing business lines of banknotes, coins, and security items. There will be an increased focus given to brand building, research and development, machinery modernization and capacity building to sustain the wave of upcoming disruptive technology and security features in product segments. Accordingly, augmentation of infrastructure will be planned at various mints & presses to provide thrust to expansion and diversification plans. Also, in addition to the business expansion plans in core business verticals, there would be an increased focus on improving overall productivity as well.

SPMCIL remains confident about the future of business as various new business development activities are at full swing and multiple initiatives are being undertaken to expand current clientele.

SPMCIL will keep exploring new initiatives to ensure that organization continues to grow, succeed, and create a long-term value for all its stakeholders.

E. REVIEW OF FINANCIAL PERFORMANCE

The Ministry of Corporate Affairs (MCA) notified Companies (Indian Accounting Standard) Rules, 2015 enabling implementation of Ind AS. Pursuant to this notification, SPMCIL and its Joint Venture Company, BNPMIPL have adopted Ind AS with effect from 1st April 2016. Accordingly, the Standalone and Consolidated Financial Statements for the year ended 31st March 2021 and 31st March 2020 have been prepared in accordance with Ind AS. The Revenue from Operations of your Company has decreased to ₹4712.57 crores in 2020-21 from ₹5099.71 crores (regrouped) during the previous year 2019-20. The decrease in revenue is due to reduction in production/sales due to lockdown declared by the Government of India to combat the outbreak of COVID-19 pandemic. Total expenditure for the year 2020-21 is ₹4094.00 crores as compared to ₹4133.38 crores (regrouped) for the year 2019-20. Profit before Tax (PBT) from continuing operations for 2020-21 is ₹789.74 crores as compared to ₹1176.69 crores (regrouped) for 2019-20. The company has achieved a Total Comprehensive Income of ₹395.99 crores in the year 2020-21 as compared to ₹745.06 crores (regrouped) in the year 2019-20. Total Consolidated TCI after taking into account the 50% share of profit of JV Company, Bank Note Paper Mill India Private Limited (BNPMIPL) is ₹523.78 in the year 2020-21 as compared to ₹875.64 crores (regrouped) in the year 2019-20. The comparative performance of major financial parameters (standalone) is given below:

Results (Standalone)

(₹ in Crores)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020 (Regrouped)
Revenue from Operations	4712.57	5099.71
Profit Before Tax (PBT)	789.74	1176.69
Profit After Tax (PAT)	423.81	725.31
Total Comprehensive Income	395.99	745.06

Break-up of Revenue from Operations

(₹ in Crores)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
(A) Sale of Products		
Banknotes	2310.91	2193.60
Circulating Coins	1553.15	1435.15
Medals and Commemorative Coins	39.82	45.93
Security Inks	0.04	23.89
Passport & Allied	212.17	496.49
Postal Items	12.73	30.79

Particulars		For the year ended 31st March 2021	For the year ended 31st March 2020
	Non Postal Items	56.95	65.17
	Non Judicial Stamp Papers	460.52	505.65
	Others	155.42	159.28
(B)	**Revenue from Services**		
	Job Work	7.47	5.55
	Other Service	0.11	0.24
(C)	**Other Operating Revenue**		
	Scrap Sale	89.57	155.80
	Other operating activities	3.74	4.26
	Rate Difference circulating coins	-190.04	-21.89
	Rate Difference	-	-0.20
TOTAL		**4712.56**	**5099.71**

During the year, your Company continued its thrust on better funds management. Emphasis on cost reduction with improvement in productivity continued during the year through process improvement and R&D. Awareness was created at all levels to control cost in all areas of operation. Product development has been a continuous endeavor at SPMCIL for meeting specific application requirement of our customers.

F. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

SPMCIL has an adequate internal control system in place in the form of well documented policies and procedures that cover critical as well as important activities of financial and other operating functions.

The Company has an efficient system of internal controls for achieving the following business objectives:

» Efficiency of operations

» Protection of resources

» Accuracy and promptness of financial reporting

» Compliance with the laid down policies and procedures

» Compliance with various laws and regulations

> *"Internal Controls are designed to reduce and manage, rather than eliminate the risk of failure to achieve the organization's objectives"*

Your Company has a comprehensive system of internal control to safeguard the assets against loss from unauthorized use and ensure proper authorization of financial transactions. The system covering all financial and operating functions in the Company is designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the reliability of financial controls and compliance with laws and regulations as applicable in the various fields in which the Company operates. The Company has also implemented suitable internal control measures to ensure that all resources are utilized optimally, financial transactions are reported with accuracy and all applicable laws and regulations are strictly complied with.

The management of the Company duly considers and takes appropriate action on the recommendations made by the Statutory Auditors, Internal Auditors and the Audit Committee of the Board of Directors. The Company has continued its efforts to align its process and controls with global best practices. To make the internal control more effective and transparent, the Company had adopted the revised Procurement Manual to enhance transparency in its operations. SAP/ERP has been operationalized thus bringing in transparency, efficiencies and economy in the operations.

Some significant features of internal control system are:

» Preparation and monitoring of annual budgets for major activities.

» A well-established team of internal auditors reviews and reports to management and Audit Committee and corrective measures are taken in time for continuous improvement.

G. HUMAN RESOURCE MANAGEMENT REVIEW

> *"The strength of the team is each individual member. The strength of each member is the team"*

Your Company believes that it is its people who energize and make the organization exceptional, both in driving world class performance as well as in fostering and enhancing reputational capital. Development of human resources is essential for any organization that would be dynamic and growth-oriented. Unlike other resources, human resources have rather unlimited potential capabilities. The potential can be used only by creating a climate that can continuously identify, bring to surface, nurture and use the capabilities of people. Human Resource Development (HRD) system aims at creating a dynamic and growth-oriented climate in order to keep pace with fast changing environment.

Your Company provides an environment conducive for learning, encourages adoption of best practices in every area and nurtures creativity and innovation among employees. Human Resource initiatives in SPMCIL are focused on developing team spirit, employee empowerment and their involvement in various improvement activities. Strategic alignment of HRM to business priorities and objectives has facilitated smooth transition to state-of-the-art technology in the modernization and capacity expansion projects.

It is the Human Resource which is an invaluable asset during the phase of transition in your Company as one machine can do the work of fifty ordinary men but no machine can do the work of one extraordinary man. Since employees are not disposable commodities, therefore various measures are being taken for welfare of the employees including socialization programmes, community activities, cultural functions, games and sports etc. In comparison to the preceding year, i.e. 2019-20, the Employees strength has come down from 8218 to 7234 as on 31.03.2021 due to natural attrition of manpower on account of superannuation.

H. ENVIRONMENT PROTECTION AND CONSERVATION

Your Company's Environment, Protection and Conservation Strategies are directed towards achieving the greenest and safest operations across all your Company's units by optimizing natural resource usage and providing safe and healthy workplace. Our focus is on inculcating a green and safe culture. The Company is addressing the critical area of climate change mitigation through several innovative and pioneering initiatives which are as follows:

- Re–orientation and modification of layout of industrial plants, structures.
- Tree plantation at factory sites & measures for restricting cutting of trees.
- Avoidance of fire hazards by adopting fire prevention system and mock-drill exercises of fire fighting to assess preparedness to fight fire disaster.
- Factory specific emergency preparedness.
- Installation of necessary safety measures at factory premises.
- Well maintained roads and passages in factory areas and colonies ensure dust free environment to its employees and residents.

> *"It is our collective and individual responsibility, to preserve and tend to the world in which we all live."*

The units of your Company do quarterly testing of the Environmental parameters in terms of stack emission, ambient air, water treatment after:

- Treating the effluent, noise inside and outside the factory, soil strengthening, etc. and take corrective actions.
- All nine units of your Company have implemented Environment Management System (EMS) in compliance of the International Standard (ISO 14001:14004) for better environmental management.

I. REPORT ON CORPORATE SOCIAL RESPONSIBILITY

Your Company's overarching commitment to create significant and sustainable societal value is manifest in its CSR initiatives. The objective of your Company is to conduct business in ways that embrace the most disadvantaged sections of the society through empowerment based on grassroots capacity building and creating sustainability and self-reliance. With the underlying philosophy and a credo to make a meaningful difference in people's lives, your Company has been structuring and implementing CSR initiatives right from the inception.

> *"Businesses need to go beyond the interests of their companies to the communities they serve."*

The CSR initiatives of your Company have always been undertaken in conformity to the Companies Act, 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014 and DPE Guidelines on CSR & Sustainability. SPMCIL carries out CSR projects in and around periphery of its units in line with the Schedule-VII of the Companies Act, 2013.

The details of various CSR initiatives taken by the Company along with the Report on CSR in prescribed format are placed at **Annexure-A** forming part of this Annual Report. The CSR Policy of the Company is available on the website of the Company, www.spmcil.com

J. CAUTIONARY STATEMENT

Certain statements in the Management Discussion and Analysis, describing the Company's objective, projections and estimates are forward looking statements and progressive within the meaning of applicable Laws and Regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors.

GLIMPSES OF CSR ACTIVITIES 2020-21

Handing over of 2 Nos. Ambulances to District Hospital Dewas (MP)

Providing Physical & Digital Infrastructure for Smart Classes in 70 Schools in District Barwani (MP)

Distribution of Assistive Devices to Divyangjan through ALIMCO at Hyderabad

ANNEXURE-A

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2020-21

1. Brief outline on the CSR Policy of the Company:

Corporate Social Responsibility (CSR) and Sustainability Policy is in accordance with the CSR Policy framework enshrined in the section 135 of Companies Act, 2013 (Act) and Companies (CSR Policy) Rules, 2014 (Rules) notified by Ministry of Corporate Affairs, Government of India and subsequent amendments in the (Rules) and the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 notified by the Ministry of Corporate Affairs, Government of India in January 2021 and Guidelines on Corporate Social Responsibility and Sustainability issued by Department of Public Enterprises, Government of India (DPE Guidelines, 2014) which are effective from 1st April 2014 and subsequent guidelines issued by Department of Public Enterprises(DPE), Ministry of Heavy Industries, Govt. of India. The objective is compliance of the law in accordance with the Department of Public Enterprises guidelines and to improve quality of life of communities in and around its operation areas. The focus initiatives are Education, infrastructure, Health, Safe Drinking Water, Rural Development. The Unit Level CSR Committee visit the area in and around its operational area, assess the requirement of the communities in consultation with the District Administration, Gram Sabha and conceive the project with aim to improve the quality of life of the communities. The project is scrutinised by the CSR (Level 1) Committee at Corporate Office. If the project is in accordance with the Companies CSR Policy, the same is recommended to the CSR Committee of the Board. After the concurrence and recommendation of the CSR Committee of the Board, the Project is placed before the Board for approval. The Company engages "Third Party" through Limited Tender Enquiry from the empanelled agencies like IITs, IIM IIFT, TERI etc. , for impact assessment. Their suggestion help the company in conceiving the future projects.

2. Composition of the CSR Committee

Sr. No.	Name of the Director	Designation	Number of meeting of CSR Committee held during their tenure	Number of meeting of CSR Committee attended
1	Shri Arun K. Chatterjee (Upto 29.12.2020)	Chairperson	4	4
2	Dr. Shashank Saksena	Chairperson & Member*	3	3
3	Shri Jayant N. Khobragade (From 29.12.2020)	Member	1	1
4	Shri S.K. Sinha	Member	5	5

* Dr. Shashank Saksena was appointed as the Chairperson of the CSR Committee in the meeting held on 24th March 2021.

3.		
3.	**Provide the web-link where Composition of CSR Committee, CSR Policy, and CSR projects approved by the board are disclosed on the website of the Company**	https://www.spmcil.com/Interface/CSR_Initiatives.aspx?InfoID=ptXpHR3y6/o=&InfoType=lCnDZPpLVEk=&menue=4

4.	Provide the details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies Corporate Social Responsibility Policy Rules, 2014, if applicable please attach report	NA

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of (Corporate Social Responsibility Policy) Rules 2014 and amount required for set off for the financial year, if any :**

Sr. No.	Financial Year	Amount available for set-off from proceeding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	2018-19	–	–
2	2019-20	–	–
3	2020-21	–	–
	Total	**–**	**–**

6.	**Average net profit of the company as per section 135(5)**	₹ 82,397 lakhs

7.			
	(a)	**Two Percent of average net profit of the company as per section 135(5)**	₹1,647.94 Lakhs
	(b)	**Surplus arising out of the CSR projects or programmes or activities of the previous financial years.**	Nil
	(c)	**Amount required to set off for the financial year, if any**	NA
	(d)	**Total CSR obligations for the financial year (7a + 7b + 7 c)**	₹ 1,647.94 Lakhs

8 (a) **Amount spent or unspent for the financial year.**

Total Amount spent for the Financial Year (in ₹)	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to the section 135(5)	
	Amount	Date of transfer	Amount	Date of Transfer
6,80,06,436	14,47,78,966	29.04.2021	–	–

(b) **Details of CSR amount spent against ongoing projects for the financial year.**

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes / No)	Location of the Project		Project Duration	Amount allocated for the project (in ₹)	Amount spent in the current year (In ₹)	Amount transferred to Unspent CSR Account for the project as per section 135(6) (In ₹)	Mode of implementation Direct (Yes/ No)	Mode of implementation Thorough implementing agency	
				State	District						Name	CSR Registration Number
1	2	3	4	5		6	7	8	9	10	11	
1	Two Number Ambulances and 02 Nos. Ventilators to District Hospital, Dewas (MP).	Health	Yes	MP	Dewas	One year	59,28,800	44,00,000	15,28,800	Direct	-	-

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes / No)	Location of the Project		Project Duration	Amount allocated for the project (in ₹)	Amount spent in the current year (In ₹)	Amount transferred to Unspent CSR Account for the project as per section 135(6) (In ₹)	Mode of impleme-ntation Direct (Yes/ No)	Mode of implementation Thorough implementing agency	
				State	District						Name	CSR Regis-tration Number
1	2	3	4	5		6	7	8	9	10	11	
2	Furniture Fixtures and Educational equipment to SDMC Co-ed Primary School, Sector 9, R.K. Puram New Delhi.	Education	Yes	NCT of Delhi	New Delhi	One year	8,09,920	1,90,020	6,19,900	Direct	-	-
3	Setting up of 15 Nos New Born Care Units (SNCU) at Zakir Hussain Hospital, Nashik Municipal Corporation.	Health	Yes	Maharashtra	Nashik	Two year	60,79,507	0	60,79,507	Direct	-	-
4	Medical Equipment for Civil Hospital, Sector 30, Noida (UP).	Health	Yes	Uttar Pradesh	Gautam Budh Nagar Noida	Two years	1,29,34,300	0	1,29,34,300	Direct	-	-
5	Medical Equipment & other Accessories for 04 Government Hospitals, New Delhi.	Health	Yes	NCT of Delhi	Delhi	One year	62,20,720	13,73,452	48,47,268	Direct	-	-
6	Garbage Collection Vehicles for 06 Villages in District Nashik (Maharashtra).	Health	Yes	Maharashtra	Nashik	One year	78,00,000	0	78,00,000	Direct	-	-
7	Nutrition to Mal Nutrition Children under Mission Bal Shakti, in Aspirational District Barwani (MP).	Health	Yes	MP	Barwani	Two years	1,00,80,000	0	1,00,80,000	Direct	-	-
8	Digital Class Rooms and Furniture Fixtures in 12 numbers Senior Secondary School in District Hoshangabad run by Tribal Welfare Department, Government of Madhya Pradesh.	Education	Yes	MP	Hoshangabad	Two years	1,09,62,000	0	1,09,62,000	Direct	-	-
9	Ambulance for Missionary of Charity, Nashik.	Health	Yes	Maharashtra	Nashik	Two years	24,00,000	0	24,00,000	Direct	-	-
10	Educational equipment (Computers, digital Board, Furniture and Fixtures educational aids) for Orphanage Houses run by Salam Baalak Trust, New Delhi.	Education	Yes	NCT of Delhi	Delhi	One year	17,19,170	0	17,19,170	Direct	-	-

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes / No)	Location of the Project		Project Duration	Amount allocated for the project (in ₹)	Amount spent in the current year (In ₹)	Amount transferred to Unspent CSR Account for the project as per section 135(6) (In ₹)	Mode of impleme-ntation Direct (Yes/ No)	Mode of implementation Thorough implementing agency	
				State	District						Name	CSR Regis-tration Number
1	2	3	4	5		6	7	8	9	10	11	
11	Medical Equipment to Government Institute of Medical Sciences (GIMS) Greater Noida (UP).	Health	Yes	UP	Gautam Budh Nagar, Noida	One year	1,53,65,498	0	1,53,65,498	Direct	-	-
12	Equipment for 10 Number Child Care Institute run by Government of West Bengal for the empowerment of Women and Child.	Health/ Education	Yes	West Bengal	Kolkata	One year	1,01,34,000	0	1,01,34,000	Direct	-	-
13	Contribution to Atal Incubation CCMB Hyderabad for the acceleration of Covid-19 related solutions, Research & Development (CSIR Hyderabad).	Health	Yes	Hyde-rabad	Telen-gana	One year	2,30,60,000	0	2,30,60,000	Direct	-	-
14	Installation of CCTV in Old Hyderabad for the Security of downtrodden and National Heritage.	Protection of National Heritage	Yes	Hyde-rabad	Telen-gana	One year	49,96,785	0	49,96,785	Direct	-	-
							11,84,90,700	59,63,472	11,25,27,228			

(c) Details of CSR amount spent other than ongoing projects for the financial year.

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in the schedule VII to the Act.	Local Area Yes/No	Location of the project		Amount spent for the project (in ₹)	Mode of implementation Direct (Yes/ No)	Mode of Implementation through implementation Agency	
				State	Dist.			Name	CSR Registration Number
1	CSR Fund to PM Cares Fund towards preparedness for COVID-19 Pandemic.	PM Care Fund	Yes	NCT of Delhi	Delhi	4,00,00,000	Yes	-	-
2	Distribution of Food Packets to Migrant Labour through CCI .	Health	Yes	NCT of Delhi	Delhi	25,00,000	Yes	-	-
3	Medical Equipment for COVID Management to J.J Hospital, Mumbai.	Health	Yes	Maharashtra	Mumbai	53,09,000	Yes	-	-

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in the schedule VII to the Act.	Local Area Yes/No	Location of the project		Amount spent for the project (in ₹)	Mode of implementation Direct (Yes/ No)	Mode of Implementation through implementation Agency	
				State	Dist.			Name	CSR Registration Number
4	Medical Equipment to Tata Memorial Hospital, Mumbai for enhancing the capacity of Hospital and also management of COVID-19.	Health	Yes	Maharashtra	Mumbai	1,31,20,000	Yes	-	-
						6,09,29,000			

(d) **Amount spent in Administrative Overheads :** 6,00,664

(e) **Amount spent on Impact Assessment , if applicable :** 5,13,300

(f) **Total amount spent for the Financial year (8b + 8c+8d + 8e) :** 6,80,06,436

(g) **Excess amount set off, if any :** -

S. No.	Particulars	Amount (in ₹)
(i)	Two percent of average profit of the company as per section 135(5)	16,47,94,000
(ii)	Total amount spent for the financial year	6,80,06,436
(iii)	Excess amount spent for the financial year (ii) – (i)	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial year if any.	Nil
(v)	Amount available for set off in the preceding financial years (iii) - (iv)	Nil

9 (a) Details of the Unspent amount for the proceeding financial years:

Sr. No.	Preceding Financial years	Amount transferred to Unspent CSR Account under section 135(6)(In ₹)	Amount spent in the reporting financial year (In ₹)	Amount transferred to any fund specified under Schedule VII, as per section 135(6), if any.			Amount remaining to be spent in the succeeding years (In ₹)
				Name of the Fund	Amount (In ₹)	Date of transfer	
1	2018-19	27,77,333	-	-	-	-	-
2	2019-20	4,10,04,405	-	-	-	-	-
3	2020-21	11,25,27,228	-	-	-	-	-
	Total	**15,63,08,966***	**-**	**-**	**-**	**-**	**-**

[***(a)**The unspent amount balance lying in the IndusInd Bank **₹2,26,94,041** **(b)** Additional amount transferred to the Unspent Account with IndusInd Bank **₹12,20,84,925** on 29.04.2021 **(c)** An amount of **₹ 1,15,30,000** paid to CCMB, Hyderabad (Atal Incubation) on 29.04.2021].

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No	Project ID	Name of the Project	Financial year in which the project was commenced	Project duration	Amount allocated for the project (In ₹)	Amount spent on the project in the reporting Financial year (in ₹)	Commulative amount spent at the end of reporting Financial year (in ₹)	Status of the project Completed/ Ongoing
1	2	3	4	5	6	7	8	9
1	N.A.	Skill Development Program for 100 candidates (PwDs) through Handicapped Finance and Development Corporation.	2018-19	One year	26,95,000	6,73,750	25,60,250	On-going
2	N.A.	Skill Development of 80 candidates Assistant Machine Operators through National Scheduled Caste Development Corporation at CIPET Aurangabad.	2018-19	One year	62,64,320	21,28,512	30,68,160	Completed
3	N.A.	Construction of Library Hall and Reading Room for Sinnar Nagar Parishad and providing Books for Library.	2018-19	Two years	60,00,000	33,57,417	33,57,417	On-going
4	N.A.	Construction of Underground drainage system in Pudur village, Medchal Mandal Malkajigri Dist.	2018-19	One year	49,00,000	24,10,462	48,10,462	Completed
5	N.A.	Medical Equipment to Grant Government College and Sir J.J. Hospital, Mumbai.	2018-19	One year	77,00,000	76,46,000	76,46,000	Completed
6	N.A.	Renovation of School, additional Class room, Painting of Schools, and digital Class Room, Hyderabad.	2019-20	One year	48,18,481	19,68,200	19,68,200	On-going
7	N.A.	Procurement of 300 Hydraulic Beds with mattresses and Pillows to District Hospital, Hoshangabad (MP).	2019-20	One year	45,00,000	38,99,700	38,99,700	On-going

Sl. No	Project ID	Name of the Project	Financial year in which the project was commenced	Project duration	Amount allocated for the project (In ₹)	Amount spent on the project in the reporting Financial year (in ₹)	Commulative amount spent at the end of reporting Financial year (in ₹)	Status of the project Completed/ Ongoing
1	2	3	4	5	6	7	8	9
8	N.A.	Assistive Devices to Children with disability (PwDs) though Chief Medical Officer, District Hospital, Hoshangabad (MP).	2019-20	One year	11,73,480	0	0	Ongoing
9	N.A.	Skill Development Training to Safai karamchari and their dependents at Apparel Training Institute, New Delhi through National Safai Karamchary Finance and Development Corporation.	2019-20	One year	50,09,139	0	10,27,283	ongoing
10	N.A.	Distribution of Kapas Plucking Machines to the marginal farmers to increase their earnings from their produce, in District Nashik, Dewas, Barwani, through Cotton Corporation of India Ltd.	2019-20	One year	50,00,000	47,43,530	47,43,530	Ongoing
11	N.A.	Assistive Devices to Divyangjan through ALIMCO at Nashik , Dewas, and Hoshangabad.	2019-20	One year	1,00,00,000	36,67,317	61,67,317	Ongoing
12	N.A.	Construction of Overhead Tank, Tube well and laying of pipes for providing drinking water to the villagers at village Kawaria, Tehsil Bagli, Dist. Dewas (MP).	2019-20	One year	72,00,000	61,90,800	61,90,800	Ongoing
13	N.A.	Furniture & Fixtures to P & T School, Atul Grover Marg, Janpath, New Delhi.	2019-20	One year	11,38,600	2,81,000	2,81,000	Ongoing

Sl. No	Project ID	Name of the Project	Financial year in which the project was commenced	Project duration	Amount allocated for the project (In ₹)	Amount spent on the project in the reporting Financial year (in ₹)	Commulative amount spent at the end of reporting Financial year (in ₹)	Status of the project Completed/ Ongoing
1	2	3	4	5	6	7	8	9
14	N.A.	Setting up of Digital Class room in 70 Schools and other equipment including Solar Penal, inverter Batteries in the Aspirational District Barwani (MP).	2019-20	One year	1,97,12,000	1,95,49,180	1,95,49,180	Completed
15	N.A.	Provided 05 Nos. of Dental X-Rays Machine with 05 Numbers Stabilizers and Dental Autoclaves (Sterilizers) in five Rural Health Centre, Gautam Budh Nagar (UP).	2019-20	One year	53,53,075	19,02,650	36,55,300	Completed
16	N.A.	Installation of Electricity Generation Plant of 5 Ton Capacity waste at Waste to Wonder Park, Sarai Kalekhan , through South Delhi Municipal Corporation, New Delhi.	2019-20	One year	1,44,17,550	1,10,37,250	1,10,37,250	On-going
17	N.A.	Construction of additional Class rooms, Toilets for Boys and Girls, Kitchen cum dining Hall, and RO UV Water Purifier for Mandal Parishad Government Upper Primary School, in village Parvathapur, District Malkajigiri.	2019-20	One year	65,85,000	63,92,678	63,92,678	Completed
18	N.A.	Tata Diesel Bus (54 +1) and Tata SFC 407 pickup Truck to Earth Savior Foundation, Village Bandhwari Gurugram for old age home and orphanage.	2019-20	One year	42,90,308	42,76,785	42,76,785	Completed

Sl. No	Project ID	Name of the Project	Financial year in which the project was commenced	Project duration	Amount allocated for the project (In ₹)	Amount spent on the project in the reporting Financial year (in ₹)	Commulative amount spent at the end of reporting Financial year (in ₹)	Status of the project Completed/ Ongoing
1	2	3	4	5	6	7	8	9
19	N.A.	Construction of Girls Hostel in Maharaj Gadje School at Berwal Taluka Triumbekeshwar, Distt. Nashik.	2019-20	One year	1,70,00,000	0	0	Ongoing
20	N.A.	Contribution to the Fund for the Measures for the Benefits of Armed Forces Veterans, War Widows and their families.	2019-20	One year	75,00,000	75,00,000	75,00,000	Completed
21	N.A.	Adoption of Village Chatua Block Kawela District Hoshangabad, renovation of school, street light, drainage system, community hall, drinking water.	2019-20	One year	68,55,665	0	0	Ongoing
22	N.A.	Provided 300 Benches to four Government Schools of Hyderabad.	2019-20	One year	10,52,220	0	0	Ongoing
Total					**14,91,64,838**	**8,76,25,231**	**9,81,31,312**	

10. In case of creation of or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year.

(Asset–wise details)

Date of creation or acquisition of Capital Asset(s)	Cost of creation or acquisition of Capital Asset(s) inclusive of GST (₹)	Name and Address of the Beneficiaries in whose Name Capital Asset(s) is acquired/created	Details of the Capital Asset(s) Created	Address of the Capital Asset(s) Created	Remarks
A	B	C	D (i)	D(ii)	
02.10.2021 (On-going)	33,57,417	Sinnar Nagar Parishad, Sinnar, Distt. Nashik (Maharashtra)	(i) Construction of Library Building (ii) Provision for Books	Sinnar Nagar Parishad, Sinnar, Distt. Nashik, Maharashtra	Ongoing
30.06.2020	76,46,000	Sir Grant J.J.Hospital, Mumbai	Medical Equipment	Sir Grant J.J.Hospital, Mumbai	Completed
30.03.2021	53,09,000	Sir Grant J.J.Hospital, Mumbai	Medical Equipment	Sir Grant J.J. Hospital, Mumbai	Completed

Date of creation or acquisition of Capital Asset(s)	Cost of creation or acquisition of Capital Asset(s) inclusive of GST (₹)	Name and Address of the Beneficiaries in whose Name Capital Asset(s) is acquired/created	Details of the Capital Asset(s) Created	Address of the Capital Asset(s) Created	Remarks
A	B	C	D (i)	D(ii)	
30.03.2021	1,31,20,000	Tata Memorial Hospital, Mumbai	Medical Equipment	Tata Memorial Hospital, Mumbai	Completed
25.03.2021 (On-going)	38,99,700	Civil Hospital Hoshangabad	300 number Hydraulic Beds with matrasses and Pillows	Civil Hospital Hoshangabad	Ongoing
25.03.2021	63,92,678	Mandal Parishad Uppar Primary School, Village Parvathpur, Dist. Malkajgiri	(i) Construction of additional class rooms (ii) Toilets for Boys & Girls (iii) Kitchen cum dining Hall (iv) RO/ UV water purifier	Mandal Parishad Uppar Primary School, Village Parvathpur, Dist. Malkajgiri	Completed
21.08.2020	24,10,462	Providing underground drainage system in Pudur village, Medchal Mandal, Malkajigiri Dist	Under-ground drainage system in village Pudur Malkajigiri District	Village Pudur, Medchal Mandal, Malkajigiri Dist.	Completed (Total Cost ₹48,60,462)
26.03.2021	17,81,000	Renovation of two school, Additional Class room, Digital Class rooms Khairatabad Hyderabad	(i) Construction of additional class room (ii) Construction of Toilets for girls (iii) Painting of School & Boundary wall	ZPHS Gowdapally, Medchal Dist. Hyderabad	On-going
14.08.2020	44,00,000	District Hospital Dewas	Two Number Ambulances and Ventilators	District Hospital, Dewas (MP)	On-going
28.02.2021	61,90,800	Gram Pachayat, Village Kawria, Tehsil Bagali, Dist. Dewas (MP)	Construction of Overhead water Tank, Tub-well and pipe for providing drinking water to villagers	Gram Pachayat, Village Kawria, Tehsil Bagali, Dist. Dewas (MP)	On-going
30.03.2021	1,95,49,180	Providing equipment for 70 Number Digital Class Rooms in 70 Number Government Schools; District Barwani (MP)	70 Number Digital Class room, Solar Panel, Batteries, 70 Nos Projectors, 70 Nos. Laptops	70 Nos. Government School, in Aspirational District Barwani	Completed
31.03.2021	1,90,020	Principal, Primary School, Sector 9, R.K. Puram, New Delhi	Furniture Fixtures and other equipment	Principal, (Primary Co-ed) Primary School, Sector 9, R.K. Puram, New Delhi	On-going
31.03.2021	13,73,452	Providing equipment to 4 Hospitals in Delhi	Medical equipment	Deep Chand Bandu Hospital, New Delhi (ii) M& CW, Centre, Andrews Ganj. New Delhi	On-going
20.10.2020 & 28.01.2021	42,76,785	Earth Saviour Foundation,	Tata Diesel Bus and Tata SFC Pickup Truck	Earth Savior Foundation, Bandwari Village Gurugram (Haryana)	Completed

Date of creation or acquisition of Capital Asset(s)	Cost of creation or acquisition of Capital Asset(s) inclusive of GST (₹)	Name and Address of the Beneficiaries in whose Name Capital Asset(s) is acquired/created	Details of the Capital Asset(s) Created	Address of the Capital Asset(s) Created	Remarks
A	B	C	D (i)	D(ii)	
02.02.2021	1,10,37,250	South Delhi Municipal Corporation, Waste to Wonder Park, Sarai Kale Khan New Delhi	Installation of 05 Ton Capacity Waste to Electricity Generation Plant, at Waste to Wonder Part, New Delhi	South Delhi Municipal Corporation, Waste to Wonder Park, Sarai Kale Khan New Delhi	Completed
10.07.2020	2,81,000	Principal, P& T Senior Secondary School, Atul Grove Marg, Janpath New Delhi.	School Benches Fans Exhaust Fans	P&N Senior Secondary School, Atul Grove Street, Janpath New Delhi	On-going
18.06.2020	19,02,650	Community Health Centre, Distt. Gautam Budh Nagar	05 Number Dental X-Rays Machine, Autoclave and Volage Stabiliser	Community Health Centre Village Badalpur, Bhagel, Dadri, Dadha and Jewar Dist. Gautambudh Nagar	Completed
Total	**9,31,17,394**				

11. Specify the reason(s), if the company has failed to spend two percent of the average profit as per section 135(5)

Due to the lockdown and restrictions, the project relating to Skill Development, distribution of Assistive devices to Divyangjans through camps, Construction activities of Hostel Building, School Building, Library, Special Unit for New Born Children are delayed. The project relating to Nutrition for Mal Nutrition to Critical Mal Nourished children and Atal Incubation CCMB for Acceleration of Research relating to COVID are spread over for two years.

Sd/-
Director (HR)

Sd/-
(Chairman CSR Committee)

Annexure-IX

REPORT ON CORPORATE GOVERNANCE

Corporate Governance is about promoting corporate accountability, transparency, responsibility and fairness in the best interest of various stakeholders in a Company. It is a system by which business corporations are directed and controlled. Corporate Governance essentially involves balancing the interests of all the stakeholders in a company i.e. shareholders, management, customers, suppliers, financiers, government, employees and the society at large. SPMCIL functions within a sound framework of Corporate Governance which underlines its commitment to quality of governance, accountability to all stakeholders, transparency in disclosures, consistent stakeholders' value enhancement, corporate social responsibility and fairness in the treatment of all stakeholders.

SPMCIL is committed to creating value that is not only profitable to the business but sustainable in the long-term interests of all stakeholders. In pursuit of the same, we consider it our inherent responsibility to disclose timely and accurate information regarding our performance as well as the governance in the Company. SPMCIL is complying with the Corporate Governance norms set by the Companies Act, 2013 and the Guidelines on Corporate Governance for CPSEs issued by Department of Public Enterprises (DPE), Government of India. SPMCIL has achieved Excellent rating for compliance of Guidelines on Corporate Governance for CPSEs issued by DPE for the year 2019-20 continuously since inception.

THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

SPMCIL's essential character revolves around values based on accountability, transparency, integrity, professionalism, responsibility and fairness. At the highest level, the Company continuously endeavors to improve upon these aspects on an ongoing basis and adopts innovative approaches for leveraging resources, converting opportunities into achievements through proper empowerment and motivation, fostering a healthy growth and development of human resources to take the Company forward.

"The bedrock of SPMCIL's governance philosophy are transparency, ethical corporate citizenship, control, empowerment, fairness, responsibility and accountability"

The Company recognizes that a good corporate governance is a continuous exercise and reiterates its commitment to pursue highest standards of Corporate Governance in the overall interest of its stakeholders. Keeping in view the philosophy, the Corporate Governance at SPMCIL is based on following main key principles & practices:

- Independence and Versatility of Board and ensuring that management must have executive freedom to derive the enterprise forward without undue restraints.
- Adherence & compliances of laws, rules, regulations and discharge of social responsibility for sustainable development of all stakeholders.
- A sound system of internal control and processes to mitigate risks associated with achievement of business objectives, both short-term and long-term.
- Commitment to values, ethical business, high degree of disclosure and transparency levels.
- Minimization of wastages and risks. Eradication of Corruption and misconduct.
- Timely and balanced disclosure of all material information to the shareholders.

SPMCIL GOVERNANCE STRUCTURE

The practice of Corporate Governance in SPMCIL takes place through different levels i.e.

1. Board of Directors
2. Board Level Audit Committee
3. Remuneration Committee
4. Corporate Social Responsibility
5. Risk Management Committee
6. General Meetings
7. Disclosures
8. General Shareholder Information

The core roles of the key entities flow from this structure which in turn determines the core responsibilities of each entity. In order to discharge such responsibilities each entity is empowered formally with requisite powers.

ROLE OF VARIOUS ENTITIES:

1. Board of Directors

In terms of the Company's Corporate Governance Policy all the statutory and other significant & material information are placed before Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of shareholders.

Pursuant to Section 2(45) of the Companies Act, 2013, SPMCIL is Government Company as the entire paid-up share capital of the company is held by the Government of India through President of India. The composition of Board of Directors of SPMCIL has an appropriate mix of Functional Directors including Chairman & Managing Director, Non-Executive Directors represented by Government Nominees & End user Representatives and Independent

Directors, to maintain the independence of the Board functions of management and control. The power to appoint Directors vests with the President of India.

(i) Composition of Board of Directors is as follows:

Particulars	Board Structure	Actual Strength as on 31st March, 2021
Chairman & Managing Director (Functional)	1	1
Whole-time Executive (Functional) Directors	3	2
Part-time Official (Government Nominee) Directors (two represented by Ministry of Finance & one represented by Ministry of Home Affairs)	3	3
Part-time Official (End-User Representative) Directors (one each from Ministry of External Affairs, Reserve Bank of India and Department of Posts)	3	2
Part-time Non-official (Independent) Directors	2	0
TOTAL	**12**	**8**

As on 31st March 2021 there exists vacancy of Part-time Non-official (Independent) Director on the Board of SPMCIL. The matter of filling-up of the vacancy is under consideration of Department of Economic Affairs, Ministry of Finance, Government of India.

(ii) Attendance of each Director at the Board Meetings held during 2020-21 and the last AGM

Director's Name	No. of Board Meetings		Whether Attended Last AGM (held on 16th December 2020)
	Held	Attended	
(a) Executive Directors			
Ms. Tripti P. Ghosh, Chairman & Managing Director (DIN : 08123112)	6	6	Yes
Shri Ajai Kumar Srivastav, Director (Technical) (Upto 28.02.2021) (DIN : 07571219)	5	5	Yes
Shri S.K. Sinha, Director (HR) (DIN : 07585095)	6	6	Yes
Shri Ajay Agarwal, Director (Finance) (DIN : 06778079)	6	6	Yes

Director's Name	No. of Board Meetings		Whether Attended Last AGM (held on 16th December 2020)
	Held	Attended	
(b) Part-time Official (Government Nominee) Directors			
Ms. Meera Swarup, Additional Secretary & Financial Adviser, Ministry of Finance (DIN : 07459492)	6	6	No
Dr. Shashank Saksena, Senior Economic Adviser (C&C), Department of Economic Affairs, Ministry of Finance (DIN : 01792291)	6	6	Yes
Ms. Punya Salila Srivastava, Additional Secretary (WS), Ministry of Home Affairs (DIN : 06540888)	6	1	No
(c) Part-time Official (End-User Representative) Directors			
Shri Arun K. Chatterjee, Additional Secretary (Administration), Ministry of External Affairs (Upto 29.12.2020) (DIN : 07532401)	4	4	No
Shri Jayant N. Khobragade, Joint Secretary (PSP) & Chief Passport Officer, Ministry of External Affairs (from 29.12.2020) (DIN : 07904754)	2	2	*
Ms. Amarpreet Duggal, Dy. Director General (Philately), Department of Posts (Upto 01.12.2020) (DIN : 08207199)	3	1	*
Shri Amitabh Singh, Dy. Director General (Philately), Department of Posts (from 01.12.2020 till 12.02.2021) (DIN : 08971489)	2	2	No
Shri Manas Ranjan Mohanty, Chief General Manager in-charge, Department of Currency Management, Reserve Bank of India (from 11.05.2020 till 10.07.2020) (DIN : 08736522)	1	1	*

Director's Name	No. of Board Meetings		Whether Attended Last AGM (held on 16th December 2020)
	Held	Attended	
Shri Subrata Das, Chief General Manager in-charge, Department of Currency Management, Reserve Bank of India (from 06.11.2020) (DIN : 05114257)	3	3	No

*Denotes the respective person was not a Director of SPMCIL as on last AGM date.

(iii) Details of Directorships, Committee Memberships and Committee Chairmanship in other companies as on 31st March 2021

Director's Name	Details of Directorships in other Companies	Details of Committee Memberships and Committee Chairmanship in other Companies*
Ms. Tripti P. Ghosh, Chairman & Managing Director (DIN: 08123112)	Bank Note Paper Mill India Private Limited (BNPMIPL)	-Nil-
Shri S.K. Sinha, Director (HR) (DIN: 07585095)	Bank Note Paper Mill India Private Limited (BNPMIPL)	Member of Audit Committee and CSR Committee of BNPMIPL
Shri Ajay Agarwal, Director (Finance) (DIN: 06778079)	-Nil-	-Nil-
Ms. Meera Swarup, Additional Secretary & Financial Advisor, Ministry of Finance (DIN: 07459492)	» Goods Service Tax Network (GSTN) » IDBI Bank	-Nil-
Dr. Shashank Saksena, Senior Economic Adviser (C&C), Department of Economic Affairs, Ministry of Finance (DIN : 01792291)	» IIBIL » DICGC » IBBI	-Nil-
Ms. Punya Salila Srivastava, Additional Secretary (WS), Ministry of Home Affairs (DIN : 06540888)	-Nil-	-Nil-
Shri Subrata Das, Chief General Manager in-charge, Department of Currency Management, Reserve Bank of India (from 06.11.2020) (DIN : 05114257)	Bank of India	-Nil-

Director's Name	Details of Directorships in other Companies	Details of Committee Memberships and Committee Chairmanship in other Companies*
Shri Jayant N. Khobragade, Joint Secretary (PSP) & Chief Passport Officer, Ministry of External Affairs (from 29.12.2020) (DIN : 07904754)	-Nil-	-Nil-

*Only Chairmanship/Membership of the Audit Committee, CSR Committee & Remuneration Committee has been considered.

No Director of the Company holds office at the same time as Director in more than twenty (20) companies. No Director of the Company is a member in more than ten (10) Committees or is a Chairman of more than five (5) Committees across all companies in which he is a Director. Disclosure of relationship between Directors inter-se: NIL.

(iv) Number of Board Meetings held, dates on which held

The Company adheres to DPE guidelines and Secretarial Standard-1 for the meetings of the Board of Directors and its Committees. The meetings are convened by giving appropriate notice after obtaining approval of the Chairman of the Board/Committee. Meetings are governed by a structured agenda. In case of any exigency, resolutions are passed by circulation.

The meetings of the Board are normally held at the Company's Registered Office at New Delhi and are scheduled well in advance. The Company Secretary, in consultation with the Chairman & Managing Director, sends a written notice of each Board meeting to each Director. The members of the Board have access to all information of the Company and are free to recommend inclusion of any matter for discussion in agenda which is usually sent in advance. In case of need, the senior management is invited to attend the Board Meetings to provide additional inputs relating to the items being discussed and / or to give presentation to the Board. The Board meets at least once in a quarter to review the quarterly results and other items on the agenda. Additional meetings are held, when necessary. During the year under review, the Board met six times on the following dates:

(i) 27th May 2020

(ii) 20th August 2020

(iii) 26th August 2020

(iv) 16th December 2020

(v) 4th February 2021

(vi) 22nd March 2021

(v) Board's Responsibilities

The Board's mandate is to oversee the Company's strategic direction, review and monitor corporate performance, ensure regulatory compliance and safeguard the interests of the shareholders.

(vi) Role of Independent Directors

The Independent Directors play an important role in deliberations at the Board and Committee meetings. There is a vacancy of Independent Directors on the Board of the Company and the appointment of required number of Independent Directors is under consideration of DEA, Ministry of Finance.

(vii) Information placed before the Board of Directors

The agenda placed before the Board inter alia includes the following:-

- Annual operating plans and budgets and any updates.
- Quarterly results for the company.
- Minutes of meetings of Audit Committee and other Committees of the Board.
- Significant labour problems and their proposed solutions, any significant development in Human Resources / Industrial Relations front like signing of wage agreement etc.
- Action Taken Report on matters desired by the Board.
- Disclosure of Interest by Directors about directorships and Committee positions occupied by them in other companies.
- Information relating to major legal disputes.
- Any contract(s) in which Director(s) is deemed to be interested.
- Procurement proposals requiring Board's approval as per Procurement Manual of the Company.
- Significant Capital Investment proposals.
- Status of safety and legal compliance.
- Changes in significant accounting policies & practices and reasons for the same.
- Any other information as required under DPE guidelines and SS-1 etc., to be submitted to the Board either for information or for approval.

(viii) Selection of New Directors

As per Articles of Association of SPMCIL, the President of India acting through Department of Economic Affairs, Ministry of Finance, appoints the Chairman & Managing Director and Functional Directors on the Board of SPMCIL and also appoints Part-time Non-executive (Government nominees, End-user representatives and Independent) Directors on the Board of SPMCIL.

The Independent Directors are selected by the Department of Economic Affairs, Ministry of Finance in consultation with the Search Committee of the Department of Public Enterprises which maintains a panel of eminent personalities having wide experience in the field of Management, Finance, Engineering, Administration and Industry etc.

(ix) Code of Conduct

As part of SPMCIL's persisting endeavor to set a high standard of conduct for its employees, a 'Code of Business Conduct and Ethics' was laid down for all Board Members and Senior Management personnel. The Code encompasses:

- General Moral Imperatives;
- Specific Professional Responsibilities; and
- Specific Additional Provisions for Board Members and Senior Management Personnel.

A copy of the said Code has been placed on the Company's website 'www.spmcil.com'.

2. Board Level Audit Committee

(i) Terms of Reference

The terms of reference of the Board Level Audit Committee specified by the Board are in conformity with the requirements of Section 177 of the Companies Act, 2013 and are as follows:

1. Discussion with Auditors periodically about internal control systems and the scope of audit including observations of the Auditors.
2. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
3. Ensuring Compliance of Internal Control Systems.
4. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
5. Noting appointment and removal of external auditors. Recommending the fixation of audit fee of external auditors and also approval for payment for any other services.
6. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
    a. Matters required to be included in the Directors' Responsibility Statement being part of the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
    b. Changes, if any, in accounting policies and practices and reasons for the same;
    c. Major accounting entries involving estimates based on the exercise of judgment by management;
    d. Significant adjustments made in the financial statements arising out of audit findings;
    e. Compliance with legal requirements relating to financial statements;
    f. Disclosure of any related party transactions;
    g. Qualifications in the draft audit report.
7. Reviewing, with the management, performance of statutory and internal auditors, the adequacy of internal control systems and suggestion for improvement of the same.
8. Reviewing the adequacy of internal audit function, reporting structure coverage and frequency of internal audit.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
11. To review the follow up action on the audit observations of the C&AG audit.

12. Investigation into any matter in relation to the items specified above or referred to it by the Board.

13. To review the follow-up action taken on the recommendations of Committee on Public Undertakings (COPU) of the Parliament.

