

The Board of Directors of
Structo Hydraulics AB
Corporate identity number 556574-5568

Submit the following

Annual report

For the financial year 1 April 2020 - 31 March 2021

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Administration report

General information on the company and the business

The Group

The group consists of the parent company Structo Hydraulics AB and the subsidiary ISMT Europe AB.

Structo Hydraulics AB is 95% owned by ISMT Ltd, India.

The ultimate company is ISMT Ltd, India.

Parent company

Structo Hydraulics AB manufactures and sells cold drawn tubes, cylinder tubes and components principally for the hydraulic industry. The export share is about 55%.

Subsidiaries

Structo Hydraulics AB has a subsidiary company in Sweden, ISMT Europe AB.

The company is based in Storfors.

Development of the company, the result and position

Financial overview in tsek	2020/21	2019/20	2018/19	2017/18
Net sales	31 945	44 611	64 459	61 151
Total assets	75 007	87 912	100 784	88 740
Return on capital	-764	-8 617	1 378	-5 263
Equity ratio, %	35%	31%	15%	4%

For definitions, see note

Significant events and other important conditions

The ongoing Covid-19 pandemic has affected the demand in a negative way. Increase in steel price and shipping cost and longer shipping times has also been aggravating circumstances.

Various cost reduction measures were implemented during the year. The company has received government returns according to the Covid-19 pandemic.

Future expected development material risks and uncertainties

Performance of the Company was adversely affected due to Covid-19 pandemic and unfavorable market conditions. The demand has leveled out on a low level and a slow increase in demand is in sight. Uncertainty still arising from the Covid-19 pandemic and the delay of market recovering.

In the Board of Directors opinion, the company will be able to meet its obligations during the next 12 months through operational and other inflows including, if required through Trade credit extended by ISMT Ltd from time to time.

Reporting of duty according to the Environmental

The company is conducting manufacturing that needs notification.

This means, among other things, yearly check up of own control and real conditions.

The company is certified to ISO 14001 and ISO 9001

A new audit accorded to the new Standards of ISO 14001 and ISO 9001 has been performed and approved after the end of the financial year.

Changes in equity

2021-03-31	Restricted equity			Non restricted equity	Total equity
	Share capital	Revaluation-funds	Reservefund	Bal eam. incl. Prof. for the year	
Opening Balance	21 418 135	14 253 431	20 000	-8 455 087	27 236 479
Profit/loss for the year				-764 107	-764 107
Transactions with owners					
New share issue	-	-	-	-	-
Transfer in equity					
Dissolution of revaluations funds	-	-1 190 652	-	1 190 652	-
Vid årets utgång	21 418 135	13 062 779	20 000	-8 028 542	26 472 372

Proposed allocation of the company's profit

The Board of Directors propose that the non-restricted equity (accumulated deficit), SEK -8 028 542, is allocated as shown below:

Profit or loss brought forward		-8 028 542
Total		<u>-8 028 542</u>

For further information regarding the company's profit and financial position information can be found in the following income statement, balance sheet, cash flow statement and pertaining notes.

Income statement

<i>Amounts in SEK</i>	<i>Note</i>	<i>2020-04-01- 2021-03-31</i>	<i>2019-04-01- 2020-03-31</i>
Net sales	3	31 944 630	44 610 632
Change in inventories of products in progress, finished goods and work in progress		-1 678 440	64 927
Other operating income	4	5 588 386	1 662 954
		<u>35 854 576</u>	<u>46 338 513</u>
Operating expenses			
Raw materials and consumables		-13 037 985	-25 065 866
Other external costs		-6 860 735	-8 993 190
Employee benefit expenses	5	-11 919 755	-15 111 566
Depreciation, amortisation and impairment of property, plant, equipment and intangible assets		-3 804 777	-3 841 265
Other operating expenses	6	-	-919 287
Operating profit/loss	7	231 324	-7 592 661
Profit/loss from financial items			
Profit/loss from other securities and receivables accounted for as non-current assets		-427 457	-
Interest expense/exchange diff. and similar profit/loss items	8	-567 974	-1 024 712
Profit/loss after financial items		<u>-764 107</u>	<u>-8 617 373</u>
Deferred tax		-	-
Net profit/loss for the year		<u>-764 107</u>	<u>-8 617 373</u>