14. Provide an open avenue of communication between the independent auditors, internal auditors and the Board of Directors.

15. Carrying out any other function as mentioned in the terms of reference of the Audit Committee.

(ii) Composition of Committee, name of Members & Chairperson

The member directors comprise of professionals of repute and standing with background in commerce, finance, administration and governance. The Committee comprises of the following directors:

Name of the Director	Position	No. of meetings held during their tenure	No. of meetings attended
Shri Arun K. Chatterjee (Upto 29.12.2020) (DIN : 07532401)	Chair-person	2	2
Dr. Shashank Saksena (DIN : 01792291)	Chair-person & Member*	4	4
Shri Jayant N. Khobragade (From 29.12.2020) (DIN : 07904754)	Member	2	2
Shri Amitabh Singh (Upto 12.02.2021) (DIN : 08971489)	Member	1	1

* Dr. Shashank Saksena was appointed as the Chairperson of the Audit Committee in the meeting held on 3rd February 2021.

Director (Finance) is permanent invitee. Company Secretary acts as Secretary to the Committee.

(iii) Meetings and Attendance

The Audit Committee met four times on 19th August 2020, 16th December 2020, 3rd February 2021 and 22nd March 2021. The detail of attendance of each member is given in the above table.

3. Remuneration Committee

(i) Remuneration policy

SPMCIL being a Public Sector Undertaking, the appointment and remuneration of CMD / Functional Directors are decided by the Government of India. The part-time non-executive directors are not paid any remuneration except sitting fees to Independent Directors for attending meetings of the Board or Committees thereof.

(ii) Terms of Reference

In line with the requirements of Section 178 of the Companies Act, 2013, the Remuneration Committee has the following terms of reference:

(a) Recommendation on fees / compensation, if any, to be paid, to Non-Executive directors, including independent directors, to the Board of Directors/ Shareholders.

(b) To decide the bonus / variable pay pool and policy for its distribution across the executives and non-unionised supervisors.

(c) Carrying out any other function related to the terms of reference of the Committee.

MCA vide Notification dated 5th June 2015 provided that Section 178 (2) of the Companies Act, 2013 with regard to performance evaluation of Directors shall not apply to a Government Company.

(iii) Composition of Committee, Name of Members & Chairperson

The Committee comprises of the following directors:

Name of the Director	Position
Dr. Shashank Saksena (DIN : 01792291)	Chairperson
Shri Arun K. Chatterjee (Upto 29.12.2020) (DIN : 07532401)	Member
Shri Jayant N. Khobragade (From 29.12.2020) (DIN : 07904754)	Member
Shri Amitabh Singh (Upto 12.02.2021) (DIN : 08971489)	Member

Company Secretary acts as Secretary to the Committee.

(iv) Meetings and Attendance

During the year 2020-21, no meeting of Remuneration Committee was held.

(v) Details of remuneration of Functional Directors during the year 2020-21 are given below:-

Name of the Director	Total Remuneration (₹ in Lacs)
Ms. Tripti P. Ghosh, Chairman & Managing Director (DIN : 08123112)	27.55
Shri Ajai Kumar Srivastav, Director (Technical) (upto 28.02.2021) (DIN : 07571219)	80.13
Shri S.K. Sinha, Director (HR) (DIN : 07585095)	61.30
Shri Ajay Agarwal, Director (Finance) (DIN : 06778079)	45.52

4. Board Level Committee For Corporate Social Responsibility

The company implements various social development projects under its Corporate Social Responsibility (CSR).

(i) Terms of Reference

The terms of reference of the CSR Committee are as under:

(a) Formulation and recommendation to the Board of the Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013;

(b) Recommendation of the projects, programs and amount of expenditure to be incurred on the activities referred to in clause (a);

(c) Monitoring the Corporate Social Responsibility activities of the company from time to time; and

(d) Ensuring compliance with guidelines on Corporate Social Responsibility and Sustainability issued by the Government of India from time to time.

(ii) Composition of Committee, name of Members & Chairperson

The CSR Committee comprises of the following Directors:

Name of the Director	Position	No. of meetings held during their tenure	No. of meetings attended
Shri Arun K. Chatterjee (Upto 29.12.2020) (DIN : 07532401)	Chairperson	4	4
Dr. Shashank Saksena (DIN : 01792291)	Chairperson and Member*	3	3
Shri Jayant N. Khobragade (From 29.12.2020) (DIN : 07904754)	Member	1	1
Shri S.K. Sinha (DIN : 07585095)	Member	5	5

* Dr. Shashank Saksena was appointed as the Chairperson of the CSR in the meeting held on 24th March 2021.

(iii) Meetings and Attendance

The Committee met five times during the year on 3rd April 2020, 22nd April 2020, 26th June 2020, 9th December 2020 and 24th March 2021. The details of attendance of each member are given in the above mentioned table.

5. Risk Management Committee

(i) Terms of Reference

The Risk Management Committee has the key role in ensuring enterprise wide risk management and aligning the strategic objectives with the organization's key risks in order to achieve intended outcomes. The role and responsibilities of Risk Management Committee are as follows:

» Ensure that appropriate systems are in place to manage the identified risks, so that the organization's assets and reputation are suitably protected.

» Ensure that responsibility and authorities are clearly defined and adequate resources are assigned to implement the Risk Management Policy.

» Review the key risks reported by the Corporate Risk Committee (CRC) and approve remedial mitigation decided by CRC for key risks.

(ii) Composition of Committee, name of Members & Chairperson

The Risk Management Committee comprises of the following Directors:

Name of the Director	Position	No. of meeting held during their tenure	No. of meeting attended
Shri Ajay Agarwal (DIN: 06778079)	Chairperson	1	1

Name of the Director	Position	No. of meeting held during their tenure	No. of meeting attended
Shri Ajai Kumar Srivastav (Upto 28.02.2021) (DIN: 07571219)	Member	1	1
Shri S.K. Sinha (DIN : 07585095)	Member	1	1

(iii) Meetings and Attendance

The Committee met one time during the year on 3rd February 2021. The details of attendance of each member are given in the above mentioned table.

6. General Meetings

(i) Location and time of last three AGMs:

Financial Year	Location	Date	Time
2017-18 (13th AGM)	16th Floor, Jawahar Vyapar Bhawan, Janpath, New Delhi	31st July 2018	1.30 p.m.
2018-19 (14th AGM)	16th Floor, Jawahar Vyapar Bhawan, Janpath, New Delhi	6th September 2019	1:30 p.m.
2019-20 (15th AGM)	The Park, 15, Sansad Marg, Hanuman Road Area, Connaught Place, New Delhi	16th December 2020	2:30 p.m.

(ii) Details of Special resolutions passed in previous three AGMs

No special resolution was passed in the previous three Annual General Meetings.

7. Disclosures

(i) Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large.

The company has not entered into any materially significant related party transactions (RPTs) that may have potential conflict with the interests of the company at large. Nonetheless, transactions with related parties have been disclosed in the Notes to Accounts of the Financial Statements for the year ended 31st March 2021.

(ii) Non-compliances / penalties & strictures imposed on the company during the last three years

There were no instances of non-compliance on any matter during the last three years. It is reaffirmed that no penalties imposed or strictures passed against the Company by the statutory authorities except the cases mentioned in notes to accounts forming part of the financial statement and disposal of the same are still pending with the judicial and quasi-judicial authorities.

(iii) Whistle Blower Policy

In pursuance of the DPE Guidelines on Corporate Governance for Central Public Sector Enterprises, and Section 177 of the Companies Act, 2013, the Company has reiterated the Whistle Blower Policy of Central Vigilance Commission (CVC). The complaints received under the Policy are being processed as per the guidelines in this regard and no person has been denied access to the Audit Committee.

A copy of the Whistle Blower Policy has also been placed on the website of the Company www.spmcil.com for wide publicity.

(iv) Details of compliance with the requirements of DPE Guidelines on Corporate Governance

All mandatory requirements of the DPE Guidelines on Corporate Governance for CPSEs have been duly complied with by the company except those relating to required number of Independent Directors on the Board. No expenditure has been debited in books of accounts which is not for the purpose of business and no expenses incurred and accounted which are personal in nature and incurred for the Board of Directors and Top Management.

(v) Presidential Directives

During the last three years i.e. 2018-19, 2019-20 and 2020-21, no Presidential Directive was received.

(vi) Risk Management

In compliance with DPE guidelines on Corporate Governance for CPSEs, the Risk Management Policy of the Company has been approved by the Board of Directors of the Company which ensures that the risks are being properly identified and effectively managed. A Risk Management Committee of the Board of Directors of the Company has also been constituted as per details given elsewhere in this report.

(vii) Certificate on Corporate Governance

The Certificate obtained from the practicing Company Secretary regarding compliance of conditions of Guidelines of Corporate Governance of CPSEs has been annexed to this Report.

8. General Shareholder Information

(i)	AGM		
	Date	Time	Venue
	09th November 2021	1:30 p.m.	16th Floor, Jawahar Vyapar Bhawan, Janpath, New Delhi-110001
(ii)	Financial Year	1st April 2020 to 31st March 2021	

(iii) Dividend History:

The details of dividend paid by SPMCIL are summarized as under:

Year	Total Amount of Dividend Paid (₹ in Crores)	Date on which dividend was declared
2010-11 (Final)	115.44	10th August 2011
2011-12 (Final)	116.49	30th July 2012
2012-13 (Final)	84.70	13th November 2013
2013-14 (Final)	42.93	11th November 2014
2015-16 (Final)	60.92	30th September 2016
2016-17 (Final)	227.64	27th September 2017
2017-18 (Final)	204.87	31st July 2018
2018-19 (Final)	218.48	6th September 2019
2019-20 (Final)	215.48	16th December 2020

(iv) Means of Communication:

The official news releases, presentations, financial information etc. are displayed on the Company's website www.spmcil.com. The code of conduct and other related information are also available on the Company's website.

(v) Plant locations

<table>
<tr><td rowspan="10">UNITS OF SPMCIL</td><td>Dewas (M.P.)</td><td>Bank Note Press</td></tr>
<tr><td>Hoshangabad (M.P.)</td><td>Security Paper Mill</td></tr>
<tr><td rowspan="2">Hyderabad (T.S.)</td><td>Security Printing Press</td></tr>
<tr><td>India Government Mint</td></tr>
<tr><td>Kolkata (W.B.)</td><td>India Government Mint</td></tr>
<tr><td>Mumbai (M.H.)</td><td>India Government Mint</td></tr>
<tr><td>Noida (U.P.)</td><td>India Government Mint</td></tr>
<tr><td rowspan="2">Nashik (M.H.)</td><td>Currency Note Press</td></tr>
<tr><td>India Security Press</td></tr>
</table>

It is hereby declared that all Board members and Senior Management personnel have affirmed compliance with SPMCIL's "Code of Business Conduct and Ethics" for the financial year 2020-21.

(vi) Dematerialization of Shares:

Pursuant to notification dated 10th September 2018 of Ministry of Corporate Affairs, the equity shares of the Company have been dematerialized. The name and address of Registrar & Transfer Agent is Alankit Assignments Limited, 3E/7, Jhandewalan Extension, New Delhi-110055.

For and on behalf of the Board of Directors

(Tripti P. Ghosh)
Chairman & Managing Director
DIN : 08123112

Date: 09th November 2021
Place: New Delhi

CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members,
Security Printing and Minting Corporation of India Limited
16th Floor, Jawahar Vyapar Bhawan,
Janpath, New Delhi –110001
CIN: U22213DL2006GOI144763

Dear Sir/Madam,

We have examined the compliance of the conditions of Corporate Governance by Security Printing and Minting Corporation of India Limited, (herewith referred as 'the Company') for the year ended on 31st March, 2021 as stipulated in 'Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010' vide Notification No. 1 No. 18(8)/2005- GM originally issued on 22.06.2007 and revised guidelines vide office memorandum dated 14th May, 2010 by the Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises Government of India and annexure mentioned there under (herein referred as 'Guidelines').

The compliance of conditions of Corporate Governance is the responsibility of management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance as stipulated in above mentioned guidelines. It is neither an audit nor an expression of opinion on the financial statement of the company.

In our opinion and to the best of our information and according to the explanations given to us, we hereby certify that the Company has complied with the conditions of corporate governance as stipulated in above mentioned DPE guidelines except the following.

1. **The Board of Directors of the Company is not duly constituted with proper balance of Independent Directors.**

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

For **Amit Agrawal & Associates**
(Company Secretary)
Sd/-
CS Amit Agrawal
(Proprietor)
M. No. F5311, C.P. No. : 3647
UDIN: F005311C000685531

Date : 26.07.2021
Place : Delhi

Annexure-X

FORM NO. AOC.2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3)of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis
   - (a) Name(s) of the related party and nature of relationship: **N.A.**
   - (b) Nature of contracts/arrangements/transactions: **N.A.**
   - (c) Duration of the contracts/arrangements/transactions: **N.A.**
   - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **N.A.**
   - (e) Justification for entering into such contracts or arrangements or transactions: **N.A.**
   - (f) Date of approval by the Board: **N.A.**
   - (g) Amount paid as advances, if any: **N.A.**
   - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: **N.A**.
2. Details of material contracts or arrangement or transactions at arm's length basis
   - (a) Name(s) of the related party and nature of relationship: **Bank Note Paper Mill India Private Limited (BNPMIPL), Joint Venture Company**.
   - (b) Nature of contracts/arrangements/transactions: **Purchase of CWBN Security Paper**
   - (c) Duration of the contracts/arrangements/transactions: **01.04.2020 to 31.03.2021**
   - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Purchase of CWBN Security Paper in accordance with the terms and conditions of Joint Venture cum Shareholders Agreement for the aggregate amount of ₹218.41 crores in the year 2020-21**.
   - (e) Date(s) of approval by the Board, if any: **N.A.**
   - (f) Amount paid as advances, if any: **N.A.**

For and on behalf of the Board of Directors

(Tripti P. Ghosh)
Chairman & Managing Director
DIN : 08123112

Date: 09th November 2021
Place: New Delhi

Standalone Financial Statement 2020-21

INDEPENDENT AUDITOR'S REPORT

To

The Members of

SECURITY PRINTING & MINTING CORPORATION OF INDIA LIMITED

Report on the Audit of Standalone Ind AS Financial Statements

Qualified Opinion

We have audited the accompanying standalone Ind AS financial statements of **Security Printing & Minting Corporation of India Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information in which are included the returns for the year ended on that date audited by the branch auditors of the company's Units located at Mumbai, Kolkata, Hyderabad, Dewas, Nashik, Hoshangabad and Noida.

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matters described in the Basis for Qualified Opinion section of our report*, the aforesaid financial statements give the information required by the Companies Act, 2013 (hereinafter referred to as "the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India (including the Ind AS), of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, the changes in equity and its cash flow for the year ended on that date.

Basis for Qualified Opinion

We draw attention to matters listed in **Annexure-I- "BASIS FOR QUALIFIED OPINION"**.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to matters listed in **Annexure-II- "EMPHASIS OF MATTER"**.

Our opinion is not modified in respect of these matters.

Information Other than the Financial Statements and Auditors Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report and the Annexures to the Board's Report, Report on Corporate Governance and

General Shareholder's Information, but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have concluded that such material misstatement of the other information exists in respect of matters described in the Basis for Qualified Opinion section above.

Responsibilities of Management and those charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of "the Act" with respect to the preparation of these standalone 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 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" read with relevant rules issued thereunder.

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

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

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

The procedures that we conducted and were required to be conducted form part of this report as **"Annexure-III"**.

Other Matters

We did not audit the financial statements/ information of 8 branches/ units included in the standalone financial statements of the Company whose financial statements/financial information reflect total assets of ₹ 4,54,347.10 lakh as at 31st March 2021 and total revenue of ₹ 4,27,540.98 lakh for the year ended on that date, as considered in the standalone financial statements. The financial statements/ information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors. We cannot comment on such figures as the same are audited by other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of "the Act", we give in the **"Annexure-IV"**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. In terms of Sub Section (5) of section 143 of "the Act", we give in the **"Annexure-VI"** a statement on the directions issued under the aforesaid section by the Comptroller and Auditor General of India.
3. As required by section 143(3) of "the Act", we report that:

a) We have sought and, except for the effects/possible effects of matters described in the **"Basis for qualified opinion"** paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) Except for the effects/possible effects of matters described in the "Basis for qualified opinion" paragraph, in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;

c) The reports on the accounts of the branch offices/units of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report;

d) The Balance Sheet, the statement of Profit and Loss, the statement of changes in equity and its cash flow statement dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us ;

e) In our opinion, except for the effects/ possible effects of the matters described in the "Basis for qualified opinion" paragraph, the aforesaid standalone Ind AS financial statements comply with the Indian

Accounting Standards specified under Section 133 of "the Act", read with Rule 7 of the Companies (Accounts) Rules, 2014;

f) As per notification No. GSR 463(E) dated 5th June, 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 164(2) of the Companies Act, 2013 is not applicable to the Company;

g) With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure-V"**. Our report expresses a qualified opinion on the adequacy and on the operating effectiveness of the Company's internal financial control over financial reporting.

h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of "the Act", as amended, as per notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Companies Act, 2013 is not applicable to the Government Companies.

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The company has disclosed the impact of pending litigations on its standalone Ind AS financial position in its financial statements – Refer Note 25 to the financial statements;

ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

***For* Ashwani & Associates**
Chartered Accountants
FRN: 000497N
Sd/-
(Sanjeeva Narayan)
Partner
M. No. 084205
UDIN : 21084205AAAALD9030

Dated: 5th August 2021
Place: New Delhi

ANNEXURE-I

ANNEXURE TO THE AUDITORS REPORT TO THE MEMBERS OF SECURITY PRINTING & MINTING CORPORATION OF INDIA LIMITED AS AT 31ST MARCH 2021

BASIS OF QUALIFIED OPINION

1. Corporate Office, Delhi

According to Section 149, of Companies Act, 2013, the company must have a minimum of two Independent Directors. However, according to the information and explanations given to us, the company had only one independent director from April 1, 2019 to February 15, 2020 and no independent director thereafter thereby contravening the provisions of Section 149 of the Companies Act 2013.

ANNEXURE-II

ANNEXURE TO THE AUDITORS REPORT TO THE MEMBERS OF SECURITY PRINTING & MINTING CORPORATION OF INDIA LIMITED AS AT 31ST MARCH 2021

EMPHASIS OF MATTER

We draw your attention to :-

(a) Note 25(c) to the financial statements which states that one party named M/s Shreebhumi Steel Pvt. Ltd. under EMD has filed writ petition (No.17609 (W)) of 2012 before the Hon'ble Calcutta High Court which is pending. The matter being sub-judice, balance has been carried forward in the books of accounting pending final adjustment.

(b) Note 37 to the financial statements which states that balances of Trade Receivables, Other Assets, Trade and Other Payables are subject to confirmations / reconciliation and consequent adjustment, if any, with respective parties.

c) Note no.40 regarding the amount to be spent for Corporate Social Responsibility (CSR) as per section 135 of the Company's Act, 2013 read with Schedule VII for the year 2020-21 is ₹1647.94 lakhs while the company spend ₹1556.32 lakhs, thus a shortfall of ₹91.62 lakhs.

However, as per the information and explanation provided to us, the company has deposited ₹1220.85 lakhs under separate bank account opened for Unspent CSR in accordance with provision of Section 135 of the Companies Act 2013.

(d) Note 46(II) to the financial statements which states the effect of changes in the accounting policies for Revenue recognition for Bank Notes and Postal Stationery and defining materiality in relation to income/ expenditure relating to Prior period in accordance with IND AS 08. The net effect resulted from the above change and rectification is increase in net profit by ₹ 13,333.50 lakhs for the year 2019-20 and ₹ 30587.54 lakhs for the year 2012-13 to 2018-19, deferred tax assets reduced by ₹ 409.12 lakhs for the year 2019-20 and ₹ 18552.18 lakhs for the year 2012-13 to 2018-19 and Provision for tax increased by ₹ 3355.78 lakhs for the year 2019-20 and ₹ 7698.27 lakhs for the year 2012-13 to 2018-19.

(e) Note no. 49 regarding an amount of ₹ 17,975.76 lakhs was lying in "Funds from Govt of India (adjustable)" account as at April 1, 2019, which was pending for settlement with Ministry of Finance against which the Company has adjusted, in the financial year 2019-20, without confirmation from Ministry of Finance, amounts aggregating to ₹ 2,121.71 lakhs comprised of ₹ 369.50 lakhs and ₹ 901.97 lakhs respectively towards opening balances and interest amount recoverable from PAO at the time of Corporatisation in respect of pro-rata optee employees and un-reconciled debtors of ₹ 850.24 lakhs leaving a balance of ₹ 15,854.05 lakhs in the said account.

(f) Note 52 to the financial statements which explains the management's assessment of the financial impact due to the lockdowns and other restrictions and conditions related to the COVID 19 pandemic situation. However, definite assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.

ANNEXURE-III

ANNEXURE TO THE AUDITORS REPORT TO THE MEMBERS OF SECURITY PRINTING & MINTING CORPORATION OF INDIA LIMITED AS AT 31ST MARCH 2021

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

» Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

» Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;

» Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

» Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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 interim condensed standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

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

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

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

ANNEXURE-IV

ANNEXURE TO THE AUDITORS REPORT TO THE MEMBERS OF SECURITY PRINTING & MINTING CORPORATION OF INDIA LIMITED AS AT 31ST MARCH 2021

On the basis of such checks, as we considered appropriate, and according to the information and explanations given to us during the course of our audit, we report that: -

1 (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets, except as stated below:-

India Security Press, Nashik:-

In many cases the complete details are not appearing in the Fixed Asset Register, as stated below:

1) In many cases, in the Fixed Asset Register the quantity of fixed assets is appearing as "1" instead of actual quantity.

2) The sufficient / technical description of the asset is not available in many cases to make identification possible.

3) In few cases, the classification of the similar nature of asset is done in multiple account heads.

4) Few Instances are found where quantity is marked against expenditure incurred to procure the fixed assets instead of adding the same to related principal asset.

5) Financial and quantitative reconciliation of Land as per Land Records and as per Books / Fixed Asset register cannot be checked and commented upon in the absence of title deeds. Even in Fixed Asset register, the quantity of land is appearing as "1" instead of actual quantity in Acre/ hectares.

(b) The Company has a regular programme of physical verification of the fixed assets, and no material discrepancies were noticed on such verification. However, in following cases, certain qualifications are reported by branch auditor:

India Security Press, Nashik:-

1) There are 34 assets having Gross value of ₹1167.85 Lacs with written down value of ₹ 77.39 Lakhs which are not in use. No action is taken against the same.

2) 33 assets are reported as not found/ missing and all the values are shown as "Nil".

(c) The company has all the original title deeds of immovable properties in its own name, except for the list enclosed in **Appendix IV (a)**.

2. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable, and the discrepancies noticed on physical verification of inventory were not material.

3. The company has not granted, during the year, any loans, secured or unsecured, to Companies, firms, limited liability partnerships (LLP) or other parties covered in the register maintained under Section 189 of "the Act".

4. In our opinion and to the best of our information and according to the explanations given to us, the company has not given any loans, made any investments and provided any securities or guarantee. Accordingly, the provision of sec 185 and 186 of Companies Act, 2013 are not applicable

5. The company has not accepted any deposits from the Public. Therefore, the provisions of Clause 3(v) of the order are not applicable to the company.

6. In our opinion and according to the information and explanations given to us, specified accounts and records as prescribed by the Central Government in terms of sub-section (1) of section 148 of "the Act" have been prima facie made and maintained by the company. However, we have neither carried out, nor are we required to carry out any detailed examination of such accounts and records.

7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) According to the records of the company, no undisputed amount payable in respect of statutory dues including provident fund, employees' state insurance, income-tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues were in arrears as at 31st March 2021 for a period of more than six months from the date they became payable, except for the cases indicated in **Appendix IV(b).**

(c) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales tax, service tax, value added tax, customs duty and excise duty which have not been deposited on account of a dispute, except for the cases indicated in **Appendix IV(c)**.

8. As per information and explanation given to us, the company has neither taken any loans or borrowing from a financial institution, government, bank nor it has it issued any debentures. Therefore, the provisions of clause 3(viii) are not applicable to the company and accordingly the company has not defaulted in any such repayment.

9. The Company has not raised moneys by way of initial public offer or further public

offer (including debt instruments) or term loans and hence reporting under clause 3(ix) of the Order is not applicable to the Company.

10. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have, neither, come across any instance of fraud by the company, or, any fraud on the company by its officers or employees, noticed or reported during the year, nor, have we been informed of such case by the management.

11. In our opinion and according to the information and explanation given to us by the management, as per notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Companies Act, 2013 is not applicable to the Government Companies. Accordingly, paragraph 3(xi) of the Order is not applicable to the Company.

12. The company is not a Nidhi Company. Therefore, the provision of clause 3(xii) are not applicable to the Company.

13. In our opinion and according to the information and explanation given to us the transactions with the related parties are in compliance with section 177 of "the Act". The details have been disclosed in financial statement. The detail of transactions entered with the Related parties are also provided in Notes to Accounts- (Note no 34).

14. According to the records of the company examined by us, the Company has not made any preferential allotment of shares during the year.

15. In our opinion, and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with directors, or, persons connected with them.

16. In our opinion, and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

***For* Ashwani & Associates**
Chartered Accountants
FRN: 000497N
Sd/-
(Sanjeeva Narayan)
Partner
M. No. 084205
UDIN : 21084205AAAALD9030

Place: New Delhi
Dated: 5th August 2021

Appendix-IV(a)

Refer Clause 1(c) of the report issued under the Companies (Auditor's Report) Order 2016 report of even date to the members of Security Printing and Minting Corporation of India Ltd. for the year ended 31st March 2021

a) India Government Mint, Hyderabad:-

S.No	Immovable Property	Location	Area (in acres)	Gross book value as at 31.03.2021	Net book value as at 31.03.2021	Remarks
1	Land	IDA Phase II, Cherlapally, Hyderabad, Telangana	78.82	343.79 lakhs	343.79 lakhs	Property is held in the name of the President of India.

b) India Government Mint, Mumbai:-

The title deed of the following immovable properties is held in the name of Govt. of India and not yet registered in the name of SPMCIL.

(i) CS No. 399, Tardeo, Mumbai, Maharashtra

c) India Government Mint, Noida:-

The following immovable properties have not yet been transferred in the name of the company.

Sector-27, Noida, U.P-201301

d) India Security Press, Nashik:-

The 7/12 extract & property card showing quantitative details only are available in the name of Security Printing and Minting Corporation of India Ltd and during the year, the property card of land is obtained and tallied with 7/12 extract. Also, the land as per the survey number is cross checked with map of land within the jurisdiction boundary of the unit. However, the title deeds of the immovable properties including Jail Road, Nashik are not found on record and as such financial and quantitative reconciliation cannot be checked and commented upon.

e) India Government Mint, Kolkata:-

The title deeds, comprising leasehold land and factory building of India Government Mint, Kolkata, are held in the name of President of India and not in the name of SPMCIL.

f) Security Paper Mill, Hoshangabad

The unit is in possession of 345 acres of land out of which mutation of 230 acres of land in the name of MD, SPMCIL has been done in the land revenue records.

Appendix-IV(b)

Refer Clause 7(b) of the report of even date issued under the Companies (Auditors Report) Order 2016 to the members of Security Printing and Minting Corporation of India Ltd. for the year ended 31st March 2021

a) India Government Mint, Noida:-

S. No.	Name of statute	Nature of dues	Amount (Rs in Lakhs)	Period to which amount relates
1.	UP VAT Act, 2008	Sales Tax	69.11	2015-16
2.	UP VAT Act, 2008	Sales Tax	309.80	2016-17
3.	UP VAT Act, 2008	Sales Tax	5.90	2017-18
	Total		**384.82**	

b) India Security Press, Nashik:-

S. No	Name of statute	Periods to which the amount relates	Name of Statute	Amount (Rs in Lakhs)
1.	Maharashtra Value Added Tax / Central Sales Tax*	2016-17 & 01/04/2017-30/06/2017	Maharashtra Value Added Tax Act / Central Sales Tax Act	5117.85
2.	Non- Agricultural Tax	Upto 31/03/2021	Land Revenue Act	334.21
3.	Property Tax	Upto 31/03/2021	Property Tax Act	110.84

*Note: Maharashtra Value Added Tax /Central Sales Tax is not paid, pending judgement of earlier year on same similar issue.

c) CNP, Nashik

Property Tax (Service Charges) of ₹ 62.50 lakhs (F.Y. 2016- 17 to 2020 -21) against which no demand has been received from Local Authority for payment of Service Charge. Accordingly, provision for Property Tax (Service Charges) has been recognized on the basis of Bombay High Court Order.

d) Corporate office

S.No	Name of statute	Nature of Dues	Amount in ₹ Lakhs	Period to which it relates (F.Y.)
1.	Income Tax Act	Tax Deducted at Source	0.57	2020-21
2.	Income Tax Act	Tax Deducted at Source	0.18	Prior years

Appendix-IV(c)

Refer Clause 7(c) of the report issued under the Companies (Auditor's Report) Order 2016 report of even date to the members of Security Printing and Minting Corporation of India Ltd. for the year ended 31st March 2021

a) Corporate Office :-

S. No.	Name of statute	Periods to which the amount relates (F.Y.)	Forum where dispute is Pending	Amount under dispute (Amount in ₹ Lakhs)
1.	Income Tax Act	2009-10	Commissioner of Income Tax (Appeals)	0.03
2.	Income Tax Act	2017-18	Commissioner of Income Tax (Appeals)	27032.30

b) BNP Dewas:-

S. No.	Name of the Statue	Nature of the dues	Amount (in ₹ lakhs)	Period to which the amount relates	Forum where dispute is pending
1.	M.P. Commercial Tax Act 1994, The Central Sales Tax Act 1956, Entry Tax Act 1976	MPCST, CST, ET	128.58 548.62 64.42	2005-06	Supreme Court
2.	M.P. VAT Act 2005, The Central Sales Tax Act 1956, Entry Tax Act 1976	VAT, CST, ET	0.64 4.26 231.71	2006-07	Supreme Court
3.	The Central Sales Tax Act 1956, Entry Tax Act 1976	CST, ET	5.08 211.08	2007-08	Supreme Court
4.	M.P. VAT Act 2005, The Central Sales Tax Act 1956, Entry Tax Act 1976	VAT, CST, ET	0.57 13.08 449.26	2009-10	Supreme Court
5.	M.P. VAT Act 2005, The Central Sales Tax Act 1956, Entry Tax Act 1976	VAT, CST, ET	0.14 21.60 364.08	2010-11	Supreme Court

S. No.	Name of the Statue	Nature of the dues	Amount (in ₹ lakhs)	Period to which the amount relates	Forum where dispute is pending
6.	M.P. VAT Act 2005, The Central Sales Tax Act 1956, Entry Tax Act 1976	VAT, CST, ET	1.07 2.24 378.78	2011-12	Supreme Court
7.	M.P. VAT Act 2005, The Central Sales Tax Act 1956, Entry Tax Act 1976	VAT, CST, ET	0.39 34.74 443.63	2012-13	Supreme Court
8.	M.P. VAT Act 2005, The Central Sales Tax Act 1956, Entry Tax Act 1976	VAT, CST, ET	1.52 0.93 551.35	2013-14	Supreme court
9.	Entry Tax Act 1976	ET	773.89	2015-16	Supreme court
10.	Entry Tax Act 1976, M.P. VAT Act 2005	ET, VAT	1666.58 2.13	2016-17	Supreme court
11.	Entry Tax Act 1976, M.P. VAT Act 2005	ET, VAT	569.68 57.41	2017-18	Supreme court

c) India Security Press, Nashik: -

S.No.	Name of statute	Periods to which the amount relates	Forum where dispute is Pending	Amount (In Lakhs)
1.	Bombay/Central Sales Tax	1975-76 to 2004-05 (excluding Period covered under forum Maharashtra Sales Tax Tribunal, Mumbai	High Court, Mumbai	7717.38
2.	Bombay/Central Sales Tax	1990-91,1991-92, 1992-93, 1994-95, 1998-99, 1999-2000, 2000-01, 2001-02	Maharashtra Sales Tax Tribunal, Mumbai	1494.34
3.	Maharashtra Value Added Tax / Central Sales Tax	01/04/2005-09/02/2006	Maharashtra Sales Tax Tribunal, Mumbai	801.47
4.	Maharashtra Value Added Tax / Central Sales Tax	10/02/2006-31/03/2006	High Court, Mumbai	793.04
5.	Maharashtra Value Added Tax / Central Sales Tax	2006-07 to 2010-11	High Court, Mumbai	25133.46

S.No.	Name of statute	Periods to which the amount relates	Forum where dispute is Pending	Amount (In Lakhs)
6.	Maharashtra Value Added Tax / Central Sales Tax	2011-12 to 2013-14	Maharashtra Sales Tax Tribunal, Mumbai	17034.46
7.	Maharashtra Value Added Tax / Central Sales Tax	2014-15 & 2015-16	Commissioner Sales Tax, Nasik	18197.51

Note: the unit has made the provisions for all the disputed statutory liabilities as indicated above except interest in respect of sales tax liability prior to incorporation i.e. for the period 1975-76 to 2005-06.

d) IGM, Mumbai: -

S.No.	Nature of the dues	Period	Forum where dispute is pending	Amount (in ₹ Lakh)
1.	CST	2010-11	Jt. Commissioner of Sales tax Appeal, Mumbai	21.42
2.	CST	2011-12	Tribunal of sales tax, Mumbai	197.08
3.	CST	2012-13	Tribunal of sales tax, Mumbai	328.64
4.	CST	2013-14	Jt. Commissioner of sales tax Appeal, Mumbai	23.44
5.	CST	2014-15	Jt. Commissioner of sales tax Appeal, Mumbai	7.51
6.	CST	2016-17	Deputy Commissioner	14.11

e) India Government Mint, Kolkata: -

S. No.	Nature of Dues	Amount (in ₹ lakhs)	Period	Forum where the Appeal is pending
1.	VAT	424.48	2006-2007	West Bengal Commercial Taxes, Appellate and Revisional Board
2.	VAT	1673.40	2007-2008	West Bengal Commercial Taxes, Appellate and Revisional Board
3.	CST	58.85	2007-2008	West Bengal Commercial Taxes, Appellate and Revisional Board

S. No.	Nature of Dues	Amount (in ₹ lakhs)	Period	Forum where the Appeal is pending
4.	VAT/CST	16.79	2005-06 TO 2009-10	West Bengal Commercial Taxes, Appellate and Revisional Board
5.	CST	31.60	2011-12	Sr JC Sales Tax
6.	VAT	437.02	2011-12	Sr JC Sales Tax
7.	CST	467.97	2011-12	Sr JC Sales Tax
8.	CST	415.83	2013-14	Commercial Tax Officer-Alipore Charge
9.	Excise	8.14	April 2013 to December 2013	Customs Excise Service Tax Appellate Tribunal
10.	Excise	17.94	Jan 2014 to Sep 2014	Customs Excise Service Tax Appellate Tribunal
11.	Entry Tax	349.45	2013-14	Kolkata High Court
12.	Entry Tax	278.06	2014-15	Kolkata High Court
13.	Entry Tax	420.34	01/04/2015 to 31/ 03/ 2016	Kolkata High Court
14.	Entry Tax	686.76	2016-17	Kolkata High Court
15.	Entry Tax	233.28	April 2017 to June 2017	Kolkata High Court

f) Security Paper Mill, Hoshangabad: -

S. No	Nature of Dues	Year	Forum where dispute is pending	Amount (in ₹ Lakh)
1.	VAT, CST and Entry Tax	2006-07, 2007-08, 2008-09, 2014-15 & 2015-16	Addl. Commissioner, Commercial Tax, Bhopal	2321.06
2.	VAT, CST and Entry Tax	2006-07, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, & 2017-18	MP Commercial Tax Appellate Tribunal, Bhopal	2414.23
3.	Entry Tax	2010-11, 2011-12 & 2012-13	Hon'ble High Court, Jabalpur	892.88

ANNEXURE-V

ANNEXURE TO THE AUDITORS REPORT TO THE MEMBERS OF SECURITY PRINTING & MINTING CORPORATION OF INDIA LIMITED AS AT 31ST MARCH 2021

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Security Printing & Minting Corporation of India Limited** ("the company") as of March 31, 2021, in conjunction with our audit of the standalone Ind AS financial statements of financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under "the Act".

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of "the Act", to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that.

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Financial Statements

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at March 31, 2021:

1. Corporate Office

a) Biometric not linked with SAP-ERP for payroll processing.

b) No prescribed chart of accounts in the organizations which describe posting of expenditure as per their nature in their respective ledger.

2. India Security Press, Nashik

a) The unit have not integrated the biometric system with Payroll module of SAP-ERP system. Management installed Biometric Attendance Management System to record the attendance bio-metrically into SAP. However, it is observed that attendance and overtime working was not accounted automatically under SAP and was processed manually, which may lead to error in payment of salary and overtime allowances due to manual intervention.

b) Regular review of overdue / outstanding sales orders and purchase orders are not done due to which many sales order are outstanding since long, as old as F.Y. 2012-13, whereby total 96 Sales orders worth ₹ 23701 Lacs are outstanding for more than one year including 33 pending Sales orders of ₹ 5362 lacs outstanding for more than three year. Likewise total 28 Purchase orders worth ₹ 4460 Lacs are outstanding related to FY 2018-19 and 2019- 20.

c) Despite long overdue trade receivables lying since old, as old as 2012 & onwards, specially related to Postal Department, the unit did not have any system of joint reconciliation with major customers. This leads to loose internal control over the recovery of the overdue trade receivables.

d) Age-wise report of Inventory is not generated properly from Material Management module of SAP-ERP System and the identification and valuation at lower of cost or Net realizable value (NRV) for slow moving and non-moving inventory is worked out separately on the basis of inventory data extracted from SAP, leading to loose internal control over the identification and disposal of obsolete/ non-moving inventory.

Read with above, upon random checking we found many instances where the inventories are lying idle since long, as old as before the incorporation of the Unit and some of the items become obsolete & outdated and few of them are reported stolen. But the necessary provision for obsolete / outdated & stolen items have not been done.

e) In order to arrive the Net realisable value (NRV) for valuation of Inventories, the quotations have been called from the vendor for supply of material (which include his profit margin) to India Security Press instead of their buy rate/ disposal rate of ISP. Even the quotations were called from two vendors only. Further the technical description of the material, availability of quantity, present condition of inventory proposed to be sold are not prescribed in the aforesaid quotations. Due to this the correct NRV cannot be ascertained which may lead to excess valuation of Inventories.

f) Nil closing stock value is appearing in respect of 584 items involving 76422 qty / units, leading into loose internal control over the process of valuation, monitoring & supervision of Inventory.

g) In few cases, Bill of Material - SAP (BoM) shows substantial variation in the standard cost of production in respect of similar products due to substantial variation in allocation of inventory and manhours in Bill of Material - SAP (BoM) as compared to actual. The technical identification & reasons for the excess consumption / allocation of cost elements was not evaluated properly and the Bill of Material - SAP (BoM) & routing is not updated / modified timely. The same was identified at the year end during the valuation of inventory. Even the elements where the modification is done gets overwritten, for which track of changes is not available to ascertain reason thereof and impact.

This leads to loose internal control over the costing, sale pricing, consumption of inventory and loss over and above the normal, as prescribed in BoM.

3. India Government Mint, Kolkata

a) Management has installed Biometric Attendance Management System to record the attendance bio-metrically into SAP. However, it is observed that the attendance is manually recorded in SAP in absence of proper synchronization of SAP and biometric device. To that extent, the unit did not have effective internal control in HR module of SAP.

b) Finance Module of the SAP does not provide the Age-wise analysis of Sundry Debtors, Creditors, various advances, Security Deposits, EMD's at any time during the year and same has been prepared manually.

c) The unit is working under SAP for all accounting transactions. However, the Inventory Valuation regarding Coins and FG, SFG and scraps is done manually and not through SAP module. It is integrated in the SAP through manual entries.

4. Bank Note Press, Dewas

The Financial software (SAP) is not properly generated the Age wise analysis of all parties, employees etc. under various Control accounts i.e. Sundry Debtors, Creditors, various advances, liabilities for classification as Current and Non· current as required as per Schedule III of Companies Act, 2013 at any time during the year.

5. India Government Mint, Noida

a) Inventory valuation has been carried out by SAP on real time basis. However, the same is not in accordance with provisions of Ind AS: 2 "Inventories". Accordingly, manual entries have been passed to value the Inventory in accordance with Ind AS 2.

b) Age-wise report of Inventory is not generated from Material Management module of SAP-ERP System and the identification and valuation at lower of cost or Net realisable value (NRV) for non-¬moving inventory (not moved for 3-5 years) is worked out manually.

c) The unit have not integrated the biometric system with Payroll module of SAP - ERP system. Management installed Biometric Attendance Management System to record the attendance bio- metrically into SAP. However, it is observed that attendance and leave working are not accounted automatically under SAP and processed manually. The financial implications of the above disclosures cannot be quantified.

6. **Currency Note Press, Nashik**

Management has installed Biometric Attendance Management System to record the attendance bio-metrically into SAP-HR -Payroll. However, in present pandemic situation of Covid-19, attendance is not getting recorded in Biometric Attendance Management System. It is observed the attendance and overtime working was not accounted automatically in module and was processed manually. To that extent, the unit did not have effective internal control in HR module of SAP.

7. **India Government Mint, Hyderabad**

The following improvements are suggested to enhance the current control mechanism:

a) Introduction of dual control / authentication mechanism for addition and updation of employee master data.

A 'material weakness' is a deficiency or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the company has, in all material respects, maintained adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2021, financial statements of the company, and these material weaknesses do not affect our opinion on the standalone financial statements of the company.

Other Matters

We did not audit the internal financial controls over financial reporting of 8 branches/ units included in the standalone internal financial controls over financial reporting of the Company for the year ended as on 31st March 2021.

The internal financial controls over financial reporting of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors. We cannot comment on such reports as the same are audited by other auditors. Our opinion is not qualified in respect of this matter.

***For* Ashwani & Associates**
Chartered Accountants
FRN: 000497N
Sd/-
(Sanjeeva Narayan)
Partner
M. No. 084205
UDIN : 21084205AAAALD9030

Place: New Delhi
Dated: 5th August 2021

ANNEXURE-VI

Statement on the Directions/ Sub Directions issued by the Comptroller & Auditor General of India under sub-section 5 of section 143 of the Companies Act, 2013, examined by the Statutory Auditors during the course of audit of annual accounts of Security Printing & Minting Corporation of India Limited for the year ending 31st March 2021.

Compliance Certificate

We have conducted the audit of the accounts of Security Printing and Minting Corporation Of India Limited for the year ended March 31st 2021 in accordance with the directors/sub-directors issued by the C&AG of India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the Directions/Sub-directions issued to us. Directions indicating the areas to be examined by the Statutory Auditors during the course of audit of annual accounts of the company is as per **Annexure VI(a)**.

We did not audit the accounts of 8 branches/ units included in the standalone financial statements/ information of the company for the year ended as on 31st March 2021 and have relied upon the reports of the respective Auditors whose reports have been furnished to us.

For **Ashwani & Associates**
Chartered Accountants
FRN: 000497N
Sd/-
(Sanjeeva Narayan)
Partner
M. No. 084205
UDIN : 21084205AAAALD9030

Place: New Delhi
Dated: 5th August 2021

ANNEXURE-VI (a)

Statement on the Directions/ Sub Directions issued by the Comptroller & Auditor General of India under sub-section 5 of section 143 of the Companies Act, 2013, examined by the Statutory Auditors during the course of audit of annual accounts of Security Printing & Minting Corporation of India Limited for the year ending 31st March 2021.

S.No.	Particulars	Auditor's Comment
1	Whether the Company has system in place to process all the accounting transaction through IT? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financials implication, if any, may be stated.	As per the information and explanation provided to us, the Company has a system in place to process all the accounting transactions through IT system except for the following observations: - **1. Corporate Office** (a) Biometric not linked with SAP-ERP for payroll processing. **2. Bank Note Press, Dewas** (a) The software is not properly generated agewise analysis of all parties, employees etc. under various control accounts i.e. Sundry Debtors, Creditors, various advances, liabilities for classification as Current and Non-current as required as per Schedule III of Companies Act, 2013 at any time during the year and same has been prepared manually from the SAP generated report of each party employee etc. **3. India Government Mint, Kolkata** (a) The inventory valuation (including Finished Goods, Semi-Finished Goods and scrap) has been carried out manually and integrated in SAP through manual entries. (b) Management has installed Biometric attendance management system to record the attendance biometrically into SAP. However, it is observed that the attendance is manually recorded in SAP and biometric device. To that extent, the unit did not have effective internal control in HR module of SAP.

S.No.	Particulars	Auditor's Comment
		(c) Finance Module of the SAP software does not provide the Agewise analysis of Sundry Debtors, Creditors, various advances, Security deposits, EMD's at any time during the year and same has been prepared manually. The financial implications of the above disclosures cannot be quantified. **4. India Government Mint, Noida** (a) Inventory valuation has been carried out by SAP on real time basis. However, the same is not in accordance with provisions of Ind AS: 2 "Inventories". Accordingly, manual entries have been passed to value the Inventory in accordance with Ind AS 2. (b) Age-wise report of Inventory is not generated from Material Management module of SAP-ERP System and the identification and valuation at lower of cost or Net realisable value (NRV) for non-moving inventory (not moved for 3-5 years) is worked out manually. (c) The unit have not integrated the biometric system with Payroll module of SAP - ERP system. Management installed Biometric Attendance Management System to record the attendance bio-metrically into SAP. However, it is observed that attendance and leave working are not accounted automatically under SAP and processed manually. The financial implications of the above disclosures cannot be quantified. **5. India Security Press, Nashik** The unit have not integrated the Attendance management system (AMS) with payroll module of SAP-ERP system. Although, Management has installed biometric attendance management system to record the attendance biometrically into SAP. The data of attendance and overtime hours is being uploaded manually in SAP for onward calculation of Salary and overtime allowance.

S.No.	Particulars	Auditor's Comment
2	Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/loans/ interest etc made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	The Company has not availed any loan during the year. Therefore, financial impact of restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan is not applicable.
3	Whether funds received/ receivable for specific schemes from central/state agencies were properly accounted for/utilized as per its item and conditions? List the cases of deviation.	The Company does not have any funds which have been received or are receivable for specific schemes from Central/ State agencies.

***For* Ashwani & Associates**
Chartered Accountants
FRN: 000497N
Sd/-
(Sanjeeva Narayan)
Partner
M. No. 084205
UDIN : 21084205AAAALD9030

Place: New Delhi
Dated: 5th August 2021

SECURITY PRINTING AND MINTING CORPORATION OF INDIA LIMITED

Balance Sheet as at 31st March 2021

(Amount in ₹ Lakh)

S. No.	Particulars	Note No.	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 1st April 2019
I.	**ASSETS**				
(1)	**Non-current assets**				
	(A) Property, Plant and Equipment	3	1,35,920.10	1,28,233.02	1,32,623.54
	(B) Right of use Assets	3	379.39	984.67	
	(C) Capital Work-in-Progress	3	42,127.12	7,605.70	1,178.86
	(D) Other Intangible Assets	4	137.60	150.45	141.81
	(E) Financial Assets		-		
	(i) Investments	5 (i)	40,000.00	40,000.00	40,000.00
	(ii) Trade Receivables	5 (ii)	397.22	394.23	-
	(a) Receivable considered good- Secured	5 (ii)	-		-
	(b) Receivable considered good-Unsecured	5 (ii)	-		-
	(c) Receivable which have significant increase in credit risk	5 (ii)	-		-
	(d) Receivable credit impaired	5 (ii)	-		-
	(iii) Loans				
	(a) Receivable considered good- Secured	5 (iii)	219.19	290.25	683.80
	(b) Receivable considered good- Unsecured	5 (iii)	7.27	25.26	81.62
	(c) Receivable which have significant increase in credit risk				
	(d) Receivable credit impaired				
	(iv) Others	5 (iv)	8,719.83	7,414.86	5,789.25
	(F) Deferred Tax Assets (net)	6	54,830.80	56,681.02	75,883.50
	(G) Other Non-Current Assets	7	4,683.42	5,976.17	5,867.26
(2)	**Current assets**				
	(A) Inventories	8	1,53,957.67	1,96,029.35	1,58,791.39
	(B) Financial Assets				
	(i) Investments	5(i)	-	-	-
	(ii) Trade Receivables	5(ii)	1,07,449.34	1,30,680.70	1,69,819.25
	(a) Loans Receivable considered good- Secured		-	-	-
	(b) Loans Receivable considered good- Unsecured		-	-	-
	(c) Loans Receivable which have significant increase in credit risk		-	-	-
	(d) Loans Receivable credit impaired		-	-	-
	(iii) Cash and Cash Equivalents	5(v) (a)	2,262.48	3,742.03	12,291.81
	(iv) Bank Balances other than (iii) above	5(v) (b)	2,15,768.99	2,00,017.86	1,44,050.00
	(v) Loans	5 (iii)	102.54	150.69	103.38
	(a) Loans Receivable considered good- Secured		-	-	-
	(b) Loans Receivable considered good- Unsecured	5 (iii)	6.00	36.38	44.20
	(c) Loans Receivable which have significant increase in credit risk		-	-	-
	(d) Loans Receivable credit impaired		-	-	-
	(vi) Others	5 (iv)	1,103.62	3,961.82	10,878.08
	(C) Current Tax Assets (Net)	9 (a)	4,640.12	255.64	-
	(D) Other Current Assets	10	10,106.23	11,185.30	17,772.70
	Total Assets		**7,82,818.93**	**7,93,815.40**	**7,76,000.45**
II.	**EQUITY AND LIABILITIES**				
(1)	**Equity**				
	(A) Equity Share capital	11	98,750.07	98,750.07	1,06,424.10
	(B) Other Equity				
	- Reserve & Surplus	12	3,82,066.60	3,64,014.97	3,42,567.03
(2)	**LIABILITIES**				
	Non-current liabilities				
	(A) Financial Liabilities				
	(i) Borrowings	13 (i)	-	-	-
	(ii) Trade Payables	13 (ii)	273.86	360.74	780.77
	(a) Total outstanding dues of MSME		-	-	-
	(b) Total outstanding dues of creditors other than MSME		-	-	-
	(iii) Other Financial Liabilities	13(iii)	15,854.05	15,855.05	21,013.70
	(iv) Lease Liability	13 (iii)	146.40	145.81	
	(B) Provisions	14 (i)	48.51	36.92	5.00
	(C) Employees Benefit Obligations	15 (i)	1,34,914.86	1,53,038.87	1,48,979.79
	(D) Deferred Tax Liabilities (Net)	6	-	-	-
	(E) Other Non-Current Liabilities	16	0.00	9,636.06	695.99
	Current liabilities				
	(A) Financial Liabilities				
	(i) Borrowings	13 (i)	-	-	-
	(ii) Trade Payables				
	(a) Total outstanding dues of MSME	13 (ii)	469.01	360.09	373.24
	(b) Total outstanding dues of creditors other than MSME	13 (ii)	18,903.57	26,126.85	25,904.03
	(iii) Other Financial Liabilities	13 (iii)	5,031.65	6,965.70	7,296.48
	(B) Other Current Liabilities	17	12,015.59	11,421.72	17,191.90
	(iv) Lease liability	17	263.15	869.43	-
	(C) Provisions	14 (ii)	94,096.29	86,755.43	84,901.66
	(D) Employees Benefit Obligations	15 (ii)	19,985.32	19,477.69	16,884.58
	(E) Current Tax Liabilities (Net of Advance tax)	9 (b)	-	-	2,982.18
	Total Equity and Liabilities		**7,82,818.93**	**7,93,815.40**	**7,76,000.45**

Significant Accounting Policies and Notes referred to above form an integral part of the Balance Sheet and should be read in conjunction therewith.
As per our report of even date attached.

For and on behalf of
M/S Ashwani & Associates
Chartered Accountants
Firm Registration Number : 000497N
Sd/-
(Sanjeeva Narayan)
Partner
Membership Number: 084205
UDIN : 21084205AAAALD9030
Date: 5th August 2021
Place: New Delhi

On behalf of Security Printing and Minting Corporation of India Limited

Sd/-
(Sachin Agarwal)
Company Secretary
(PAN ADRPA9630Q)

Sd/--
(Ajay Agarwal)
Director(Finance) & CFO
(DIN : 06778079)

Sd/-
(Tripti P. Ghosh)
Chairman and Managing Director
(DIN : 08123112)

SECURITY PRINTING AND MINTING CORPORATION OF INDIA LIMITED

Statement of Profit and Loss for the year ended 31st March, 2021

(Amount in ₹ Lakh)

Sl. No.	Particulars	Note No.	For the year ended 31st March 2021	For the year ended 31st March 2020
I	Revenue From Operations	18	4,71,256.60	5,09,970.97
II	Other Income	19	17,117.93	21,035.92
III	**Total Income (I+II)**		**4,88,374.53**	**5,31,006.89**
IV	**EXPENSES**			
	Cost of materials consumed	20	1,94,973.24	2,34,091.81
	Purchases of Stock-in-Trade			-
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	21	29,590.88	(41,455.23)
	Employee benefits expense	22	98,004.48	1,28,582.28
	Finance cost	23	6,925.78	3,179.29
	Depreciation and amortization expense	3 & 4	13,738.96	13,903.43
	Other expenses	24	66,166.93	75,036.60
	Total expenses (IV)		**4,09,400.27**	**4,13,338.18**
V	Profit/(loss) before exceptional items and tax (III- IV)		78,974.26	1,17,668.71
VI	Add: Exceptional Items			
VII	**Profit/(loss) before tax and (V-VI)**		**78,974.26**	**1,17,668.71**
VIII	Tax expense:			
	(1) a. Current tax		33807.31	26,600.00
	b. Tax for earlier years			
	(2) Deferred tax		2785.84	18,537.88
IX	**Profit / (Loss) for the year from continuing operations (VII-VIII)**		**42,381.11**	**72,530.83**
X	Profit/(loss) from discontinued operations			-
XI	Tax expense of discontinued operations			-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)			-
XIII	**Profit/(loss) for the year (IX+XII)**		**42,381.11**	**72,530.83**
XIV	**Other Comprehensive Income**			
	A (i)Items that will not be reclassified to profit or loss		(3,717.51)	2,640.66
	(ii) Income tax relating to items that will not be reclassified to profit or loss		935.62	(664.60)
			(2,781.89)	1,976.06
	B (i) Items that will be reclassified to Profit or Loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
			39,599.22	**74,506.89**
XV	**Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the year)**		**39,599.22**	**74,506.89**
XVI	**Earnings per Share**			
(i)	Basic Earning per Share of INR 10/- Each		4.01	7.05
(ii)	Diluted Earning per Share of INR 10/- Each		4.01	7.05

Notes referred to above form an integral part of the Profit & Loss and should be read in conjunction therewith.
As per our report of even date attached.

For and on behalf of
M/S Ashwani & Associates
Chartered Accountants
Firm Registration Number : 000497N
Sd/-
(Sanjeeva Narayan)
Partner
Membership Number: 084205
UDIN : 21084205AAAALD9030
Date: 5th August 2021
Place: New Delhi

Sd/-
(Sachin Agarwal)
Company Secretary
(PAN ADRPA9630Q)

On behalf of Security Printing and Minting Corporation of India Limited

Sd/-
(Ajay Agarwal)
Director(Finance) & CFO
(DIN : 06778079)

Sd/-
(Tripti P. Ghosh)
Chairman and Managing Director
(DIN : 08123112)

SECURITY PRINTING AND MINTING CORPORATION OF INDIA LIMITED

Cash Flow Statement for the year ended 31st March, 2021

(Amount in ₹ Lakh)

	Particulars		March 31st, 2021	March 31st, 2020
A	**Cash flow from operating activities**			
	Profit before tax	**a**	**78,974.26**	**1,17,668.71**
	Add:			
	Adjustment to reconcile profit before tax to net cash flows			
	Depreciation and amortisations of property plant and equipment & amortisation of Lease assets		13,738.96	13,903.43
	Interest expenses		6,869.70	3,100.51
	Loss /(Profit) on sale of property plant and equipment		10.57	24.38
	Interest income		(8,527.06)	(11,175.60)
	Provision created net of written off		8,562.24	17,583.15
	Foreign Exchange Fluctuation		109.54	(58.31)
	Dividend		(4,200.00)	(4,000.00)
	Other Ajustments		(3,717.51)	2,640.66
	Total	**b**	**12,846.45**	**22,018.22**
	Operating Profit Before Working Capital Changes	**c=a+b**	**91,820.71**	**1,39,686.93**
	Adjustment for			
	(Increase)/ Decrease in trade receivables		23,228.37	38,744.32
	(Increase)/ Decrease in inventories		42,071.68	(37,237.96)
	(Increase)/ Decrease in loans & advances		167.58	410.37
	(Increase)/ Decrease in other assets		3,074.57	14,634.08
	Increase/ (Decrease) in trade payable		(7,310.78)	(152.05)
	Increase/ (Decrease) in other current liabilities		(1,285.10)	(9,574.97)
	Increase/(Decrease) in long term provisions		7,352.45	1,885.69
	Increase/ (Decrease) in short term provisions		(26,178.62)	(10,930.96)
	Increase/ (Decrease) in other non Current Liabilities		(9,636.06)	8,940.07
	(Increase)/ Decrease in other Non-Current Assets		1,292.75	(108.91)
	Total	**d**	**32,776.83**	**6,609.68**
	Cash generated from operations	**e=c+d**	**1,24,597.54**	**1,46,296.61**
	Less Tax paid (Net of refund)	f	38,192.81	29,859.99
	Net cash flow from operating activities	**g=e-f**	**86,404.73**	**1,16,436.62**
B	**Cash flow from investing activities**			
	Interest income		8,084.79	8,419.57
	Dividend income		4,200.00	4,000.00
	Sale of Property , Plant & Equipements		144.25	34.92
	Purchase and Adjustment in property, plant and equipment (Including CWIP)		(55,482.77)	(16,970.14)
	(Increase)/ Decrease in non current investments			0.00
	(Increase)/ Decrease in investments			
	Increase/(Decrease) in long term liabilities			
	Net cash flow from investing activities	**h**	**(43,053.73)**	**(4,515.65)**
C	**Cash flow from financing activities**			
	Issuance of share capital			
	Dividend paid to equity shareholders		(21,547.95)	(21,848.00)
	Dividend distribution tax		0.00	(4,490.92)
	Buy Back Of Share Capital		0.00	(29,345.48)
	Tax paid on Buy Back of Shares		0.00	(5,048.58)
	Change in capital reserve			
	Interest paid		(6,869.70)	(3,100.51)
	Lease Interest paid			
	Lease payment		(661.77)	(669.40)
	Net cash flow from financing activities	**i**	**(29,079.42)**	**(64,502.89)**
	Cash & Cash equivalent at the beginning of the year	j	2,03,759.89	1,56,341.81
	Increase/ (Decrease) in cash or cash equivalent	k=g+h+i	14,271.58	47,418.08
	Net Increase/(Decrease) in cash or cash equivalent		14,271.58	47,418.08
	Cash & Cash equivalent at the end of the year		**2,18,031.47**	**2,03,759.89**

For and on behalf of
M/S Ashwani & Associates
Chartered Accountants
Firm Registration Number : 000497N
Sd/-
(Sanjeeva Narayan)
Partner
Membership Number: 084205
UDIN : 21084205AAAALD9030
Date: 5th August 2021
Place: New Delhi

Sd/-
(Sachin Agarwal)
Company Secretary
(PAN ADRPA9630Q)

Sd/-
(Tripti P. Ghosh)
Chairman and Managing Director
(DIN : 08123112)

On behalf of Security Printing and Minting Corporation of India Limited
Sd/-
(Ajay Agarwal)
Director(Finance) & CFO
(DIN : 06778079)

SECURITY PRINTING AND MINTING CORPORATION OF INDIA LIMITED
Statement of Changes in Equity for the year ended 31st March, 2021

A. Equity Share Capital

(Amount in ₹ Lakh)

Balance as at April 1, 2019	Change During the year	Balance as at March 31, 2020
1,06,424.10	7,674.03	98,750.07
Balance as at April 1, 2020	**Change During the year**	**Balance as at March 31, 2021**
98,750.07	-	98,750.07

B. Other Equity

(Amount in ₹ Lakh)

Particulars	Other Equity					Total
	Reserve and Surplus				Other Comprehensive Income (OCI)	
	Capital Reserve	General Reserve	Retained Earnings	Capital Redemption Reserve		
Balance as on 31st March, 2019	**33,819.95**	**-**	**2,98,550.78**	**11,824.90**	**(1,628.60)**	**3,42,567.03**
Net Profit for the Year 2019-20	-	-	72,530.83	-	-	72,530.83
Adjustment of provision of MoF			0.05			0.05
Items of Other Comprehensive Income recognized directly in retained earnings.					1,976.06	1,976.06
Dividend paid for the previous year	-	-	(21,848.00)	-	-	(21,848.00)
Dividend distribution tax			(4,490.92)			(4,490.92)
Buy Back of Shares			(21,671.45)			(21,671.45)
Transfer to Capital Redemption Reserve			(7,674.03)	7,674.03		
Income Tax on buy back of shares			(5,048.58)			(5,048.63)
Total	**33,819.95**		**3,10,348.62**	**19,498.93**	**347.46**	**3,64,014.97**
Net Profit for the Year 2020-21			**42,381.11**		**(2,781.89)**	**39,599.22**
Dividend paid for the previous year			(21,547.95)			(21,547.95)
			0.00			0.00
Total	**33,819.95**		**3,31,182.15**	**19,498.93**	**(2,434.43)**	**3,82,066.61**

Notes referred to above form an integral part of the Balance Sheet and should be read in conjunction therewith.
As per our report of even date attached.

For and on behalf of
M/S Ashwani & Associates
Chartered Accountants
Firm Registration Number : 000497N
Sd/-
(Sanjeeva Narayan)
Partner
Membership Number: 084205
UDIN : 21084205AAAALD9030
Date: 5th August 2021
Place: New Delhi

Sd/-
(Sachin Agarwal)
Company Secretary
(PAN ADRPA9630Q)

On behalf of Security Printing and Minting Corporation of India Limited

Sd/-
(Ajay Agarwal)
Director(Finance) & CFO
(DIN : 06778079)

Sd/-
(Tripti P. Ghosh)
Chairman and Managing Director
(DIN : 08123112)

SECURITY PRINTING AND MINTING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1) Company overview

Security Printing and Minting Corporation of India Limited ('the Company') was incorporated in India on January 13th, 2006 under the Companies Act, 1956 with its Registered Office at New Delhi. The Company took over nine units which includes four mints, four presses and one paper mill which were earlier functioning under the administrative control of Ministry of Finance.

This company is engaged in manufacture of security paper, minting of coins, printing of currency notes, non-judicial stamp papers, postage stamps, travel documents etc. The Company is a (wholly owned) schedule 'A' company of the Government of India. The Company has the following units/branches:

i) India Government Mint, Noida
ii) India Government Mint, Mumbai
iii) India Government Mint, Kolkata
iv) India Government Mint, Hyderabad
v) Security Printing Press, Hyderabad
vi) India Security Press, Nashik
vii) Bank Note Press, Dewas
viii) Currency Note Press, Nashik
ix) Security Paper Mill, Hoshangabad

2) Significant Accounting Policies

2.1 Basis of preparation and presentation of financial statements

These financial statements are prepared in accordance with Indian Accounting Standards (IND AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, as per the provisions of the Companies Act, 2013 (`Act') (to the extent notified). The IND AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies are consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Upto the year ended 31st March, 2016, the company has prepared its financial statements in accordance with the requirement of Indian Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP".

2.2 Use of estimates

The preparation of the financial statements in conformity with IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements are disclosed at appropriate places.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.3 Current versus Non-Current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

» Expected to be realised or intended to be sold or consumed in normal operating cycle,

» Held primarily for the purpose of trading,

» Expected to be realised within twelve months after the reporting period, or

» Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Trade receivables which are expected to be realised within 12 months from the reporting date are classified as current. Outstanding more than 12 months are shown as non - current only, unless efforts for its recovery have been made and it is likely that payment shall be received within 12 months from the reporting date.

A liability is current when:

» It is expected to be settled in normal operating cycle,

» It is held primarily for the purpose of trading,

» It is due to be settled within twelve months after the reporting period, or

» There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

A payable has been classified as Trade Payable if it is in respect of the amount due on account of goods purchased or services received in the normal course of business.

Trade payables which are expected to be settled within 12 months from the reporting date are shown as current.

The Company classifies all other liabilities as non-current.

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

2.4 Summary of Significant Accounting Policies

2.4.1 Revenue recognition

The Company earns revenue mainly from printing of currency notes, non-judicial stamp papers, postal stamps, travel documents and minting of circulation coins for Government of India.

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of goods have been passed to the buyer, usually on delivery of the goods. Revenue is measured at the fair value of consideration received or receivable. Amount disclosed as revenue are net of GST.

In case of Coins, revenue is recognised on the basis of rates approved by the Ministry of Finance on year to year basis.

The differences, if any, between the billing rates of Coins and the rates finalized by Chief Advisor Cost, Ministry of Finance are accounted for in the financial year in which such rates are approved by Ministry of Finance.

Revenue for Bank Notes is recognised as per the derived rates intimated by RBI vide their letter no. DCM (RMMT) 4690/110714/2011-12 dated 13.04.2012.

Any future revision in derived rates which is mutually acceptable shall be made applicable in the financial year in which it is communicated.

Revenue from postal stationery

The invoicing for the postal stationery is done at the latest available rates as are approved by MoF consistently on year to year basis.

The differences, if any, between the billing rates and the rates approved by Ministry of Finance are accounted for in the financial year in which such rates are approved by Ministry of Finance from year to year.

Revenue from other products

Revenue from passport and Non Judicial Stamp Paper, is accounted for on the basis of sales invoices raised by the company.

Revenue from rendering of services is recognized when the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the entity. Revenue from job work is recognized in the same period in which services are rendered.

Dividend income is recognized when the shareholder's right to receive the payment is established which is generally after the shareholders approval.

Liquidated damages recovered from the vendors are appropriated towards the income on completion of the contract.

2.4.2 Employee benefits

a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

c) Post-employment obligations

The Company operates the following post-employment schemes:

(i) defined benefit plans such as gratuity, pension, and post – employment medical plans

(ii) defined contribution plans such as provident fund.

(i) Defined benefit plans

The Company's gratuity scheme is a defined benefit plan. A defined benefit plan is a post employment benefit plan.

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefits that employee have earned in return for their services in the current and prior periods. As per the order of the Government of India transferring the assets and liabilities of Units to the Company, most of the employees of the units were transferred on deemed deputation for a period of 2 years from the date of transfer i.e. 10/02/2006 which was further extended for another 12 months. A notification was issued by the Government of India regarding absorption of employees in the company. Options were exercised and Government of India accepted absorption of employees in the company on 29th May 2009 but w.e.f. 01/11/2008.

Those employees who decided to remain with Government of India continue to work in the company till they are redeployed by Government of India. Company has to bear their salary and wages. The provisions for pensionary charges (which includes Gratuity) and Leave salary contribution in respect of these employees and for those holding ex cadre / in cadre posts have been made in accordance with the Government Rules.

Those employees who decided to join the company had two options, either opt for "Combined Pension" or "Pro Rata Pension". Combined pension optees are eligible to get their pension from the SPMCIL Pension Trust constituted by Government of India at the time of their superannuation from company. Government of India shall contribute for the past services rendered and company shall contribute for the period they will serve the company. Manner and amount of contribution shall be governed by Rule 37-A of Central Civil Services (Pension) Rules. However, the company is making provision for pensionary charges of these employees as per the actuarial valuation in accordance with IND AS. Contribution by Government to the company in subsequent years will be accounted for in the year of receipt.

(a) Gratuity

Gratuity is a post-employment defined benefit plan. The liability recognised in the Balance Sheet in respect of gratuity is the present value of the defined benefit obligation at the Balance Sheet date. The Company's liability is actuarially determined at the end of each year. Actuarial gains/ losses through remeasurement are recognised in other comprehensive income.

(b) Pension and gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

These are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(c) Post-employment medical obligations

Liability in respect of Post-Retirement Medical Benefits, a defined benefit plan, is being provided as per actuarial valuation. The difference between liability balance and accrued liability at the end of the year based on actuarial valuation is charged to other comprehensive income.

(d) Bonus plans

The company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

ii) Defined contribution plans

The company's provident fund scheme is a defined contribution plan. A defined contribution plan is a post - employment benefit plan under which an entity pays fixed contributions and will have no obligation to pay further amounts. Obligation for contributions to defined contribution plans are recognised as employees benefit expenses in the statement of Profit and Loss when they are due.

2.4.3 Taxes

a) Current Tax

The current tax expense for the period is determined as the amount of tax payable in respect of taxable income for the period, based on the applicable income tax rates.

Current tax relating to items recognised in other comprehensive income or equity is recognised in other comprehensive income or equity, respectively.

b) Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted at the reporting date.

Deferred tax relating to items recognised in other comprehensive income or equity is recognised in other comprehensive income or equity, respectively.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

2.4.4 Property, plant and equipment

Freehold land is carried at historical cost. All other items of Property, Plant and Equipment are stated at historical cost less depreciation and impairment if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items until they are ready for use.

Subsequent costs are included in the asset's carrying amount or recognized 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 de-recognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which these are incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

Mobile phone instruments purchased by the staff as per the policy of the company and reimbursed by the company are not capitalized but charged to the revenue.

2.4.5 Depreciation methods / estimated useful lives and residual value

a) Tangible Assets

Depreciation is provided on pro rata basis on Straight Line Method over the estimated useful life of the assets as prescribed in Schedule II of the Companies Act, 2013 except in respect of the assets where the useful life is different based upon the technical evaluation done by the management. The estimates of the useful life of assets are as follows: -

Assets	Useful life
Lease hold land	Over the period of lease
Building	60 Years
Factory Building	30 Years
Plant & Machinery	15 years (Single Shift), 10 years (Double Shift)
Furniture & Fixture	10 years
Office equipment	5 years
Vehicles	8 years
Computers	3 years
Others	10 years
Assets costing less than ₹5000/	The year of purchase

The assets residual values and useful life of assets are reviewed by the management at the end of each reporting period. The asset carrying amount is written down to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount.

b) Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that these are available for use.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives in the manner as prescribed in Schedule II of the Companies Act 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II of the Companies Act 2013 are used:

Computer software costing less than ₹1 lac	100% in the year of purchase
Computer software costing more than ₹1 lac (where the useful life is less than or equal to one year)	100% in the year of purchase
Computer software costing more than ₹1 lac (in other cases)	33.33% on SLM
Assets costing less than ₹5000	100% in the year of purchase

2.4.6 Inventories

Inventories are valued at the lower of Cost or Net Realizable Value. Cost incurred in bringing each product to its present location & conditions are accounted as follow: -

a) Raw Material, Work in Progress and Consumable Stores are valued at cost (Weighted average cost basis).

b) Finished goods are valued at lower of the cost or net realizable value.

c) Scraps are valued at net realizable value.

d) Slow moving/obsolete inventories are valued at the lower of Cost or net realizable value.

2.4.7 Provisions, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Contingent liabilities are disclosed in respect of possible obligations that have risen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise, or is a present obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made.

A contingent asset is neither recognised nor disclosed.

2.4.8 Foreign currency transactions

Foreign currency denominated monetary transactions are recorded at the exchange rates prevailing on the date of respective transactions. Realized gains and losses on foreign currency transactions during the year are recognised in Profit and Loss Account.

Foreign-currency denominated monetary assets and liabilities remaining unsettled at the Balance Sheet date are translated at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in the Statement of Profit and Loss.

2.4.9 Financial Instruments

a) Component of Financial Instruments

(i) Financial Assets includes, in particulars, cash and cash equivalents, trade receivables, other current receivables and callable security deposits.

(ii) Financial Liabilities includes, in particulars, borrowings, trade payables and other current payables.

b) Initial Recognition:-

The company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instruments. All the financial assets and financial liabilities are recognised at fair value, which represents the transaction cost at the date of transaction.

c) Subsequent recognition & impairment:-

Subsequent recognition of financial assets and financial liabilities are at fair value, if the carrying amount is a reasonable approximation of the fair value it is maintained at that value. Any diminution / impairment in value is recognised in statement of profit and loss as impairment gain /loss.

d) De-recognition of financial assets and financial liabilities:-

A financial assets is de-recognized when the contractual rights to the cash flow is realised or forfeited. The financial liability is de-recognized when the underlying obligation relating to the liability is fulfilled, terminated or extinguished.

2.4.10 Investment

a) In Joint Venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The investment in joint venture is recognised at Cost.

b) Other Investments

Investments in mutual funds are classified at fair value through the Statement of Profit & Loss Account.

2.4.11 Borrowing costs

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

2.4.12 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.4.13 Cash Flow Statement:

Cash Flow Statement is reported using the indirect method as per Ind AS 07, Statement of Cash Flow.

2.4.14 Cash dividend to equity holders

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.4.15 Earnings per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

2.4.16 Leases

Identification of a Lease

At inception of a contract, the Company assesses whether the contract is, or contains a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an unidentified asset for a period of time in exchange for consideration.

Company as a Lessee

At the contract commencement date, the Company recognizes right – of – use asset and a lease liability. A right – of – use asset is an asset that represents a lessee's right to use an underlying asset for the lease term. The company has elected not to apply the aforesaid requirements to short term leases (leases which at the commencement date has a lease term of 12 months or less) and leases for which the underlying asset is of low value as described in paragraph B3 – B9 of Ind AS 116.

A right of use asset is initially measured at cost and subsequently applies the cost mode ie less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of lease liability. Ind AS 16, Property, Plant and Equipment is applied in depreciating the right – of – use asset.

A lease liability is initially measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Company's incremental borrowing rate is used.

Subsequently, the carrying amount of the lease liability is increased to reflect interest on lease liability; reduced to reflect the lease payments; and remeasured to reflect any reassessment or lease notifications or to reflect revised in – substance fixed lease payments.

In March 2019 the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules 2019 notifying Ind AS 116, Lease and withdrawing Ind AS 17, Lease Ind AS 116 is effective from accounting periods beginning from 1st April 2019.

Ind As 116 introduces a single, on-balance sheet lease accounting model for lessees.

A lesses recognizes a right of use asset representing its right to use the underlying asset and lease liability representing its obligation to make lease payments. There are recognition exemptions for short term leases and leases of low-value items. Lessor accounting remains similar to the erstwhile standard- i.e. lessors continue to classify leases as finance or operating leases. The company has applied the transition provisions as mentioned in Appendix C to Ind As 116. There is no financial impact on the Company on adoption of IND AS -116.

At inception of a contract, the Company assesses whether the contract is, or contains a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.4.17 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. These are measured at the lower of their carrying amount and fair value less costs to sell.

Non-current assets classified as held for sale and their related liabilities are presented separately in the balance sheet, if any. Non-current assets are not depreciated or amortized while they are classified as held for sale.

2.4.18 Impairment of assets

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

2.4.19 Materiality of income / expenditure:

An item of income or expenditure of one or more prior periods is considered material only if, it exceeds 0.5% of total revenues of the company, as per last years audited financial statements, in each such case.

Note 3 Property Plant & Equipment

(Amount in ₹ Lakh)

Particulars	Gross Block					Depreciation					Impairment			Total net carrying amount	
	Balance as on 01.04.2020	Additions	Disposals	Adjustment	Balance as on 31.03.2021	Balance as on 01.04.2020	Depreciation for the year	Adjustment	Disposals	Balance as on 31.03.2021	Balance as at 01.04.2020	During the year	Balance as on 31.03.2021	Balance as on 31.03.2021	Balance as on 31.03.2020
Property Plant & Equipment															
Land	475.70	-	-	-	475.70	-	-	-	-	-	-	-	-	475.70	475.70
Lease Hold Land	190.47	-	-	-	190.47	13.88	2.78	-	-	16.66	-	-	-	173.82	176.60
Building	9,678.15	315.89	-	154.46	10,148.50	1,735.49	203.44	-	-	1,938.93	-	-	-	8,209.56	7,942.66
Factory Building	17,824.30	658.81	-	-	18,483.10	2,619.61	683.15	0.03	-	3,302.79				15,180.32	15,204.69
Plant and Equipment	1,46,421.34	18,337.43	326.97	79.47	1,64,511.27	47,038.36	11,144.85	(30.13)	208.49	58,004.85	3.19	(3.19)	0.00	1,06,506.42	99,412.19
Furniture and Fixtures	1,043.39	42.79	3.92	-	1,082.25	441.07	96.84	(0.08)	3.57	535.18	-	-	-	547.07	605.04
Vehicles	363.65	52.52	13.81	1.84	404.20	148.93	43.54	7.88	13.81	170.78	-	-	-	233.42	214.72
Office Equipments	1,170.35	234.86	93.97	(26.44)	1,284.80	590.11	139.36	25.38	80.23	623.77	-	-	-	661.03	549.16
Other Equipments															
-Computers & Printers	1,741.25	245.52	177.89	6.37	1,815.25	1,240.54	194.86	(8.48)	166.26	1,276.62	-	-	-	538.63	496.86
-Railway Siding	409.14	-	-	-	409.14	61.72	25.91	-	-	87.64	-	-	-	321.51	347.39
-Electrical Installation	4,792.15	787.71	0.02	40.62	5,620.45	2,269.53	519.62	-	0.02	2,790.16	-	-	-	2,830.28	2,519.63
-S&D Assets	15.59	-	-	-	15.59	0.96	-	-	-	0.96	-	-	-	14.63	14.63
-R&D Assets	297.18	2.53	-	-	299.71	118.43	35.37	-	-	153.80	-	-	-	145.91	178.74
-Tools	0.12	-	-	-	0.12	0.02	0.01	-	-	0.03	-	-	-	0.10	0.10
-Lower Asset Value	3.85	0.90	0.38	-	4.37	2.88	0.90	0.58	0.38	4.37	-	-	-	0.00	0.96
- Lab Equipments	127.39	0.03	0.03	-	127.39	33.26	12.43	-	-	45.69	-	-	-	81.70	94.12
TOTAL (A)	**1,84,554.01**	**20,678.99**	**617.00**	**256.31**	**2,04,872.32**	**56,314.80**	**13,103.06**	**(4.82)**	**472.75**	**68,952.23**	**3.19**	**(3.19)**	**0.00**	**1,35,920.09**	**1,28,233.02**
Previous Year	**1,75,951.82**	**8,902.98**	**298.30**	**2.49**	**1,84,554.01**	**43,325.10**	**13,256.43**	**3.35**	**263.38**	**56,314.80**	**3.19**	**-**	**3.19**	**1,28,233.02**	**1,32,623.53**
Right of Use Assets															
Land	155.72	-	-	-	155.72	5.40	5.40	-	-	10.80	-	-	-	144.92	150.32
Building	1,450.15	-	-	-	1,450.15	615.78	599.89	-	-	1,215.67	-	-	-	234.47	834.35
TOTAL (B)	**1,605.87**	**-**	**-**	**-**	**1,605.87**	**621.18**	**605.29**	**-**	**-**	**1,226.48**	-	-	-	**379.39**	**984.67**
Previous Year	**-**	**1,605.87**	**-**	**-**	**1,605.87**	**-**	**621.18**	**-**	**-**	**621.18**	**-**	**-**	**-**	**984.67**	**-**
Capital Work In Progress															
Capital Work in Progress	7,605.70	41,208.51	675.36	6,011.72	42,127.12	-	-	-	-	-	-	-	-	42,127.12	7,605.70
TOTAL (B)	**7,605.70**	**41,208.51**	**675.36**	**6,011.72**	**42,127.12**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**42,127.12**	**7,605.70**
Previous Year	**1,178.86**	**7,595.30**		**(1,168.46)**	**7,605.70**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7,605.70**	**1,178.86**

Note 4 Intangible Assets

(Amount in ₹ Lakh)

Particulars	Gross Block					Depreciation					Impairment			Total net carrying amount	
	Balance as on 01.04.2020	Additions	Disposals	Adjustment	Balance as on 31.03.2021	Balance as on 01.04.2020	Depreciation for the year	Adjustment	Disposals	Balance as on 31.03.2021	Balance as at 01.04.2020	During the year	Balance as on 31.03.2021	Balance as on 31.03.2021	Balance as on 31.03.2020
Computer Software	765.93	17.83	0.08	0.31	783.36	615.48	30.48	0.12	0.08	645.76				137.60	150.45
Total	**765.93**	**17.83**	**0.08**	**0.31**	**783.36**	**615.48**	**30.48**	**0.12**	**0.08**	**645.76**	**-**	**-**	**-**	**137.60**	**150.45**

Note No.5 (i)

(a) Non Current Investments

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Investment In Equity Instruments in Joint Venture at Cost (Unquoted Equity Shares of Bank Note Paper Mill India Pvt Ltd.{JV of Security Printing and Minting Corporation of India Ltd and Bhartiya Reserve Bank Note Mudran Pvt Ltd [40,00,00,000 Shares @ ₹ 10 each]})	40,000.00	40,000.00	40,000.00
Total Investment	**40,000.00**	**40,000.00**	**40,000.00**

(b) Investments - Current

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Investment in Mutual funds - Quoted	-	-	-
SBI Mutual Fund	-	-	-
- UTI Treasury Advantages Fund'	-	-	-
(Valued at Fair value)	-	-	-
Total Investment	**-**	**-**	**-**

Note No.5 (ii)

(a) Trade Receivables - Non Current

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
(i) Trade Receivables			
(a) Secured, Considered good	-	-	-
(b) Unsecured, Considered good	397.22	394.23	-
(c) Doubtful	-	-	-
(d) Trade Receivable which have significant increase in credit risk: and	12,280.74	8,956.51	9,339.47
(e) Trade Receivable credit impaired		-	-
TOTAL (A)	**12,677.96**	**9,350.74**	**9,339.47**
(i) Allowance for bad debts	12,280.74	8,956.51	9,339.47
(ii) Provision for Rate Difference	-	-	-
TOTAL (B)	**12,280.74**	**8,956.51**	**9,339.47**
Total Trade Receivables (A-B)	**397.22**	**394.23**	**-**

(b) Trade Receivables - Current

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
(i) Trade Receivables	-	-	-
(a) Secured, considered good	193.92	77.87	-
(b) Unsecured, considered good	1,07,255.42	1,30,602.83	1,74,700.88
(c) Doubtful	4,331.48	3,542.37	3,937.06
(d) which have significant increase in credit risk	3.30	5.13	5.13
(e) Credit impaired	-	-	-
TOTAL (A)	**1,11,784.12**	**1,34,228.20**	**1,78,643.07**
(ii) Allowance for bad debts	4,334.78	3,547.50	3,942.20
(iii) Provision for rate differences	-	-	4,881.62
TOTAL (B)	**4,334.78**	**3,547.50**	**8,823.82**
Trade Receivables (C) i.e. (A-B)	**1,07,449.34**	**1,30,680.70**	**1,69,819.25**
(iii) Debts due by directors / related parties			
TOTAL (D)	**-**	-	**-**
Total Trade Receivables	**1,07,449.34**	**1,30,680.70**	**1,69,819.25**

Note No.5 (iii)

(a) Loans - Non current

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
(i) Security Deposit			
(a) Secured, considered good	-	-	-
(b) Unsecured, considered good		-	-
TOTAL (A)	**-**	**-**	**-**
(ii) Loans due from directors / related parties			
(a) Secured, considered good	-	-	269.23
(b) Unsecured, considered good	-	-	-
(c) Doubtful	-	-	-
(d) which have significant increase in credit risk	-	-	-
(e) Credit impaired	-	-	-
TOTAL (B)	**-**	**-**	**269.23**
(iii) Other loans			
(a) Secured, considered good	-	-	-
- Loan due from employees	204.95	281.51	402.28
(b) Unsecured, considered good	7.27	25.26	81.62
(B) Loan due from employees	14.24	8.74	12.29
(c) Doubtful	-	-	-
(d) which have significant increase in credit risk	-	-	-
(e) Credit impaired	-	-	-
TOTAL (C)	**226.46**	**315.51**	**496.19**

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
(iv) Allowance for bad and doubtful loans			-
TOTAL (D)	**-**	**-**	**-**
Loans Due (E) i.e. (A+B+C-D)	**226.46**	**315.51**	**765.42**
(v) Loans due from Directors	-	-	-
TOTAL (F)	**-**	**-**	**-**
Total Loans (E+F)	**226.46**	**315.51**	**765.42**

(b) Loans - current

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
(A) Security deposit			
(a) Secured, considered good	-	2.22	2.22
(b) Unsecured, considered good	-	-	-
(c) Doubtful	-	-	-
TOTAL (A)	**-**	**2.22**	**2.22**
(B) Other loans			
(a) Loans Receivable considered good- Secured	-	-	-
(b) Loans Receivable considered good- Unsecured	6.00	36.38	44.20
- Loans to employees	102.54	148.47	101.16
(c) Loans Receivable which have significant increase in credit risk: and	-	-	-
(d)Loans Receivable credit impaired	-	-	-
TOTAL (B)	**108.54**	**184.85**	**145.36**
Total Loans (A+B)	**108.54**	**187.07**	**147.58**

Note No.5 (iv)

(a) Others - Non current

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
(i) Capital advance			
- Unsecured, considered good	769.09	12.00	-
(ii) Advances other than capital advances	-	-	-
(a) Security Deposit	291.73	291.73	-
- Deposit with CISF	483.17	483.17	406.80
- Deposit with Electricity Board	1,107.14	1,043.67	1,018.27
- Deposit with Tax Authorities/other	6,065.49	4,342.07	3,888.79
(b) Advances to related parties	-	-	-
(c) Other advances	1.08	3.18	-
(iii) Advances to directors	-	-	-
(b) Other advances	2.13	1,239.04	475.39
Total	**8,719.83**	**7,414.86**	**5,789.25**

(b) Others - Current

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
(i) Capital advance	44.20	313.36	4,044.07
(ii) Advances other than capital advances	-	546.89	2,625.60
Security Deposit	-	-	-
Deposits with other department	1.15	1.15	1.15
Other advances	552.22	6.53	51.61
Other advances receivables	63.79	337.86	3,796.86
Interest receivables on FDR	442.26	2,756.03	358.79
Assets held for sales	(0.00)	(0.00)	-
Total	**1,103.62**	**3,961.82**	**10,878.08**

Note No.5 (v)

Cash & Cash Equivalents

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
a)			
Balances with banks	2,242.64	3,729.01	12,284.31
Cheques, draft on hand	12.63	-	-
Cash on hand	3.74	9.71	3.90
Postage on hand	3.47	3.31	3.60
Total cash & cash equivalents	**2,262.48**	**3,742.03**	**12,291.81**
b)			
Bank balances other than above		-	-
-FDR (maturity period more than 3 months)	2,15,768.99	2,00,017.86	1,44,050
Total Bank Balances	**2,15,768.99**	**2,00,017.86**	**1,44,050.00**

Note No. 6

Deferred Tax Assets & Liabilities

The tax effects of the significant temporary differences that resulted in deferred tax assets/liabilities are as follows

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Deferred Tax Assets/(Liabilities)			
Property, plant and equipment	(11,678.74)	(11,752.58)	(16,391.91)
Current liabilities, Trade Receivables and provisions	66,509.54	68,433.60	92,275.41
Net deferred tax assets	**54,830.80**	**56,681.02**	**75,883.50**

Note No. 7

Other non-current assets

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Other Receivables	0.03	-	8.36
Advance to PAO	24.83	34.61	34.61
Advance to others	645.33	174.57	0.07
Non Moving Inventory	-	-	1,359.33
Less: Provision for non moving inventory	-	-	(1,297.57)
Other non current Assets	4,013.23	5,766.99	5,762.46
Total	**4,683.42**	**5,976.17**	**5,867.26**

Note No. 8

Inventories (At lower of Cost or Net Realizable Value)

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
(a) Raw Materials			
- Raw materials	61,715.02	70,671.97	83,157.67
- Raw material in transit	0.73	613.98	873.96
- Goods in transit	-	-	2,753.49
(b) Work-in-progress	51,826.47	61,144.91	37,020.88
(c) Finished goods	22,961.72	45,292.83	15,598.45
- Goods in transit	-	-	1,826.71
(d) Stores and spares	12,822.71	15,600.92	13,596.79
(e) Others- Scrap	4,316.70	2,258.85	3,503.47
-Other Inventory	314.32	445.89	459.97
Total inventories	**1,53,957.67**	**1,96,029.35**	**1,58,791.39**

Note No. 9 (a)

Current Tax Assets (Net)

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Balance with Income Tax Authority			
Advance tax including TDS	38,447.43	26,855.64	92,431.00
Less :- Provision of income tax	33,807.31	26,600.00	95,413.18
Current tax assets - Net	**4,640.12**	**255.64**	**(2,982.18)**

Note No. 9 (b)

Current Tax Liabilities (Net of Advance tax)

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Provision for Income Tax	-	-	-
Less: Advance tax/ TDS	-	-	-
Current Tax Liabilities (Net of Advance tax)	**-**	**-**	**-**

Note No. 10

Other current assets

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Prepaid expenses	924.97	726.90	300.10
Balance with excise authorities	-	-	0.64
Balance with sales tax / GST authorities	7,052.96	7,033.90	13,413.99
Balance with Income Tax Authorities	30.37	29.42	29.79
Interest receivables on FDR	4.20	-	-
Assets held for disposal	-	-	-
PAO/C&C DEA Ministry of Finance (EPF)	-	-	901.98
PAO/C&C DEA Ministry of Finance (GPF)	-	-	369.50
Commemorative coins	0.96	0.96	0.96
MAT Credit Entitlement	-	-	-
Other receivables	62.94	73.95	75.35
Advances to suppliers	2,029.83	3,207.17	2,624.94
Advances to CPWD	-	113.00	55.45
Advances to BSNL	-	-	-
Total	**10,106.23**	**11,185.30**	**17,772.70**

Note No. 11

Issued share capital

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Authorised Capital			
2,50,00,00,000 Equity Shares of ₹ 10 Each	**2,50,000.00**	**2,50,000.00**	**2,50,000.00**
Issued and subscribed capital			
118,24,90,000 Equity Shares of ₹ 10 Each	1,18,249.00	1,18,249.00	1,18,249.00
	1,18,249.00	**1,18,249.00**	**1,18,249.00**
Paid up capital			
987500740Equity Shares of ₹ 10 Each (Previous Year 987500740 Equity Shares of ₹ 10 Each)	98,750.07	98,750.07	1,06,424.10
Total	**98,750.07**	**98,750.07**	**1,06,424.10**

Note No. 11A

Reconciliation of equity shares outstanding at the beginning and at the end of year

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Equity Shares at the beginning of the year	9,875.01	10,642.41	10,642.41
Add: Shares issued during the year	-	-	-
Less: Shares buyback during the year	-	767.40	-
Equity Shares outstanding at the end of the year i.e. as on 31st March 2021	**9,875.01**	**9,875.01**	**10,642.41**

Note No. 11B

Details of shares held by the holding company, their subsidiaries and associates: NIL

Note No. 11C

Details of shareholders holding more than 5% of the equity share capital of the Company

Particulars	Figures as at 31st March 2021 (No. of Shares in Lakh)	Figures as at 31st March 2020 (No. of Shares in Lakh)	Figures as at 01.04.2019 (No. of Shares in Lakh)
a) President of India	9,875.01	9,875.01	10,642.41
b) % of No of shares	99.99	99.99	99.99