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Balance sheet

Amounts in SEK	Note	2021-03-31	2020-03-31
ASSETS			
Non-current assets			
<i>Property, plant and equipment</i>			
Land and buildings	10	26 242 452	27 926 227
Plant and machinery	11	20 420 822	22 540 524
Equipment, tools, fixtures and fittings	12	847 353	848 653
		<u>47 510 627</u>	<u>51 315 404</u>
<i>Financial assets</i>			
Participation in group companies	13	10 100 000	10 100 000
Deferred tax asset	14	3 132 555	3 460 875
Other long-term receivables	15	926 335	1 353 785
		<u>14 158 890</u>	<u>14 914 660</u>
Total non-current assets		61 669 517	66 230 064
Current assets			
<i>Inventories etc.</i>			
Raw materials and consumables	16	3 026 619	6 528 141
Products in progress		613 797	174 999
Finished goods and goods for resale		3 609 996	6 212 057
		<u>7 250 412</u>	<u>12 915 197</u>
<i>Current receivables</i>			
Accounts receivable - trade		2 196 449	5 460 790
Current tax assets		807 378	807 378
Other receivables		1 077 278	2 057 165
Prepaid expenses and accrued income		592 386	437 243
		<u>4 673 491</u>	<u>8 762 576</u>
<i>Cash and bank balances</i>			
Cash and bank		1 413 882	4 327
		<u>1 413 882</u>	<u>4 327</u>
Total current assets		13 337 785	21 682 100
TOTAL ASSETS		75 007 302	87 912 164

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Balance sheet

Amounts in SEK	Note	2021-03-31	2020-03-31
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital	17, 18	21 418 135	21 418 135
Revaluation reserve		13 062 779	14 253 431
Statutory reserve		20 000	20 000
		<u>34 500 914</u>	<u>35 691 566</u>
<i>Non-restricted equity</i>			
Profit or loss brought forward		-7 264 435	162 286
Net profit/loss for the year		-764 107	-8 617 373
		<u>-8 028 542</u>	<u>-8 455 087</u>
		26 472 372	27 236 479
Provisions			
Deferred tax liability	14	3 132 555	3 460 875
		<u>3 132 555</u>	<u>3 460 875</u>
Non-current liabilities			
Other liabilities to credit institutions	20	—	—
		<u>—</u>	<u>—</u>
Current liabilities			
Liabilities to credit institutions		2 050 000	2 700 000
Factoring	21	—	3 427 491
Bank overdrafts	21	4 675 885	5 158 620
Accounts payable - trade		1 426 114	4 349 267
Liabilities to parent company		15 983 537	19 035 766
Liabilities to group companies		15 757 557	17 139 791
Other liabilities		508 424	497 614
Accrued expenses and prepaid income	22	5 000 858	4 906 261
		<u>45 402 375</u>	<u>57 214 810</u>
TOTAL EQUITY AND LIABILITIES		<u>75 007 302</u>	<u>87 912 164</u>