Note No. 11D

Terms and rights attached to the equity shares of the Company : NIL

Note No. 12

Reserve & Surplus

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
(a) Capital Reserve	33,819.95	33,819.95	33,819.95
(b) General Reserve		-	-
(c) Retained Earnings (Surplus)	3,28,747.72	3,10,696.09	2,96,922.18
(d) Capital Redemption Reserve	19,498.93	19,498.93	11,824.90
Total Reserve & Surplus	**3,82,066.60**	**3,64,014.97**	**3,42,567.03**

(a) Capital Reserve

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
As per last statement of financial position	33,819.95	33,819.95	33,819.95
Add: Current year transfer	-	-	-
Less : Written back in current year	-	-	-
	-	-	-
Total Capital Reserve	**33,819.95**	**33,819.95**	**33,819.95**

(b) General Reserve

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
As per last statement of financial position	**-**	**-**	**-**
Add: Current year transfer	-	-	-
Less : Transfer to Capital Redemption Reserve	-	-	-
Less : Written back in current year	-	-	-
Less: Buyback of shares	-	-	-
Total General Reserve	**-**	**-**	**-**

(c) Retained Earnings

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
As per last statement of financial position	3,10,696.45	2,96,922.13	2,57,948.53
Add: Net Profit/(Loss) for the current year	42,381.11	72,530.83	51,337.84
Add: Items of other comprehensive income recognized directly in reatined earnings	(2,781.89)	1,976.06	374.50
: Remeasurement of Employees defined benefit plans	-	-	-
: Prior period items	-	-	
: Disputed Claim	-	-	-
: Depreciation	-	-	-
: Adjustment on Fixed assets	-	-	-
: Adjustment on Pension	-	-	-
: Adjustment of provision of MoF	-	0.05	-
: Provision for bad & doubtful debts		1,656.11	53,091.14
Add: Transfer from reserves	-	(7,674.03)	-
Less: Transfer to corporate/HO	0.00		
Less: Dividend paid for the previous year	(21,547.95)	(21,848.00)	(20,487.15)
Less: Dividend distribution tax	-	(4,490.92)	(4,286.90)
Less: Tax on Buy back	-	(5,048.58)	-
Less: Buy Back Share	-	(21,671.45)	-
Less: Transfer to General Reserve for buy back of Shares	-	-	-
Less: Debtors written off		(1,656.11)	(53,091.14)
Add: Profit related to change in accounting policy	-	-	30,587.54
Less: Income Tax Adjustments for Earlier Years	-		
Less: Decrease in Deferred tax assets			(18,552.18)
Total Retained Earnings	**3,28,747.72**	**3,10,696.09**	**2,96,922.18**

d) Capital Redemption Reserve

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
As per last statement of financial position	19,498.93	11,824.90	11,824.90
Add: Current year Transfer	-	7,674.03	
Less : Written back in current year		-	-
Total Capital Redemption Reserve	**19,498.93**	**19,498.93**	**11,824.90**

Financial Liabilities - Non Current Borrowings

Note No.13 (i)

Borrowings

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Loans & Borrowings	-	-	-
Total Non Current Borrowings	**-**	**-**	**-**

Note No.13 (ii)

Trade Payables

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
(a) Non Current			
- Trade payables	-	-	-
(A) Total outstanding dues of micro and small enterprises: and	-	-	-
(B) Total outstanding dues of creditors other than micro and small enterprises.	273.86	360.74	780.77
Total Non Current Trade Payable	**273.86**	**360.74**	**780.77**
(b) Current			
- Trade payables		-	-
(A) Total outstanding dues of micro and small enterprises: and	469.01	360.09	373.24
(B) Total outstanding dues of creditors other than micro and small enterprises.	18,903.57	26,126.85	25,904.03
Total Current Trade Payable	**19,372.58**	**26,486.94**	**26,277.27**
Total Trade Payables	**19,646.44**	**26,847.68**	**27,058.04**

Note No.13 (iii)

Other Financial Liabilities

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Other Financial Liabilities - Non Current			
Funds from GOI - adjustable	15,854.05	15,854.05	17,976.76
Loan from MoF	-	1.00	

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Adj. during the year			3,036.94
Funds adjustable from Govt of India - Total (a)	**15,854.05**	**15,855.05**	**21,013.70**
Lease payable	146.40	145.81	
Other Financial Liabilities - Current			
Earnest Money Deposit (EMD)	271.05	452.98	444.70
Security Deposit of Supplier/Vendors	667.03	635.69	982.66
Salaries and wages and other employee benefit payable	1,707.91	1,979.77	2,954.94
Recovery from salary payable to concerned authorities	645.69	665.22	946.28
Expenses payable	1,380.26	1,643.74	1,717.21
Contribution to SPMCIL Pension Trust Payable	104.63	65.28	72.66
Pensionary charges payable	2.02	2.60	2.74
Bank book overdraft	253.06	1,519.84	175.29
Interest payable on Long Term Loan from GOI	-	0.58	-
Total (b)	**5,031.65**	**6,965.70**	**7,296.48**

Note No.14

Provisions

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
(i) Non-Current Provisions			
Other Provision	-	-	
- Provision for Disputed Claims	48.51	36.92	5.00
Total Non Current Provisions	**48.51**	**36.92**	**5.00**
(ii) Current Provisions			
Other Provisions			
- Other Short Term Provisions	2,204.44	3,712.22	6,405.36
- Provision for Disputed Claims	91,891.85	83,043.20	78,496.30
Total Current Provisions	**94,096.29**	**86,755.43**	**84,901.66**

Note No.15

Employees Benefit Obligations

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
(i) Non-Current Provisions			
(a) Provision for employee benefits			
- Provision for Gratuity	17,704.97	18,442.89	15,893.95
- Provision for Leave Encashment	23,041.20	26,285.39	25,564.03
- Provision for Pensionary Charges Contribution	6.43	-	-
- Provision for Leave Salary Contribution	3.06	-	-
- Provision for Ex-Gratia	75.72	51.29	51.29
- Provision for post retirement medical benefits	11,791.95	10,459.35	7,533.45

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
- Provision for Pension Trust Liability	82,291.53	97,799.95	99,937.07
Total Non-Current Employees Benefit Obligations	**1,34,914.86**	**1,53,038.87**	**1,48,979.79**
(ii) Current Provisions			
(a) Provision for employee benefits	-		
- Provision for Leave Salary and Pensionary Charges	60.68	42.35	42.84
- Provision for Gratuity	2,937.87	3,027.58	2,239.59
- Provision for Ex-Gratia /Bonus	635.72	440.15	330.51
- Provision for Leave Encashment	4,720.37	5,083.41	3,948.90
- Provision for Compensation in Lieu of Compassionate appointments	1,020.89	442.98	529.69
- Provision for Pension Trust Liability	7,961.84	8,180.42	7,530.90
- Provision for post retirement medical benefits	977.97	819.77	843.15
- PRP Payable	1,262.50	1,120.20	1,152.12
- Other employees benefits short term provisions	407.48	320.83	266.88
Total Current Employees Benefit Obligations	**19,985.32**	**19,477.69**	**16,884.58**

Note No.16

Other Non Current liabilities

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Other Non- Current Liabilities (Diff. amount Received From RBI)	(0.00)	9,636.06	695.99
Total Non Current Liabilities	**(0.00)**	**9,636.06**	**695.99**

Note No.17

Other current liabilities

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Employee's Claim	253.34	4.07	8.29
Advances from customer	4,726.46	4,367.30	7,456.43
Current Portion long term Borrowings	0.41	-	-
Security Deposit of Supplier/Vendors	61.91	119.75	28.27
Payable to PAO	22.40	22.68	22.61
Statutory dues payable	5,383.42	4,722.05	7,944.98
Octroi payable	-	-	-
Salaries and wages and other employee benefit payable	142.11	89.83	5.03

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Recovery from salary payable to concerned authorities	56.52	90.82	31.82
Expenses payable	365.03	147.21	989.97
Contribution to SPMCIL Pension Trust Payable	45.18	12.08	57.96
Pensionary charges payable	133.04	137.41	108.81
Bank book overdraft	163.13	488.97	235.47
Other current liabilities	655.36	1,214.89	297.53
Claim Difference	4.37	4.44	4.51
Gratuity withheld	2.91	0.22	0.22
Lease payable	263.15	869.43	
Total other current liabilities	**12,278.74**	**12,291.15**	**17,191.90**

Note No.18

Revenues

(Amount in ₹ Lakh)

Particulars	For the year ended on 31st March 2021	For the year ended on 31st March 2020
(A) Sale of products		
- Sale of Notes	2,31,091.32	2,19,359.92
- Sale of Coins	1,55,315.30	1,43,514.54
- Sale of Medals and Commemorative Coins	3,982.06	4,593.18
- Sale of Ink	4.43	2,389.22
- Sale of Passport & Allied	21,216.61	49,649.14
- Sale of Postal Items	1,272.69	3,078.71
- Sale of Non Postal Items	5,695.12	6,516.67
- Sale of NJSP	46,051.49	50,565.12
- Sale -Others	15,542.17	15,927.85
TOTAL (A)	**4,80,171.18**	**4,95,594.35**
(B) Sale of Services		
- Job Work	747.26	554.89
- Other Service	11.09	24.20
TOTAL (B)	**758.35**	**579.09**
(C) Other operating revenues		
- Sale of scrap	8,957.35	15,579.73
- Other operating activities	373.73	426.57
- Rate difference circulating coins	(19,004.01)	(2,189.01)
- Rate difference	-	(19.76)
TOTAL (C)	**(9,672.93)**	**13,797.53**
Total revenue from continuing operations (A+B+C)	**4,71,256.60**	**5,09,970.97**

Note No.19

Other Income

(Amount in ₹ Lakh)

Particulars	For the year ended on 31st March 2021	For the year ended on 31st March 2020
(a) Interest Income		
-Interest Income	8,527.06	11,175.60
TOTAL (A)	**8,527.06**	**11,175.60**
(b) Dividend Income		
- Dividend Income	4,200.00	4,000.00
TOTAL (B)	**4,200.00**	**4,000.00**
(c) Other income(net of expense directly attributable to such income)		-
- Foreign exchange fluctuation gains/ (loss)	262.30	(28.80)
- Profit on sale of fixed assets	(5.16)	0.59
- Other income	2,080.59	1,260.43
- Provisions/liabilities written back	2,053.14	4,628.10
- Rate difference	-	-
TOTAL (C)	**4,390.87**	**5,860.32**
Total Other Income (A+B+C)	**17,117.93**	**21,035.92**

Note No.20

Cost of materials consumed

(Amount in ₹ Lakh)

Particulars	For the year ended on 31st March 2021	For the year ended on 31st March 2020
Cost of material consumed	1,94,973.24	2,34,091.81
Total cost of materials consumed	**1,94,973.24**	**2,34,091.81**

Note No.21

Changes in inventories of finished goods, stock in trade and work in progress

(Amount in ₹ Lakh)

Particulars	For the year ended on 31st March 2021	For the year ended on 31st March 2020
Opening Balance		
Work in progress	61,144.91	37,020.88
Finished goods	45,292.83	22,136.06
Goods in Transit	-	4,580.20
Scrap	2,257.77	3,503.15
Total Opening balance (A)	1,08,695.51	67,240.29
Closing Balance		
Work in progress	51,826.47	61,144.91
Finished goods	22,961.72	45,292.83
Goods in Transit	-	-

Particulars	For the year ended on 31st March 2021	For the year ended on 31st March 2020
Scrap	4,316.44	2,257.78
Total Closing balance (B)	79,104.63	1,08,695.52
Total changes in inventories of finished goods, stock in trade and work in progress (A-B)	**29,590.88**	**(41,455.23)**

Note No.22

Employee benefit expense

(Amount in ₹ Lakh)

Particulars	For the year ended on 31st March 2021	For the year ended on 31st March 2020
Salaries, wages and allowances	61,794.62	68,795.99
Overtime	10,802.24	14,108.30
Incentive	8,580.79	13,164.44
LTC	288.02	226.04
Medical	2,541.01	2,737.82
Employer Contribution to EPF	3,731.22	3,987.72
Leave salary & pensionary charges contribution	811.42	2,754.19
Cotribution to SPMCIL pension trust	1,818.68	1,668.40
Leave encashment	3,631.96	7,896.41
Gratutity	(986.99)	7,807.27
Staff welfare expenses	145.11	52.23
Other employee benefits	2,181.11	1,535.32
Post retirement medical benefits	2,665.29	3,848.15
Pension Trust Liability	-	-
Total employee benefit expenses	**98,004.48**	**1,28,582.28**

Note No.23

Finance Cost

(Amount in ₹ Lakh)

Particulars	For the year ended on 31st March 2021	For the year ended on 31st March 2020
Interest cost	6,869.70	3,099.93
Interest cost on loan from Bank	-	0.58
Finance cost on lease	56.08	78.78
Total	**6,925.78**	**3,179.29**

Note No. 3 & 4

Depreciation and amortization expense

(Amount in ₹ Lakh)

Particulars	For the year ended on 31st March 2021	For the year ended on 31st March 2020
Depreciation on Property Plant and Equipment	13,104.21	13,256.43
Amortisation of Intangible Assets	29.46	25.82
Amortisation of RTU	605.29	621.18
Total	**13,738.96**	**13,903.43**

Note No. 24

Other expenses

(Amount in ₹ Lakh)

Particulars	For the year ended on 31st March 2021	For the year ended on 31st March 2020
(A) Other Manufacturing Expenses		
-Consumption of stores, Spare and Components	11,733.78	10,124.87
-Power, Fuel and Water	7,191.58	7,971.01
-Repairs & Maintenance to Machinery	452.80	(247.72)
-Repairs & Maintenance to Factory Building	708.34	551.96
-Packing expenses	1,271.45	1,487.84
-Other manufacturing costs	440.44	743.73
TOTAL (A)	**21,798.39**	**20,631.69**
(B) Administrative expenses		
-Advertisement	197.34	239.05
-Commission (Auction & Other)	239.76	436.68
-Audit fees	62.38	52.15
-Bank charges	4.19	6.61
-Conveyance expenses	0.43	0.47
-Canteen expenses(Net of Receipts)	147.40	239.18
-Dispensary expenses	85.21	107.80
-Environmental charges	119.34	67.85
-Fees & honorarium	9.95	29.81
-Freight outward	1,311.60	862.31
-Foreign exchange fluctuation loss	371.84	(87.11)
-Grants in Aid expenses	2.45	1.97
-Loss on sale/discard of assets	5.42	24.97
-L&B expenses	6.11	11.72
-Guest House Expenses (Net of Receipts)	60.66	64.59
-Hiring of staff	3,240.75	2,722.31
-Horticulture Expenses	31.42	65.88
-Hospitality & Entertainment expenses	31.89	54.08
-Legal & Professional charges	769.43	811.08
-Meeting expenses	8.75	40.99
-Misc expenses	202.08	215.59
-Office expenses	273.17	368.91
-Postage & courier expenses	38.44	43.85
-Printing & Stationery expenses	44.96	77.49
-Research & Development expenses	64.36	198.13
-Repair & Maintenance- Building	1,304.97	926.78
-Repair & Maintenance- Computers	182.31	236.19
-Repair & Maintenance- Others	864.47	851.75
-Rent	185.72	96.48
-Insurance	793.94	673.70

Particulars	For the year ended on 31st March 2021	For the year ended on 31st March 2020
-Rates & Taxes	234.21	361.74
-Security charges	16,609.04	16,828.23
-Seminar & Training expenses	28.98	166.54
-Service Tax/ Sales Tax paid	76.50	579.86
-Subscription, Newspaper, Books & Periodicals	9.84	10.35
-Sustainable Development	-	-
-Telephone & Internet charges	156.11	140.55
-Travelling & Conveyance expenses	191.88	830.90
-Travelling Expenses- Foreign	17.79	210.69
-Uniform & Liveries	13.73	6.36
-Corporate Social Responsibility Expenses (CSR)	1,556.32	907.21
-Vehicle Hiring/Maintenance charges	318.73	245.89
-Water & Electricity charges	426.59	456.46
-Other Expenditure	854.77	800.94
-Excise Duty paid /Custom duty	28.83	37.81
-Interest and Penalty	1.09	5.35
-Expense / Loss in SPMCIL Trust	300.22	-
-Expense For Disputed Claims	2,267.82	1,163.47
TOTAL (B)	**33,753.17**	**32,193.61**
(C) Provisions created during the year	**-**	
- Provision For Trade Receivables	4,149.76	-
- Pension For Pension Trust Liability	6,451.67	22,178.68
- Provision For disputed claims	13.94	32.62
TOTAL (C)	**10,615.37**	**22,211.30**
Total Other Expenses (A+B+C)	**66,166.93**	**75,036.60**

Note No. 24(a)

Auditors' Remuneration

(Amount in ₹ Lakh)

Particulars	For the year ended on 31st March 2021	For the year ended on 31st March 2020
(A) Statutory Auditors		
(a) Statutory Audit Fee	4.25	3.50
(b) Tax Audit Fee	2.66	2.19
Sub-Total (A)	**6.91**	**5.69**
(B) Branch Auditors		
(a) Statutory Audit Fee	24.75	20.25
(b) Tax Audit Fee	15.47	12.66
Total	**40.22**	**32.91**
Other Services	**10.87**	**8.90**
Sub-Total (B)	**10.87**	**8.90**
Auditors' Remuneration (A+B)	**58.00**	**47.50**

Note 25

Provisions, Contingent Liabilities & Contingent Assets – Ind AS-37

Contingent Liabilities as per IND AS-37 are as follows:

(Amounts in ₹ Lakhs)

Contingent Liabilities and commitments (to the extent not provided for)	As at 31st March 2021	As at 31st March 2020
(I) Contingent Liabilities		
(i) Claims against the company not acknowledged as debt (excluding the cases where amounts are unascertainable)	43,215.81	43,666.17
(ii) Bank guarantees & Letters of credit issued by Banks	3,452.91	3,955.67
Total (I)	**46,668.72**	**47,621.84**
(II) Commitments		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for	28,590.67	8,958.82
Total (II)	**28,590.67**	**8,958.82**
Grand Total (Rs.) (I+II)	**75,259.39**	**56,580.66**

(a) The Cases filed by employees/workers/suppliers are being contested and accordingly, no provision is considered necessary. The Cases regarding taxes are also being contested before various appellate forums and accordingly, no provision is considered necessary.

(b) The unit has filed a writ petition with Hon'ble High Court at Calcutta challenging the levy of entry tax as per West Bengal Entry Tax Act, 2012. The Hon'ble single bench adjourned the case sine die. On the same levy of entry tax in another case, the single bench of the Hon'ble High Court at Calcutta vide judgment and order dated June 24, 2013 has declared that the West Bengal Entry Tax Act, 2012 is ultra vires. The unit has sought a legal opinion and as per the opinion received by the unit dated May 17,2014, May 30,2017 and May 29,2018, the Unit has filed an application for tagging entry tax case with main writ petition which is pending at "Divisional Branch" the unit has not paid /provided for entry tax from June 01, 2013.

(c) One party named M/s Shreebhumi Steel Pvt. Ltd. under EMD has filed writ petition before the hon'ble Calcutta High Court which is pending. The matter being subjudice, balance has been carried forward in the books of accounting pending final adjustment.

Note 26

The CBDT Circular No. F.No.91/58/66-ITJ (19), dated 18-5-1967, permits deduction for the sums paid on account of any cess, levied on the profits of any business, since the Select Committee decided to omit the word 'cess' as introduced in the Parliament in clause 40 (a) (ii) of the Income Tax Act 1961. The Company has therefore, considered the education cess and allied cess as allowable business expenditure from its taxable income for the financial year 2019-20 and liability for income tax has been determined in line with above circular.

Note 27

Disclosure pertaining to Micro, Small and Medium Enterprises

The Management identifies the enterprises which have provided goods and services to the company and which qualify under the definition of Micro, Small and Medium Enterprises (MSME) as defined under Micro, Small and Medium Enterprises development Act,2006. Accordingly, the disclosure in respect of amount payable to such enterprises as at 31st March 2021 has been made in the financial statements (as disclosed in Note No. 13(ii) Trade Payables) on the basis of information received and available with the company.

(Amounts in ₹ Lakhs)

S. No.	Particulars	As at 31st March 2021	As at 31st March 2020
1	The principal amount remaining unpaid to suppliers as at the end of the Year	469.01	360.09
2.	The amount of interest accrued during the year and remaining unpaid at the end of the Year	Nil	Nil
3.	The amount of interest paid in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during the Year	Nil	Nil
4.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	Nil	Nil

Note 28

Fixed Assets

a. As per the decision of Government of India, all the Assets and Liabilities of nine units as on 10.02.2006 have been transferred to the Company at book value. Accordingly, all assets and liabilities prevailing as on 09.02.2006 were taken over on 10.2.2006 in the books of the Company on historic cost basis as per books of account of the Units of Government of India.

b. Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, except in respect of certain assets as disclosed in Accounting Policy on Depreciation & Amortization. Accordingly, the unamortized carrying value is being depreciated / amortized over the remaining useful lives.

Note 29

Precious Metals at Mints

Mints at Mumbai, Kolkata and Hyderabad have stocks of gold, silver and other precious metals which are more than 10 years old required for manufacturing of medals in very moderate quantity. There is a sound system of maintaining records and ensuring physical safety of the metals. Detailed break-up of each category of metal with fineness details are available in the units. Value of these metals has been taken as per book value which is lower than the net realizable value of the same. As there is a very moderate consumption of these materials in current production, company has initiated steps to dispose off these metals lying at units.

Note 30

Withdrawn Coins

Withdrawn coins/un current coins are held by Mints on behalf of Ministry of Finance. These coins are melted by SAIL and coin blanks of equivalent weight are given to the mints by SAIL. Mints make payment of these coin blanks to SAIL after deducting value of withdrawn coins. The amount of sale of coins made from these coin blanks is remitted to Government of India after deducting and adjusting all the expenditure involved in melting and service charges of SPMCIL.

Note 31

Employee Benefits - Ind AS -19

Most of the Employees of the company were on deemed deputation from Government of India. On 15.09.2008, a tripartite agreement was signed between the Government of India, Company and the representatives of the various unions. Option was given to employees who were on deemed deputation to opt for the Company or Government of India as per Rule 37-A of Central Civil Services (Pension) Rules, 1972. Permanent absorption has been notified by Govt. vide order No. 10/1/2009-SPMC dated 29.05.2009 w.e.f. 01.11.2008. Option to join the Company was exercised by 14256 employees.

Defined Contribution Plans

a) **Employee Provident Fund (EPF):** For EPF, a trust has been established and exemption has been granted by Employees Provident Fund Organization (EPFO) since December, 2009. The trust became operational w.e.f. April, 2010 and all cases pertaining to employees provident fund matter are being looked after by Trust. The Company pays fixed contribution to provident fund at predetermined rates to the trust, which invests the funds in permitted securities as per investment pattern stipulated by Ministry of Labour. Contribution to family pension scheme is paid to the Employee Provident Fund Organization (EPFO). The contribution is recognized as expense and is charged to Profit and Loss account.

b) **General Provident Fund (GPF):** For GPF, a trust has been established in the month of March, 2011. From 1st April 2011 onwards, employee's contribution is being made to the Trust. There is only employee contribution in this fund and therefore, no amount is recognized as expenses in Profit and Loss account.

Defined Benefits Plans

(a) **Pension:** Pension will be paid to Combined Pension Optees from the Company Employees Pension Fund Trust constituted by Government of India. Provisions for pension contribution to the trust in respect of the Combined Optees have been made as per Central Civil Services (Pension) Rules, 1972.

(b) **Leave Travel Concession:** Leave Travel Concession (LTC) benefits have been dealt with as per norms of Government of India adopted by the company.

(c) **Gratuity**: The Company has a defined benefit gratuity plan in accordance with

Payment of Gratuity Act, 1972. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹ 20 Lakh on superannuation, resignation, termination, disablement or on death during the entire tenure of service. The Liability for the same is recognized on the basis of actuarial valuation.

(d) **Earned and Half Pay Leave:** The Company provides for earned leave benefit and half pay leave to the employees of the Company which accrues at 15 days and 10 days respectively at the end of half year. Earned leaves are encashable up to a maximum of 300 days on separation. Half pay leave is encashable only on separation but subject to maximum of 300 days for both earned leave and half pay leave. The Company has also permitted to en-cash earned leave to the extent of 50% of balance at credit once in a calendar year subject to the balance at credit should not be less than 30 days after encashment and subject to maximum accumulation of 300 days. The Liability for the same is recognized on the basis of actuarial valuation.

(e) **Post-Retirement Medical Benefits:** The Company has Post-Retirement Medical Scheme under which eligible ex-employees are provided medical facilities on the sole discretion of the employee upon payment of one time prescribed contribution. The liability for the same is recognized on the basis of actuarial valuation.

(f) **As per IND AS 19 "Employee Benefits", the disclosure as defined is given below:**

(Amount in ₹ lakh)

S. No.	Particulars	Gratuity		Leave		Post-Retirement Medical Benefits	
		31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Defined Contribution Plans							
Defined Benefit Plans							
A	**Reconciliation of Opening and Closing Balances of Defined Benefit Obligation**						
	Defined Benefit Obligation at beginning of the year	21470.47	18133.54	31,368.81	29,408.50	11,279.11	8,481.02
	Current Service Cost	1,853.17	2,077.37	1,404.18	1,545.32	1,100.68	1,401.23
	Interest Cost	1,318.29	1,331.00	1,926.04	2,158.58	692.54	622.51
	Actuarial (Gain)/Loss	(1,096.81)	2,087.19	(1,419.25)	3,788.34	1,009.71	1,543.22
	Benefits Paid	(2,902.28)	(2,158.63)	(5,518.23)	(5,531.93)	(1,312.13)	(768.87)
	Defined Benefit Obligation at the year end	20,642.84	21,470.47	27,761.57	31,368.81	12,769.92	1,1279.11

S. No.	Particulars	Gratuity		Leave		Post-Retirement Medical Benefits	
		31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
B	**Reconciliation of opening and closing balances of fair value of Plan Assets**						
	Fair value of plan assets at the beginning of the period	-	-	-	-	-	-
	Actual return on plan assets	-	-	-	-	-	-
	Employer contribution	-	-	-	-	-	-
	Benefits paid	-	-	-	-	-	-
	Fair value of plan assets at the end of the period	-	-	-	-	-	-
C	**Actuarial assumptions**						
	Discount Rate (per annum)	6.17	6.14	6.17	6.14	6.17	6.14
	Expected rate of return on Plan Assets (per annum)	-	-	-	-	-	-
	Future Salary/cost Increase (per annum)	7.50	7.50	7.50	7.50	5.00	5.00
D	**Sensitivity Analysis**	**31.03.2021**		**31.03.2021**		**31.03.2021**	
(a)	**Impact of the change in discount rate**						
	Present Value of Obligation at the end of the period	20,642.84		27,761.57		12,769.92	
	Impact due to increase of 0.50 %	(710.98)		(906.12)		(309.68)	
	Impact due to decrease of 0.50 %	770.70		976.37		313.17	
(b)	**Impact of the change in salary**						
	Present Value of Obligation at the end of the period	20,642.84		27,761.57		-	

S. No.	Particulars	Gratuity		Leave		Post-Retirement Medical Benefits	
		31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
	Impact due to increase of 0.50 %		679.74		959.17		-
	Impact due to decrease of 0.50 %		(660.31)		(899.34)		-

Note 32

Pension Fund Trust Liability

The details of liability towards pension & death cum retirement gratuity for 2020-21 is given below:

As per the actuarial valuation, total amount of liability towards pension and death cum retirement gratuity as on 31.03.2021 is ₹ 1,68,365.64 lakh. Shortfall after considering the plan assets amounting to ₹ 78112.28 lakh as on 31.03.2021 is ₹ 90253.36 lakh. Total amount of liability provided for in books of accounts till 31.03.2020 was ₹ 83,801.69 lakh. Therefore, total amount of shortfall to be provided for in books of accounts as on 31.03.2021 is ₹ 6451.67 lakhs.

(Amount in ₹ lakh)

S. No.	Particulars	As on 31.03.2021	As on 31.03.2020
1	Obligation of Pension and Death cum retirement Gratuity.	1,68,365.64	1,62,675.75
2	Less: Fair value of plan assets of Pension Fund	78,112.28	56,695.37
3	Shortfall [(1)- (2)]	90,253.36	1,05,980.38
4	Liability provided for in earlier years (Net of payment)	83,801.69	83,801.70
5	Shortfall as at the end of year	6,451.67	22,178.68

Amount of liability as on 31.10.2008 i.e. the date of absorption of Govt. employees to SPMCIL was paid by Ministry of Finance as per the Rule 37-A of the CCS (Pension) Rules, 1972 and liability was not settled on the basis of actuarial valuation. Therefore, Amount of liability towards pension and death cum retirement gratuity was recalculated as on 31.10.2008 on the basis of actuarial valuation. Amount of liability as on 31.10.2008 came out to be ₹ 37,330.85 Lakh. As the Ministry of Finance had paid an amount of ₹ 18,174 Lakh against this liability, matter has been taken up with Ministry of Finance to receive the balance amount of ₹ 19,157 lakh (i.e. ₹ 37,330 lakh – ₹ 18,174 lakh). This amount has not been accounted for as receivable from Ministry of Finance during FY 2020-21. Amount shall be accounted for in the year of receipt from Ministry of Finance.

Note 33

Operating Segments – Ind AS -108

In the opinion of management, the company has no operating/reportable segment as envisaged in IND AS-108 as the risks and returns associated with product categories are not different. About 90% of the sale of products during the year has been supplied to various Ministries of Government of India on cost plus reasonable return on capital employed basis. Further the Company is engaged in sovereign function of manufacturing of security products.

Note 34

Related Party Disclosures - Ind AS - 24

List and Transactions of related parties as per Ind AS - 24 'Related Party Disclosure' issued by the Institute of Chartered Accountants of India;

Name of the Party	Relationship
A. Bank Note Paper Mill India Private Ltd.	Joint Venture (JV)
B. Post Retirement benefit trusts :	
i) SPMCIL EPF Trust	Retirement benefit trust
ii) SPMCIL Pension Trust	Retirement benefit trust
iii) SPMCIL PF Trust	Retirement benefit trust
iv) President of India	Share holder

(a) Transactions with JV:

The company has entered into a Joint Venture Agreement with Bhartiya Reserve Bank Note Mudran Private Limited (BRBNMPL), a wholly owned subsidiary of Reserve Bank of India to set up a security paper mill at Mysore with 50% participation in equity by each Joint Venture partners by forming a company under the Companies Act, 1956 on 13/10/2010. The company has contributed a sum of ₹40,000 Lakh towards 50% capital contribution. Company has been allotted 40,00,00,000 equity shares of ₹10 each aggregating to ₹40,000 lakh till 31.03.2021.

i. Proportion of ownership in Joint Venture for the Financial Year 2020-21 is as under (50%).

(Amount in ₹ lakh)

Particulars	As on 31.03.2021	As on 31.03.2020
Contribution towards Equity	40,000	40,000

ii. Claims against the company not acknowledged as debt (50% Liability)

(Amount in ₹ lakh)

Particulars	As on 31.03.2021	As on 31.03.2020
Pending outcome of appeal before ITAT & High Court tax demand is not recognized as liability.	174.94	174.94

iii. Unexpired commitments to the extent not provided (net of advances) (50% Liability)

(Amount in ₹ lakh)

Particulars	As on 31.03.2021	As on 31.03.2020
Unexpired commitments to the extent not provided for on capital and revenue account	5,870.74	5,775.47
Bond executed with custom/excise authority	1,755.36	1,755.36

iv. Transactions carried out with Bank Note Paper Mill India Private Ltd. (from BNPM financials)

(Amount in ₹ lakh)

Particulars	As on 31.03.2021	As on 31.03.2020
Purchase of CWBN Paper	21,840.98	23,440.63
Trade payables	2,403.17	2,599.38

(b) Key Management Personnel:

» Ms. Tripti P. Ghosh, Chairman and Managing Director (CMD) (from 01.05.2018)
» Shri Ajai Srivastav, Director (Technical) (From 29.08.2016 to 28.02.2021)
» Shri Sunil Kumar Sinha, Director (HR) (From 01.09.2016)
» Shri Ajay Agarwal, Director (Finance) & Chief Financial Officer (CFO) (from 23.11.2017)
» Shri Sachin Agarwal, Company Secretary (CS) (From 23.09.2009)

There are no transactions with key Management Personnel during the year, except as given below.

The gross remuneration to the full time-Directors of the Company and other Key Managerial Personnel is as under:

(Amount in ₹ lakh)

Name	Designation	2020-21	2019-20
Ms. Tripti P. Ghosh	CMD	27.55	27.85
Mr. Ajai Kumar Srivastav	Director Technical	80.13	54.81
Mr. S.K. Sinha	Director HR	61.30	68.72
Mr. Ajay Agarwal	Director Finance & CFO	45.52	44.88
Mr. Sachin Agarwal	Company Secretary	16.22	16.46
TOTAL		**230.72**	**212.72**

(c) Transactions with retirement benefit trusts:

(Amount in ₹ lakh)

Particulars	2020-21	2019-20
Transactions with SPMCIL EPF trust		
a. Monthly contribution	322.96	271.33
b. Payment made to M/S Darashaw Investment Advisor	12.60	16.70
c. Audit Fee	0.35	0.24
d. Payment of AMC for EPF software	2.40	1.39
e. Misc. expenses	0.61	0.72
f. Transactional Audit	0.88	-
Total (a to f)	**339.76**	**290.38**

Particulars		2020-21	2019-20
Transactions with SPMCIL Pension trust			
g.	Monthly contribution	5.82	4.02
h.	Provision of pension payment for FY 20-21	6,451.67	22,178.68
i.	Amount paid during FY 19-20	22,184.50	21,252.26
j.	Unsecured Interest free loan given	0.00	0.00
Total (g to j)		**28,641.99**	**43,434.96**
Transactions with SPMCIL PF Trust			
k.	Monthly contribution for FY 19-20	6.28	4.77
Closing Balances of Trust (recoverable/ (payable)			
l.	EPF Trust	(253.88)	243.55
m.	PF Trust	(46.33)	4.81
n.	Pension Trust	(0.48)	(0.15)

(d) Transaction with major Shareholder.

(Amount in ₹ lakh)

Particulars	2020-21	2019-20
A. Buy Back of Shares	-	29,345.48
B. Dividend paid	21,547.95	21,848.00

(e) Transaction with Bank Note Paper Mill India Private Ltd. (JV)

(Amount in ₹ lakh)

Particulars	2020-21	2019-20
A. Dividend received	4,200.00	4,000.00
B. Sale of material	347.78	-

There are no other transactions with related parties as defined in Ind AS-24.

Note 35

Earnings Per Share - Ind AS-33

(Amount in ₹ lakh)

Particulars	2020-21	2019-20
Profit After Tax (in ₹ Lakh)	39,599.22	74,506.89
Weighted average numbers of equity shares used as denominator	98,75,00,740	1,05,71,12,123
Basic/Diluted Earnings per share (in ₹)	4.01	7.05

Note 36

Income Tax - Ind AS - 12

The movement on the deferred tax account is as follows:

Particulars	(Amount in ₹ lakh)
Opening Balance of Deferred Tax Assets	56,681.01
Add: Deferred Tax Assets (Net) created during the year	-1850.22
Closing Balance of Deferred Tax Assets	54,830.79

The significant components and classification of deferred tax Assets and Liabilities on account of temporary difference during the financial year 2020-21 are:

Particulars	(Amount in ₹ lakh)
Deferred tax assets /(liabilities) in relation to:	
Property, plant and equipment	(11,678.74)
Current liabilities,Trade Receivables and provisions	66,509.54
Closing Balance of Deferred Tax Assets.	54,830.80

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and has been recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

During the year, the company has recognized the Provision for Current tax amounting to ₹ The breakup of the same is as follows:

(Amount in ₹ lakh)

Particulars	Amount of current tax
Tax on current income	22,753.00
Tax on adjustment made in accordance with Ind AS 08 (refer note 46)	11,054.04

Note 37

Balances of some of the Trade Receivables, Other Assets, Trade and Other Payables are subject to confirmations/re-conciliations and consequential adjustment, if any.

Re-conciliations are carried out on on-going basis. Provisions, wherever considered necessary, have been made. However, Management does not expect to have any material financial impact of such pending confirmations/re-conciliations.

Note 38

Security Deposit Paid

Security Deposits have been made with various Electricity Departments/Boards and companies by the units to get electricity connections and supply. Most of these deposits have been made prior to corporatization.

Note 39

Discontinued operations at Saifabad unit (Discontinued IG Mint)

IGM, Hyderabad has discontinued minting operations of its Saifabad Unit, Hyderabad with effect form 01.11.2009. After review of the Fixed assets register (FAR) and physical verification of the assets, items which were fully depreciated and have no realizable value have been removed from FAR. Other items not further usable have been identified for disposal and disclosed as assets held for disposal under current assets.

Remaining useful items have been transferred to Cherlapally location except land and building.

Note 40

Expenditure incurred towards Corporate Social Responsibility & Sustainable Development

CSR amount required to be spent as per section 135 of the Company's Act, 2013 read with Schedule VII, thereof, by the Company during the year is ₹1647.94 lakh (Previous year ₹1573.44 lakh).

During the year, the company has incurred an amount of ₹1556.32 lakh (Previous Year ₹907.21 Lakh) on CSR. The details are as follows:

(Amount in ₹ lakh)

S. No.	CSR Project	2020-21	2019-20
1	Providing underground drainage system	24.10	-
2	Providing Library Hall , reading room & furniture.	36.38	-
3	Skill development training program	28.02	10.27
4	Dialysis machines to hospital	-	30.00
5	Providing infrastructure to SDMC Co-ed Primary School	1.90	-
6	Providing Medical equipment for Covid 19 to hospital	53.09	-
7	Distribution of food packets	25.00	-
8	Providing insulated distribution vessels to foundation.	-	18.26
9	Providing Computers & furniture to hospital	-	11.32
10	Construction of bridge	-	-
11	Mobile clinic & dental chairs	-	21.74
12	Proposal for Cotton Corporation of India Ltd, for empowering Farmers.	47.44	-
13	Installation of 5 Ton Capacity Plant in Waster to Wonder Park,	110.37	-
14	Providing Dental X ray machine With stabilisera & Dental autoclave	19.03	-
15	Education infrastructure	195.49	-
16	Measures for benefits of armed forces	75.00	-
17	Construction of class room & toilets	63.93	-
18	Construction of overhead tank for drinking water	61.91	-
19	Providing Hydraulic beds to hospital	39.00	-
20	Renovation of school	19.69	-
21	Providing Medical equipment & buses to hospital	119.23	146.82
22	Contribution to National Sports Development Fund		100.00
23	Contribution to Prime Ministers Relief Fund		238.67
24	Assistance devices for Divyangjan	36.67	25.00

S. No.	CSR Project	2020-21	2019-20
25	Remuneration of third party evaluation payment.	5.13	4.00
26	Providing underground drainage system	-	24.50
27	Providing Medical equipment & enhancement of capacity of hospital for covid management	131.20	-
28	Providing Medical equipment to & setting up new M & CW centre of hospitals	13.74	-
29	Providing Ambulance,ventilators &fogging mavhines to hospital	44.00	-
30	Support for incubation centre towards cellular & molecular biology related to health care.	-	-
31	Contribution to Prime Ministers Care Fund	400.00	-
32	Building Community center & provision of solar lights	-	43.66
33	Providing ventilators to AIIMS	-	198.68
34	Nal Jal Yojna to 14 villages	-	28.57
35	Administrative Expenses towards payment to consultant	6.00	5.72
	Total	**1,556.32**	**907.21**

Note 41

Recognition of Financial assets and Liabilities – Ind AS 32 & 109

a) Financial assets at amortized cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognized in the Statement of Profit and Loss.

b) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in the Statement of Profit and Loss. In respect of equity investments (other than for investment in subsidiaries and associates) which are not held for trading, the Company has made an irrevocable election to present subsequent changes in the fair value of such instruments in OCI. Such an election is made by the Company on an instrument by instrument basis at the time of transition for existing equity instruments/ initial recognition for new equity instruments.

c) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognized in statement of profit and loss.

Equity Instruments and Financial Liabilities

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

(i) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

(ii) Financial Liabilities

a) Initial recognition and subsequent measurement

Financial liabilities are recognized initially at fair value and in case of borrowing and payables, net of directly attributable cost.

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

b) De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, such an exchange is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Disclosures related to Financial Instruments including but not limited to –

i) Financial Instrument by category :

(Amount in ₹ lakh)

Particulars	31st March, 2021		31st March, 2020	
	Carrying Amount	Amortised cost	Carrying Amount	Amortised cost
Financial Assets:				
Loans	335.00	335.00	500.37	500.37
Deposits & receivable	7,656.95	7,656.95	5,872.32	5,872.32
Trade receivables	1,07,846.56	1,07,846.56	1,31,074.93	1,31,074.93
Cash & Cash equivalents	2,262.48	2,262.48	3,742.03	3,742.03
Other Bank Balances	2,15,768.99	2,15,768.99	2,00,017.86	2,00,017.86
Receivables	7,086.55	7,086.55	8,305.55	8,305.55
Others	5,139.60	5,139.60	8,942.33	8,942.33
Financial Liabilities:				
Borrowings	0.00	0.00	0.00	0.00
Trade payables	19,646.44	19,646.44	26,847.67	26,847.67
Security Deposit and Earnest money	999.99	999.99	3,051.75	3051.75
Employee benefits	3,097.71	3,097.71	2,837.69	2,837.69
Expenses & Other payable	24,486.68	24,486.68	26,630.23	26,630.23

ii. Fair Value Measurement Hierarchy:

Since there are no financial instruments values at "Fair Value through Profit & Loss Account (FVTPL)" or "Fair value through Other Comprehensive income (FVTOCI)" and all the financial instruments are valued at Amortised Cost there is only one measurement Hierarchy above and as such there is no separate disclosure

iii. Fair values of financial assets and liabilities measured at amortised cost

Table below shows Judgments and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements.

(Amount in ₹ lakh)

Particulars	31st March, 2021		31st March, 2020	
	Carrying Amount	Amortised cost	Carrying Amount	Amortised cost
Financial Assets				
Loans	335.00	335.00	500.37	500.37
Deposits & receivable	7,656.95	7,656.95	5,872.32	5,872.32

Particulars	31st March, 2021		31st March, 2020	
	Carrying Amount	Amortised cost	Carrying Amount	Amortised cost
Financial Liabilities				
Borrowings	0.00	0.00	0.00	0.00

The carrying amounts of trade receivables, trade payables, Inter unit balances, short term deposits, cash and cash equivalents, employee benefit & other payable are considered to be the same as their fair values, due to their short-term nature.

The Company considers that the Security Deposits does not include a significant financing component. The Security Deposits coincide with the company's performance and the contract requires amounts to be retained for reasons other than the provision of finance. The withholding of a specified percentage of each milestone payment is intended to protect the interest of the company, from the contractor failing to adequately complete its obligations under the contract. Accordingly, transaction cost of Security deposit is considered as fair value at initial recognition and subsequently measured at amortised cost.

iv. Financial Risk Management

In pursuant to the guidelines on Corporate Governance issued by the Department of Public Enterprise (DPE) and in accordance with the provisions of Companies Act 2013, The Company has formed SPMCIL Risk Management Policy -2018.

As per the Governance Structure of SPMCIL Risk Management Policy, a Corporate Risk Committee (CRC) has been constituted to be supported by Risk owners. The CRC shall review all risks reported by Risk Owners, identify the Key risks and report them to the Risk Management Committee (RMC) of the Board of Directors of the Company.

The Risk Management Committee will ensure that Risk management activities are undertaken as per the policy and appraise the Board on the key Risks faced by the organization and mitigation measures taken at HO level.

Note 42

Accounting for Lease as per IND AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

Effective from April 01, 2019, the Company has adopted Ind AS 116 – Leases and applied the standard to the lease contract existing on April 01, 2020 using the modified retrospective method. Consequently, the Company recorded the lease liability at the date of initial application at a present value of the remaining lease payments discounted at the incremental borrowing rate and the right of use asset at an amount equal to the lease liability at the date of initial application. Accordingly, the Company has not restated comparative information.

The Company has recognized a right-of-use asset and a lease liability of ₹1605.87 lakhs as on the transition date. The incremental borrowing rate of 8.00% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

During the year ended 31st March 2021, the Company incurred expenses amounting to ₹605.29 lakh (Previous year ₹621.18 lakh) on leases. Financial Cost ₹56.08 lakhs(previous year ₹78.78 lakhs)

In the case of IGM, Noida, there is no future lease liability for leased asset, as the entire amount of lease rent had been paid in lump-sum. Therefore, no lease liability has been created.

Note 43

Slow Moving/ Non-Moving Inventory

Company is holding stock of slow and non -moving items. Valuation has been done at lower of cost or net realizable value. NRV has been ascertained in the units by forming a standing committee / condemnation committee having members from Stores, Finance and Technical committee.

Note 44

Gold Lying with RBI

85,555 Gms of Gold is lying with RBI. Out of the above, gold weighing 10,336 gms was already accounted for in 2006-2007, under the head Gold with RBI, The possession of which is with RBI. IG Mint Mumbai will be arranging to take over possession of the same. As regards the balance 75,219 gms, IGM Mumbai has received a letter from RBI dated 06.06.2008 Ref: No. By. Cy. No. 5047/01.11.044/2007-08 that the gold is held by them on behalf of Public Debt Office , RBI Mumbai. Therefore the gold does not belong to the unit, and hence the same has not been considered in the accounts.

Note 45

Impact of Accounting Policy 2.4.19- Materiality of Income/Expenditure.

Impact on financial statements:

The Profit of the previous year has increased by ₹409.28 Lakhs for which details are as under:

(Amount in ₹ lakh)

Description	2020-21
Advertisement Exp.	1.85
Medical expense (IGM K)	-52.34
Loss on SPMCIL EPF and PF Trust	300.22
Depreciation	126.62
Compassionate appointment	10.00
Other allowance	11.02
Legal and professional charges	3.26
Performance related pay	8.65
Total	**409.28**

SPMCIL EPF/PF Trust had invested in bonds of IL & FS, DHFL and Reliance capital and the interest of the aforesaid bond has been defaulted by the issuer.

As per last audited books of the Trust, cost value of investment was ₹91.08 crore, out of which ₹85.03 crore is considered doubtful.

During the year 2019-20, SPMCIL EPF & PF Trust had debited SPMCIL with the interest portion of ₹253.89 lakh and ₹46.33 lakh respectively. This amount is being shown as recoverable from SPMCIL in the books of EPF trust and PF Trust.

Therefore, interest expense of ₹300.22 lakh has been shown in books of SPMCIL as on date in order to reconcile the balance with the Trusts.

As per the actuary valuation of the EPF & PF as on 31.03.2020 the funds of the Trust investments are sufficient to meet the liability of these trusts. Hence no provision is required to be made for the loss in the value of the investments and investments are continued to be stated at cost.

Accordingly, by trusts, no amount is recoverable from SPMCIL against the Loss/shortfall of principal amount. Therefore, during the FY 2019-20 the principal amount recoverable from SPMCIL has been reversed.

Note 46

Prior Period Errors and Changes in Accounting Policy (Ind AS 08)

I. Compliance with IND AS 116

Reinstatement of Financial statement for the year 2019-20 in compliance to Ind AS 08 'Accounting Policies, Changes in Accounting Estimates and Errors'

The Balance Sheet and Statement of Profit and Loss, including the statement of Other Comprehensive Income for the period ended March 31, 2020 have been restated in accordance with the Ind AS 08- "Accounting Policies, Change in Accounting Estimates and Errors" for rectification of errors relating to the year 2019-20. The relevant disclosures are as follows:

Nature of prior period errors related to the period ended 31.03.2020 due to implementation of IND AS 116.

S. No.	Particulars	(Amount in ₹ lakh)
1.	Amortization of Lease right not booked	621.18
2.	Finance cost not booked	78.78
3.	Non-Reversal of Lease rent	669.42
4	ROU asset not considered	1,605.87
5	Lease liability not considered	1,605.87

Impact of correction of above errors on the financial statements for the year 2019-20.

1. Amortisation of Lease rights - increase in expense in Profit & loss account.
2. Finance cost- increase in expense in Profit & loss account.
3. Reversal of Lease rent- decrease in expense in profit & loss account.
4. Creation of Right to use asset- increase in the non-current assets in property plant & equipment.
5. Creation of lease liability- increase in the other current liabilities.

As a result of Adoption of IND AS 116-Leases .

The deferred tax assets have been increased by ₹7.69 lakh as on 31.03.2020

Provision for income tax for the period ended 31.03.2020 has reduced by ₹7.69 lakhs.

II. Change in Accounting Policy.

Disclosure for change in accounting policy for revenue recognition of Bank Notes

During the period, the company has changed its accounting policy with respect to the revenue recognition from Sale of Bank Notes.

Prior to change in policy as given in Notes No. 2.4.1 in case of Bank Notes, revenue was recognised on the basis of pre-determined rates.

The differences, if any, between the billing rates and the rates as approved by the Ministry of Finance on year-to-year basis is accounted for in the financial year, in which such rates are accepted by RBI.

The revised policy is as follows:

Revenue for Bank Notes is recognised in accordance with IND AS 115 as per the derived rates intimated by RBI vide their letter no. DCM (RMMT) 4690/110714/2011-12 dated 13.04.2012 with retrospective effect from the year 2012-13 onward and its effect in the books of accounts of the units is considered as per IND AS 8.

Any future revision in derived rates which is mutually acceptable shall be made applicable in the financial year in which it is communicated. The differences, if any, between the billing rates and the rates approved by Ministry of Finance are accounted for in the financial year in which such rates are approved by Ministry of Finance from year to year.

Reason for change:

In order to keep the revenues aligned with the actual payments received from RBI and to avoid further increase in debtors/advance from customer due to difference in billing and settlement rates, the revenue recognition policy for Bank Notes has been revised to recognize the revenue as per the derived rates intimated by RBI vide their letter no. DCM (RMMT) 4690/110714/2011-12 dated 13.04.2012 with retrospective effect from the year 2012-13 onwards.

(Amount in ₹ lakh)

Particulars	2020-21	2019-20	2012-13 to 2018-19
Sale of Bank notes BNP Dewas	7,952.91	7,015.51	19,947.37
Sale of Bank notes CNP Nashik	3,124.60	6,348.56	10,640.17
Total	**11,077.51**	**13,364.07**	**30,587.54**

Accordingly, the profit for the year 2019-20 & for prior period of 2012-13 to 2018-19 has increased by ₹13364.07 and ₹30587.54 respectively and the advances received from RBI have been reduced by ₹13364.07 for the year 2019-20 and for the prior period of 2012-13 to 2018-19 by ₹30587.54 lakhs. Also, the profit for the year ended 31st March 2021 increased by ₹11077.51 lakhs.

The sundry debtors of ₹933.49 lakhs have been adjusted with the advances received in 2019-20 and for the prior period of 2012-13 to 2018-19 with ₹2991.30 lakhs.

The Provision for Bad & doubtful debts and provision for rate difference has been adjusted with the balance debtors for ₹53091.14 lakhs in the year 2018-19 on account of rate variation differences with RBI rates and ₹1656.11 lakhs in 2019-20.

Bad & doubtful debts & Rate variation written off

(Amount in ₹ lakh)

Year in which created	BNP Dewas	CNP Nashik	Total	Amount Adjusted with debtors & Year	
2011-12		7,446.00	7,446.00		
2012-13		21,609.88	21,609.88		
2013-14		5,586.39	5,586.39		
2014-15	8,026.05	5,665.13	13,691.18		
2015-16		3,540.81	3,540.81		
2017-18	1,216.88		1,216.88		

Year in which created	BNP Dewas	CNP Nashik	Total	Amount Adjusted with debtors & Year	
2018-19			0.00	53,091.14	2011-12 to 2018-19
2019-20	1,656.11		1,656.11	1,656.11	2019-20
Total	**10,899.04**	**43,848.21**	**54,747.25**	**54,747.25**	

As a result of Change in accounting policy for revenue recognition of bank notes:

The deferred tax assets have been reduced by ₹18552.18 lakh as on 31.03.2019 & ₹416.81 lakhs for the year 2019-20.

The provision for income tax for the period ended 31.03.2020 is increased by ₹3363.46 lakhs & by ₹7698.27 lakhs for prior period 2018-19.

Disclosure for change in accounting policy for revenue recognition of Postal items

During the year, the company has changed its accounting policy with respect to the revenue recognition from Sale of Postal items.

Prior to change in policy as given in Notes No. 2.4.1, revenue of postal items was accounted for on the basis of sales invoices raised by the company.

The revised policy is as follows:

Revenue from postal stationery

The invoicing for the postal stationery is done at the latest available rates as are approved by MoF. consistently on year to year basis.

The differences, if any, between the billing rates and the rates approved by Ministry of Finance are accounted for in the financial year in which such rates are approved by Ministry of Finance from year to year.

Impact of change in policy.

As per the revised revenue recognition policy , the revenue for postal products will be recognized in the financial year in which the postal rates are approved by the Ministry of Finance Vide letters dated 06.05.2020 and 20.05.2020, approval for fair selling price (FSP) for FY 2016-17 and FY 2017-18 for postal stationery items supplied by India Security Press, Nashik was communicated by Chief Advisor Cost. The impact of such change in rates is ₹954.52 lakhs. Due to change in policy, rates for FY 2016-17 & 2017-18 will be considered for invoicing by India Security Press, Nashik in the FY in which approval will be received from Mof. Thus ₹954.52 lakhs ,due to change in rates has not been considered in revenue during FY 20-21.

Similarly, Vide letter dated 22.04.2020, approval for fair selling price (FSP) for FY 2015-16 for postal stationery items supplied by Security Printing Press, Hyderabad was communicated by Chief Advisor Cost. The impact of such change in rates is ₹2614.74 lakhs. Due to change in policy, rates for FY 2015-16 will be considered for invoicing by Security Printing Press, Hyderabad in the FY in which approval will be received from Mof. Thus ₹2614.74 lakhs ,due to change in rates has not been considered in revenue during FY 20-21.

Note 47

Buy Back of Shares

In accordance with the Guidelines on Capital Restructuring of CPSEs issued by Department of Investment & Public Asset Management (DIPAM), in the year 2019-20 the Company has bought back 767.40 Lakh Equity Shares of ₹10/- each (fully paid) being 7.21% of aggregate of paid-up equity and free reserves as on 31.3.2019 from Government of India in the year 2019-20. The book value per share was arrived at ₹38.24 per share as per the certificate received from Statutory Auditors of the Company. The free reserves of the Company were utilized for the purpose of aforesaid buyback of shares. The company has bought back shares of face value of ₹7674.03 lakhs out of the Capital and utilised free reserves of ₹21671.45 lakhs. Payment of ₹5048.58 lakhs as income tax against buy back was also paid. The aforesaid buyback of shares was done in compliance of the provisions of Companies Act, 2013 and rules framed thereunder.

Note 48

Dividend:

During the year, the company has paid dividend of ₹21547.95 lakhs to the shareholders.

Note 49

Funds from Government of India (Adjustable)

Balance in "Funds from Government of India (Adjustable)" Account as on 31.03.2014 was ₹287864 lakhs. As per the letter No. 3/2/2008-Cy.III/SPMC dated 09.02.2015 the capital structure of the SPMCIL was finalized w.e.f. 01.04.2015 (Letter No. 3/2/2008-Cy.III/SPMC dated 24.07.2015) & (Letter No.13/2/2016-SPMC dated 04.03.2020). As per the finalised Capital Structure ₹118244 lakhs was transferred to Equity, ₹118245 lakhs were transferred to Repayable Loan and ₹33400 lakhs were transferred to Capital Reserve. The balance amount of ₹17975.76 lakhs was lying in the "Funds from Government of India (Adjustable)" Account.

The company has balances on account of amounts due from the Govt. for the accumulated balances of combined optee employees with PAO ₹369.50 lakhs ₹901.97lakhs towards opening balances and the interest amounts recoverable from PAO at the time of corporatisation for the pro- rata optee employees and ₹850.24 lakhs on account of unreconciled balances with MoF. In the year 2019-20,the total amount of ₹2121.71 lakhs has been adjusted from the amounts payable and now the balance adjustable from GOI is ₹15854.05 lakhs which is yet to be settled with Ministry of Finance.

Note 50

Reference to Tariff Commission

On the basis of the Pricing of Bank Notes, fixed by CAC and approved by MoF. the company had raised a claim on RBI for rate difference. However RBI has not considered the claim and asked for rationalisation of rates payable to SPMCIL vis-a vis BRBNMPL. Accordingly as per various discussions in the meetings of Strategic Planning Group, the matter has been referred to the Tariff Commission for realistic cost / price determination.

Note 51

Appointment of Independent Director

SPMCIL being a Govt. Company, as per Articles of association the power to appoint Directors vests with the President of India, through Ministry of Finance. The appointment of independent directors is under consideration of Ministry of finance.

Note 52

Impact of COVID 19

The Financial statements are prepared on the assumption that a company is a going concern and will continue in operation for the foreseeable future. Management of the company assessed the impact of COVID-19 and the relevant measures has been considered to continue as a going concern. Being supplier of essential supplies recognized by the Central Government, all the Significant accounting policies of the company are not affected by the impact of COVID-19.

As part of its review of the year-end balance sheet, the Company has made an assessment of recoverability and carrying values of its assets comprising Property, Plant and Equipment, Intangible assets, Inventory and Financial assets and has concluded that no adjustments are required to be made to the carrying values of such assets as at March 31, 2021.

Note 53

Provision for Doubtful Debts

100% provision has been made in the books of accounts against debtor' balances outstanding for more than three years as on the date of balance sheet, i.e. March 31, 2021.

Note 54

In order to have better presentation the previous year's figures have been re-casted/restated/reclassified, wherever necessary, to conform to current year's classification.

For and on behalf of
M/S Ashwani & Associates
Chartered Accountants
Firm Registration Number : 000497N
Sd/-
(Sanjeeva Narayan)
Partner
Membership Number: 084205
UDIN : 21084205AAAALD9030
Date: 5th August 2021
Place: New Delhi

Sd/-
(Sachin Agarwal)
Company Secretary
(PAN ADRPA9630Q)

On behalf of Security Printing and Minting Corporation of India Limited

Sd/-
(Ajay Agarwal)
Director(Finance) & CFO
(DIN : 06778079)

Sd/-
(Tripti P. Ghosh)
Chairman and Managing Director
(DIN : 08123112)

Consolidated Financial Statement 2020-21

Independent Auditor's Report

To,

The Members of

SECURITY PRINTING & MINTING CORPORATION OF INDIA LIMITED

Report on the Audit of Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of **Security Printing & Minting Corporation of India Limited** (the "Company") which comprise the company and its Joint Venture **"Bank Note Paper Mill India Private Limited"** (together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of changes in Equity and the Consolidated Cash Flow Statements, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matters described in the Basis for Qualified Opinion section of our report*, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 (referred to as "the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India (including the Ind AS), of the consolidated state of affairs of the group as at March 31, 2021, of consolidated profit including other comprehensive income, its consolidated changes in equity and its consolidated cash flow for the year then ended.

Basis for Qualified Opinion

We draw attention to matters listed in **Annexure-I- "BASIS FOR QUALIFIED 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 Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements* section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, 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 qualified opinion.

Emphasis of Matter

We draw attention to matters listed in **Annexure-II- "EMPHASIS OF MATTER"**. Our opinion is not modified in respect of these matters.

Information Other than the Financial Statements and Auditors Report thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report and the Annexures to the Board's Report, Report on Corporate Governance and General Shareholder's Information, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have concluded that such material misstatement of the other information exists in respect of matters described in the Basis for Qualified Opinion Section above.

Responsibilities of Management and those charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Ind AS financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with relevant rules issued thereunder.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are responsible for overseeing the group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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.

The procedures that we conducted and were required to be conducted form part of this report as **"Annexure-III"**.

Other Matters

(a) We did not audit the Financial Statement of Joint Venture "Bank Note Paper Mill India Pvt. Ltd.", whose audited financial statements reflect total assets of ₹2,04,702.23 lakh as at 31st March, 2021, total revenue as ₹1,12,646.14 lakh and net cash flow of ₹(23,045.87) Lakh for the year on that date, as considered in the Consolidated Ind AS Financial Statement.

The Consolidated financial statement also includes the Group's share of Net profit of ₹12,778.58 Lakhs for the year ended 31st March, 2021 as considered in the Consolidated Ind AS Financial Results, in respect of Joint Ventures- "Bank Note Paper Mill India Private Limited", which have been audited by its respective independent auditor. The independent auditor's report on Financial Statement of the entity have been furnished to us and our opinion on the Consolidated Ind AS Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the entity, is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above.

(b) We did not audit the financial statements/ information of 8 branches/ units included in the standalone financial statements of the Company whose financial statements/ financial information reflect total assets of ₹4,54,347.10 lakh as at 31st March 2021 and total revenue of ₹4,27,540.98 lakh for the year ended on that date, as considered in the standalone financial statements. The financial statements/information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors. We cannot comment on such figures as the same are audited by other auditors. Our opinion is not modified in respect of this matter.

Our opinion on the Consolidated Financial Statement, and our report on Other Legal and Regulatory Requirements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. In terms of Sub Section (5) of section 143 of "the Act", we give in the **"Annexure- V"** a

statement on the directions issued under the aforesaid section by the Comptroller and Auditor General of India.

2. As required by section 143(3) of "the Act", we report, to the extent applicable, that:

a) We have sought and, except for the effects/possible effects of matters described in the "Basis for qualified opinion" paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

b) Except for the effects/possible effects of matters described in the "Basis for qualified opinion" paragraph, in our opinion proper books of accounts as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) In our opinion, except for the effects/possible effects of the matters described in the "Basis for qualified opinion" paragraph, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of "the Act", read with Rule 7 of the Companies (Accounts) Rules, 2014;

e) As per notification No. GSR 463(E) dated 5th June, 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 164(2) of the Companies Act, 2013 is not applicable to the Group;

f) With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in **"Annexure-IV"**. Our report expresses a qualified opinion on the adequacy and on the operating effectiveness of the Group's internal financial control over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of "the Act", as amended, as per notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Companies Act, 2013 is not applicable to the Government Companies.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors)

Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us: -

i. The group has disclosed the impact of pending litigations on its consolidated financial position in its consolidated Ind AS financial statements – Refer Note 25 to the consolidated Ind AS financial statements;

ii. The group did not have any material foreseeable losses on long-term contracts including derivative contracts;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the group.

***For* Ashwani & Associates**
Chartered Accountants
FRN: 000497N
Sd/-
(Sanjeeva Narayan)
Partner
M. No. 084205
UDIN : 21084205AAAALE9866

Place: New Delhi
Dated: 5th August 2021

ANNEXURE-I

ANNEXURE TO THE AUDITORS REPORT TO THE MEMBERS OF SECURITY PRINTING & MINTING CORPORATION OF INDIA LIMITED AS AT 31ST MARCH 2021

BASIS OF QUALIFIED OPINION

1. Corporate Office, Delhi

According to Section 149, of Companies Act, 2013, the company must have a minimum of two Independent Directors. However, according to the information and explanations given to us, the company had only one independent director from April 1, 2019 to February 15, 2020 and no independent director thereafter thereby contravening the provisions of Section 149 of the Companies Act 2013.

ANNEXURE-II

ANNEXURE TO THE AUDITORS REPORT TO THE MEMBERS OF SECURITY PRINTING & MINTING CORPORATION OF INDIA LIMITED AS AT 31ST MARCH 2021.

EMPHASIS OF MATTER

We draw your attention to :-

(a) Note 25(c) to the financial statements which states that one party named M/s Shreebhumi Steel Pvt. Ltd. under EMD has filed writ petition (No.17609 (W)) of 2012 before the Hon'ble Calcutta High Court which is pending. The matter being sub-judice, balance has been carried forward in the books of accounting pending final adjustment.

(b) Note 37 to the financial statements which states that balances of Trade Receivables, Other Assets, Trade and Other Payables are subject to confirmations / reconciliation and consequent adjustment, if any, with respective parties.

c) Note no.40 regarding the amount to be spent for Corporate Social Responsibility (CSR) as per section 135 of the Company's Act, 2013 read with Schedule VII for the year 2020-21 is ₹1647.94 lakhs while the company spend ₹1556.32 lakhs, thus a shortfall of ₹91.62 lakhs.

However, as per the information and explanation provided to us, the company has deposited ₹1220.85 lakhs under separate bank account opened for Unspent CSR in accordance with provision of Section 135 of the Companies Act 2013.

(d) Note 46 to the financial statements which states the effect of changes in the accounting policies for Revenue recognition for Bank Notes and Postal Stationery and defining materiality in relation to income/ expenditure relating to Prior period in accordance with IND AS 08. The net effect resulted from the above change and rectification is increase in net profit by ₹13,333.50 lakhs for the year 2019-20 and ₹30587.54 lakhs for the year 2012-13 to 2018-19, deferred tax assets reduced by ₹409.12 lakhs for the year 2019-20 and ₹18552.18 lakhs for the year 2012-13 to 2018-19 and Provision for tax increased by ₹3355.78 lakhs for the year 2019-20 and ₹7698.27 lakhs for the year 2012-13 to 2018-19.

(e) Note 50 regarding an amount of ₹17,975.76 lakhs was lying in "Funds from Govt of India (adjustable) account as at April 1, 2019, which was pending for settlement with Ministry of Finance against which the Company had adjusted, in the financial year 2019-20, without confirmation from Ministry of Finance, amounts aggregating to ₹2,121.71 lakhs comprised of ₹369.50 lakhs and ₹901.97 lakhs respectively towards opening balances and interest amount recoverable from PAO at the time of Corporatisation in respect of pro-rata optee employees and un-reconciled debtors of ₹850.24 lakhs leaving a balance of ₹15,854.05 lakhs in the said account.

(f) Note 54 to the financial statements which explains the management's assessment of the financial impact due to the lockdowns and other restrictions and conditions related to the COVID 19 pandemic situation. However, definite assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve.

ANNEXURE-III

ANNEXURE TO THE AUDITORS REPORT TO THE MEMBERS OF SECURITY PRINTING & MINTING CORPORATION OF INDIA LIMITED AS AT 31ST MARCH 2021

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

» Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

» Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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;

» 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 ability of the Group 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 condensed 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;

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

» Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

» 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.

ANNEXURE-IV

ANNEXURE TO THE AUDITORS REPORT TO THE MEMBERS OF SECURITY PRINTING & MINTING CORPORATION OF INDIA LIMITED AS AT 31ST MARCH 2021

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Security Printing & Minting Corporation of India Limited** (the "Company") which comprise the company and its Joint Venture **"Bank Note Paper Mill India Private Limited"** (together referred to as "the Group" as of March 31, 2021, in conjunction with our audit of the consolidated Ind AS financial statements of financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the group's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under "the Act".

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of "the Act", to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over consolidated financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Consolidated Financial Statements

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2021:

1. **Corporate Office**

a) Biometric not linked with SAP-ERP for payroll processing.

b) No prescribed chart of accounts in the organizations which describe posting of expenditure as per their nature in their respective ledger.

2. **India Security Press, Nashik**

a) The unit have not integrated the biometric system with Payroll module of SAP-ERP system. Management installed Biometric Attendance Management System to record the attendance bio-metrically into SAP. However, it is observed that attendance and overtime working was not accounted automatically under SAP and was processed manually, which may lead to error in payment of salary and overtime allowances due to manual intervention.

b) Regular review of overdue / outstanding sales orders and purchase orders are not done due to which many sales order are outstanding since long, as old as F.Y. 2012-13, whereby total 96 Sales orders worth ₹23701 Lacs are outstanding for more than one year including 33 pending Sales orders of ₹5362 lacs outstanding for more than three year. Likewise total 28 Purchase orders worth ₹4460 Lacs are outstanding related to FY 2018-19 and 2019- 20.

c) Despite long overdue trade receivables lying since old, as old as 2012 & onwards, specially related to Postal Department, the unit did not have any system of joint reconciliation with major customers. This leads to loose internal control over the recovery of the overdue trade receivables.

d) Age-wise report of Inventory is not generated properly from Material Management module of SAP-ERP System and the identification and valuation at lower of cost or Net realizable value (NRV) for slow moving and non-moving inventory is worked out separately on the basis of inventory data extracted from SAP, leading to loose internal control over the identification and disposal of obsolete/ non-moving inventory.

Read with above, upon random checking we found many instances where the inventories are lying idle since long, as old as before the incorporation of the Unit and some of the items become obsolete & outdated and few of them are reported stolen. But the necessary provision for obsolete / outdated & stolen items have not been done.

e) In order to arrive the Net realisable value (NRV) for valuation of Inventories, the quotations have been called from the vendor for supply of material (which include his profit margin) to India Security Press instead of their buy rate/disposal rate of ISP. Even the quotations were called from two vendors only. Further the technical description of the material, availability of quantity, present condition of inventory proposed to be sold are not prescribed in the aforesaid quotations. Due to this the correct NRV cannot be ascertained which may lead to excess valuation of Inventories.

f) Nil closing stock value is appearing in respect of 584 items involving 76422 qty / units, leading into loose internal control over the process of valuation, monitoring & supervision of Inventory.

g) In few cases, Bill of Material - SAP (BoM) shows substantial variation in the standard cost of production in respect of similar products due to substantial variation in allocation of inventory and manhours in Bill of Material - SAP (BoM) as compared to actual. The technical identification & reasons for the excess consumption / allocation of cost elements was not evaluated properly and the Bill of Material - SAP (BoM) & routing is not updated / modified timely. The same was identified at the year end during the valuation of inventory. Even the elements where the modification is done gets overwritten, for which track of changes is not available to ascertain reason thereof and impact.

This leads to loose internal control over the costing, sale pricing, consumption of inventory and loss over and above the normal, as prescribed in BoM.

3. India Government Mint, Kolkata

a) Management has installed Biometric Attendance Management System to record the attendance bio-metrically into SAP. However, it is observed that the attendance is manually recorded in SAP in absence of proper synchronization of SAP and biometric device. To that extent, the unit did not have effective internal control in HR module of SAP.

b) Finance Module of the SAP does not provide the Age-wise analysis of Sundry Debtors, Creditors, various advances, Security Deposits, EMD's at any time during the year and same has been prepared manually.

c) The unit is working under SAP for all accounting transactions. However, the Inventory Valuation regarding Coins and FG, SFG and scraps is done manually and not through SAP module. It is integrated in the SAP through manual entries.

4. Bank Note Press, Dewas

The Financial software (SAP) is not properly generated the Age wise analysis of all parties, employees etc. under various Control accounts i.e. Sundry Debtors, Creditors, various advances, liabilities for classification as Current and Non· current as required as per Schedule III of Companies Act, 2013 at any time during the year.

5. India Government Mint, Noida

a) Inventory valuation has been carried out by SAP on real time basis. However, the same is not in accordance with provisions of Ind AS: 2 "Inventories". Accordingly, manual entries have been passed to value the Inventory in accordance with Ind AS 2.

b) Age-wise report of Inventory is not generated from Material Management module of SAP-ERP System and the identification and valuation at lower of cost or Net realisable value (NRV) for non-moving inventory (not moved for 3-5 years) is worked out manually.

c) The unit have not integrated the biometric system with Payroll module of SAP - ERP system. Management installed Biometric Attendance Management System to record the attendance bio-metrically into SAP. However, it is observed that attendance and leave working are not accounted automatically under SAP and processed manually. The financial implications of the above disclosures cannot be quantified.

6. Currency Note Press, Nashik

a) Management has installed Biometric Attendance Management System to record the attendance bio-metrically into SAP-HR -Payroll. However, in present pandemic situation of Covid-19, attendance is not getting recorded in Biometric Attendance Management System. It is observed the attendance and overtime working was not accounted automatically in module and was processed manually. To that extent, the unit did not have effective internal control in HR module of SAP.

7. India Government Mint, Hyderabad

The following improvements are suggested to enhance the current control mechanism:

a) Introduction of dual control / authentication mechanism for addition and updation of employee master data.

A "material weakness" is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the group company's has, in all material respects, maintained adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2021, consolidated financial statements of the company, and these material weaknesses do not affect our opinion on the consolidated financial statements of the Group.

Other Matters

We did not audit the internal financial controls over financial reporting of Joint Venture- "Bank Note Paper Mill India Private Limited" and 8 branches/ units included in the consolidated internal financial controls over financial reporting of the Group for the year ended as on 31st March 2021.

The internal financial controls over financial reporting of the Joint venture and branches have been audited by the other auditors whose reports have been furnished to us, and our opinion in so far as it relates to the disclosures included in respect of branches, is based solely on the report of such other auditors. We cannot comment on such reports as the same are audited by other auditors. Our opinion is not qualified in respect of this matter.

***For* Ashwani & Associates**
Chartered Accountants
FRN: 000497N
Sd/-
(Sanjeeva Narayan)
Partner
M. No. 084205
UDIN : 21084205AAAALE9866

Place: New Delhi
Dated: 5th August 2021

ANNEXURE-V

ANNEXURE TO THE AUDITORS REPORT TO THE MEMBERS OF SECURITY PRINTING & MINTING CORPORATION OF INDIA LIMITED AS AT 31ST MARCH 2021

Statement on the Directions/ Sub Directions issued by the Comptroller & Auditor General of India under sub-section 5 of section 143 of the Companies Act, 2013, examined by the Statutory Auditors during the course of audit of annual accounts of Security Printing & Minting Corporation of India Limited and its Joint Venture "Bank Note Paper Mill India Pvt. Ltd." for the year ending 31st March 2021.

Compliance Certificate

We have conducted the audit of the accounts of Security Printing and Minting Corporation of India Limited (the 'Company') which comprise the company and its Joint Venture **"Bank Note Paper Mill India Private Limited"** (together referred to as "the Group" for the year ended March 31st, 2021, in accordance with the directors/sub-directors issued by the C&AG of India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the Directions/Sub-directions issued to us. Directions indicating the areas to be examined by the Statutory Auditors during the course of audit of annual accounts of the company is as per **Annexure V(a)**.

We did not audit the accounts of Joint Venture and 8 branches/ units included in the consolidated financial statements/ information of the company for the year ended as on 31st March 2021 and have relied upon the reports of the respective Auditors whose reports have been furnished to us.

***For* Ashwani & Associates**
Chartered Accountants
FRN: 000497N
Sd/-
(Sanjeeva Narayan)
Partner
M. No. 084205
UDIN : 21084205AAAALE9866

Place: New Delhi
Dated: 5th August 2021

Annexure V(a)

Statement on the Directions/ Sub Directions issued by the Comptroller & Auditor General of India under sub-section 5 of section 143 of the Companies Act, 2013, examined by the Statutory Auditors during the course of audit of annual accounts of Security Printing & Minting Corporation of India Limited and its Joint Venture "Bank Note Paper Mill India Pvt. Ltd." for the year ending 31st March 2021.

S. No.	Particulars	Auditor's Comment
1	Whether the Company has system in place to process all the accounting transaction through IT? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financials implication, if any, may be stated.	As per the information and explanation provided to us, the Company has a system in place to process all the accounting transactions through IT system except for the following observations: - **1. Corporate Office** (a) Biometric not linked with SAP-ERP for payroll processing. **2. Bank Note Press, Dewas** (a) The software is not properly generated agewise analysis of all parties, employees etc. under various control accounts i.e. Sundry Debtors, Creditors, various advances, liabilities for classification as Current and Non-current as required as per Schedule III of Companies Act, 2013 at any time during the year and same has been prepared manually from the SAP generated report of each party employee etc. **3. India Government Mint, Kolkata** (a) The inventory valuation (including Finished Goods, Semi-Finished Goods and scrap) has been carried out manually and integrated in SAP through manual entries. (b) Management has installed Biometric attendance management system to record the attendance biometrically into SAP. However, it is observed that the attendance is manually recorded in SAP and biometric device. To that extent, the unit did not have effective internal control in HR module of SAP.

S. No.	Particulars	Auditor's Comment
		(c) Finance Module of the SAP software does not provide the Agewise analysis of Sundry Debtors, Creditors, various advances, Security deposits, EMD's at any time during the year and same has been prepared manually. The financial implications of the above disclosures cannot be quantified. **4. India Government Mint, Noida** (a) Inventory valuation has been carried out by SAP on real time basis. However, the same is not in accordance with provisions of Ind AS: 2 "Inventories". Accordingly, manual entries have been passed to value the Inventory in accordance with Ind AS 2. (b) Age-wise report of Inventory is not generated from Material Management module of SAP-ERP System and the identification and valuation at lower of cost or Net realisable value (NRV) for non-moving inventory (not moved for 3-5 years) is worked out manually. (c) The unit have not integrated the biometric system with Payroll module of SAP - ERP system. Management installed Biometric Attendance Management System to record the attendance bio- metrically into SAP. However, it is observed that attendance and leave working are not accounted automatically under SAP and processed manually. The financial implications of the above disclosures cannot be quantified.

S. No.	Particulars	Auditor's Comment
		5. India Security Press, Nashik The unit have not integrated the Attendance management system (AMS) with payroll module of SAP-ERP system. Although, Management has installed biometric attendance management system to record the attendance biometrically into SAP. The data of attendance and overtime hours is being uploaded manually in SAP for onward calculation of Salary and overtime allowance. **6. BNPMIPL** The valuation of raw materials, semifinished goods and finished goods, were done outside the ERP using spreadsheets.
2	Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/loans/interest etc made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	The Company has not availed any loan during the year. Therefore, financial impact of restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan is not applicable.
3	Whether funds received/receivable for specific schemes from central/state agencies were properly accounted for/ utilized as per its item and conditions? List the cases of deviation.	The Company does not have any funds which have been received or are receivable for specific schemes from Central/ State agencies.

***For* Ashwani & Associates**
Chartered Accountants
FRN: 000497N
Sd/-
(Sanjeeva Narayan)
Partner
M. No. 084205
UDIN : 21084205AAAALE9866

Place: New Delhi
Dated: 5th August 2021

SECURITY PRINTING AND MINTING CORPORATION OF INDIA LIMITED

Consolidated Balance Sheet as at 31st March 2021

(Amount in ₹ Lakh)

S. No.	Particulars	Note No.	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 1st April 2019
I.	**ASSETS**				
(1)	**Non-current assets**				
	(A) Property, Plant and Equipment	3	1,35,920.09	1,28,233.02	1,32,623.54
	(B) Right of use Assets		379.39	984.67	
	(C) Capital Work-in-Progress	3	42,127.12	7,605.70	1,178.86
	(D) Other Intangible Assets	4	137.60	150.45	141.81
	(E) Financial Assets				
	(i) Investments	5 (i)	97,554.80	84,776.22	72,541.75
	(ii) Trade Receivables	5 (ii)	397.22	394.23	-
	(a) Receivable considered good- Secured	5 (ii)			
	(b) Receivable considered good-Unsecured	5 (ii)			
	(c) Receivable which have significant increase in credit risk	5 (ii)			
	(d) Receivable credit impaired	5 (ii)			
	(iii) Loans				
	(a) Receivable considered good- Secured	5 (iii)	219.19	290.25	683.80
	(b) Receivable considered good- Unsecured	5 (iii)	7.27	25.26	81.62
	(c) Receivable which have significant increase in credit risk				
	(d) Receivable credit impaired				
	(iv) Others	5 (iv)	8,719.83	7,414.86	5,789.25
	(F) Deferred Tax Assets (net)	6	54,830.80	56,681.02	75,883.50
	(G) Other Non-Current Assets	7	4,683.42	5,976.17	5,867.26
(2)	**Current assets**				
	(A) Inventories	8	1,53,957.67	1,96,029.35	1,58,791.39
	(B) Financial Assets				
	(i) Investments	5(i)	-	-	-
	(ii) Trade Receivables	5(ii)	1,07,449.34	1,30,680.70	1,69,819.25
	(a) Loans Receivable considered good- Secured				
	(b) Loans Receivable considered good- Unsecured				
	(c) Loans Receivable which have significant increase in credit risk				
	(d) Loans Receivable credit impaired				
	(iii) Cash and Cash Equivalents	5(v) (a)	2,262.48	3,742.03	12,291.81
	(iv) Bank Balances other than (iii) above	5(v) (b)	2,15,768.99	2,00,017.86	1,44,050.00
	(v) Loans	5 (iii)	102.54	150.69	103.38
	(a) Loans Receivable considered good- Secured				
	(b) Loans Receivable considered good- Unsecured	5 (iii)	6.00	36.38	44.20
	(c) Loans Receivable which have significant increase in credit risk				
	(d) Loans Receivable credit impaired				
	(vi) Others	5 (iv)	1,103.62	3,961.82	10,878.08
	(C) Current Tax Assets (Net)	9 (a)	4,640.12	255.64	-
	(D) Other Current Assets	10	10,106.23	11,185.30	17,772.70
	Total Assets		**8,40,373.72**	**8,38,591.62**	**8,08,542.20**
II.	**EQUITY AND LIABILITIES**				
(1)	**Equity**				
	(A) Equity Share capital	11	98,750.07	98,750.07	1,06,424.10
	(B) Other Equity				
	- Reserve & Surplus	12	4,39,621.39	4,08,791.19	3,75,108.78
(2)	**LIABILITIES**				
	Non-current liabilities				
	(A) Financial Liabilities				
	(i) Borrowings	13 (i)	-	-	-
	(ii) Trade Payables	13 (ii)	273.86	360.74	780.77
	(a) Total outstanding dues of MSME				
	(b) Total outstanding dues of creditors other than MSME				
	(iii) Other Financial Liabilities	13(iii)	15,854.05	15,855.05	21,013.70
	(iv) Lease Liability	13(iii)	146.40	145.81	
	(B) Provisions	14 (i)	48.51	36.92	5.00
	(C) Employees Benefit Obligations	15 (i)	1,34,914.86	1,53,038.87	1,48,979.79
	(D) Deferred Tax Liabilities (Net)	6		-	-
	(E) Other Non-Current Liabilities	16	0.00	9,636.06	695.99
	Current liabilities				
	(A) Financial Liabilities				
	(i) Borrowings	13 (i)	-	-	-
	(ii) Trade Payables				
	(a) Total outstanding dues of MSME	13 (ii)	469.01	360.09	373.24
	(b) Total outstanding dues of creditors other than MSME	13 (ii)	18,903.57	26,126.85	25,904.03
	(iii) Other Financial Liabilities	13 (iii)	5,031.65	6,965.70	7,296.48
	(B) Other Current Liabilities	17	12,015.59	11,421.72	17,191.90
	(iv) Lease liability	17	263.15	869.43	
	(C) Provisions	14 (ii)	94,096.29	86,755.43	84,901.66
	(D) Employees Benefit Obligations	15 (ii)	19,985.32	19,477.69	16,884.58
	(E) Current Tax Liabilities (Net of Advance tax)	9 (b)			2,982.18
	Total Equity and Liabilities		**8,40,373.72**	**8,38,591.62**	**8,08,542.20**

Significant Accounting Policies and Notes referred to above form an integral part of the Balance Sheet and should be read in conjunction therewith.
As per our report of even date attached.

For and on behalf of
M/S Ashwani & Associates
Chartered Accountants
Firm Registration Number : 000497N
Sd/-
(Sanjeeva Narayan)
Partner
Membership Number: 084205
UDIN : 21084205AAAALE9866
Date: 5th August 2021
Place: New Delhi

Sd/-
(Sachin Agarwal)
Company Secretary
(PAN ADRPA9630Q)

On behalf of Security Printing and Minting Corporation of India Limited
Sd/--
(Ajay Agarwal)
Director(Finance) & CFO
(DIN : 06778079)

Sd/-
(Tripti P. Ghosh)
Chairman and Managing Director
(DIN : 08123112)

SECURITY PRINTING AND MINTING CORPORATION OF INDIA LIMITED

Consolidated Statement of Profit and Loss for the year ended 31st March, 2021

(Amount in ₹ Lakh)

Sl. No.	Particulars	Note No.	For the year ended 31st March 2021	For the year ended 31st March 2020
I	Revenue From Operations	18	4,71,256.60	5,09,970.97
II	Other Income	19	17,117.93	21,035.92
III	**Total Income (I+II)**		**4,88,374.53**	**5,31,006.89**
IV	**EXPENSES**			
	Cost of materials consumed	20	1,94,973.24	2,34,091.81
	Purchases of Stock-in-Trade			-
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	21	29,590.88	(41,455.23)
	Employee benefits expense	22	98,004.48	1,28,582.28
	Finance cost	23	6,925.78	3,179.29
	Depreciation and amortization expense	3 & 4	13,738.96	13,903.43
	Other expenses	24	66,166.93	75,036.60
	Total expenses (IV)		**4,09,400.27**	**4,13,338.18**
V	**Profit/(loss) before exceptional items and tax (III- IV)**		**78,974.26**	**1,17,668.71**
VI	Add: Exceptional Items			
VII	**Profit/(loss) before tax and (V-VI)**		**78,974.26**	**1,17,668.71**
VIII	Tax expense:			
	(1) a. Current tax		33807.31	26,600.00
	b. Tax for earlier years			
	(2) Deferred tax		2785.84	18,537.88
IX	**Profit / (Loss) for the year from continuing operations (VII-VIII)**		**42,381.11**	**72,530.83**
X	Profit/(loss) from discontinued operations			-
XI	Tax expense of discontinued operations			-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)		12778.58	13,056.68
XIII	**Profit/(loss) for the year (IX+XII)**		**55,159.69**	**85,587.51**
XIV	Other Comprehensive Income			
	A (i)Items that will not be reclassified to profit or loss		(3,717.51)	2,640.66
	(ii) Income tax relating to items that will not be reclassified to profit or loss		935.62	(664.60)
			(2,781.89)	1,976.06
	B (i) Items that will be reclassified to Profit or Loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
			52,377.80	87,563.57
XV	**Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the year)**		**52,377.80**	**87,563.57**
XVI	**Earnings per Share**			
(i)	Basic Earning per Share of INR 10/- Each		5.30	8.28
(ii)	Diluted Earning per Share of INR 10/- Each		5.30	8.28

Notes referred to above form an integral part of the Profit & Loss and should be read in conjunction therewith.
As per our report of even date attached.

For and on behalf of
M/S Ashwani & Associates
Chartered Accountants
Firm Registration Number : 000497N
Sd/-
(Sanjeeva Narayan)
Partner
Membership Number: 084205
UDIN : 21084205AAAALE9866
Date: 5th August 2021
Place: New Delhi

Sd/-
(Sachin Agarwal)
Company Secretary
(PAN ADRPA9630Q)

On behalf of Security Printing and Minting Corporation of India Limited

Sd/-
(Ajay Agarwal)
Director(Finance) & CFO
(DIN : 06778079)

Sd/-
(Tripti P. Ghosh)
Chairman and Managing Director
(DIN : 08123112)

SECURITY PRINTING AND MINTING CORPORATION OF INDIA LIMITED

Consolidated Cash Flow Statement for the year ended 31st March, 2021

(Amount in ₹ Lakh)

	Particulars		March 31st, 2021	March 31st, 2020
A	**Cash flow from operating activities**			
	Profit before tax	a	**91,752.84**	**1,30,725.39**
	Add:			
	Adjustment to reconcile profit before tax to net cash flows			
	Depreciation and amortisations of property plant and equipment & amortisation of Lease assets		13,738.96	13,903.43
	Interest expenses		6,869.70	3,100.51
	Loss /(Profit) on sale of property plant and equipment		10.57	24.38
	Interest income		(8,527.06)	(11,175.60)
	Provision created net of written off		8,562.24	17,583.15
	Foreign Exchange Fluctuation		109.54	(58.31)
	Dividend		(4,200.00)	(4,000.00)
	Other Adjustments		(3,717.51)	2,640.66
	Total	b	**12,846.44**	**22,018.22**
	Operating Profit Before Working Capital Changes	c=a+b	**1,04,599.28**	**1,52,743.61**
	Adjustment for			
	(Increase)/ Decrease in trade receivables		23,228.37	38,744.32
	(Increase)/ Decrease in inventories		42,071.68	(37,237.96)
	(Increase)/ Decrease in loans & advances		167.59	410.36
	(Increase)/ Decrease in other assets		3,074.56	14,634.07
	Increase/ (Decrease) in trade payable		(7,310.78)	(152.05)
	Increase/ (Decrease) in other current liabilities		(1,285.10)	(9,574.97)
	Increase/(Decrease) in long term provisions		7,352.45	1,885.69
	Increase/ (Decrease) in short term provisions		(26,178.62)	(10,930.96)
	Increase/ (Decrease) in other non Current Liabilities		(9,636.05)	8,940.07
	(Increase)/ Decrease in other Non-Current Assets		1,292.75	(108.91)
	Total	d	**32,776.84**	**6,609.67**
	Cash generated from operations	e=c+d	**1,37,376.12**	**1,59,353.28**
	Less Tax paid (Net of refund)	f	38,192.81	29,859.99
	Net cash flow from operating activities	g=e-f	**99,183.31**	**1,29,493.29**
B	**Cash flow from investing activities**			
	Interest income		8,084.79	8,419.57
	Dividend income		4,200.00	4,000.00
	Sale of Property , Plant & Equipements		144.25	34.92
	Purchase and Adjustment in property, plant and equipment (Including CWIP)		(55,482.77)	(16,970.14)
	(Increase)/ Decrease in non current investments		(12,778.58)	(13,056.68)
	(Increase)/ Decrease in investments			
	Increase/(Decrease) in long term liabilities			
	Net cash flow from investing activities	h	**(55,832.31)**	**(17,572.33)**
C	**Cash flow from financing activities**			
	Issuance of share capital			
	Dividend paid to equity shareholders		(21,547.95)	(21,848.00)
	Dividend distribution tax		0.00	(4,490.92)
	Buy Back Of Share Capital		0.00	(29,345.48)
	Tax paid on Buy Back of Shares		0.00	(5,048.58)
	Change in capital reserve			
	Interest paid		(6,869.70)	(3,100.51)
	Lease payment		(661.77)	(669.40)
	Net cash flow from financing activities	i	**(29,079.42)**	**(64,502.89)**
	Cash & Cash equivalent at the beginning of the year	j	2,03,759.89	1,56,341.81
	Increase/ (Decrease) in cash or cash equivalent	k=g+h+i	14,271.58	47,418.08
	Net Increase/(Decrease) in cash or cash equivalent		14,271.58	47,418.08
	Cash & Cash equivalent at the end of the year		**2,18,031.47**	**2,03,759.89**

For and on behalf of
M/S Ashwani & Associates
Chartered Accountants
Firm Registration Number : 000497N
Sd/-
(Sanjeeva Narayan)
Partner
Membership Number: 084205
UDIN : 21084205AAAALE9866
Date: 5th August 2021
Place: New Delhi

Sd/-
(Sachin Agarwal)
Company Secretary
(PAN ADRPA9630Q)

On behalf of Security Printing and Minting Corporation of India Limited
Sd/-
(Ajay Agarwal)
Director(Finance) & CFO
(DIN : 06778079)

Sd/-
(Tripti P. Ghosh)
Chairman and Managing Director
(DIN : 08123112)

SECURITY PRINTING AND MINTING CORPORATION OF INDIA LIMITED
Consolidated Statement of Changes in Equity for the year ended 31st March, 2021

A. Equity Share Capital

(Amount in ₹ Lakh)

Balance as at April 1,2019	Change During the year	Balance as at March 31, 2020
1,06,424.10	**7,674.03**	**98,750.07**
Balance as at April 1,2020	**Change During the year**	**Balance as at March 31, 2021**
98,750.07	**-**	**98,750.07**

B. Other Equity

(Amount in ₹ Lakh)

Particulars	Other Equity					Total
	Reserve and Surplus				Other Comprehensive Income (OCI)	
	Capital Reserve	General Reserve	Retained Earnings	Capital Redemption Reserve		
Balance as on 31st March, 2019	**33,819.95**	**-**	**3,31,092.53**	**11,824.90**	**(1,628.60)**	**3,75,108.78**
Net Profit for the Year 2019-20	-	-	85,587.51	-	-	85,587.51
Adjustment of provision of MoF			0.05			0.05
Items of Other Comprehensive Income recognized directly in retained earnings.					1,976.06	1,976.06
Dividend paid for the previous year	-	-	(21,848.00)	-	-	(21,848.00)
Dividend distribution tax			(4,490.92)			(4,490.92)
Dividend distribution tax JV			(822.21)			(822.21)
Buy Back of Shares			(21,671.45)			(21,671.45)
Transfer to Capital Redemption Reserve			(7,674.03)	7,674.03		
Income Tax on buy back of shares			(5,048.58)			(5,048.63)
Total	**33,819.95**		**3,55,124.84**	**19,498.93**	**347.46**	**4,08,791.19**
Net Profit for the Year 2020-21			55,159.68		(2,781.89)	52,378.16
Dividend paid for the previous year			(21,547.95)			(21,547.95)
Total	**33,819.95**		**3,88,736.94**	**19,498.93**	**(2,434.43)**	**4,39,621.40**

Notes referred to above form an integral part of the Balance Sheet and should be read in conjunction therewith.
As per our report of even date attached.