Cash flow statement

Amounts in SEK	2020-04-01- 2021-03-31	2019-04-01- 2020-03-31
Operating activities	23	
Profit/loss after financial items	-764 107	-8 617 373
Adjustments for non-cash items, etc.	<u>4 232 317</u>	<u>2 287 991</u>
	3 468 210	-6 329 382
Cash flow from operating activities before working capital changes	3 468 210	-6 329 382
<i>Cash flow from working capital changes</i>		
Increase(-)/Decrease(+) of inventories	5 664 785	377 969
Increase(-)/Decrease(+) of current receivables	4 089 086	8 197 095
Increase(-)/Decrease(+) of current liabilities	<u>-7 252 210</u>	<u>1 701 771</u>
Cash flow from operating activities	<u>5 969 871</u>	<u>3 947 453</u>
Investing activities		
Acquisition of property, plant and equipment	-	-108 977
Disposal of property, plant and equipment	-	1 920 000
Acquisition of financial assets	<u>-</u>	<u>-262 856</u>
Cash flow from investing activities	<u>-</u>	<u>1 548 167</u>
Financing activities		
Repayment of borrowings	<u>-4 560 226</u>	<u>-5 500 529</u>
Cash flow from financing activities	<u>-4 560 226</u>	<u>-5 500 529</u>
Cash flow for the year	1 409 645	-4 909
Cash and cash equivalents at the beginning of the year	<u>4 237</u>	<u>9 236</u>
Cash and cash equivalents at the end of the year	24 1 413 882	4 327

Notes

Amounts in SEK unless otherwise stated

Note 1 Accounting principles

The Annual Report has been prepared in accordance with the Annual Accounts Act and the Swedish Accounting Standards Board's generally accepted accounting principles BFNAR 2012:1 Annual Report and consolidated accounts (K3).

Assets, provisions and liabilities have been valued according to cost of acquisition unless otherwise is stated below.

Intangible assets

Other intangible assets

Other intangible assets acquired are accounted for according to acquisition cost less accumulated amortisation and impairments. Expenditures for internally generated goodwill and brands are recognised in the income statement as expenses when incurred.

Amortizations

The amortisation is done linearly over the asset's estimated useful life. The amortisation is recognised as an expense in the income statement.

Property, plant and equipment

Property, plant and equipment are accounted for according to acquisition cost less accumulated depreciations and impairments. The acquisition value includes, besides the purchase price, other expenditures directly attributable to the acquisition.

Additional expenditures

Additional expenditures that fulfill the criteria of an asset are included in the carrying amount of the asset. Expenditures for ongoing maintenance and repairs are recognised as expenses when incurred.

For some of the property, plant and equipment, the difference in use of significant components have been assessed as essential. Therefore, these components have been divided into components which are depreciated separately.

The useful lives of these components have been assessed to vary between 3-45 years.

Depreciations

Depreciations are done linearly over the asset's estimated useful life, since it reflects the expected usage of the asset's future economic benefits. The depreciation is recognised as an expense in the income statement.

	<i>Useful life</i>
Buildings	45 years
Plants and machineries	3-30 years
Equipments, tools, fixtures and fittings	3-5 years

Impairments - Property, plant, equipment and intangible assets and shares in group companies

At every closing date, an indication if the asset's value is lower than the carrying value is assessed. If an indication exists, the recoverable amount of the asset is calculated.

The recoverable amount is the highest of the fair value less cost of disposal and the value in use. At the calculation of the value in use, future expected cash flows that the asset is expected to give rise to in the ongoing operations and when it is disposed. The discount rate used is before tax and reflects the marketable assessment of money's time value and the risks attributable to the asset. An earlier impairment is only reversed if the reasons underlying the calculation of the recoverable amount at the latest impairment have changed.

Leases

All lease contracts are accounted for as operating lease contracts.

Operating lease contracts

The leasing fees according to the operating lease contracts, including raised first-time rent but excluding expenditures for services such as insurance and maintenance, are accounted for as expenses linearly over the lease term.

Foreign currencies

Items in foreign currencies

Monetary items in foreign currencies are recalculated to the balance sheet date's rate.

Non-monetary items are not recalculated, instead they are recognised according to the rate at the time of the acquisition.

Foreign currency differences that arise due to regulation or recalculation of monetary items are recognised in the income statement for the fiscal year they occur.

Inventory

The inventory is recognised according to the lowest of the acquisition value and net realisable value. Thereby risks of obsolescence have been considered. The acquisition value are estimated according to weighted average prices.

The acquisition value consists of, except expenditures for purchases, expenditures for bringing the goods to their current location and condition.