For and on behalf of
M/S Ashwani & Associates
Chartered Accountants
Firm Registration Number : 000497N
Sd/-
(Sanjeeva Narayan)
Partner
Membership Number: 084205
UDIN : 21084205AAAALE9866
Date: 5th August 2021
Place: New Delhi

Sd/-
(Sachin Agarwal)
Company Secretary
(PAN ADRPA9630Q)

On behalf of Security Printing and Minting Corporation of India Limited
Sd/-
(Ajay Agarwal)
Director(Finance) & CFO
(DIN : 06778079)

Sd/-
(Tripti P. Ghosh)
Chairman and Managing Director
(DIN : 08123112)

SECURITY PRINTING AND MINTING CORPORATION OF INDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1) Company overview

Security Printing and Minting Corporation of India Limited ('the Company') was incorporated in India on January 13th, 2006 under the Companies Act, 1956 with its Registered Office at New Delhi. The Company took over nine units which includes four mints, four presses and one paper mill which were earlier functioning under the administrative control of Ministry of Finance.

This company is engaged in manufacture of security paper, minting of coins, printing of currency notes, non-judicial stamp papers, postage stamps, travel documents etc. The Company is a (wholly owned) schedule 'A' company of the Government of India. The Company has the following units/branches:

i) India Government Mint, Noida

ii) India Government Mint, Mumbai

iii) India Government Mint, Kolkata

iv) India Government Mint, Hyderabad

v) Security Printing Press, Hyderabad

vi) India Security Press, Nashik

vii) Bank Note Press, Dewas

viii) Currency Note Press, Nashik

ix) Security Paper Mill, Hoshangabad

2) Significant Accounting Policies

2.1 Basis of preparation and presentation of financial statements

These financial statements are prepared in accordance with Indian Accounting Standards (IND AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, as per the provisions of the Companies Act, 2013 (`Act') (to the extent notified). The IND AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies are consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Upto the year ended 31st March, 2016, the company has prepared its financial statements in accordance with the requirement of Indian Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as "Previous GAAP".

2.2 Use of estimates

The preparation of the financial statements in conformity with IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements are disclosed at appropriate places.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.3 Current versus Non-Current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

» Expected to be realised or intended to be sold or consumed in normal operating cycle,

» Held primarily for the purpose of trading,

» Expected to be realised within twelve months after the reporting period, or

» Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Trade receivables which are expected to be realised within 12 months from the reporting date are classified as current. Outstanding more than 12 months are shown as non - current only, unless efforts for its recovery have been made and it is likely that payment shall be received within 12 months from the reporting date.

A liability is current when:

» It is expected to be settled in normal operating cycle,

» It is held primarily for the purpose of trading,

» It is due to be settled within twelve months after the reporting period, or

» There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

A payable has been classified as Trade Payable if it is in respect of the amount due on account of goods purchased or services received in the normal course of business.

Trade payables which are expected to be settled within 12 months from the reporting date are shown as current.

The Company classifies all other liabilities as non-current.

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

2.4 Summary of Significant Accounting Policies

2.4.1 Revenue recognition

The Company earns revenue mainly from printing of currency notes, non-judicial stamp papers, postal stamps, travel documents and minting of circulation coins for Government of India.

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of goods have been passed to the buyer, usually on delivery of the goods. Revenue is measured at the fair value of consideration received or receivable. Amount disclosed as revenue are net of GST.

In case of Coins, revenue is recognised on the basis of rates approved by the Ministry of Finance on year to year basis.

The differences, if any, between the billing rates of Coins and the rates finalized by Chief Advisor Cost, Ministry of Finance are accounted for in the financial year in which such rates are approved by Ministry of Finance.

Revenue for Bank Notes is recognised as per the derived rates intimated by RBI vide their letter no. DCM (RMMT) 4690/110714/2011-12 dated 13.04.2012.

Any future revision in derived rates which is mutually acceptable shall be made applicable in the financial year in which it is communicated.

Revenue from postal stationery

The invoicing for the postal stationery is done at the latest available rates as are approved by MoF. consistently on year to year basis.

The differences, if any, between the billing rates and the rates approved by Ministry of Finance are accounted for in the financial year in which such rates are approved by Ministry of Finance from year to year.

Revenue from other products

Revenue from passport and Non Judicial Stamp Paper, is accounted for on the basis of sales invoices raised by the company. Revenue from rendering of services is recognized when the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the entity. Revenue from job work is recognized in the same period in which services are rendered.

Dividend income is recognized when the shareholder's right to receive the payment is established which is generally after the shareholders approval.

Liquidated damages recovered from the vendors are appropriated towards the income on completion of the contract.

2.4.2 Employee benefits

a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

c) Post-employment obligations

The Company operates the following post-employment schemes:

(i) defined benefit plans such as gratuity, pension, and post –employment medical plans

(ii) defined contribution plans such as provident fund.

(i) Defined benefit plans

The Company's gratuity scheme is a defined benefit plan. A defined benefit plan is a post-employment benefit plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefits that employee have earned in return for their services in the current and prior periods. As per the order of the Government of India transferring the assets and liabilities of Units to the Company, most of the employees of the units were transferred on deemed deputation for a period of 2 years from the date of transfer i.e. 10/02/2006 which was further extended for another 12 months. A notification was issued by the Government of India regarding absorption of employees in the company. Options were exercised and Government of India accepted absorption of employees in the company on 29th May 2009 but w.e.f. 01/11/2008.

Those employees who decided to remain with Government of India continue to work in the company till they are redeployed by Government of India. Company has to bear their salary and wages. The provisions for pensionary charges (which includes Gratuity) and Leave salary contribution in respect of these employees and for those holding ex cadre / in cadre posts have been made in accordance with the Government Rules.

Those employees who decided to join the company had two options, either opt for "Combined Pension" or "Pro Rata Pension". Combined pension optees are eligible to get their pension from the SPMCIL Pension Trust constituted by Government of India at the time of their superannuation from company. Government of India shall contribute for the past services rendered and company shall contribute for the period they will serve the company. Manner and amount of contribution shall be governed by Rule 37-A of Central Civil Services (Pension) Rules. However, the company is making provision for pensionary charges of these employees as per the actuarial valuation in accordance with IND AS. Contribution by Government to the company in subsequent years will be accounted for in the year of receipt.

(a) Gratuity

Gratuity is a post-employment defined benefit plan. The liability recognised in the Balance Sheet in respect of gratuity is the present value of the defined benefit obligation at the Balance Sheet date. The Company's liability is actuarially determined at the end of each year. Actuarial gains/ losses through remeasurement are recognised in other comprehensive income.

(b) Pension and gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

These are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

(c) Post-employment medical obligations

Liability in respect of Post-Retirement Medical Benefits, a defined benefit plan, is being provided as per actuarial valuation. The difference between liability balance and accrued liability at the end of the year based on actuarial valuation is charged to other comprehensive income.

(d) Bonus plans

The company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

ii) Defined contribution plans

The company's provident fund scheme is a defined contribution plan. A defined contribution plan is a post - employment benefit plan under which an entity pays fixed contributions and will have no obligation to pay further amounts. Obligation for contributions to defined contribution plans are recognised as employees benefit expenses in the statement of Profit and Loss when they are due.

2.4.3 Taxes

a) Current Tax

The current tax expense for the period is determined as the amount of tax payable in respect of taxable income for the period, based on the applicable income tax rates.

Current tax relating to items recognised in other comprehensive income or equity is recognised in other comprehensive income or equity, respectively.

b) Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted at the reporting date.

Deferred tax relating to items recognised in other comprehensive income or equity is recognised in other comprehensive income or equity, respectively.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

2.4.4 Property, plant and equipment

Freehold land is carried at historical cost. All other items of Property, Plant and Equipment are stated at historical cost less depreciation and impairment if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items until they are ready for use. Subsequent costs are included in the asset's carrying amount or recognized 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 derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which these are incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

Mobile phone instruments purchased by the staff as per the policy of the company and reimbursed by the company are not capitalized but charged to the revenue.

2.4.5 Depreciation methods / estimated useful lives and residual value

a) Tangible Assets

Depreciation is provided on pro rata basis on Straight Line Method over the estimated useful life of the assets as prescribed in Schedule II of the Companies Act, 2013 except in respect of the assets where the useful life is different based upon the technical evaluation done by the management. The estimates of the useful life of assets are as follows: -

Assets	Useful life
Lease hold land	Over the period of lease
Building	60 Years
Factory Building	30 Years
Plant & Machinery	15 years (Single Shift), 10 years (Double Shift)
Furniture & Fixture	10 years
Office equipment	5 years
Vehicles	8 years
Computers	3 years
Others	10 years
Assets costing less than ₹5000/	The year of purchase

The assets residual values and useful life of assets are reviewed by the management at the end of each reporting period. The asset carrying amount is written down to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount.

b) Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that these are available for use.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives in the manner as prescribed in Schedule II of the Companies Act 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II of the Companies Act 2013 are used:

Computer software costing less than ₹1 lac	100% in the year of purchase
Computer software costing more than ₹1 lac (where the useful life is less than or equal to one year)	100% in the year of purchase
Computer software costing more than ₹1 lac (in other cases)	33.33% on SLM
Assets costing less than ₹5000	100% in the year of purchase

2.4.6 Inventories

Inventories are valued at the lower of Cost or Net Realizable Value. Cost incurred in bringing each product to its present location & conditions are accounted as follow: -

a) Raw Material, Work in Progress and Consumable Stores are valued at cost (Weighted average cost basis).

b) Finished goods are valued at lower of the cost or net realizable value.

c) Scraps are valued at net realizable value.

d) Slow moving/obsolete inventories are valued at the lower of Cost or net realizable value.

2.4.7 Provisions, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Contingent liabilities are disclosed in respect of possible obligations that have risen from past events and the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the enterprise, or is a present obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made.

A contingent asset is neither recognised nor disclosed.

2.4.8 Foreign currency transactions

Foreign currency denominated monetary transactions are recorded at the exchange rates prevailing on the date of respective transactions. Realized gains and losses on foreign currency transactions during the year are recognised in Profit and Loss Account.

Foreign-currency denominated monetary assets and liabilities remaining unsettled at the Balance Sheet date are translated at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in the Statement of Profit and Loss.

2.4.9 Financial Instruments

a) Component of Financial Instruments

(i) Financial Assets includes, in particulars, cash and cash equivalents, trade receivables, other current receivables and callable security deposits.

(ii) Financial Liabilities includes, in particulars, borrowings, trade payables and other current payables.

b) Initial Recognition:-

The company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instruments. All the financial assets and financial liabilities are recognised at fair value, which represents the transaction cost at the date of transaction.

c) Subsequent recognition & impairment:-

Subsequent recognition of financial assets and financial liabilities are at fair value, if the carrying amount is a reasonable approximation of the fair value it is maintained at that value. Any diminution / impairment in value is recognised in statement of profit and loss as impairment gain /loss.

d) Derecognition of financial assets and financial liabilities:-

A financial assets is derecognized when the contractual rights to the cash flow is realised or forfeited. The financial liability is derecognized when the underlying obligation relating to the liability is fulfilled, terminated or extinguished.

2.4.10 Investment

a) In Joint Venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The investment in joint venture is recognised at Cost.

b) Other Investments

Investments in mutual funds are classified at fair value through the Statement of Profit & Loss Account.

2.4.11 Borrowing costs

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

2.4.12 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.4.13 Cash Flow Statement:

Cash Flow Statement is reported using the indirect method as per Ind AS 07, Statement of Cash Flow.

2.4.14 Cash dividend to equity holders

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.4.15 Earnings per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

2.4.16 Leases

Identification of a Lease

At inception of a contract, the Company assesses whether the contract is, or contains a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an unidentified asset for a period of time in exchange for consideration.

Company as a Lessee

At the contract commencement date, the Company recognizes right – of – use asset and a lease liability. A right – of – use asset is an asset that represents a lessee's right to use an underlying asset for the lease term. The company has elected not to apply the aforesaid requirements to short term leases (leases which at the commencement date has a lease term of 12 months or less) and leases for which the underlying asset is of low value as described in paragraph B3 – B9 of Ind AS 116.

A right of use asset is initially measured at cost and subsequently applies the cost mode ie less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of lease liability. Ind AS 16, Property, Plant and Equipment is applied in depreciating the right – of – use asset.

A lease liability is initially measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Company's incremental borrowing rate is used. Subsequently, the carrying amount of the lease liability is increased to reflect interest on lease liability; reduced to reflect the lease payments; and remeasured to reflect any reassessment or lease notifications or to reflect revised in – substance fixed lease payments.

In March 2019 the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules 2019 notifying Ind AS 116, Lease and withdrawing Ind AS 17, Lease Ind AS 116 is effective from accounting periods beginning from 1st April 2019.

Ind As 116 introduces a single, on-balance sheet lease accounting model for lessees. A lesses recognizes a right of use asset representing its right to use the underlying asset and lease liability representing its obligation to make lease payments. There are recognition exemptions for short term leases and leases of low-value items. Lessor accounting remains similar to the erstwhile standard- i.e. lessors continue to classify leases as finance or operating leases. The company has applied the transition provisions as mentioned in Appendix C to Ind As 116. There is no financial impact on the Company on adoption of IND AS -116.

At inception of a contract, the Company assesses whether the contract is, or contains a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.4.17 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. These are measured at the lower of their carrying amount and fair value less costs to sell.

Non-current assets classified as held for sale and their related liabilities are presented separately in the balance sheet, if any. Non-current assets are not depreciated or amortized while they are classified as held for sale.

2.4.18 Impairment of assets

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

2.4.19 Materiality of income / expenditure:

An item of income or expenditure of one or more prior periods is considered material only if, it exceeds 0.5% of total revenues of the company, as per last years audited financial statements, in each such case.

Significant Accounting Policies in case of Bank Note Paper Mill India Pvt. Limited (Joint Venture):

Note No. 01. Company overview

A. Company overview

Bank Note Paper Mill India Private Limited (the Company) is incorporated as Private Company under the provisions of the Companies Act, 1956 (CIN: U21090KA2010PTC055475) and domiciled in India having its corporate & registered office at Entry Gate -1, Administrative Building, Paper Mill Compound, Note Mudran Nagar, Mysore - 570003 with the main objects inter-alia of developing, designing, manufacturing and supplying of Bank Note Paper (CWBN paper) & other security paper. The company is a 50:50 Joint Venture between Security Printing & Minting Corporation of India Limited (A Govt. of India Enterprise) and Bharatiya Reserve Bank Note Mudran Private Limited (A wholly owned subsidiary of Reserve Bank of India). As clarified by Ministry of Finance, Govt. of India, the Company is a Special Purpose Vehicle (SPV) of Govt. of India.

The company is primarily engaged in the manufacturing and sale of CWBN paper to its Joint Venture Partners as per the Joint Venture cum shareholders agreement.

Note No. 02. Significant Accounting Policies

A. Basis of preparation of financial statements:

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under historical cost convention on accrual basis except certain financial assets and liabilities which are measured at fair value on accrual basis. The methods used to measure fair values are discussed further in notes to financial statements. The financial statements comply in all material aspects with IND AS notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

B. Classification of current and non-current:

Classification between current and non-current assets and liabilities are done on the basis of expected realisation/ liquidation within twelve months from the reporting date. However, Capital advances are classified as non-current asset.

C. Use of estimates and management judgements:

The preparation of the accompanying financial statements require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent amounts and liabilities as on the date of financial statement and reported amounts of revenue and expenses during the reporting period. Accordingly, reasonable estimate is made where ever found applicable. The areas involving critical estimates or judgments are:

i. **Estimated useful life of Property, Plant & Equipment (PPE) –** The estimated useful life of PPE is based on technical parameters, spare parts support, wear & tear, technological advancement in payment system, pattern of demand for bank note paper. The Company reviews at the end of each reporting date the useful life of property, plant and equipment and are adjusted prospectively, if appropriate.

ii. **Estimated residual value of PPE –** In view of the security sensitivity of its product and the manufacturing facility which are not freely tradable in the market there may not be a market for retired/discarded assets for assessing the value for sale/ disposal. In the assessment of the technical committee the retired/discarded assets can be best disposed off internally. In such a case the residual value of the retired assets is taken as 5% of the original cost as prescribed in Schedule II to the Companies Act, 2013 which according to the internal committee, is a reasonable estimate.

iii. **Post-employment benefit plans -** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, ceiling limit, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate.

iv. **Provisions and contingencies -** Provisions and contingencies are made in accordance with Ind AS 37 based on best judgment by management regarding the probability of exposure to potential loss.

v. **Taxation -** Tax expense is calculated using applicable tax rate and relevant judicial pronouncements. Deferred income tax assets are recognized to the extent it is probable that future taxable income will be available against which the deductible temporary differences, unused tax credits & unabsorbed depreciation could be utilised.

vi. **Fair value measurements -** Some of the Company's financial assets and liabilities are measured at fair value for financial reporting purposes. Information about the valuation techniques are disclosed in Note 32 of explanatory notes to accounts.

vii. **Indicators for impairment of assets -** Indicators for impairment of assets are evaluated based on internal and external indications such as physical damage, frequent repair and maintenance of assets, technological, economical or legal changes in the market that has an adverse effect on the company's business.

viii. **Leases -** The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

D. Property, Plant and Equipment:

i. Property, plant and equipment (PPE) are stated at cost less accumulated depreciation and impairment, if any. All expenses including administrative and general overhead expenses and related borrowing cost that are directly attributable to construction or acquisition of fixed assets up to the point the related assets are ready for their intended use are accumulated net of capital receipts, if any, and allocated and capitalised on a systematic basis to the related PPE. The property plant and Equipments are componentised as per internal technical evaluation even though the components are having the same useful life as that of the related machine.

ii. Initial pack of machinery spares supplied along with the Property, Plant & Equipment (PPE) are capitalised and depreciated over the useful life of the relative PPE. Subsequent acquisition of spares individually costing ₹ 20 lakhs and above which meets the definition of PPE as given in IND AS 16 are capitalised along with the related PPE and depreciated over the lower of its useful life or the remaining expected useful life of the equipment which it is associated.

iii. In case of assets put to use where final settlement of bills of contractors is pending, capitalization is done on provisional basis subject to necessary adjustment in the year of final settlement.

iv. Subsequent expenditures relating to PPE are capitalised only when it is probable that, future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

v. Property, Plant and Equipment is de-recognized where no future economic benefits are expected from their use or upon their disposal / discardal / write-offs/impairments. The resultant gain or losses are recognised in the statement of profit and loss.

vi. Assets held for disposal are reported at the lower of the carrying value and net realisable worth.

vii. Repairs and maintenance costs except major repairs and overhaul expenses are recognised in the statement of profit and loss when incurred.

E. Depreciation and amortisation:

i. The company depreciates PPE over their useful lives using the straight line method as specified in schedule II to the Companies Act, 2013 except, the following assets on which depreciation is provided on their estimated useful life ascertained on technical evaluation:

Assets	Useful Life	Residual Value	Dep. Rate (SLM)
Plant and Machinery			
Continuous Process Plant	12 Years	5% of cost	7.92%
Improvements in the Leasehold building	5 Years	5% of cost	19.00%
Reference Books	1 Year	NIL	100.00%

ii. Items of assets valuing ₹ 5000/- or less in each case is charged off @ 95% (5% is taken as residual value) in the year of acquisition.

iii. Based on technical evaluation, the management considers that, the useful lives as given above best represent the period over which the economic benefits can be utilised with the same standards of performance.

iv. Where the cost of depreciable assets has undergone a change during the year due to increase / decrease in price adjustment, in final settlement of contractors' bills, changes in duties or similar other factors, the un-amortized balance of such assets is charged off prospectively over the remaining useful life of the related assets.

F. Capital work-in-progress:

i. The cost of assets under construction / inspection / erection etc. and not put to use during the period are disclosed under "Capital Work in-progress". Expenses/ income which are directly attributable to such assets under construction etc. are also accumulated under the head pre-operative expenses pending allocation.

G. Intangible Assets:

i. Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost less accumulated amortization and impairment, if any. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use. Intangible assets such as Computer Software and Licenses are amortised on Straight Line Method @ 100% in the year it is put to use/ ready for use.

ii. Intangible asset such as Company Logo/ Trademark are being amortised on straight line basis @ 20% p.a.

iii. ERP system are being amortised on straight line basis over the useful life of three years as estimated by the management.

iv. Intangible assets under development - Expenditure incurred which are eligible for capitalizations under intangible assets are carried as intangible assets under development till they are ready for their intended use.

v. An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on disposal are recognized in the statement of profit and loss.

H. Impairment of non-financial assets:

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 - 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in statement of profit or loss. Impairment losses recognised in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

I. Valuation of Inventory:

i. Raw materials – Inventories are carried at cost or net realisable value whichever is lower. Cost is determined using the weighted average method.

ii. Non-Interchangeable inventories - Denomination specific security threads are not ordinarily interchangeable which are segregated and valued by using specific identification of their individual costs or net realisable value whichever is lower.

iii. Stores & Spares - are carried at cost or net realisable value whichever is lower. Necessary provision is made and expensed in case of identified obsolete and non-moving items.

iv. Finished goods and work in progress – are valued at cost or net realisable value whichever is lower. Cost includes direct materials, labour and other manufacturing overheads, which are absorbed on the normal capacity of production.

v. Net realisable value means estimated selling price in the ordinary course of business, less estimated cost of completion/ the estimated costs necessary to make the sale as may be applicable.

J. Foreign currency transactions/ translations:

Foreign currency is a currency other than the functional currency of the company.

i. Functional Currency - The functional currency of the company is Indian rupee. These financial statements are presented in Indian rupees (Rounded off to nearest two decimal points of lakh of Rupees).

ii. Transactions and translations – Foreign currency transactions are accounted for at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are recognised in the statement of profit & loss for the period in which it occurs.

K. Revenue Recognition:

i. Revenue from operation:

Revenue from sale of CWBN papers is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is delivered to the customer.

Revenue is measured at the amount of transaction price allocated to that performance obligation. Transaction price includes Freight, Insurance and Escorts charges but excludes taxes collected from customers. Revenue is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

ii. Other Income:

Interest income is recognized, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Other income is recognised when it can be measured reliably with reasonable certainty of realisation or on actual realisation whichever is earlier.

L. Financial Instruments:

Component of financial Assets & Liabilities:

i. Financial Assets include, in particulars, cash and cash equivalents, trade receivables, investment in liquid and liquid plus mutual fund schemes, other current receivables and callable security deposits;

ii. Financial liabilities include, in particular, borrowings, trade payables and other current payables.

Initial Recognition:

The company recognises financial assets and liabilities when it becomes a party to the contractual provisions of the instruments at fair value, which represents the transaction cost on the date of transaction.

Subsequent recognition& impairment:

Financial assets are recognised at fair value at the year end and financial liabilities are measured at amortised cost. If the carrying amount is a reasonable approximation of the fair value it is maintained at that value. Any diminution/ impairment in value is recognised in statement of profit and loss as impairment gain/loss. Information about the valuation techniques are disclosed in Note 32 of explanatory notes to accounts.

Offsetting of financial Assets & Liabilities:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

De-recognition of financial assets and liabilities

A financial asset is derecognised when the contractual rights to the cash flows is realised or ceased. The financial liability is derecognised when the underlying obligation relating to the liability is fulfilled, terminated or extinguished.

Derivative Financial Instruments

The company designates forward currency exchange contracts as cash flow hedge. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken to statement of profit and loss.

M. Employee Benefits

Post - Employment Benefits:

Defined Contribution Plan -The Company pays fixed contribution to provident fund at pre-determined rates and will have no legal or constructive obligation to pay further amounts. The contribution to the fund for the period is recognised as expenses and is charged to statement of profit and loss.

Defined Benefit Plans - The employee gratuity scheme, post-retirement medical benefit scheme, compassionate package for the dependants scheme and leave salary are classified as defined benefit retirement plan. The present value of the obligation under such defined benefit plans are determined based on actuarial valuation using projected unit credit method and are unfunded. Non-accumulating compensated absences are recognised in the period in which the absences occur.

Short term and other Employee Benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia, if any, are recognised in the period in which the employee renders the related service. Liabilities recognised in respect of other long-term employee benefits such as accumulated non vesting sick leave are measured based on the actuarial valuation using projected unit credit method and are unfunded.

N. Other Provisions:

Provision is recognised if, as a result of a past event, the company has a present legal or constructive obligation that is reasonably estimated, and it is probable that an outflow of economic benefits will be required to settle the obligation.

O. Cash Flow Statement :

Cash flows are reported using the indirect method as per IND AS 07. Cash and cash equivalent in the Balance Sheet comprise cash at banks, cash/cheques on hand and fixed deposits that are readily convertible into known amounts of cash which are subject to an insignificant risk of changes in value.

P. Income Taxes:

i. Income tax expense comprises current and deferred income tax. Income tax expense is recognised in the statement of profit and loss except to the extent it relates to items recognised directly in equity, in which case it is recognised in other comprehensive income.

ii. The current tax is net of Minimum Alternate Tax (MAT) credit entitlement, which is recognised when there is convincing evidence that, the company will pay normal income tax during the specified period over which credit set off is allowed under the Income Tax Act.

iii. Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets or liabilities are reviewed at each reporting date and are adjusted to the extent it is no longer probable that the related tax benefit will be realised.

iv. Deferred income tax assets and liabilities are measured using tax rates and applicable tax laws as at the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The deferred tax assets are recognised only to the extent it is probable that sufficient future taxable income will be available.

Q. Earning per equity share:

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

ii. Diluted earnings per equity share is computed by dividing the net profit after tax attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earning per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

R. Leases:

Accounting policy applicable with effect from 1st April 2019

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors.

As per IND AS-116, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

i) the contract involves the use of an identified asset;

ii) the Company has the right to obtain sufficiently all the economic benefits from the use of the asset throughout the period of use; and

iii) the Company has the right to control the use of the asset;

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or before the commencement date, less any lease incentives received, plus any initial direct costs incurred and an estimate of the costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right-of-use assets is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset, unless the title to the asset transfers at the end of the lease term, in which case the asset is depreciated over the useful life. The estimated useful lives of right-of-use assets are determined on the basis of unexpired lease period.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate applicable to the entity within the Company. Generally, the Company uses its incremental borrowing rate as the discount rate.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases of all assets that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Transition to Ind AS 116

Effective April 01, 2019, the Company has adopted Ind AS 116 – Leases and applied the standard to the lease contract existing on April 01, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the date of initial application at a present value of the remaining lease payments discounted at the incremental borrowing rate and the right of use asset at an amount equal to the lease liability at the date of initial application. Accordingly, the Company has not restated comparative information.

S. Prior Period Adjustments

Errors of material amount relating to prior period(s) are disclosed by way of a note with nature of prior period errors amount of correction for each such prior period presented retrospectively, to the extent applicable along with,change in basic and diluted earnings per share. However, wherever retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

Note 3 Property Plant & Equipment

(Amount in ₹ Lakh)

Particulars	Gross Block					Depreciation					Impairment			Total net carrying amount	
	Balance as on 01.04.2020	Additions	Disposals	Adjustment	Balance as on 31.03.2021	Balance as on 01.04.2020	Depreciation for the year	Adjustment	Disposals	Balance as on 31.03.2021	Balance as at 01.04.2020	During the year	Balance as on 31.03.2021	Balance as on 31.03.2021	Balance as on 31.03.2020
Property Plant & Equipment															
Land	475.70	-	-	-	475.70	-	-	-	-	-	-	-	-	475.70	475.70
Lease Hold Land	190.47	-	-	-	190.47	13.88	2.78	-	-	16.66	-	-	-	173.82	176.60
Building	9,678.15	315.89	-	154.46	10,148.50	1,735.49	203.44	-	-	1,938.93	-	-	-	8,209.56	7,942.66
Factory Building	17,824.30	658.81	-	-	18,483.10	2,619.61	683.15	0.03	-	3,302.79	-	-	-	15,180.32	15,204.69
Plant and Equipment	1,46,421.34	18,337.43	326.97	79.47	1,64,511.27	47,038.36	11,144.85	(30.13)	208.49	58,004.85	3.19	(3.19)	0.00	1,06,506.42	99,412.19
Furniture and Fixtures	1,043.39	42.79	3.92	-	1,082.25	441.07	96.84	(0.08)	3.57	535.18	-	-	-	547.07	605.04
Vehicles	363.65	52.52	13.81	1.84	404.20	148.93	43.54	7.88	13.81	170.78	-	-	-	233.42	214.72
Office Equipments	1,170.35	234.86	93.97	(26.44)	1,284.80	590.11	139.36	25.38	80.23	623.77	-	-	-	661.03	549.16
Other Equipments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-Computers & Printers	1,741.25	245.52	177.89	6.37	1,815.25	1,240.54	194.86	(8.48)	166.26	1,276.62	-	-	-	538.63	496.86
-Railway Siding	409.14	-	-	-	409.14	61.72	25.91	-	-	87.64	-	-	-	321.51	347.39
-Electrical Installation	4,792.15	787.71	0.02	40.62	5,620.45	2,269.53	519.62	-	0.02	2,790.16	-	-	-	2,830.28	2,519.63
-S&D Assets	15.59	-	-	-	15.59	0.96	-	-	-	0.96	-	-	-	14.63	14.63
-R&D Assets	297.18	2.53	-	-	299.71	118.43	35.37	-	-	153.80	-	-	-	145.91	178.74
-Tools	0.12	-	-	-	0.12	0.02	0.01	-	-	0.03	-	-	-	0.10	0.10
-Lower Asset Value	3.85	0.90	0.38	-	4.37	2.88	0.90	0.58	0.38	4.37	-	-	-	0.00	0.96
- Lab Equipments	127.39	0.03	0.03	-	127.39	33.26	12.43	-	-	45.69	-	-	-	81.70	94.12
TOTAL (A)	**1,84,554.01**	**20,678.99**	**617.00**	**256.31**	**2,04,872.32**	**56,314.80**	**13,103.06**	**(4.82)**	**472.75**	**68,952.23**	**3.19**	**(3.19)**	**0.00**	**1,35,920.09**	**1,28,233.02**
Previous Year	**1,75,951.82**	**8,902.98**	**298.30**	**2.49**	**1,84,554.01**	**43,325.10**	**13,256.43**	**3.35**	**263.38**	**56,314.80**	**3.19**	**-**	**3.19**	**1,28,233.02**	**1,32,623.53**
Right of Use Assets															
Land	155.72	-	-	-	155.72	5.40	5.40	-	-	10.80	-	-	-	144.92	150.32
Building	1,450.15	-	-	-	1,450.15	615.78	599.89	-	-	1,215.67	-	-	-	234.47	834.35
TOTAL (B)	**1,605.87**	**-**	**-**	**-**	**1,605.87**	**621.18**	**605.29**	**-**	**-**	**1,226.48**	-	-	-	**379.39**	**984.67**
Previous Year	**-**	**1,605.87**	**-**	**-**	**1,605.87**		**621.18**	**-**	**-**	**621.18**	**-**	**-**	**-**	**984.67**	
Capital Work In Progress															
Capital Work in Progress	7,605.70	41,208.51	675.36	6,011.72	42,127.12	-	-	-	-	-	-	-	-	42,127.12	7,605.70
TOTAL (B)	**7,605.70**	**41,208.51**	**675.36**	**6,011.72**	**42,127.12**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**42,127.12**	**7,605.70**
Previous Year	**1,178.86**	**7,595.30**		**(1,168.46)**	**7,605.70**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7,605.70**	**1,178.86**

Note 4 Intangible Assets

(Amount in ₹ Lakh)

Particulars	Gross Block					Depreciation					Impairment			Total net carrying amount	
	Balance as on 01.04.2020	Additions	Disposals	Adjustment	Balance as on 31.03.2021	Balance as on 01.04.2020	Depreciation for the year	Adjustment	Disposals	Balance as on 31.03.2021	Balance as at 01.04.2020	During the year	Balance as on 31.03.2021	Balance as on 31.03.2021	Balance as on 31.03.2020
Computer Software	765.93	17.83	0.08	0.31	783.36	615.48	30.48	0.12	0.08	645.76	-	-	-	137.60	150.45
Total	**765.93**	**17.83**	**0.08**	**0.31**	**783.36**	**615.48**	**30.48**	**0.12**	**0.08**	**645.76**	**-**	**-**	**-**	**137.60**	**150.45**
Previous Year	731.47	34.46	-	-	765.93	589.66	25.81	-	-	615.47	-	-	-	150.46	141.81

Note No.5 (i)

(a) Non Current Investments

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Investment In Equity Instruments in Joint Venture at Cost (Unquoted Equity Shares of Bank Note Paper Mill India Pvt Ltd.{JV of Security Printing and Minting Corporation of India Ltd and Bhartiya Reserve Bank Note Mudran Pvt Ltd [40,00,00,000 Shares @ ₹ 10 each]})	97,554.80	84,776.22	72,541.75
Total Investment	**97,554.80**	**84,776.22**	**72,541.75**

(b) Investments - Current

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Investment in Mutual funds - Quoted	-	-	-
SBI Mutual Fund	-	-	-
- UTI Treasury Advantages Fund'	-	-	-
(Valued at Fair value)	-	-	-
Total Investment	**-**	**-**	**-**

Note No.5 (ii)

(a) Trade Receivables - Non Current

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
(i) Trade Receivables			
(a) Secured, Considered good	-	-	-
(b) Unsecured, Considered good	397.22	394.23	-
(c) Doubtful	-	-	-
(d) Trade Receivable which have significant increase in credit risk: and	12,280.74	8,956.51	9,339.47
(e) Trade Receivable credit impaired		-	-
TOTAL (A)	**12,677.96**	**9,350.74**	**9,339.47**
(i) Allowance for bad debts	12,280.74	8,956.51	9,339.47
(ii) Provision for Rate Difference	-	-	-
TOTAL (B)	**12,280.74**	**8,956.51**	**9,339.47**
Total Trade Receivables (A-B)	**397.22**	**394.23**	**-**

(b) Trade Receivables - Current

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
(i) Trade Receivables	-	-	-
(a) Secured, considered good	193.92	77.87	-
(b) Unsecured, considered good	1,07,255.42	1,30,602.83	1,74,700.88
(c) Doubtful	4,331.48	3,542.37	3,937.06
(d) which have significant increase in credit risk	3.30	5.13	5.13
(e) Credit impaired	-	-	-
TOTAL (A)	**1,11,784.12**	**1,34,228.20**	**1,78,643.07**
(ii) Allowance for bad debts	4,334.78	3,547.50	3,942.20
(iii) Provision for rate differences	-	-	4,881.62
TOTAL (B)	**4,334.78**	**3,547.50**	**8,823.82**
Trade Receivables (C) i.e. (A-B)	**1,07,449.34**	**1,30,680.70**	**1,69,819.25**
(iii) Debts due by directors / related parties			
TOTAL (D)	**-**	-	**-**
Total Trade Receivables	**1,07,449.34**	**1,30,680.70**	**1,69,819.25**

Note No.5 (iii)

(a) Loans - Non current

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
(i) Security Deposit			
(a) Secured, considered good	-	-	-
(b) Unsecured, considered good		-	-
TOTAL (A)	**-**	**-**	**-**
(ii) Loans due from directors / related parties			
(a) Secured, considered good	-	-	269.23
(b) Unsecured, considered good	-	-	-
(c) Doubtful	-	-	-
(d) which have significant increase in credit risk	-	-	-
(e) Credit impaired	-	-	-
TOTAL (B)	**-**	**-**	**269.23**
(iii) Other loans			
(a) Secured, considered good	-	-	-
- Loan due from employees	204.95	281.51	402.28
(b) Unsecured, considered good	7.27	25.26	81.62
(B) Loan due from employees	14.24	8.74	12.29
(c) Doubtful	-	-	-
(d) which have significant increase in credit risk	-	-	-
(e) Credit impaired	-	-	-
TOTAL (C)	**226.46**	**315.51**	**496.19**

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
(iv) Allowance for bad and doubtful loans			-
TOTAL (D)	**-**	**-**	**-**
Loans Due (E) i.e. (A+B+C-D)	**226.46**	**315.51**	**765.42**
(v) Loans due from Directors	-	-	-
TOTAL (F)	**-**	**-**	**-**
Total Loans (E+F)	**226.46**	**315.51**	**765.42**

(b) Loans - current

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
(A) Security deposit			
(a) Secured, considered good	-	2.22	2.22
(b) Unsecured, considered good	-	-	-
(c) Doubtful	-	-	-
TOTAL (A)	**-**	**2.22**	**2.22**
(B) Other loans			
(a) Loans Receivable considered good- Secured	-	-	-
(b) Loans Receivable considered good- Unsecured	6.00	36.38	44.20
- Loans to employees	102.54	148.47	101.16
(c) Loans Receivable which have significant increase in credit risk: and	-	-	-
(d)Loans Receivable credit impaired	-	-	-
TOTAL (B)	**108.54**	**184.85**	**145.36**
Total Loans (A+B)	**108.54**	**187.07**	**147.58**

Note No.5 (iv)

(a) Others - Non current

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
(i) Capital advance			
- Unsecured, considered good	769.09	12.00	-
(ii) Advances other than capital advances	-	-	-
(a) Security Deposit	291.73	291.73	-
- Deposit with CISF	483.17	483.17	406.80
- Deposit with Electricity Board	1,107.14	1,043.67	1,018.27
- Deposit with Tax Authorities/other	6,065.49	4,342.07	3,888.79
(b) Advances to related parties	-	-	-
(c) Other advances	1.08	3.18	-
(iii) Advances to directors	-	-	-
(b) Other advances	2.13	1,239.04	475.39
Total	**8,719.83**	**7,414.86**	**5,789.25**

(b) Others - Current

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
(i) Capital advance	44.20	313.36	4,044.07
(ii) Advances other than capital advances	-	546.89	2,625.60
Security Deposit	-	-	-
Deposits with other department	1.15	1.15	1.15
Other advances	552.22	6.53	51.61
Other advances receivables	63.79	337.86	3,796.86
Interest receivables on FDR	442.26	2,756.03	358.79
Assets held for sales	(0.00)	(0.00)	-
Total	**1,103.62**	**3,961.82**	**10,878.08**

Note No.5 (v)

Cash & Cash Equivalents

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
a)			
Balances with banks	2,242.64	3,729.01	12,284.31
Cheques, draft on hand	12.63	-	-
Cash on hand	3.74	9.71	3.90
Postage on hand	3.47	3.31	3.60
Total cash & cash equivalents	**2,262.48**	**3,742.03**	**12,291.81**
b)			
Bank balances other than above		-	-
-FDR (maturity period more than 3 months)	2,15,768.99	2,00,017.86	1,44,050.00
Total Bank Balances	**2,15,768.99**	**2,00,017.86**	**1,44,050.00**

Note No. 6

Deferred tax assets & Liabilities

The tax effects of the significant temporary differences that resulted in deferred tax assets/liabilities are as follows

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Deferred Tax Assets/(Liabilities)			
Property, plant and equipment	(11,678.74)	(11,752.58)	(16,391.91)
Current liabilities, Trade Receivables and provisions	66,509.54	68,433.60	92,275.41
Net deferred tax assets	**54,830.80**	**56,681.02**	**75,883.50**

Note No. 7

Other non-current assets

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Other Receivables	0.03	-	8.36
Advance to PAO	24.83	34.61	34.61
Advance to others	645.33	174.57	0.07
Non Moving Inventory	-	-	1,359.33
Less: Provision for non moving inventory	-	-	(1,297.57)
Other non current Assets	4,013.23	5,766.99	5,762.46
Total	**4,683.42**	**5,976.17**	**5,867.26**

Note No. 8

Inventories (At lower of Cost or Net Realizable Value)

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
(a) Raw Materials			
- Raw materials	61,715.02	70,671.97	83,157.67
- Raw material in transit	0.73	613.98	873.96
- Goods in transit	-	-	2,753.49
(b) Work-in-progress	51,826.47	61,144.91	37,020.88
(c) Finished goods	22,961.72	45,292.83	15,598.45
- Goods in transit	-	-	1,826.71
(d) Stores and spares	12,822.71	15,600.92	13,596.79
(e) Others- Scrap	4,316.70	2,258.85	3,503.47
-Other Inventory	314.32	445.89	459.97
Total inventories	**1,53,957.67**	**1,96,029.35**	**1,58,791.39**

Note No. 9 (a)

Current Tax Assets (Net)

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Balance with Income Tax Authority			
Advance tax including TDS	38,447.43	26,855.64	92,431.00
Less :- Provision of income tax	33,807.31	26,600.00	95,413.18
Current tax assets - Net	**4,640.12**	**255.64**	**(2,982.18)**

Note No. 9 (b)

Current Tax Liabilities (Net of Advance tax)

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Provision for Income Tax	-	-	-
Less: Advance tax/ TDS	-	-	-
Current Tax Liabilities (Net of Advance tax)	**-**	**-**	**-**

Note No. 10

Other current assets

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Prepaid expenses	924.97	726.90	300.10
Balance with excise authorities	-	-	0.64
Balance with sales tax / GST authorities	7,052.96	7,033.90	13,413.99
Balance with Income Tax Authorities	30.37	29.42	29.79
Interest receivables on FDR	4.20	-	-
Assets held for disposal	-	-	-
PAO/C&C DEA Ministry of Finance (EPF)	-	-	901.98
PAO/C&C DEA Ministry of Finance (GPF)	-	-	369.50
Commemorative coins	0.96	0.96	0.96
MAT Credit Entitlement	-	-	-
Other receivables	62.94	73.95	75.35
Advances to suppliers	2,029.83	3,207.17	2,624.94
Advances to CPWD	-	113.00	55.45
Advances to BSNL	-	-	-
Total	**10,106.23**	**11,185.30**	**17,772.70**

Note No. 11

Issued share capital

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Authorised Capital			
2,50,00,00,000 Equity Shares of ₹ 10 Each	**2,50,000.00**	**2,50,000.00**	**2,50,000.00**
Issued and subscribed capital			
118,24,90,000 Equity Shares of ₹ 10 Each	1,18,249.00	1,18,249.00	1,18,249.00
	1,18,249.00	**1,18,249.00**	**1,18,249.00**
Paid up capital			
987500740Equity Shares of ₹ 10 Each (Previous Year 987500740 Equity Shares of ₹ 10 Each)	98,750.07	98,750.07	1,06,424.10
Total	**98,750.07**	**98,750.07**	**1,06,424.10**

Note No. 11A

Reconciliation of equity shares outstanding at the beginning and at the end of year

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Equity Shares at the beginning of the year	9,875.01	10,642.41	10,642.41
Add: Shares issued during the year	-	-	-
Less: Shares buyback during the year	-	767.40	-
Equity Shares outstanding at the end of the year i.e. as on 31st March 2021	**9,875.01**	**9,875.01**	**10,642.41**

Note No. 11B

Details of shares held by the holding company, their subsidiaries and associates: NIL

Note No. 11C

Details of shareholders holding more than 5% of the equity share capital of the Company

Particulars	Figures as at 31st March 2021 (No. of Shares in Lakh)	Figures as at 31st March 2020 (No. of Shares in Lakh)	Figures as at 01.04.2019 (No. of Shares in Lakh)
a) President of India	9,875.01	9,875.01	10,642.41
b) % of No of shares	99.99	99.99	99.99

Note No. 11D

Terms and rights attached to the equity shares of the Company : NIL

Note No. 12

Reserve & Surplus

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
(a) Capital Reserve	33,819.95	33,819.95	33,819.95
(b) General Reserve	-	-	-
(c) Retained Earnings (Surplus)	3,86,302.52	3,55,472.31	3,29,463.93
(d) Capital Redemption Reserve	19,498.93	19,498.93	11,824.90
Total Reserve & Surplus	**4,39,621.40**	**4,08,791.19**	**3,75,108.78**

(a) Capital Reserve

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
As per last statement of financial position	33,819.95	33,819.95	33,819.95
Add: Current year transfer	-	-	-
Less : Written back in current year	-	-	-
	-	-	-
Total Capital Reserve	**33,819.95**	**33,819.95**	**33,819.95**

(b) General Reserve

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
As per last statement of financial position	**-**	**-**	**-**
Add: Current year transfer	-	-	-
Less : Transfer to Capital Redemption Reserve	-	-	-
Less : Written back in current year	-	-	-
Less: Buyback of shares	-	-	-
Total General Reserve	**-**	**-**	**-**