In own semi-manufactured and finished goods, the acquisition value consists of direct costs of production and the indirect costs that amounts to more than an insignificant part of the total expenditures for the production. At the valuation, considerations have been taken into account regarding a normal capacity utilisation.

Financial assets and liabilities

Financial assets and liabilities are accounted for in accordance with chapter 11 (Financial instruments valued according to acquisition cost) in BFNAR 2012:1.

Accounting in and derecognition from the balance sheet

A financial asset or financial liability is recognised in the balance sheet when the Company becomes a part of the financial instrument's contractual agreement. A financial asset is derecognised from the balance sheet when the contractual right to the cash flow from the asset has expired or been settled. The same goes for when the risks and benefits that are associated with the holding in all material aspects are transferred to another party and the Company does not possess any control over the financial asset. A financial liability is derecognised from the balance sheet when the contractual obligation has been fulfilled or expired.

Valuation of financial assets

Financial assets are at the first recognition date valued according to their acquisition cost, including possible transaction expenditures that are directly attributable to the acquisition of the asset.

Financial current assets are at the first recognition date valued to the lowest of the acquisition cost and the net selling price at the balance sheet date.

Accounts receivable and other receivables that form current assets are valued individually according to the amount expected to be received.

Financial non-current assets are after the first recognition date valued according to acquisition cost with deduction of potential impairments and with addition of potential revaluations.

Interest bearing financial assets are valued according to amortised cost with the application of the effective interest method.

Valuation of financial liabilities

Financial liabilities are valued according to amortised cost. Expenditures that are directly attributable to borrowings are adjusted in the loans acquisition value and are allocated to a particular period according to the effective interest method.

Remuneration to employees*Remuneration to employees after terminated employment**Classification*

Plans for remunerations after terminated employment are classified either as defined contribution plans or defined benefit plans.

For defined contribution plans, determined fees are paid to another Company, normally an insurance company, and do not have any obligation to the employee when the fee is paid. The size of the employee's remunerations after terminated employment is dependent on the fees that have been paid and the return on capital on those fees.

For defined benefit plans, the Company has an obligation to provide the remunerations agreed upon to current and earlier employees. The Company carries in all material aspects the risk for the remunerations to be higher than expected (actuarial risk) and the risk for the return on the assets to deviate from the expectations (investment risk). Investment risk also exists if the assets are transferred to another Company.

Defined contribution plans

The fees for defined contribution plans are recognised as expenses. Unpaid fees are accounted for as a liability.

Defined benefit plans

The Company has chosen to apply the simplifying rules presented in BFNAR 2012:1.

Plans for which pension premiums are paid are accounted for as defined contribution plans, which implies that the fees are expensed in the income statement.

Tax

Tax on profit for the year in the income statement consists of current tax and deferred tax. Current tax is the income tax for the current financial year which refer to the year's taxable profit and the part of earlier financial years' income tax which have not been recognised. Deferred tax is the income tax for taxable profits referring to future financial years due to earlier transactions or happenings.

Deferred tax liabilities are recognised for all taxable temporary differences, however, deferred tax attributable to untaxed reserves are not separated since untaxed reserves are accounted for as a separate item in the balance sheet. Deferred tax assets are recognised for tax-deductible temporary differences and for the possibility to in the future use taxable loss carry-forwards. The valuation is based on the carrying amount for the corresponding asset or liability that is expected to be recovered or settled. The amounts are based on the tax rates and tax laws that are determined before the balance sheet date and have not been estimated according to their present value.

Deferred tax assets have been valued according to the highest amount possibly recovered based on current and future taxable profits. The valuation is reviewed every balance sheet date.

Provisions

A provision is recognised in the balance sheet when the Company has a legal or informal obligation due to an occurred event and it is possible that an outflow of resources are required in order to settle the obligation and a reliable estimation of the amount can be made.

At the first reporting date, the provision is valued according to the best estimation the amount that will be required to settle the obligation on the balance sheet date. The provision is reviewed every balance sheet date.

Revenues

The inflow of financial benefits that the Company receives or will receive on its own behalf are recognised as revenues. Revenues are valued according to fair value of what has been received or will be received, with deductions for rebates.