(c) Retained Earnings

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
As per last statement of financial position	3,55,472.67	3,29,463.88	2,90,490.28
Add: Net Profit/(Loss) for the current year	55,159.68	85,587.51	51,337.84
Add: Items of other comprehensive income recognized directly in retained earnings	(2,781.89)	1,976.06	374.50
: Remeasurement of Employees defined benefit plans	-	-	-
: Prior period items	-	-	
: Disputed Claim	-	-	-
: Depreciation	-	-	-
: Adjustment on Fixed assets	-	-	-
: Adjustment on Pension	-	-	-
: Adjustment of provision of MoF	-	0.05	-
: Provision for bad & doubtful debts	-	1,656.11	53,091.14
Add: Transfer from reserves	-	(7,674.03)	-
Less: Transfer to corporate/HO	0.00	-	-
Less: Dividend paid for the previous year	(21,547.95)	(21,848.00)	(20,487.15)
Less : Dividend distribution tax	-	(4,490.92)	(4,286.90)
Less: Tax on Buy back	-	(5,048.58)	-
Less : Buy Back Share	-	(21,671.45)	-
Less: Transfer to General Reserve for buy back of Shares	-	-	-
Less:Dividend distribution tax on JV dividend	-	(822.21)	-
Less: Debtors written off	-	(1,656.11)	(53,091.14)
Add:Profit related to change in accounting policy	-	-	30,587.54
Less:: Income Tax Adjustments for Earlier Years	-	-	-
Less :Decrease in Deferred tax assets	-	-	(18,552.18)
Total Retained Earnings	**3,86,302.52**	**3,55,472.31**	**3,29,463.93**

d) Capital Redemption Reserve

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
As per last statement of financial position	19,498.93	11,824.90	11,824.90
Add: Current year Transfer	-	7,674.03	
Less : Written back in current year		-	-
Total Capital Redemption Reserve	**19,498.93**	**19,498.93**	**11,824.90**

Financial Liabilities - Non Current Borrowings

Note No.13 (i)

Borrowings

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Loans & Borrowings	-	-	-
Total Non Current Borrowings	**-**	**-**	**-**

Note No.13 (ii)

Trade Payables

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
(a) Non Current			
- Trade payables	-	-	-
(A) Total outstanding dues of micro and small enterprises	-	-	-
(B) Total outstanding dues of creditors other than micro and small enterprises	273.86	360.74	780.77
Total Non Current Trade Payable	**273.86**	**360.74**	**780.77**
(b) Current			
- Trade payables		-	-
(A) Total outstanding dues of micro and small enterprises	469.01	360.09	373.24
(B) Total outstanding dues of creditors other than micro and small enterprises	18,903.57	26,126.85	25,904.03
Total Current Trade Payable	**19,372.58**	**26,486.94**	**26,277.27**
Total Trade Payables	**19,646.44**	**26,847.68**	**27,058.04**

Note No.13 (iii)

Other Financial Liabilities

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Other Financial Liabilities - Non Current			
Funds from GOI - adjustable	15,854.05	15,854.05	17,976.76
Loan from MoF	-	1.00	
Adj. during the year			3,036.94
Funds adjustable from Govt of India - Total (a)	**15,854.05**	**15,855.05**	**21,013.70**
Lease payable	146.40	145.81	
Other Financial Liabilities - Current			
Earnest Money Deposit (EMD)	271.05	452.98	444.70
Security Deposit of Supplier/Vendors	667.03	635.69	982.66
Salaries and wages and other employee benefit payable	1,707.91	1,979.77	2,954.94
Recovery from salary payable to concerned authorities	645.69	665.22	946.28
Expenses payable	1,380.26	1,643.74	1,717.21
Contribution to SPMCIL Pension Trust Payable	104.63	65.28	72.66

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Pensionary charges payable	2.02	2.60	2.74
Bank book overdraft	253.06	1,519.84	175.29
Interest payable on Long Term Loan from GOI	-	0.58	-
Gratuity payable	-	-	-
Total (b)	**5,031.65**	**6,965.70**	**7,296.48**

Note No.14

Provisions

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
(i) Non-Current Provisions			
Other Provision	-	-	
- Provision for Disputed Claims	48.51	36.92	5.00
Total Non Current Provisions	**48.51**	**36.92**	**5.00**
(ii) Current Provisions			
Other Provisions			
- Other Short Term Provisions	2,204.44	3,712.22	6,405.36
- Provision for Disputed Claims	91,891.85	83,043.20	78,496.30
Total Current Provisions	**94,096.29**	**86,755.43**	**84,901.66**

Note No.15

Employees Benefit Obligations

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
(i) Non-Current Provisions			
(a) Provision for employee benefits			
- Provision for Gratuity	17,704.97	18,442.89	15,893.95
- Provision for Leave Encashment	23,041.20	26,285.39	25,564.03
- Provision for Pensionary Charges Contribution	6.43	-	-
- Provision for Leave Salary Contribution	3.06	-	-
- Provision for Ex-Gratia	75.72	51.29	51.29
- Provision for post retirement medical benefits	11,791.95	10,459.35	7,533.45
- Provision for Pension Trust Liability	82,291.53	97,799.95	99,937.07
Total Non-Current Employees Benefit Obligations	**1,34,914.86**	**1,53,038.87**	**1,48,979.79**
(ii) Current Provisions			
(a) Provision for employee benefits	-		
- Provision for Leave Salary and Pensionary Charges	60.68	42.35	42.84
- Provision for Gratuity	2,937.87	3,027.58	2,239.59
- Provision for Ex-Gratia /Bonus	635.72	440.15	330.51

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
- Provision for Leave Encashment	4,720.37	5,083.41	3,948.90
- Provision for Compensation in Lieu of Compassionate appointments	1,020.89	442.98	529.69
- Provision for Pension Trust Liability	7,961.84	8,180.42	7,530.90
- Provision for post retirement medical benefits	977.97	819.77	843.15
- PRP Payable	1,262.50	1,120.20	1,152.12
- Other employees benefits short term provisions	407.48	320.83	266.88
Total Current Employees Benefit Obligations	**19,985.32**	**19,477.69**	**16,884.58**

Note No.16

Other Non Current liabilities

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Other Non- Current Liabilities (Diff. amount Received From RBI)	(0.00)	9,636.06	695.99
Total Non Current Liabilities	**(0.00)**	**9,636.06**	**695.99**

Note No.17

Other current liabilities

(Amount in ₹ Lakh)

Particulars	Figures as at 31st March 2021	Figures as at 31st March 2020	Figures as at 01.04.2019
Employee's Claim	253.34	4.07	8.29
Advances from customer	4,726.46	4,367.30	7,456.43
Current Portion long term Borrowings	0.41	-	-
Security Deposit of Supplier/Vendors	61.91	119.75	28.27
Payable to PAO	22.40	22.68	22.61
Statutory dues payable	5,383.42	4,722.05	7,944.98
Octroi payable	-	-	-
Salaries and wages and other employee benefit payable	142.11	89.83	5.03
Recovery from salary payable to concerned authorities	56.52	90.82	31.82
Expenses payable	365.03	147.21	989.97
Contribution to SPMCIL Pension Trust Payable	45.18	12.08	57.96
Pensionary charges payable	133.04	137.41	108.81
Bank book overdraft	163.13	488.97	235.47
Other current liabilities	655.36	1,214.89	297.53
Claim Difference	4.37	4.44	4.51
Gratuity withheld	2.91	0.22	0.22
Lease payable	263.15	869.43	
Total other current liabilities	**12,278.74**	**12,291.15**	**17,191.90**

Note No.18

Revenues

(Amount in ₹ Lakh)

Particulars	For the year ended on 31st March 2021	For the year ended on 31st March 2020
(A) Sale of products		
- Sale of Notes	2,31,091.32	2,19,359.92
- Sale of Coins	1,55,315.30	1,43,514.54
- Sale of Medals and Commemorative Coins	3,982.06	4,593.18
- Sale of Ink	4.43	2,389.22
- Sale of Passport & Allied	21,216.61	49,649.14
- Sale of Postal Items	1,272.69	3,078.71
- Sale of Non Postal Items	5,695.11	6,516.67
- Sale of NJSP	46,051.49	50,565.12
- Sale -Others	15,542.17	15,927.85
TOTAL (A)	**4,80,171.18**	**4,95,594.35**
(B) Sale of Services		
- Job Work	747.26	554.89
- Other Service	11.09	24.20
TOTAL (B)	**758.35**	**579.09**
(C) Other operating revenues		
- Sale of scrap	8,957.35	15,579.73
- Other operating activities	373.73	426.57
- Rate difference circulating coins	(19,004.01)	(2,189.01)
- Rate difference	-	(19.76)
TOTAL (C)	**(9,672.93)**	**13,797.53**
Total revenue from continuing operations (A+B+C)	**4,71,256.60**	**5,09,970.97**

Note No.19

Other Income

(Amount in ₹ Lakh)

Particulars	For the year ended on 31st March 2021	For the year ended on 31st March 2020
(a) Interest Income		
-Interest Income	8,527.06	11,175.60
TOTAL (A)	**8,527.06**	**11,175.60**
(b) Dividend Income		
- Dividend Income	4,200.00	4,000.00
TOTAL (B)	**4,200.00**	**4,000.00**
(c) Other income(net of expense directly attributable to such income)		-

Particulars	For the year ended on 31st March 2021	For the year ended on 31st March 2020
- Foreign exchange fluctuation gains/ (loss)	262.30	(28.80)
- Profit on sale of fixed assets	(5.15)	0.59
- Other income	2,080.59	1,260.43
- Provisions/liabilities written back	2,053.13	4,628.10
- Rate difference	-	-
TOTAL (C)	**4,390.87**	**5,860.32**
Total Other Income (A+B+C)	**17,117.93**	**21,035.92**

Note No.20

Cost of materials consumed

(Amount in ₹ Lakh)

Particulars	For the year ended on 31st March 2021	For the year ended on 31st March 2020
Cost of material consumed	1,94,973.24	2,34,091.81
Total cost of materials consumed	**1,94,973.24**	**2,34,091.81**

Note No.21

Changes in inventories of finished goods, stock in trade and work in progress

(Amount in ₹ Lakh)

Particulars	For the year ended on 31st March 2021	For the year ended on 31st March 2020
Opening Balance		
Work in progress	61,144.91	37,020.88
Finished goods	45,292.83	22,136.06
Goods in Transit	-	4,580.20
Scrap	2,257.77	3,503.15
Total Opening balance (A)	**1,08,695.51**	**67,240.29**
Closing Balance		
Work in progress	51,826.47	61,144.91
Finished goods	22,961.72	45,292.83
Goods in Transit	-	-
Scrap	4,316.44	2,257.78
Total Closing balance (B)	**79,104.63**	**1,08,695.52**
Total changes in inventories of finished goods, stock in trade and work in progress (A-B)	**29,590.88**	**(41,455.23)**

Note No.22

Employee benefit expense

(Amount in ₹ Lakh)

Particulars	For the year ended on 31st March 2021	For the year ended on 31st March 2020
Salaries, wages and allowances	61,794.62	68,795.99
Overtime	10,802.24	14,108.30
Incentive	8,580.79	13,164.44
LTC	288.02	226.04
Medical	2,541.01	2,737.82
Employer Contribution to EPF	3,731.22	3,987.72
Leave salary & pensionary charges contribution	811.42	2,754.19
Cotribution to SPMCIL pension trust	1,818.68	1,668.40
Leave encashment	3,631.96	7,896.41
Gratutity	(986.99)	7,807.27
Staff welfare expenses	145.11	52.23
Other employee benefits	2,181.11	1,535.32
Post retirement medical benefits	2,665.29	3,848.15
Total employee benefit expenses	**98,004.48**	**1,28,582.28**

Note No.23

Finance Cost

(Amount in ₹ Lakh)

Particulars	For the year ended on 31st March 2021	For the year ended on 31st March 2020
Interest cost	6,869.70	3,099.93
Interest cost on loan from Bank	-	0.58
Finance cost on lease	56.08	78.78
Total	**6,925.78**	**3,179.29**

Note No. 3 & 4

Depreciation and amortization expense

(Amount in ₹ Lakh)

Particulars	For the year ended on 31st March 2021	For the year ended on 31st March 2020
Depreciation on Property Plant and Equipment	13,104.21	13,256.43
Amortisation of Intangible Assets	29.46	25.82
Amortisation of RTU	605.29	621.18
Total	**13,738.96**	**13,903.43**

Note No. 24

Other expenses

(Amount in ₹ Lakh)

Particulars	For the year ended on 31st March 2021	For the year ended on 31st March 2020
(A) Other Manufacturing Expenses		
-Consumption of stores, Spare and Components	11,733.78	10,124.87

Particulars	For the year ended on 31st March 2021	For the year ended on 31st March 2020
-Power, Fuel and Water	7,191.58	7,971.01
-Repairs & Maintenance to Machinery	452.80	(247.72)
-Repairs & Maintenance to Factory Building	708.34	551.96
-Packing expenses	1,271.45	1,487.84
-Other manufacturing costs	440.44	743.73
TOTAL (A)	**21,798.39**	**20,631.69**
(B) Administrative expenses		
-Advertisement	197.34	239.05
-Commission (Auction & Other)	239.76	436.68
-Audit fees	62.38	52.15
-Bank charges	4.19	6.61
-Conveyance expenses	0.43	0.47
-Canteen expenses(Net of Receipts)	147.40	239.18
-Dispensary expenses	85.21	107.80
-Environmental charges	119.34	67.85
-Fees & honorarium	9.95	29.81
-Freight outward	1,311.60	862.31
-Foreign exchange fluctuation loss	371.84	(87.11)
-Grants in Aid expenses	2.45	1.97
-Loss on sale/discard of assets	5.42	24.97
-L&B expenses	6.11	11.72
-Guest House Expenses (Net of Receipts)	60.66	64.59
-Hiring of staff	3,240.75	2,722.31
-Horticulture Expenses	31.42	65.88
-Hospitality & Entertainment expenses	31.89	54.08
-Legal & Professional charges	769.43	811.08
-Meeting expenses	8.75	40.99
-Misc expenses	202.08	215.59
-Office expenses	273.17	368.91
-Postage & courier expenses	38.44	43.85
-Printing & Stationery expenses	44.96	77.49
-Research & Development expenses	64.36	198.13
-Repair & Maintenance- Building	1,304.97	926.78
-Repair & Maintenance- Computers	182.31	236.19
-Repair & Maintenance- Others	864.47	851.75
-Rent	185.72	96.48
-Insurance	793.94	673.70
-Rates & Taxes	234.21	361.74
-Security charges	16,609.04	16,828.23
-Seminar & Training expenses	28.98	166.54
-Service Tax/ Sales Tax paid	76.50	579.86
-Subscription, Newspaper, Books & Periodicals	9.84	10.35

Particulars	For the year ended on 31st March 2021	For the year ended on 31st March 2020
-Sustainable Development	-	-
-Telephone & Internet charges	156.11	140.55
-Travelling & Conveyance expenses	191.88	830.90
-Travelling Expenses- Foreign	17.79	210.69
-Uniform & Liveries	13.73	6.36
-Corporate Social Responsibility Expenses (CSR)	1,556.32	907.21
-Vehicle Hiring/Maintenance charges	318.73	245.89
-Water & Electricity charges	426.59	456.46
-Other Expenditure	854.77	800.94
-Excise Duty paid /Custom duty	28.83	37.81
-Interest and Penalty	1.09	5.35
-Expense / Loss in SPMCIL Trust	300.22	-
-Expense For Disputed Claims	2,267.82	1,163.47
TOTAL (B)	**33,753.17**	**32,193.61**
(C) Provisions created during the year	**-**	
- Provision For Trade Receivables	4,149.76	-
- Pension For Pension Trust Liability	6,451.67	22,178.68
- Provision For disputed claims	13.94	32.62
TOTAL (C)	**10,615.37**	**22,211.30**
Total Other Expenses (A+B+C)	**66,166.93**	**75,036.60**

Note No. 24(a)

Auditors' Remuneration

(Amount in ₹ Lakh)

Particulars	For the year ended on 31st March 2021	For the year ended on 31st March 2020
(A) Statutory Auditors		
(a) Statutory Audit Fee	4.25	3.50
(b) Tax Audit Fee	2.66	2.19
Sub-Total (A)	**6.91**	**5.69**
(B) Branch Auditors		
(a) Statutory Audit Fee	24.75	20.25
(b) Tax Audit Fee	15.47	12.66
Total	**40.22**	**32.91**
Other Services	**10.87**	**8.90**
Sub-Total (B)	**10.87**	**8.90**
Auditors' Remuneration (A+B)	**58.00**	**47.50**

Note 25

Provisions, Contingent Liabilities & Contingent Assets – Ind AS-37

Contingent Liabilities as per IND AS-37 are as follows:

(Amounts in ₹ Lakh)

Contingent Liabilities and commitments (to the extent not provided for)	As at 31st March 2021	As at 31st March 2020
(I) Contingent Liabilities		
(i) Claims against the company not acknowledged as debt (excluding the cases where amounts are unascertainable)	43,215.81	43,666.17
(ii) Bank guarantees & Letters of credit issued by Banks	3,452.91	3,955.67
Total (I)	**46,668.72**	**47,621.84**
(II) Commitments		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for	28,590.67	8,958.82
Total (II)	**28,590.67**	**8,958.82**
Grand Total (Rs.) (I+II)	**75,259.39**	**56,580.66**

(a) The Cases filed by employees/workers/suppliers are being contested and accordingly, no provision is considered necessary. The Cases regarding taxes are also being contested before various appellate forums and accordingly, no provision is considered necessary.

(b) The unit has filed a writ petition with Hon'ble High Court at Calcutta challenging the levy of entry tax as per West Bengal Entry Tax Act, 2012. The Hon'ble single bench adjourned the case sine die. On the same levy of entry tax in another case, the single bench of the Hon'ble High Court at Calcutta vide judgment and order dated June 24, 2013 has declared that the West Bengal Entry Tax Act, 2012 is ultra vires. The unit has sought a legal opinion and as per the opinion received by the unit dated May 17,2014, May 30,2017 and May 29,2018, the Unit has filed an application for tagging entry tax case with main writ petition which is pending at "Divisional Branch" the unit has not paid /provided for entry tax from June 01, 2013.

(c) One party named M/s Shreebhumi Steel Pvt. Ltd. under EMD has filed writ petition before the hon'ble Calcutta High Court which is pending. The matter being subjudice, balance has been carried forward in the books of accounting pending final adjustment.

Note 26

The CBDT Circular No. F.No.91/58/66-ITJ (19), dated 18-5-1967, permits deduction for the sums paid on account of any cess, levied on the profits of any business, since the Select Committee decided to omit the word 'cess' as introduced in the Parliament in clause 40 (a) (ii) of the Income Tax Act 1961. The Company has therefore, considered the education cess and allied cess as allowable business expenditure from its taxable income for the financial year 2019-20 and liability for income tax has been determined in line with above circular.

Note 27

Disclosure pertaining to Micro, Small and Medium Enterprises

The Management identifies the enterprises which have provided goods and services to the company and which qualify under the definition of Micro, Small and Medium Enterprises (MSME) as defined under Micro, Small and Medium Enterprises development Act,2006. Accordingly, the disclosure in respect of amount payable to such enterprises as at 31st March 2021 has been made in the financial statements (as disclosed in Note No. 13(ii) Trade Payables) on the basis of information received and available with the company.

(Amount in INR in lakh)

S. No.	Particulars	As at 31st March 2021	As at 31st March 2020
1	The principal amount remaining unpaid to suppliers as at the end of the Year	469.01	360.09
2.	The amount of interest accrued during the year and remaining unpaid at the end of the Year	Nil	Nil
3.	The amount of interest paid in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during the Year	Nil	Nil
4.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	Nil	Nil

Note 28

Fixed Assets

As per the decision of Government of India, all the Assets and Liabilities of nine units as on 10.02.2006 have been transferred to the Company at book value. Accordingly, all assets and liabilities prevailing as on 09.02.2006 were taken over on 10.2.2006 in the books of the Company on historic cost basis as per books of account of the Units of Government of India.

Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, except in respect of certain assets as disclosed in Accounting Policy on Depreciation & Amortization. Accordingly, the unamortized carrying value is being depreciated / amortized over the remaining useful lives.

Note 29

Precious Metals at Mints

Mints at Mumbai, Kolkata and Hyderabad have stocks of gold, silver and other precious metals which are more than 10 years old required for manufacturing of medals in very moderate quantity. There is a sound system of maintaining records and ensuring physical safety of the metals. Detailed break-up of each category of metal with fineness details are available in the units. Value of these metals has been taken as per book value which is lower than the net realizable value of the same. As there is a very moderate consumption of these materials in current production, company has initiated steps to dispose off these metals lying at units.

Note 30

Withdrawn Coins

Withdrawn coins/un current coins are held by Mints on behalf of Ministry of Finance. These coins are melted by SAIL and coin blanks of equivalent weight are given to the mints by SAIL. Mints make payment of these coin blanks to SAIL after deducting value of withdrawn coins. The amount of sale of coins made from these coin blanks is remitted to Government of India after deducting and adjusting all the expenditure involved in melting and service charges of SPMCIL.

Note 31

Employee Benefits - Ind AS -19

Most of the Employees of the company were on deemed deputation from Government of India. On 15.09.2008, a tripartite agreement was signed between the Government of India, Company and the representatives of the various unions. Option was given to employees who were on deemed deputation to opt for the Company or Government of India as per Rule 37-A of Central Civil Services (Pension) Rules, 1972. Permanent absorption has been notified by Govt. vide order No. 10/1/2009-SPMC dated 29.05.2009 w.e.f. 01.11.2008. Option to join the Company was exercised by 14256 employees.

Defined Contribution Plans

a) **Employee Provident Fund (EPF):** For EPF, a trust has been established and exemption has been granted by Employees Provident Fund Organization (EPFO) since December, 2009. The trust became operational w.e.f. April, 2010 and all cases pertaining to employees provident fund matter are being looked after by Trust. The Company pays fixed contribution to provident fund at predetermined rates to the trust, which invests the funds in permitted securities as per investment pattern stipulated by Ministry of Labour. Contribution to family pension scheme is paid to the Employee Provident Fund Organization (EPFO). The contribution is recognized as expense and is charged to Profit and Loss account.

b) **General Provident Fund (GPF):** For GPF, a trust has been established in the month of March, 2011. From 1st April 2011 onwards, employee's contribution is being made to the Trust. There is only employee contribution in this fund and therefore, no amount is recognized as expenses in Profit and Loss account.

Defined Benefits Plans

a) **Pension:** Pension will be paid to Combined Pension Optees from the Company Employees Pension Fund Trust constituted by Government of India. Provisions for pension contribution to the trust in respect of the Combined Optees have been made as per Central Civil Services (Pension) Rules, 1972.

b) **Leave Travel Concession:** Leave Travel Concession (LTC) benefits have been dealt with as per norms of Government of India adopted by the company.

c) **Gratuity**: The Company has a defined benefit gratuity plan in accordance with Payment of Gratuity Act, 1972. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹ 20 Lakh on superannuation, resignation, termination, disablement or on death during the entire tenure of service. The Liability for the same is recognized on the basis of actuarial valuation.

d) **Earned and Half Pay Leave:** The Company provides for earned leave benefit and half pay leave to the employees of the Company which accrues at 15 days and 10 days respectively at the end of half year. Earned leaves are encashable up to a maximum of 300 days on separation. Half pay leave is encashable only on separation but subject to maximum of 300 days for both earned leave and half pay leave. The Company has also permitted to en-cash earned leave to the extent of 50% of balance at credit once in a calendar year subject to the balance at credit should not be less than 30 days after encashment and subject to maximum accumulation of 300 days. The Liability for the same is recognized on the basis of actuarial valuation.

e) **Post-Retirement Medical Benefits:** The Company has Post-Retirement Medical Scheme under which eligible ex-employees are provided medical facilities on the sole discretion of the employee upon payment of one time prescribed contribution. The liability for the same is recognized on the basis of actuarial valuation.

f) **As per IND AS 19 "Employee Benefits", the disclosure as defined is given below:**

(Amount in ₹ lakh)

S. No.	Particulars	Gratuity		Leave		Post-Retirement Medical Benefits	
		31.03.21	31.03.20	31.03.21	31.03.20	31.03.21	31.03.20
Defined Contribution Plans							
Defined Benefit Plans							
A	**Reconciliation of Opening and Closing Balances of Defined Benefit Obligation**						
	Defined Benefit Obligation at beginning of the year	21,470.47	18,133.54	31,368.81	29,408.50	11,279.11	8,481.02
	Current Service Cost	1,853.17	2,077.37	1,404.18	1,545.32	1,100.68	1,401.23

S. No.	Particulars	Gratuity		Leave		Post-Retirement Medical Benefits	
		31.03.21	31.03.20	31.03.21	31.03.20	31.03.21	31.03.20
	Interest Cost	1,318.29	1,331.00	1,926.04	2,158.58	692.54	622.51
	Actuarial (Gain)/ Loss	(1,096.81)	2,087.19	(1,419.25)	3,788.34	1,009.71	1,543.22
	Benefits Paid	(2,902.28)	(2,158.63)	(5,518.23)	(5,531.93)	(1,312.13)	(768.87)
	Defined Benefit Obligation at the year end	20,642.84	21,470.47	27,761.57	31,368.81	12,769.92	11,279.11
B	**Reconciliation of opening and closing balances of fair value of Plan Assets**						
	Fair value of plan assets at the beginning of the period	-	-	-	-	-	-
	Actual return on plan assets	-	-	-	-	-	-
	Employer contribution	-	-	-	-	-	-
	Benefits paid	-	-	-	-	-	-
	Fair value of plan assets at the end of the period	-	-	-	-	-	-
C	**Actuarial assumptions**						
	Discount Rate (per annum)	6.17	6.14	6.17	6.14	6.17	6.14
	Expected rate of return on Plan Assets (per annum)	-	-	-	-	-	-
	Future Salary/ cost Increase (per annum)	7.50	7.50	7.50	7.50	5.00	5.00

S. No.	Particulars	Gratuity		Leave		Post-Retirement Medical Benefits	
		31.03.21	31.03.20	31.03.21	31.03.20	31.03.21	31.03.20
D	**Sensitivity Analysis**	**31.03.2021**		**31.03.2021**		**31.03.2021**	
(a) Impact of the change in discount rate							
	Present Value of Obligation at the end of the period	20,642.84		27,761.57		12,769.92	
	Impact due to increase of 0.50 %	(710.98)		(906.12)		(309.68)	
	Impact due to decrease of 0.50 %	770.70		976.37		313.17	
(b) Impact of the change in salary							
	Present Value of Obligation at the end of the period	20,642.84		27,761.57		-	
	Impact due to increase of 0.50 %	679.74		959.17		-	
	Impact due to decrease of 0.50 %	(660.31)		(899.34)		-	

In case of Bank Note Paper Mill India Pvt. Ltd.(Joint Venture)

Retirement and other employee benefits

In accordance with IND AS 19 Company has obtained Actuarial Valuation in respect of Earned Leave, Gratuity, Post retirement Medical Benefits & Compassionate package based on the following assumptions;

Particulars	2020-2021	2019-2020
Valuation basis	Projected Unit Credit (PUC)	
Discount rate *	7.21%	6.82%
Annual increase in costs	7.00%	7.00%
Attrition rate	3.00%	3.00%

*This is based on the market yields available on Government bonds at the balance sheet date.

(A) The leave salary, sick leave, post retirement medical benefit & ex-gratia schemes are unfunded. Accordingly as per the provisions of Accounting standard the related unfunding risk has been factored in the valuation.

(B) The gratuity plan is funded and managed with BNPM

Funded Status **(₹ in Lakhs)**

Particulars	Gratuity	
	as at March 31,2021	as at March 31,2020
Present value of Funded Obligation	674.92	563.98
Fair Value of Plan Assets	539.34	-
Funded status Surplus/(Deficit)	(135.58)	(563.98)

Amount recognised in the Financial Statements

The following table sets out the details of the defined benefit retirement plans and the amounts recognised in the financial statements:

(₹ in Lakhs)

Particulars	2020-2021			
	Leave Benefits	Gratuity Funded	Post Retirement medical benefit	Ex-gratia
a. Opening value of benefits	909.61	563.98	12.25	20.88
b. Current service cost	200.45	104.75	7.14	6.90
c. Interest cost	62.91	39.75	0.75	1.51
d. Recognition of losses - other long term benefits	-	-	-	-
e. Actuarial (Gains)/ Loss	(20.35)	(8.23)	9.42	(8.79)
f. Benefits pay-out	(74.27)	(25.33)	(3.57)	-
Present value of the benefits (a+b+c+d+e-f)	**1,078.35**	**674.92**	**25.99**	**20.50**
Provided as current liabilities	119.46	19.40	4.90	10.83
Provided as non- current liabilities	958.89	655.52	21.09	9.67

(₹ in Lakhs)

Particulars	2019-2020			
	Leave Benefits	Gratuity Funded	Post Retirement medical benefit	Ex-gratia
a. Opening value of benefits	630.55	344.87	-	-
b. Current service cost	164.53	102.84	33.13	20.88
c. Interest cost	41.30	22.95	-	-
d. Recognition of losses - other long term benefits	-	-	-	-
e. Actuarial (Gains)/ Loss	123.12	109.99	-	-

Particulars	2019-2020			
	Leave Benefits	Gratuity Funded	Post Retirement medical benefit	Ex-gratia
f. Benefits pay-out	(49.89)	(16.67)	-	-
Present value of the benefits (a+b+c+d+e-f)	**909.60**	**563.98**	**33.13**	**20.88**
Provided as current liabilities	132.41	37.13	16.52	11.03
Provided as non- current liabilities	777.21	526.85	16.61	9.85

Sensitive analysis of key assumptions:

(₹ in Lakhs)

Particulars	2020-2021			
	Leave Benefits	Gratuity Funded	Post Retirement medical benefit	Ex-gratia
a) Impact of the change in discount rate				
DBO if increase by 1%	940.07	584.79	22.28	17.74
% Decrease in DBO	-12.82%	-13.35%	-14.29%	-13.42%
DBO if decrease by 1%	1,251.18	785.99	30.61	23.89
% Increase in DBO	16.03%	16.46%	17.77%	16.55%
b) Impact of the change in salary growth				
DBO if increase by 1%	1,245.95	768.88	30.49	23.80
% Increase in DBO	15.54%	13.92%	17.31%	16.13%
DBO if decrease by 1%	941.82	587.77	22.31	17.77
% Decrease in DBO	-12.66%	-12.91%	-14.16%	-13.31%

Note:

a) The company operates under cost plus basis and hence, the discount rate variation, mortality rate variations etc., are passed on in the selling price. Therefore, sensitivity analysis for these risks is not considered necessary.

b) This includes liability for defined benefit cost in respect of Managing Director.

c) Leave benefit includes the valuation for accumulated earned leave and sick leave.

Note 32

Pension Fund Trust Liability

The details of liability towards pension & death cum retirement gratuity for 2020-21 is given below:

As per the actuarial valuation, total amount of liability towards pension and death cum retirement gratuity as on 31.03.2021 is ₹1,68,365.64 lakh. Shortfall after considering the plan assets amounting to ₹78112.28 lakh as on 31.03.2021 is ₹90253.36 lakh. Total amount of liability provided for in books of accounts till 31.03.2020 was ₹83,801.69 lakh. Therefore, total amount of shortfall to be provided for in books of accounts as on 31.03.2021 is ₹6451.67 lakhs.

(Amount ₹ in Lakhs)

S. No.	Particulars	As on 31.03.2021	As on 31.03.2020
1	Obligation of Pension and Death cum retirement Gratuity.	1,68,365.64	1,62,675.75
2	Less: Fair value of plan assets of Pension Fund	78,112.28	56,695.37
3	Shortfall [(1)- (2)]	90,253.36	1,05,980.38
4	Liability provided for in earlier years (Net of payment)	83,801.69	83,801.70
5	Shortfall as at the end of year	6,451.67	22,178.68

Amount of liability as on 31.10.2008 i.e. the date of absorption of Govt. employees to SPMCIL was paid by Ministry of Finance as per the Rule 37-A of the CCS (Pension) Rules, 1972 and liability was not settled on the basis of actuarial valuation. Therefore, Amount of liability towards pension and death cum retirement gratuity was recalculated as on 31.10.2008 on the basis of actuarial valuation. Amount of liability as on 31.10.2008 came out to be ₹37,330.85 Lakh. As the Ministry of Finance had paid an amount of ₹18,174 Lakh against this liability, matter has been taken up with Ministry of Finance to receive the balance amount of ₹19,157 lakh (i.e. ₹37,330 lakh – ₹18,174 lakh). This amount has not been accounted for as receivable from Ministry of Finance during FY 2020-21. Amount shall be accounted for in the year of receipt from Ministry of Finance.

Note 33

Operating Segments – Ind AS -108

In the opinion of management, the company has no operating/reportable segment as envisaged in IND AS-108 as the risks and returns associated with product categories are not different. About 90% of the sale of products during the year has been supplied to various Ministries of Government of India on cost plus reasonable return on capital employed basis. Further the Company is engaged in sovereign function of manufacturing of security products.

Note 34

(A) Related Party Disclosures - Ind AS - 24

List and Transactions of related parties as per Ind AS - 24 'Related Party Disclosure' issued by the Institute of Chartered Accountants of India;

Name of the Party	Relationship
A. Bank Note Paper Mill India Private Ltd.	Joint Venture (JV)
B. Post Retirement benefit trusts :	
i) SPMCIL EPF Trust	Retirement benefit trust
ii) SPMCIL Pension Trust	Retirement benefit trust
iii) SPMCIL PF Trust	Retirement benefit trust
iv) President of India	Share holder

(a) Transactions with JV:

The company has entered into a Joint Venture Agreement with Bhartiya Reserve Bank Note Mudran Private Limited (BRBNMPL), a wholly owned subsidiary of Reserve Bank of India to set up a security paper mill at Mysore with 50% participation in equity by each Joint Venture partners by forming a company under the Companies Act, 1956 on 13/10/2010. The company has contributed a sum of ₹40,000 Lakh towards 50% capital contribution. Company has been allotted 40,00,00,000 equity shares of ₹10 each aggregating to ₹40,000 lakh till 31.03.2021.

i). Proportion of ownership in Joint Venture for the Financial Year 2020-21 is as under (50%).

(Amount ₹ in Lakhs)

Particulars	As on 31.03.2021	As on 31.03.2020
a) Contribution towards Equity	40,000	40,000

Aggregate amount of Company's interest in Joint Venture (50%) as per audited Financials for the F.Y. 2020-21 is as under:

(Amount ₹ in Lakhs)

Particulars	As on 31.03.2021	As on 31.03.2020
Equity Share Capital	40,000	40,000
Reserve and Surplus	53,684.85	44,324.87
Non-Current Liabilities	5,647.42	5,740.89
Current Liabilities	3,018.85	15,944.96
Non-Current Assets	56,482.13	55,687.42
Current Assets	45,868.98	50,323.30
Revenue	56,323.07	65,094.11
Cost of Material Consumed	23,804.74	32,260.91
Depreciation of Plant and Machinery	5,810.60	5,870.44
Employee Benefit Expenses	2,874.24	2,740.62
Finance cost	16.52	1,028.51
Other Expenses	5,410.42	5,774.97
Profit Before Tax	18,406.55	17,418.65
Income Tax Expenses	4,845.93	4,200.63
Other Comprehensive Income (OCI)	(0.63)	(35.78)
Total Comprehensive Income	**13,559.99**	**13,182.24**

ii). Claims against the company not acknowledged as debt (50% Liability)

(Amount ₹ in Lakhs)

Particulars	As on 31.03.2021	As on 31.03.2020
Pending outcome of appeal before ITAT & High Court tax demand is not recognized as liability.	174.94	174.94

iii). Unexpired commitments to the extent not provided (net of advances) (50% Liability)

(Amount ₹ in Lakhs)

Particulars	As on 31.03.2021	As on 31.03.2020
Unexpired commitments to the extent not provided for on capital and revenue account	5,870.74	5,775.47
Bond executed with custom/ excise authority	1,755.36	1,755.36

iv). Transactions carried out with Bank Note Paper Mill India Private Ltd. (from BNPM financials)

(Amount ₹ in Lakhs)

Particulars	As on 31.03.2021	As on 31.03.2020
Purchase of CWBN Paper	21,840.98	23,440.63
Trade payables	2,403.17	2,599.38

(b) Key Management Personnel:

- Ms. Tripti P. Ghosh, Chairman and Managing Director (CMD) (from 01.05.2018)
- Shri Ajai Srivastav, Director (Technical) (From 29.08.2016 to 28.02.2021)
- Shri Sunil Kumar Sinha, Director (HR) (From 01.09.2016)
- Shri Ajay Agarwal, Director (Finance) & Chief Financial Officer (CFO) (from 23.11.2017)
- Shri Sachin Agarwal, Company Secretary (CS) (From 23.09.2009)

There are no transactions with key Management Personnel during the year, except as given below.

The gross remuneration to the full time-Directors of the Company and other Key Managerial Personnel is as under:

(Amount in ₹ lakh)

Name	Designation	2020-21	2019-20
Ms. Tripti P. Ghosh	CMD	27.55	27.85
Mr. Ajai Kumar Srivastav	Director Technical	80.13	54.81
Mr. S.K. Sinha	Director HR	61.30	68.72
Mr. Ajay Agarwal	Director Finance & CFO	45.52	44.88
Mr. Sachin Agarwal	Company Secretary	16.22	16.46
TOTAL		**230.72**	**212.72**

(c) Transactions with retirement benefit trusts:

(Amount in ₹ lakh)

Particulars	2020-21	2019-20
Transactions with SPMCIL EPF trust		
a. Monthly contribution	322.96	271.33
b. Payment made to M/S Darashaw Investment Advisor	12.60	16.70
c. Audit Fee	0.35	0.24
d. Payment of AMC for EPF software	2.40	1.39

Particulars	2020-21	2019-20
e. Misc. expenses	0.61	0.72
f. Transactional Audit	0.88	-
Total (a to f)	**339.80**	**290.38**
Transactions with SPMCIL Pension trust		
g. Monthly contribution	5.82	4.02
h. Provision of pension payment for FY 20-21	6,451.67	22,178.68
i. Amount paid during FY 19-20	22,184.50	21,252.26
j. Unsecured Interest free loan given	0.00	0.00
Total (g to j)	**28,641.99**	**43,434.96**
Transactions with SPMCIL PF Trust		
k. Monthly contribution for FY 19-20	6.28	4.77
Closing Balances of Trust (recoverable/ (payable)		
l. EPF Trust	(253.88)	243.55
m. PF Trust	(46.33)	4.81
n. Pension Trust	(0.48)	(0.15)

(d) Transaction with major Shareholder.

(Amount in ₹ lakh)

Particulars	2020-21	2019-20
A. Buy Back of Shares	-	29,345.48
B. Dividend paid	21,547.95	21,848.00

(e) Transaction with Bank Note Paper Mill India Private Ltd. (JV)

(Amount in ₹ lakh)

Particulars	2020-21	2019-20
A. Dividend received	4,200.00	4,000.00
B. Sale of material	347.78	-

There are no other transactions with related parties as defined in Ind AS-24.

B) Related party transactions in case of JV

In case of Bank Note Paper Mill India Pvt. Ltd. (Joint Venture)

Related Party	Nature of relationship
i. Security Printing & Minting Corporation of India Limited (SPMCIL).	Joint Venture Promoter with 50% equity shares & voting right in the company.

Related Party	Nature of relationship
ii. Bhartiya Reserve Bank Note Mudran Private Limited (BRBNMPL).	Joint Venture Promoter with 50% equity shares & voting right in the company.
List of Directors & Key Management Personnel under IND AS 24, "Related Party Disclosures"	
Executive Director	**Nominee**
Shri. K.G. Viswanathan (Managing Director) Key Management Personnel (Appointed with effect from 02.12.2018).	BRBNMPL
Shri G. Jaganmohan Rao (Managing Director) Key Management Personnel (ceased with effect from 01.12.2018).	BRBNMPL
Non-executive Directors	**Nominee**
Smt. Tripti Patra Ghosh, Chairman (Re-appointed from 01.05.2021)	SPMCIL - Official Director
Shri. Ajay Kumar Srivastav (Ceased with effect from 28.02.2021)	SPMCIL - Official Director
Shri Aravind Gopalrao Kulkarni (Re-appointed with effect from 13.10.2020)	BRBNMPL - Independent Director
Shri. Hemant Shankar Thakurdesai (ceased with effect from 12.10.2020)	BRBNMPL - Official Director
Shri Sunil Kumar Sinha (Re-appointed with effect from 28.09.2020)	SPMCIL - Official Director
Shri Sharanappa Thalikerappa (Appointed with effect from 04.11.2020)	BRBNMPL - Official Director
Shri Sudhir Sahu (Appointed with effect from 11.03.2021)	SPMCIL - Official Director
Others	
Shri Lakshmisha Babu S (Appointed with effect from 15.06.2018)	Company Secretary - Key Management Personnel

Transaction carried out with related parties:

i. The following transactions are carried out by the company with the related parties at arm's length in the ordinary course of business and on principal to principal basis.

(₹ in lakh)

Nature of transactions	BRBNMPL		SPMCIL	
	2020-2021	2019-2020	2020-2021	2019-2020
Revenue from operation	86,913.51	1,05,393.20	22,042.05	20,881.50
Purchase of goods & services	74.23	53.57	347.78	-
Lease rental expense	1.00	1.00	-	-

Nature of transactions	BRBNMPL		SPMCIL	
	2020-2021	2019-2020	2020-2021	2019-2020
Reimbursement of CISF armoury building cost	81.54	80.37	-	-
Trade & other receivables	15,032.90	5,449.56	2,403.17	2,607.76
Trade payables	35.36	14.16	-	-

ii. Salary, allowance & benefits paid to KMP

(₹ in lakh)

Particulars	2020-2021	2019-2020
Shri K.G. Viswanathan*	90.24	76.28
Shri G. Jaganmohan Rao*	0.20	14.57
Shri Lakshmisha Babu S*	23.76	22.63

* Does not include defined benefit costs (gratuity and leave salary). Actuarial valuation for defined benefit has been obtained for the pool of employees including the Managing Director and provided as defined benefits of employees in the books. Hence liability for defined benefit obligations for Managing director as an individual employee is not ascertainable.

Note 35

Earnings Per Share - Ind AS-33

(Amount in ₹ lakh)

Particulars	2020-21	2019-20
Profit After Tax (in ₹ Lakh)	52,377.80	87,563.57
Weighted average numbers of equity shares used as denominator	98,75,00,740	1,05,71,12,123
Basic/Diluted Earnings per share (in ₹)	5.30	8.28

Note 36

Income Tax - Ind AS - 12

The movement on the deferred tax account is as follows:

Particulars	(Amount in ₹ Lakh)
Opening Balance of Deferred Tax Assets	56,681.01
Add: Deferred Tax Assets (Net) created during the year	(1,850.22)
Closing Balance of Deferred Tax Assets	54,830.80

The significant components and classification of deferred tax Assets and Liabilities on account of temporary difference during the financial year 2020-21 are:

Particulars	(Amount in ₹ Lakh)
Deferred tax assets / (liabilities) in relation to:	
Property, plant and equipment	(11678.74)
Current liabilities,Trade Receivables And provisions	66,509.54
Closing Balance of Deferred Tax Assets.	54,830.80

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and has been recognized only to the extent that there is a reasonable certainity that sufficient future taxable income will be available against which such deferred tax asset can be realized.

During the year, the company has recognized the Provision for Current tax amounting to ₹ The breakup of the same is as follows:

Particulars	Amount of current tax (Rs. Lakhs)
Tax on current income	22753.00
Tax on adjustment made in accordance with Ind AS 08 (refer note 46)	11054.04

Note 37

Balances of some of the Trade Receivables, Other Assets, Trade and Other Payables are subject to confirmations/reconciliations and consequential adjustment, if any.

Reconciliations are carried out on on-going basis. Provisions, wherever considered necessary, have been made. However, Management does not expect to have any material financial impact of such pending confirmations/reconciliations.

Note 38

Security Deposit Paid

Security Deposits have been made with various Electricity Departments/Boards and companies by the units to get electricity connections and supply. Most of these deposits have been made prior to corporatization.

Note 39

Discontinued operations at Saifabad unit (Discontinued IG Mint)

IGM, Hyderabad has discontinued minting operations of its Saifabad Unit, Hyderabad with effect form 01.11.2009. After review of the Fixed assets register (FAR) and physical verification of the assets, items which were fully depreciated and have no realizable value have been removed from FAR. Other items not further usable have been identified for disposal and disclosed as assets held for disposal under current assets. Remaining useful items have been transferred to Cherlapally location except land and building.

Note 40

Expenditure incurred towards Corporate Social Responsibility & Sustainable Development

CSR amount required to be spent as per section 135 of the Company's Act, 2013 read with Schedule VII, thereof, by the Company during the year is ₹1647.94 lakh (Previous year ₹1573.44 lakh).