Sale of goods

For sale of goods, the revenue is recognised at delivery.

Interest, royalty and dividend

Revenue is recognised when the economic benefits associated with the transaction probably will flow to the Company and when the income can be estimated reliably.

Group contributions and shareholders' contribution

Group contributions received/issued are recognised as an appropriation in the income statement. The received/issued group contribution has affected the Company's current tax.

Group contributions that have been issued by parent companies to subsidiaries are accounted for as an increase of the shares' carrying amount.

Shareholders' contribution that have been issued without issued shares or other received equity instruments in exchange are recognised in the balance sheet as an increase of the shares' carrying amount.

Repaid shareholders' contribution are recognised in the balance sheet as a decrease of the shares' carrying amount.

Shareholders' contribution that have been received without issued shares or any other given equity instruments in exchange are recognised directly in equity.

Repaid shareholders' contribution are recognised as a decrease of equity when a decision regarding repayment has been made.

Public grant

A public grant which is not associated with a demand on future performance is accounted for as a revenue when the terms for receiving the grant are fulfilled. A public grant which is combined with demands on future performance is recognised as a revenue when the performance is performed. If the grant has been received before the terms for recognising the grant as a revenue have been fulfilled, the grant is recognised as a liability.

Note 2 Estimates and judgements

One of the company's major asset items is accounts receivable. These are reported, after individual assessment of value, to the amount the company expects to receive in payment. The assessment is based on those conditions that are known to the company at the end of the financial year.

Note 3 Net sales by geographic segments

	2020-04-01- 2021-03-31	2019-04-01- 2020-03-31
<i>Net sales by geographic segments</i>		
Sweden	16 578 770	18 323 591
Scandinavia excl. Sweden	6 460 490	16 372 292
Other EU	1 063 904	3 920 356
Outside EU	7 841 466	5 994 393
	<u>31 944 630</u>	<u>44 610 632</u>

Note 4 Other operating income

	2020-04-01- 2021-03-31	2019-04-01- 2020-03-31
Exchange gains on operating receivables/liabilities	1 026 181	-
Government return	4 133 684	-
Result sales of assets	-	1 553 277
Other	428 521	109 677
	<u>5 588 386</u>	<u>1 662 954</u>

Note 5 Employees, personnel costs and remunerations to Board of Directors and auditors

Average number of employees

	<i>whereof</i>		<i>whereof</i>	
	2020-04-01- 2021-03-31	men	2019-04-01- 2020-03-31	men
Sweden	21	81%	24	84%
Total	21	81%	24	84%

Disclosure of gender distribution in the company's management

	2021-03-31 <i>Proportion of women</i>	2020-03-31 <i>Proportion of women</i>
Board of Directors	17%	17%
Other senior management	67%	67%

Salaries, other remunerations and social security expenses, including pension expenses

	2020-04-01- 2021-03-31	2019-04-01- 2020-03-31
Salaries and remunerations	8 436 968	10 381 892
Social security expenses	3 346 091	4 495 347
(of that pension expenses) 1)	(1 365 484)	(1 734 786)

1) Of the Company's pension expenses, 266 156 kr (l.y. 262 866 kr) relate to the Company's Board of Directors for one person.

Salaries and other remunerations divided between board members et al. and other employees

	<u>2020-04-01-2021-03-31</u>		<u>2019-04-01-2020-03-31</u>	
	<i>Board of Directors and Managing Director</i>	<i>Other employees</i>	<i>Board of Directors and Managing Director</i>	<i>Other employees</i>
Salaries and other remunerations	762 060	7 674 908	780 000	9 601 892

Audit fees and expenses

	<u>2020-04-01- 2021-03-31</u>	<u>2019-04-01- 2020-03-31</u>
<i>KPMG</i>		
Audit services	90 000	90 000

Audit services refer to the legally required examination of the annual report and the book-keeping, the Board of Director's and the Managing Director's management and other audit and examinations agreed-upon or determined by contract.

This includes other work assignments which rest upon the Company's auditor to conduct, and advising or other support justified by observations in the course of examination or execution of such other work assignments.

Note 6 Other operating expenses

	<u>2020-04-01- 2021-03-31</u>	<u>2019-04-01- 2020-03-31</u>
Exchange losses on operating receivables/liabilities	—	-919 287
	—	-919 287

Note 7 Operating lease

Lease contracts where the Company is the lessee

	<u>2021-03-31</u>	<u>2020-03-31</u>
<i>Future minimum lease payments regarding non-cancellable operating lease contracts</i>		
Within one year	161 888	162 046
	161 888	162 046
	<u>2020-04-01- 2021-03-31</u>	<u>2019-04-01- 2020-03-31</u>
The financial year's recognised lease expenses	166 623	185 664

Note 8 Interest expense and similar profit/loss items

	<u>2020-04-01- 2021-03-31</u>	<u>2019-04-01- 2020-03-31</u>
Interest expense, other	-508 752	-610 164
Exchange differences foreign loan	-59 222	-414 628
	-567 974	-1 024 712

Note 9 Tax on profit for the year

	2020-04-01- 2021-03-31	2019-04-01- 2020-03-31
Deferred tax	—	—

Reconciliation of effective tax rate

	2020-04-01- 2021-03-31		2019-04-01- 2020-03-31	
	Per cent	Amount	Per cent	Amount
Profit/loss before tax		-764 107		-8 617 373
Tax according to current tax rate for the parent company	21,4%	163 519	21,4%	1 844 118
Non-deductible expenses	-14,0%	-107 094	-0,2%	-18 840
Non-taxable income	0,0%	—	0,0%	—
Increase of loss carry-forward without corresponding recognised deferred tax	-7,4%	-56 425	-21,2%	-1 825 278
Reported effective tax	0,0%	—	0,0%	—

Note 10	Land and buildings	2021-03-31	2020-03-31
<i>Accumulated acquisition costs</i>			
	At the beginning of the year	23 328 851	23 328 851
	At the end of the year	<u>23 328 851</u>	<u>23 328 851</u>
<i>Accumulated depreciation</i>			
	At the beginning of the year	-11 162 272	-10 575 698
	Depreciation during the year	-563 296	-586 574
	At the end of the year	<u>-11 725 568</u>	<u>-11 162 272</u>
<i>Accumulated revaluations</i>			
	At the beginning of the year	16 497 578	18 001 847
	Reversed revaluation on disposals	-	-383 794
	Depreciation on revaluations during the year	-1 120 479	-1 120 475
	At the end of the year	<u>15 377 099</u>	<u>16 497 578</u>
<i>Accumulated impairments</i>			
	At the beginning of the year	-737 930	-755 000
	Reversed impairments on disposals	-	17 070
	At the end of the year	<u>-737 930</u>	<u>-737 930</u>
	Carrying amount at the end of the year	26 242 452	27 926 227
Land (included in land and buildings)			
		<u>2021-03-31</u>	<u>2020-03-31</u>
	Accumulated acquisition costs	174 861	174 861
	Carrying amount at the end of the year	<u>174 861</u>	<u>174 861</u>

Note 11	Plant and machinery	2021-03-31	2020-03-31
<i>Accumulated acquisition costs</i>			
	At the beginning of the year	96 567 989	97 552 224
	Purchases	-	108 977
	Disposals	-	-1 093 212
	At the end of the year	<u>96 567 989</u>	<u>96 567 989</u>
<i>Accumulated depreciation</i>			
	At the beginning of the year	-76 219 238	-75 580 211
	Reversed depreciation on disposals	-	1 093 212
	Depreciation during the year	-1 721 206	-1 732 239
	At the end of the year	<u>-77 940 444</u>	<u>-76 219 238</u>
<i>Accumulated revaluations</i>			
	At the beginning of the year	2 191 773	2 590 271
	Depreciation on revaluations during the year	-398 496	-398 496
	At the end of the year	<u>1 793 277</u>	<u>2 191 775</u>
	Carrying amount at the end of the year	20 420 822	22 540 524