During the year, the company has incurred an amount of ₹1556.32 lakh (Previous Year ₹907.21 Lakh) on CSR. The details are as follows:

Amount (Rs in Lakh)

Sr. No.	CSR Project	2020-21	2019-20
1	Providing underground drainage system	24.10	
2	Providing Library Hall , reading room & furniture.	36.38	
3	Skill development training program	28.02	10.27
4	Dialysis machines to hospital		30.00
5	Providing infrastructure to SDMC Co-ed Primary School	1.90	
6	Providing Medical equipment for Covid 19 to hospital	53.09	
7	Distribution of food packets	25.00	-
8	Providing insulated distribution vessels to foundation.	-	18.26

Sr. No.	CSR Project	2020-21	2019-20
9	Providing Computers & furniture to hospital	-	11.32
10	Construction of bridge	-	-
11	Mobile clinic & dental chairs	-	21.74
12	Proposal for Cotton Corporation of India Ltd, for empowering Farmers.	47.44	-
13	Installation of 5 Ton Capacity Plant in Waster to Wonder Park,	110.37	-
14	Providing Dental X ray machine With stabilisers & Dental autoclave	19.03	-
15	Education infrastructure	195.49	-
16	Measures for benefits of armed forces	75.00	-
17	Construction of class room & toilets	63.93	-
18	Construction of overhead tank for drinking water	61.91	-
19	Providing Hydraulic beds to hospital	39.00	-
20	Renovation of school	19.69	-
21	Providing Medical equipment & buses to hospital	119.23	146.82
22	Contribution to National Sports Development Fund	-	100.00
23	Contribution to Prime Ministers Relief Fund	-	238.67
24	Assistance devices for Divyangjan	36.67	25.00
25	Remuneration of third party evaluation payment.	5.13	4.00
26	Providing underground drainage system	-	24.50
27	Providing Medical equipment & enhancement of capacity of hospital for covid management	131.20	-
28	Providing Medical equipment to & setting up new M & CW centre of hospitals	13.74	-
29	Providing Ambulance, ventilators & fogging machines to hospital	44.00	-
30	Support for incubation centre towards cellular & molecular biology related to health care.	-	-
31	Contribution to Prime Ministers Care Fund	400.00	-
32	Building Community center & provision of solar lights	-	43.66
33	Providing ventilators to AIIMS	-	198.68
34	Nal Jal Yojna to 14 villages	-	28.57
35	Administrative Expenses towards payment to consultant	6.00	5.72
	Total	**1,556.32**	**907.21**

Note 41

Recognition of Financial assets and Liabilities – Ind AS 32 & 109

a) Financial assets at amortized cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognized in the Statement of Profit and Loss.

b) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in the Statement of Profit and Loss. In respect of equity investments (other than for investment in subsidiaries and associates) which are not held for trading, the Company has made an irrevocable election to present subsequent changes in the fair value of such instruments in OCI. Such an election is made by the Company on an instrument by instrument basis at the time of transition for existing equity instruments/ initial recognition for new equity instruments.

c) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognized in statement of profit and loss.

Equity Instruments and Financial Liabilities

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

(i) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

(ii) Financial Liabilities

a) Initial recognition and subsequent measurement

Financial liabilities are recognized initially at fair value and in case of borrowing and payables, net of directly attributable cost.

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

b) De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, such an exchange is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Disclosures related to Financial Instruments including but not limited to

i) Financial Instrument by category:

(₹ In Lakhs)

Particulars	31st March, 2021		31st March, 2020	
	Carrying Amount	Amortised cost	Carrying Amount	Amortised cost
Financial Assets:				
Loans	335.00	335.00	500.37	500.37
Deposits & receivable	7,656.95	7,656.95	5,872.32	5,872.32
Trade receivables	1,07,846.56	1,07,846.56	1,31,074.93	1,31,074.93
Cash & Cash equivalents	2,262.48	2262.48	3,742.03	3,742.03
Other Bank Balances	2,15,768.99	2,15,768.99	2,00,017.86	2,00,017.86
Receivables	7,086.55	7,086.55	8,305.55	8,305.55
Others	5,139.60	5,139.60	8,942.33	8,942.33
Financial Liabilities:				
Borrowings	0.00	0.00	0.00	0.00
Trade payables	19,646.44	19,646.44	26,847.67	26,847.67
Security Deposit and Earnest money	999.99	999.99	3,051.75	3,051.75
Employee benefits	3,097.71	3,097.71	2,837.69	2,837.69
Expenses & Other payable	24,486.68	24,486.68	26,630.23	26,630.23

ii) Fair Value Measurement Hierarchy

Since there are no financial instruments values at "Fair Value through Profit & Loss Account (FVTPL)" or "Fair value through Other Comprehensive income (FVTOCI)" and all the financial instruments are valued at Amortised Cost there is only one measurement Hierarchy above and as such there is no separate disclosure

iii) Fair values of financial assets and liabilities measured at amortised cost

Table below shows Judgments and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements.

(₹ In Lakhs)

Particulars	31st March, 2021		31st March, 2020	
	Carrying Amount	Amortised cost	Carrying Amount	Amortised cost
Financial Assets				
Loans	335.00	335.00	500.37	500.37
Deposits & receivable	7,656.95	7,656.95	5,872.32	5,872.32
Financial Liabilities				
Borrowings	0.00	0.00	0.00	0.00

The carrying amounts of trade receivables, trade payables, Inter unit balances, short term deposits, cash and cash equivalents, employee benefit & other payable are considered to be the same as their fair values, due to their short- term nature.

The Company considers that the Security Deposits does not include a significant financing component. The Security Deposits coincide with the company's performance and the contract requires amounts to be retained for reasons other than the provision of finance. The withholding of a specified percentage of each milestone payment is intended to protect the interest of the company, from the contractor failing to adequately complete its obligations under the contract. Accordingly, transaction cost of Security deposit is considered as fair value at initial recognition and subsequently measured at amortised cost.

iv) Financial Risk Management

In pursuant to the guidelines on Corporate Governance issued by the Department of Public Enterprise (DPE) and in accordance with the provisions of Companies Act 2013, The Company has formed SPMCIL Risk Management Policy -2018.

As per the Governance Structure of SPMCIL Risk Management Policy, a Corporate Risk Committee (CRC) has been constituted to be supported by Risk owners. The CRC shall review all risks reported by Risk Owners, identify the Key risks and report them to the Risk Management Committee (RMC) of the Board of Directors of the Company.

The Risk Management Committee will ensure that Risk management activities are undertaken as per the policy and appraise the Board on the key Risks faced by the organization and mitigation measures taken at HO level.

Note 42

Accounting for Lease as per IND AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

Effective from April 01, 2019, the Company has adopted Ind AS 116 – Leases and applied the standard to the lease contract existing on April 01, 2020 using the modified retrospective method. Consequently, the Company recorded the lease liability at the date of initial application at a present value of the remaining lease payments discounted at the incremental borrowing rate and the right of use asset at an amount equal to the lease liability at the date of initial application. Accordingly, the Company has not restated comparative information.

The Company has recognized a right-of-use asset and a lease liability of ₹1605.87 lakhs as on the transition date. The incremental borrowing rate of 8.00% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

During the year ended 31st March 2021, the Company incurred expenses amounting to ₹605.29 lakh (Previous year ₹621.18 lakh) on leases. Financial Cost ₹56.08 lakhs(previous year ₹78.78 lakhs)

In the case of IGM, Noida, there is no future lease liability for leased asset, as the entire amount of lease rent had been paid in lump-sum. Therefore, no lease liability has been created.

In case of Bank Note Paper Mill India Pvt. Ltd. (Joint Venture)

Leases - Transition to Ind AS 116

Effective April 01, 2019, the Company has adopted Ind AS 116 – Leases and applied the standard to the lease contract existing on April 01, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the date of initial application at a present value of the remaining lease payments discounted at the incremental borrowing rate and the right of use asset at an amount equal to the lease liability at the date of initial application. Accordingly, the Company has not restated comparative information.

The Company recognises a right-of-use asset (ROU asset) and a corresponding lease liability for all hiring contracts / arrangements in which it is a lessee, except for lease with a term of twelve months or less (i.e. short term leases) and lease of low value assets. For these short-term and low value leases, the Company recognizes the lease payments on straight-line basis over the term of the lease.

The lease liability is initially measured at present value of the future lease payments over the reasonably certain lease term. The lease payments are discounted using the interest rate implicit in the lease, if it not readily determinable, using the incremental borrowing rate. Further, lease liability is re-measured on change in future lease obligation (if any) by giving the respectively prospective effects.

The right-of-use assets are initially recognized at cost, which comprises the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the inception date of the lease along with any initial direct costs, restoration obligations and lease incentives received. Subsequently, the right-of-use assets is measured at cost less accumulated depreciation. The right of-use assets is depreciated using the straight-line method from the commencement date over the period of lease term.

The Company has recognized a right-of-use asset and a lease liability of ₹13.87 lakhs as on the transition date. The incremental borrowing rate of 8.25% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

The principal portion of the lease payments have been disclosed under cash flows from financing activities. The lease payments for operating leases as per Ind AS 17 - Leases, were earlier reported under cash flows from operating activities.

During the year ended 31 March 2021, the Company incurred expenses amounting to ₹45.52 lakhs (P.Y ₹65.93 lakhs) short-term leases and leases of low-value assets. For the year ended 31 March 2021, the total cash outflows for leases, including short-term leases and low-value assets amounted to ₹46.52 lakhs (P.Y ₹66.93 lakhs).

Lease contracts entered into by the Company pertains to land taken on lease to conduct its business in the ordinary course.

Impact of adoption of Ind AS 116 on the statement of profit and loss is as follows:

Amount in ₹ (lakhs)

Particulars	2020-2021	2019-2020
Amortization – Right of use Asset	0.62	0.63
Interest Cost - Operating Lease liabilities	1.05	1.06
Rental Expense	45.52	65.93
Total	**47.19**	**67.62**

Note 43

Slow Moving/ Non-Moving Inventory

Company is holding stock of slow and non -moving items. Valuation has been done at lower of cost or net realizable value. NRV has been ascertained in the units by forming a standing committee / condemnation committee having members from Stores, Finance and Technical committee.

Note 44

Gold Lying with RBI

85,555 Gms of Gold is lying with RBI. Out of the above, gold weighing 10,336 gms was already accounted for in 2006-2007, under the head Gold with RBI, The possession of which is with RBI. IG Mint Mumbai will be arranging to take over possession of the same. As regards the balance 75,219 gms, IGM Mumbai has received a letter from RBI dated 06.06.2008 Ref: No. By. Cy. No. 5047/01.11.044/2007-08 that the gold is held by them on behalf of Public Debt Office , RBI Mumbai. Therefore the gold does not belong to the unit, and hence the same has not been considered in the accounts.

Note 45

Impact of Accounting Policy 2.4.19- Materiality of Income/Expenditure.

Impact on financial statements:

The Profit of the previous year has increased by ₹409.28 Lakhs for which details are as under-

Amount in ₹ (lakhs)

Description	2020-21
Advertisement Exp.	1.85
Medical expense	-52.34
Loss on SPMCIL EPF and PF Trust	300.22
Depreciation	126.62
Compassionate appointment	10.00
Other allowance	11.02
Legal and professional charges	3.26
Performance related pay	8.65
Total	**409.28**

SPMCIL EPF/PF Trust had invested in bonds of IL & FS, DHFL and Reliance capital and the interest of the aforesaid bond has been defaulted by the issuer.

As per last audited books of the Trust, cost value of investment was ₹91.08 crore, out of which ₹85.03 crore is considered doubtful.

During the year 2019-20, SPMCIL EPF & PF Trust had debited SPMCIL with the interest portion of ₹253.89 lakh and ₹46.33 lakh respectively. This amount is being shown as recoverable from SPMCIL in the books of EPF trust and PF Trust.

Therefore, interest expense of ₹300.22 lakh has been shown in books of SPMCIL as on date in order to reconcile the balance with the Trusts.

As per the actuary valuation of the EPF & PF as on 31.03.2020 the funds of the Trust investments are sufficient to meet the liability of these trusts. Hence no provision is required to be made for the loss in the value of the investments and investments are continued to be stated at accordingly, by trusts, no amount is recoverable from SPMCIL against the Loss/shortfall of principal amount. Therefore, during the FY 2019-20 the principal amount recoverable from SPMCIL has been reversed.

Note 46

Prior Period Errors and Changes in Accounting Policy (Ind AS 08)

I. Compliance with IND AS 116

Reinstatement of Financial statement for the year 2019-20 in compliance to Ind AS 08 'Accounting Policies, Changes in Accounting Estimates and Errors'

The Balance Sheet and Statement of Profit and Loss, including the statement of Other Comprehensive Income for the period ended March 31, 2020 have been restated in accordance with the Ind AS 08- "Accounting Policies, Change in Accounting Estimates and Errors" for rectification of errors relating to the year 2019-20. The relevant disclosures are as follows:

a) Nature of prior period errors related to the period ended 31.03.2020 due to implementation of IND AS 116

S. No.	Particulars	Amounts (₹ in lakh)
1.	Amortization of Lease right not booked	621.18
2.	Finance cost not booked	78.78
3.	Non-Reversal of Lease rent	669.42
4.	ROU asset not considered	1,605.87
5.	Lease liability not considered	1,605.87

Impact of correction of above errors on the financial statements for the year 2019-20

1. Amortisation of Lease rights - increase in expense in Profit & Loss account.
2. Finance cost- increase in expense in Profit & Loss account.
3. Reversal of Lease rent- decrease in expense in Profit & Loss account.

4. Creation of Right to use asset- increase in the non-current assets in property plant & equipment.

5. Creation of lease liability- increase in the other current liabilities.

   As a result of Adoption of IND AS 116-Leases the deferred tax assets have been increased by ₹7.69 lakh as on 31.03.2020

   Provision for income tax for the period ended 31.03.2020 has reduced by ₹7.69 lakhs.

II. Change in Accounting Policy.

Disclosure for change in accounting policy for revenue recognition of Bank Notes

During the period, the company has changed its accounting policy with respect to the revenue recognition from Sale of Currency Coins.

Prior to change in policy as given in Notes No. 2.4.1 in case of Bank Notes, revenue was recognised on the basis of pre-determined rates.

The differences, if any, between the billing rates and the rates as approved by the Ministry of Finance on year-to-year basis is accounted for in the financial year, in which such rates are accepted by RBI.

The revised policy is as follows:

Revenue for Bank Notes is recognised in accordance with IND AS 115 as per the derived rates intimated by RBI vide their letter no. DCM (RMMT) 4690/110714/2011-12 dated 13.04.2012 with retrospective effect from the year 2012-13 onward and its effect in the books of accounts of the units is considered as per IND AS 8.

Any future revision in derived rates which is mutually acceptable shall be made applicable in the financial year in which it is communicated. The differences, if any, between the billing rates and the rates approved by Ministry of Finance are accounted for in the financial year in which such rates are approved by Ministry of Finance from year to year.

Reason for change:

In order to keep the revenues aligned with the actual payments received from RBI and to avoid further increase in debtors/advance from customer due to difference in billing and settlement rates, the revenue recognition policy for Bank Notes has been revised to recognize the revenue as per the derived rates intimated by RBI vide their letter no. DCM (RMMT) 4690/110714/2011-12 dated 13.04.2012 with retrospective effect from the year 2012-13 onwards.

(Amount in ₹ Lakhs)

Particulars	2020-21	2019-20	2012-13 to 2018-19
Sale of Bank notes BNP Dewas	7,952.91	7,015.51	1,9947.37
Sale of Bank notes CNP Nashik	3,124.60	6,348.56	10,640.17
Total	**11,077.51**	**13,364.07**	**30,587.54**

Accordingly, the profit for the year 2019-20 & for prior period of 2012-13 to 2018-19 has increased by ₹13364.07 and ₹30587.54 respectively and the advances received from RBI have been reduced by ₹13364.07 for the year 2019-20 and for the prior period of 2012-13 to 2018-19 by ₹30587.54 lakhs. Also, the profit for the year ended 31st March 2021 increased by ₹11077.51 lakhs.

The sundry debtors of ₹933.49 lakhs have been adjusted with the advances received in 2019-20 and for the prior period of 2012-13 to 2018-19 with ₹2991.30 lakhs.

The Provision for Bad & doubtful debts and provision for rate difference has been adjusted with the balance debtors for ₹53091.14 lakhs in the year 2018-19 on account of rate variation differences with RBI rates and ₹1656.11 lakhs in 2019-20.

Bad & doubtful debts & Rate variation written off

Amount ₹ In lakhs

Year in which created	BNP Dewas	CNP Nashik	Total	Amount Adjusted with debtors & Year	
2011-12		7,446.00	7,446.00		
2012-13		21,609.88	21,609.88		
2013-14		5,586.39	5,586.39		
2014-15	8,026.05	5,665.13	13,691.18		
2015-16		3,540.81	3,540.81		
2017-18	1,216.88		1,216.88		
2018-19			0.00	53,091.14	2011-12 to 2018-19
2019-20	1,656.11		1,656.11	1,656.11	2019-20
Total	**10,899.04**	**43,848.21**	**54,747.25**	**54,747.25**	

As a result of Change in accounting policy for revenue recognition of bank notes:

The deferred tax assets have been reduced by ₹18552.18 lakh as on 31.03.2019 & ₹416.81 lakhs for the year 2019-20.

The provision for income tax for the period ended 31.03.2020 is increased by ₹3363.46 lakhs & by ₹7698.27 lakhs in prior period 2018-19.

Disclosure for change in accounting policy for revenue recognition of Postal items

During the year, the company has changed its accounting policy with respect to the revenue recognition from Sale of Postal items.

Prior to change in policy as given in Notes No. 2.4.1, revenue of postal items was accounted for on the basis of sales invoices raised by the company.

a) The revised policy is as follows:

Revenue from postal stationery

The invoicing for the postal stationery is done at the latest available rates as are approved by MoF. consistently on year to year basis.

The differences, if any, between the billing rates and the rates approved by Ministry of Finance are accounted for in the financial year in which such rates are approved by Ministry of Finance from year to year.

b) Impact of change in policy.

As per the revised revenue recognition policy , the revenue for postal products will be recognized in the financial year in which the postal rates are approved by the Ministry of Finance.

Vide letters dated 06.05.2020 and 20.05.2020, approval for fair selling price (FSP) for FY 2016-17 and FY 2017-18 for postal stationery items supplied by India Security Press, Nashik was communicated by Chief Advisor Cost. The impact of such change in rates is ₹954.52 lakhs. Due to change in policy, rates for FY 2016-17 & 2017-18 will be considered for invoicing by India Security Press, Nashik in the FY in which approval will be received from Mof. Thus ₹954.52 lakhs ,due to change in rates has not been considered in revenue during FY 20-21.

Similarly, Vide letter dated 22.04.2020, approval for fair selling price (FSP) for FY 2015-16 for postal stationery items supplied by Security Printing Press, Hyderabad was communicated by Chief Advisor Cost. The impact of such change in rates is ₹2614.74 lakhs. Due to change in policy, rates for FY 2015-16 will be considered for invoicing by Security Printing Press, Hyderabad in the FY in which approval will be received from Mof. Thus ₹2614.74 lakhs, due to change in rates has not been considered in revenue during FY 20-21.

Note No 47.

Details of Long Term Borrowings, terms of repayment & rate of interest Outstanding Balances

(₹ in Lakhs)

Bank Names	Current o/s as at March 31,2020 unaudited	Drawl/ (Repayment) during the F.Y.	Current as at March 31, 2021	Non -Current as at March 31,2021	Outstanding as on March 31, 2021
State Bank of India #	25,000.00	0.00	-	-	-
Total	**25,000.00**	**0.00**	**0.00**	**0.00**	**0.00**

Loan tenure was 11.25 years with 3.25 years moratorium on repayment of principal which was repayable in 16 half yearly instalments commencing from Sep, 2017. The applicable interest rate - 3-months MCLR of the bank 8.25% p.a at the time of repayment (PY in the range of 7.70 to 8.25 % p.a).

During the year the entire outstanding term loan ₹25,000 Lakhs has been repaid to bank.

Details of Security provided for bank loan:

Particulars of security provided for term loan:	In favour of State Bank of India to the extent of ₹ in Lakhs.	In favour of HDFC Bank Ltd. to the extent of ₹ in Lakhs.
a) Secured by specific pari-passu first charge on plant and machinery for manufacturing of bank note paper of capacity 12000TPA excluding 34.462 acres of land taken on lease from Bhartiya Reserve Bank Note Mudran Private Limited and building thereon. b) Specific second pari-passu charge on all stock in trade present and future, all book debts, outstanding money receivable, claims and bills which are now due and owing or which at any time hereafter during the continuance of this security become due and owing to the company in the course of its business. *Note:*-The company has repaid the entire term loan on 02nd Apr 2020 and satisfaction of charge has been filed with ROC.	40,000.00	Nil
Particulars of security provided for working capital loan:		
Secured by specific pari-passu first charge on all the stock in trade both present and future consisting of raw materials, finished goods, goods in process of manufacturing and other merchandise with all the book debts, outstanding monies receivable, claims and bills which are now due and owing or which may at any time hereafter during the continuance of this security become due and owing to us in course of its business. Specific second pari-passu charges on plant and machinery for manufacturing of bank note paper of capacity 12000TPA excluding 34.462 acres of land taken on lease from Bhartiya Reserve Bank Note Mudran Private Limited and building thereon.	Nil	₹ 12,500.00 of which ₹ 7,000.00 is fund based and ₹ 5,500.00 is Non fund based

The Company has a system of obtaining periodic confirmation of balances from banks and other parties. There are no unconfirmed balances in respect of bank accounts and borrowings from banks & financial institutions.

Note 48

Buy Back of Shares

In accordance with the Guidelines on Capital Restructuring of CPSEs issued by Department of Investment & Public Asset Management (DIPAM), in the year 2019-20 the Company has bought back 767.40 Lakh Equity Shares of ₹10/- each (fully paid) being 7.21% of aggregate of paid-up equity and free reserves as on 31.3.2019 from Government of India in the year 2019-20. The book value per share was arrived at ₹38.24 per share as per the certificate received from Statutory Auditors of the Company. The free reserves of the Company were utilized for the purpose of aforesaid buyback of shares. The company has bought back shares of face value of ₹7674.03 lakhs out of the Capital and utilised free reserves of ₹21671.45 lakhs. Payment of ₹5048.58 lakhs as income tax against buy back was also paid. The aforesaid buyback of shares was done in compliance of the provisions of Companies Act, 2013 and rules framed thereunder.

Note 49

Dividend:

During the year, the company has paid dividend of ₹21547.95 lakhs to the shareholders

Note 50

Funds from Government of India (Adjustable)

Balance in "Funds from Government of India (Adjustable)" Account as on 31.03.2014 was ₹287864 lakhs. As per the letter No. 3/2/2008-Cy.III/SPMC dated 09.02.2015 the capital structure of the SPMCIL was finalized w.e.f. 01.04.2015 (Letter No. 3/2/2008-Cy.III/SPMC dated 24.07.2015) & (Letter No.13/2/2016-SPMC dated 04.03.2020). As per the finalised Capital Structure ₹118244 lakhs was transferred to Equity, ₹118245 lakhs were transferred to Repayable Loan and ₹33400 lakhs were transferred to Capital Reserve. The balance amount of ₹17975.76 lakhs was lying in the "Funds from Government of India (Adjustable)" Account.

The company has balances on account of amounts due from the Govt. for the accumulated balances of combined optee employees with PAO ₹369.50 lakhs ₹901.97lakhs towards opening balances and the interest amounts recoverable from PAO at the time of corporatisation for the pro- rata optee employees and ₹850.24 lakhs on account of unreconciled balances with MoF. In the year 2019-20,the total amount of ₹2121.71 lakhs has been adjusted from the amounts payable and now the balance adjustable from GOI is ₹15854.05 lakhs which is yet to be settled with Ministry of Finance.

Note 51

Reference to Tariff Commission

On the basis of the Pricing of Bank Notes, fixed by CAC and approved by MoF. the company had raised a claim on RBI for rate difference. However RBI has not considered the claim and asked for rationalisation of rates payable to SPMCIL vis-a vis BRBNMPL. Accordingly as per various discussions in the meetings of Strategic Planning Group, the matter has been referred to the Tariff Commission for realistic cost / price determination.

Note 52

Investments in Joint Venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

(a) The Group's investments in its joint venture are accounted for using the equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date.

(b) The statement of profit and loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity.

(c) Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

(d) The Group's share of profit or loss of a joint venture is shown on the face of the statement of profit and loss. The financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Note 53

Appointment of Independent Director

SPMCIL being a Govt. Company, as per Articles of association the power to appoint Directors vests with the President of India, through Ministry of Finance. The appointment of independent directors is under consideration of Ministry of finance.

Note 54

Impact of COVID 19

The Financial statements are prepared on the assumption that a company is a going concern and will continue in operation for the foreseeable future. Management of the company assessed the impact of COVID-19 and the relevant measures has been considered to continue as a going concern. Being supplier of essential supplies recognized by the Central Government, all the Significant accounting policies of the company are not affected by the impact of COVID-19.

As part of its review of the year-end balance sheet, the Company has made an assessment of recoverability and carrying values of its assets comprising Property, Plant and Equipment, Intangible assets, Inventory and Financial assets and has concluded that no adjustments are required to be made to the carrying values of such assets as at March 31, 2021.

Note 55

Provision for Doubtful Debts

100% provision has been made in the books of accounts against debtor' balances outstanding for more than three years as on the date of balance sheet, i.e. March 31, 2021.

Note 56

In order to have better presentation the previous year's figures have been re-casted/restated/ reclassified, wherever necessary, to conform to current year's classification.

For and on behalf of
M/S Ashwani & Associates
Chartered Accountants
Firm Registration Number : 000497N
Sd/-
(Sanjeeva Narayan)
Partner
Membership Number: 084205
UDIN : 21084205AAAALE9866
Date: 5th August 2021
Place: New Delhi

Sd/-
(Sachin Agarwal)
Company Secretary
(PAN ADRPA9630Q)

On behalf of Security Printing and Minting Corporation of India Limited

Sd/-
(Ajay Agarwal)
Director(Finance) & CFO
(DIN : 06778079)

Sd/-
(Tripti P. Ghosh)
Chairman and Managing Director
(DIN : 08123112)

Annexure

AOC - 1

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/JOINT VENTURES

(Pursuant to First Proviso to Sub-section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Part "A"

Subsidiaries	Not Applicable

Part "B" : Associates and Joint Ventures

Statement Pursuant to Section 129(3) of the Companies Act, 2013 related to Associate	
Name of Associates/Joint Ventures	Bank Note Paper Mill India Pvt. Ltd.
1. Latest Audited Balance Sheet Date	31.03.2021
2. Number of Shares of Joint Venture held by the Company at the year end	40,00,00,000
Amount of Investment in Associate/Joint Venture	₹4,00,00,00,000
3. Description of how there is significance influence	Pursuant to Section 2(6) of the Companies Act, 2013
4. Reason why the Associate/Joint Venture is not consolidated	N.A.
5. Net Worth attributable to shareholding as per latest unaudited Balance Sheet	₹9,36,84,85,000
6. Profit /(Loss) for the year	₹1,35,59,97,500
(i) Considered in Consolidation	Yes
(ii) Not considered in Consolidation	N.A.

1) Names of Association or Joint Ventures which are yet to commence operation – N.A.

2) Names of Associates or Joint Ventures which have been liquidated or sold during the year - N.A.

For and on behalf of
M/S Ashwani & Associates
Chartered Accountants
Firm Registration Number : 000497N
Sd/-
(Sanjeeva Narayan)
Partner
Membership Number: 084205
UDIN : 21084205AAAALE9866
Date: 5th August 2021
Place: New Delhi

On behalf of Security Printing and Minting Corporation of India Limited

Sd/-
(Sachin Agarwal)
Company Secretary
(PAN ADRPA9630Q)

Sd/-
(Ajay Agarwal)
Director(Finance) & CFO
(DIN : 06778079)

Sd/-
(Tripti P. Ghosh)
Chairman and Managing Director
(DIN : 08123112)

GLOSSARY

AMS	Attendance Management System
APR	Annual Property Return
APV	Annual Physical Verification
BARC	Bhabha Atomic Research Centre
BNP	Bank Note Press
BNPMIPL	Bank Note Paper Mill India Private Limited
BND	Bhartiya Nirdeshak Dravya
BPS	Banknote Processing System
CAG	Comptroller & Auditor General of India
CAC	Chief Advisor Cost
CDA	Central Dearness Allowances
CECRI	Central Electro Chemical Research Institute
CESTP	Combined Effluent and Sewage Treatment Plant
CIF	Cost, Insurance and Freight
CIPET	Central Institute of Plastics Engineering and Technology
CISF	Central Industrial Security Force
CMD	Chairman and Managing Director
CNP	Currency Note Press
7th CPC	7th Central Pay Commission
CPSE	Central Public Sector Enterprises
CRM	Certified Reference Material
CRN	Computerised Random Numbering
CSIR	Council of Scientific and Industrial Research
CSR	Corporate Social Responsibility
CTE	Chief Technical Examiner
CTP	Computer to Offset Plate Making System
CVC	Central Vigilance Commission
CVO	Chief Vigilance Officer
CWBN	Cylinder Watermarked Bank Note
DDG	Deputy Director General
DEA	Department of Economic Affairs
DIN	Director Identification Number
DIPAM	Department of Investment & Public Asset Management
DOP	Department of Posts
DPE	Department of Public Enterprises

DPR	Detailed Project Report
EMS	Environmental Management System
EMD	Earnest Money Deposit
EP	Enterprise Portal
ERP	Enterprise Resource Planning
ETP	Effluent Treatment Plant
FIFO	First in First Out
HH	Hearing Handicapped
HRD	Human Resource Development
IB	Intelligence Bureau
ICAI	Institute of Chartered Accountants of India
ICAI	Institute of Cost Accountants of India
ICC	Indian Chamber of Commerce
ICSI	Institute of Company Secretaries of India
IDA	Industrial Dearness Allowance
IEM	Independent External Monitor
IGM	India Government Mint
IIIT	Indraprastha Institute of Information Technology
IMC	Inter-Ministerial Committee
IND AS	Indian Accounting Standard
IP	Integrity Pact
ISP	India Security Press
JV	Joint Venture
KPMG	KPMG India Limited
KW	Kilowatt
LDPE	Low-density polyethylene
LTC	Leave Travel Concession
MEA	Ministry of External Affairs
MHA	Ministry of Home Affairs
MOF	Ministry of Finance
MoU	Memorandum of Understanding
MPCS	Million Pieces
MSEs	Micro and Small Enterprises
MSMEs	Micro, Small & Medium Enterprises
MT	Metric Ton
NABL	National Accreditation Board for Testing and Calibration Laboratories
NCL	National Chemical Laboratory
NJSP	Non-Judicial Stamp Paper
NPL	National Physical Laboratory
OEM	Original Equipment Manufacturer
OH	Orthopaedically Handicapped

OLIC	Official Language Implementation Committee
OVI	Optically Variable Ink
PAO	Pay and Account Office
PSEs	Public Sector Enterprises
PRP	Performance Related Pay
PSP	Passport Seva Project
PWD	Persons With Disabilities
QA	Quaternary Alloy
R&D	Research and Development
RAFA	Research Alliance Framework Agreement
RBI	Reserve Bank of India
RMP	Risk Management Policy
SAP	Systems, Applications, Products in data processing
SC/ST/OBC	Scheduled Castes/Scheduled Tribes/Other Backward Class
SD	Sustainable Development
SI	Systeme International d'Unites
SOI	Super Orlof Intaglio
SPM	Security Paper Mill
SPMCIL	Security Printing and Minting Corporation of India Limited
SPP	Security Printing Press
TOLIC	Town Official Language Implementation Committee
UAT's	User Acceptance Testing
VH	Visually Handicapped

FINANCIAL TERMS

CAPEX	Capital Expenditure
CD	Customs Duty
EBIDTA	Earnings Before Interest Depreciation Tax and Amortisation
ED	Excise Duty
EPS	Earnings Per Share
GDP	Gross Domestic Product
PAT	Profit after Tax
PBIDTA	Profit before Interest Depreciation Tax and Amortization
PBIT	Profit before Interest and Tax
PBT	Profit before Tax
TCI	Total Comprehensive Income
WIP	Work-in-Progress
SA	Standards on Auditing
FSP	Fair Selling Price
NRV	Net Relisable Value

SECURITY PRINTING AND MINTING CORPORATION OF INDIA LIMITED
Regd. Office: 16th Floor, Jawahar Vyapar Bhawan, Janpath, New Delhi–110 001
Phone: 011-23701225-26, Fax: 011 – 23701223
(CIN: U22213DL2006GOI144763)

NOTICE

Notice is hereby given that the 16th (Sixteenth) ANNUAL GENERAL MEETING of the members of Security Printing and Minting Corporation of India Limited (SPMCIL) will be held on Tuesday the 09th day of November 2021 at 1:30 pm at the Registered Office of Company at 16th Floor, Jawahar Vyapar Bhawan, Janpath, New Delhi–110 001 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Standalone as well as Consolidated Financial Statements for the financial year ended 31st March 2021 together with the Reports of the Directors' and the Auditors' thereon.
2. To declare the Final Dividend @ 5% of Net worth of the Company for the financial year 2020-21.
3. To fix the remuneration of the Auditors of the Company appointed by the Comptroller and Auditor General of India for the year 2021-22.

SPECIAL BUSINESS

4. **To ratify the remuneration of the Cost Auditors and in this regard to consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.**

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof, for the time being in force, the aggregate remuneration of ₹44,000/- (inclusive all taxes) to the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the unit(s) of the Company falling under purview of Cost Audit for the financial year ending 31st March 2022 be and is hereby ratified.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors

(Sachin Agarwal)
Company Secretary
(PAN: ADRPA9630Q)

Date: 09th November 2021

Place: New Delhi

NOTES:

1. A Member entitled to attend and Vote is entitled to appoint a Proxy to attend and Vote instead of himself. Such Proxy need not be a member of the Company. The Proxy form is enclosed.
2. Member/Proxy holder must bring the attendance slip to the meeting and hand it over, at the entrance of Meeting Hall, duly signed.
3. Route Map for venue of Annual General Meeting is also annexed.

STATEMENT SETTING OUT THE MATERIAL FACTS RELATING TO THE SPECIAL BUSINESS IN PURSUANCE OF SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 4

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. Sikha Naga Malleswara Rao & Co., Cost Accountants as the Cost Auditors at an aggregate remuneration of ₹44,000/- (Inclusive all taxes) to conduct the audit of the cost accounting records of the various unit(s) of the Company under the purview of Cost Audit for the financial year ending 31st March 2022.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company.

Accordingly, consent of the members is sought by passing an Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March 2022. None of the Directors / Key Managerial Personnel of the Company is interested or concerned in the resolution.

By Order of the Board of Directors

(Sachin Agarwal)
Company Secretary
(PAN: ADRPA9630Q)

Date: 09th November 2021

Place: New Delhi

SECURITY PRINTING AND MINTING CORPORATION OF INDIA LIMITED

Regd. Office: 16th Floor, Jawahar Vyapar Bhawan, Janpath, New Delhi – 110 001

Phone: 011-23701225-26, Fax: 011 – 23701223

(CIN : U22213DL2006GOI144763)

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Name of Shareholder/Proxy: ____

Registered Folio No: ________

I hereby record my presence at the 16th ANNUAL GENERAL MEETING of Security Printing and Minting Corporation of India Limited (SPMCIL) on Tuesday the 09th day of November 2021 at 1:30 pm at 16th Floor, Jawahar Vyapar Bhawan, Janpath, New Delhi–110001.

Signature

Date: 09th November 2021

Place: New Delhi

Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	:	**U22213DL2006GOI144763**
Name of the company	:	**Security Printing and Minting Corporation of India Limited (SPMCIL)**
Registered office	:	**16th Floor, Jawahar Vyapar Bhawan, Janpath, New Delhi-110001**

Name of the member(s)	:	....
Registered address	:	....
E-mail Id	:	....
Folio No.	:	....

I/We, being the member (s) of .... shares of the above named company, hereby appoint:

1. Name : ....
   Address : ....
   E-mail Id : ....
   Signature : ...., or failing him
2. Name : ....
   Address : ....
   E-mail Id : ....
   Signature : ...., or failing him
3. Name : ....
   Address : ....
   E-mail Id : ....
   Signature : ...., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 16th Annual General Meeting of the Company, to be held on Tuesday the 09th day of November 2021 at 1:30 pm at 16th Floor, Jawahar Vyapar Bhawan, Janpath, New Delhi–110001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. ....
2. ....
3. ....
4. ....

Signed this 09th day of November 2021

Signature of Shareholder :

Signature of Proxy Holder(s) :

Affix Revenue Stamp

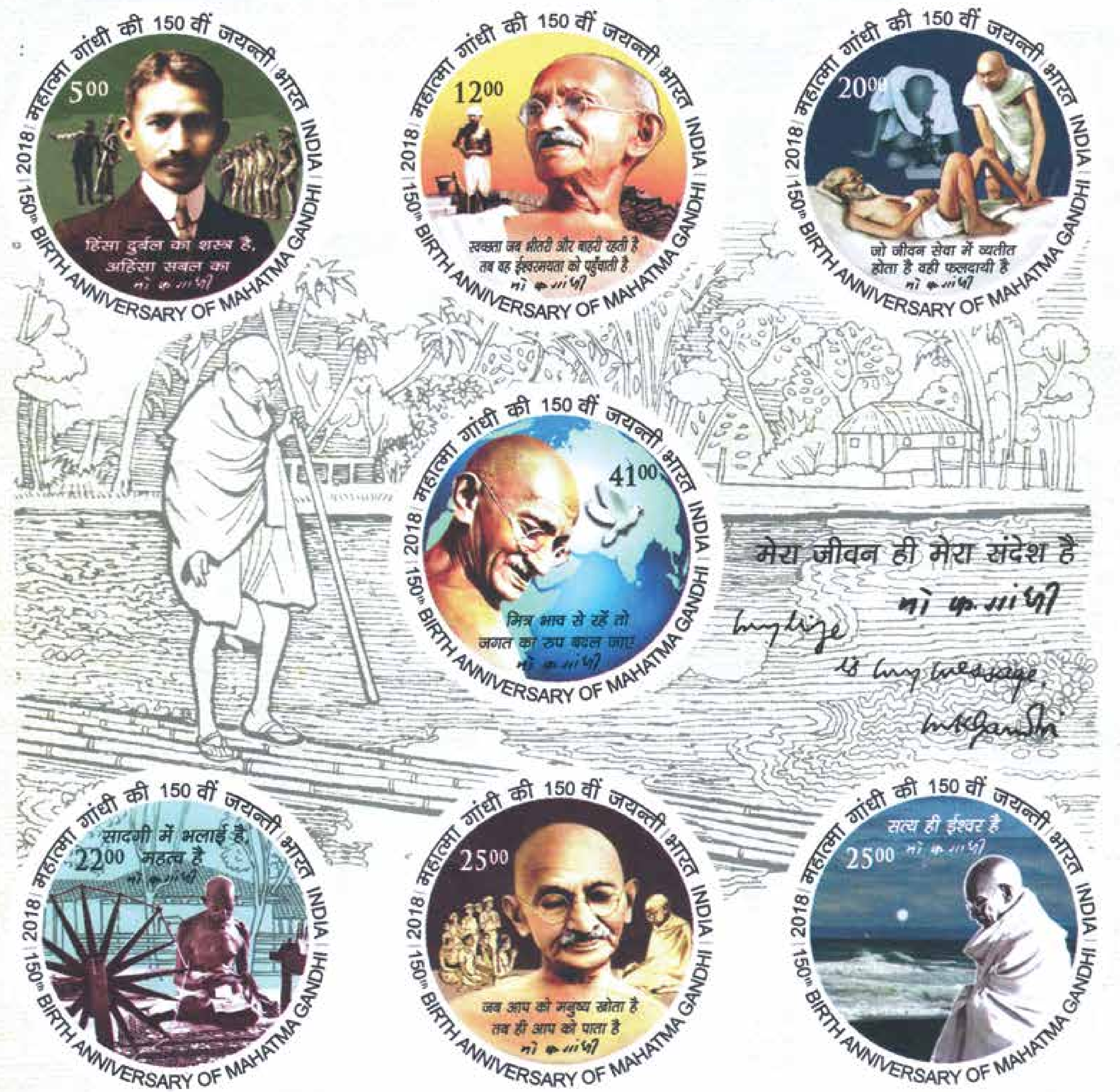
Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting

वार्षिक आम सभा स्थल के मार्ग का मानचित्र

ROUTE MAP OF THE VENUE OF ANNUAL GENERAL MEETING

Notes

Notes



महात्मा गांधी की 150 वीं जयन्ती

150th BIRTH ANNIVERSARY OF MAHATMA GANDHI

"Take to spinning to find peace of mind. The music of the wheel will be as balm to our soul. I believe that the yarn we spin is capable of mending the broken warp and woof of our life. The charkha (spinning wheel) is the symbol for nonviolence on which all life, if it is to be real life, must be based."

- Mahatma Gandhi
Harijan, April 27, 1947

एसपीएमसीआईएल नेटवर्क/ SPMCIL NETWORK

नई दिल्ली / NEW DLEHI
SPMCIL Registered Office
16वां तल, जवाहर व्यापार भवन,
16th Floor, Jawahar Vyapar Bhawan,
जनपथ, नई दिल्ली–110001, भारत
Janpath, New Delhi - 110 001, INDIA
दूरभाष / Ph.: 91-11-23701225, 43582200
फैक्स / Fax: 91-11-23701225
ई–मेल / Email: info@spmcil.com
वैब / Web: www.spmcil.com

देवास / DEWAS
बैंक नोट मुद्रणालय / Bank Notes Press
देवास–455 001 / Dewas-455 001
मध्य प्रदेश, भारत / Madhya Pradesh, INDIA
दूरभाष / Ph.: 91-7272-255222, 268284
फैक्स / Fax: 91-7272-255111
ई–मेल / Email: bnpdewas@spmcil.com
वैब / Web: http://bnpdewas.spmcil.com

मुम्बई / MUMBAI
भारत सरकार टकसाल
India Government Mint
शहीद भगत सिंह मार्ग, फोर्ट
Shahid Bhagat Singh Marg, Fort,
मुम्बई–400 001, महाराष्ट्र, भारत
Mumbai-400 001, Maharashtra, INDIA
दूरभाष / Ph.: 91-22-22662555, 22703184-85
फैक्स / Fax: 91-22-22661450
ई–मेल / Email: igm.mumbai@spmcil.com
वैब / Web: http://igmmumbai.spmcil.com

नासिक / NASHIK
चलार्थ पत्र मुद्रणालय / Currency Note Press
जेल रोड, नासिक रोड–422 101
Jail Road, Nashik Road-422 101
महाराष्ट्र, भारत / Maharashtra, INDIA
दूरभाष / Ph.: 91-253-2463730-39
फैक्स / Fax: 91-253-2464100
ई–मेल / Email: gmcnp@spmcil.com
वैब / Web: http://cnpnashik.spmcil.com

भारत प्रतिभूति मुद्रणालय
India Security Press
नासिक रोड - 422 101/ Nashik Road-422 101
महाराष्ट्र, भारत / Maharashtra, INDIA
दूरभाष / Ph.: 91-253-2402200
फैक्स / Fax: 91-253-2462718, 2466389
ई–मेल / Email: isp@spmcil.com
वैब / Web: http://ispnasik.spmcil.com

नोएडा / NOIDA
भारत सरकार टकसाल
India Government Mint
डी–2, सैक्टर–1 पोस्ट बॉक्स सं. 78
D-2, Sector-1, Post Box No. 78
नोएडा–201 301, उत्तर प्रदेश, भारत
Noida-201 301, Uttar Pradesh, INDIA
दूरभाष / Ph.: 91-120-4783100
फैक्स / Fax: 91-120-2537609
ई–मेल / Email: igm.noida@spmcil.com
वैब / Web: http://igmnoida.spmcil.com

होशंगाबाद / HOSHANGABAD
प्रतिभूति कागज कारखाना / Security Paper Mill
होशंगाबाद -461 005/ Hoshangabad-461 005
मध्य प्रदेश, भारत / Madhya Pradesh, INDIA
दूरभाष / Ph.: 91-7574-286001 / 255259
फैक्स / Fax: 91-7574-255170
ई–मेल / Email: gm.spm@spmcil.com,
वैब / Web: http://spmhoshangabad.spmcil.com

कोलकाता / KOLKATA
भारत सरकार टकसाल
India Government Mint
अलीपुर, कोलकता–700 053
Airpore, Kolkata - 700 053
पश्चिम बंगाल, भारत / West Bengal, INDIA
दूरभाष / Ph.: 91-33-24014821, 24010132
फैक्स / Fax: 91-33-24010553
ई–मेल / Email: calmint@spmcil.com
वैब / Web: http://igmkolkata.spmcil.com

हैदराबाद / HYDERABAD
प्रतिभूति मुद्रणालय / Security Printing Press
टकसाल कंपाउंड, सैफाबाद,
Mint Compound, Saifabad,
हैदराबाद– 500 063, तेलंगाना, भारत
Hyderabad-500 063, Telangana, INDIA
दूरभाष / Ph.: 91-40-23455532
फैक्स / Fax: 91-40-23456687
ई–मेल / Email: ssp.hyd@spmcil.com
वैब / Web: http://spphyderabad.spmcil.com

भारत सरकार टकसाल
India Government Mint
आईडीए, फेस–II, चेरलापल्ली, पी.बी.सं.10
IDA, Phase-II, Cherlapally, P.B. No. 10,
एचसीएल (पीओ) आर.आर. जिला,
H.C.L.(PO), R.R. District,
हैदराबाद–500 051 / Hyderabad-500 051
तेलंगाना, भारत / Telangana, INDIA
दूरभाष / Ph.: 91-40-27268300
फैक्स / Fax: 91-40-27262951
ई–मेल / Email: igm.hyderabad@spmcil.com
वैब / Web: http://igmhyderabad.spmcil.com

भारत प्रतिभूति मुद्रण तथा मुद्रा निर्माण निगम लिमिटेड
मिनीरत्न श्रेणी–। सीपीएसई (भारत सरकार के पूर्ण स्वामितत्वाधीन)
16वां तल, जवाहर व्यापार भवन, जनपथ, नई दिल्ली – 110001
वेबसाइटः Web: www.spmcil.com
सीआईएनः U22213DL2006GOI144763

Security Printing and Minting Corporation of India Limited
A Mini Ratna Category-I CPSE (Wholly owned by Govt. of India)
16th Floor, Jawahar Vyapar Bhawan, Janpath, New Delhi - 110001
Website: www.spmcil.com
CIN: U22213DL2006GOI144763

Design and Printed by Sharad Advertising Pvt. Ltd.