Note 12	Equipment, tools, fixtures and fittings	<i>2021-03-31</i>	<i>2020-03-31</i>
	<i>Accumulated acquisition costs</i>		
	At the beginning of the year	10 184 469	10 184 469
	Sale of assets	—	—
	At the end of the year	<u>10 184 469</u>	<u>10 184 469</u>
	<i>Accumulated depreciation</i>		
	At the beginning of the year	-9 335 816	-9 332 333
	Reversed depreciation on disposals	—	—
	Depreciation during the year	-1 300	-3 483
	At the end of the year	<u>-9 337 116</u>	<u>-9 335 816</u>
	Carrying amount at the end of the year	847 353	848 653
	Note 13		
	Participation in group companies		
		<i>2021-03-31</i>	<i>2020-03-31</i>
	<i>Accumulated acquisition costs</i>		
	At the beginning of the year	<u>10 100 000</u>	<u>10 100 000</u>
	At the end of the year	<u>10 100 000</u>	<u>10 100 000</u>
	Carrying amount at the end of the year	10 100 000	10 100 000

Note 14 **Deferred taxes**

2021-03-31	Carrying amount	Tax base	Temporary difference
<i>Significant temporary differences</i>			
Land and buildings	26 242 452	11 603 282	14 639 170
Plants and machinery	21 268 175	19 474 898	1 793 277
Other (debts)	-1 151 062	-	-1 151 062
	<u>46 359 565</u>	<u>31 078 180</u>	<u>15 281 385</u>

Taxable loss carry-forward amounts to TSEK 131.

	Deferred tax asset	Deferred tax liability	Net
<i>Significant temporary differences</i>			
Land and buildings	-	3 005 839	-3 005 839
Plant and machinery	-	363 833	-363 833
Other (debts)	237 118	-	237 118
<i>Taxable loss carry-forward</i>	<u>3 132 554</u>	<u>-</u>	<u>3 132 554</u>
<i>Deferred tax asset/liability</i>	<u>3 369 672</u>	<u>3 369 672</u>	<u>-</u>
<i>Offset</i>	<u>-237 117</u>	<u>-237 117</u>	<u>-</u>
<i>Deferred tax asset/liability (net)</i>	<u>3 132 555</u>	<u>3 132 555</u>	<u>-</u>

2020-03-31	Carrying amount	Tax base	Temporary difference
<i>Significant temporary differences</i>			
Land and buildings	27 926 227	12 166 580	15 759 647
Plant and machinery	23 389 177	21 197 403	2 191 774
Other (debts)	-1 151 055	-	-1 151 055
	<u>50 164 349</u>	<u>33 363 983</u>	<u>16 800 366</u>

Taxable loss carry-forward amounts to TSEK 133.

Note 15 **Other long-term receivables**

	2021-03-31	2020-03-31
<i>Accumulated acquisition costs</i>		
At the beginning of the year	1 353 785	1 090 929
Settled receivables	-427 457	-
Added receivables	<u>7</u>	<u>262 856</u>
At the end of the year	<u>926 335</u>	<u>1 353 785</u>
Carrying amount at the end of the year	926 335	1 353 785

Note 16	Inventories etc.	2021-03-31	2020-03-31
	Raw materials and consumables	3 026 619	6 528 141
	Products in progress	613 797	174 999
	Finished goods and goods for resale	3 609 996	6 212 057
		<u>7 250 412</u>	<u>12 915 197</u>

Note 17	Number of shares and quota value	2021-03-31	2020-03-31
	A-shares (one share team)	4 283 627	4 283 627
	Quota value	5	5

Note 18	Proposed allocation of the company's profit	2021-03-31	2020-03-31
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The Board of Directors propose that the non-restricted equity (accumulated deficit), SEK -8 028 542, is allocated as shown below:

Profit or loss brought forward	-8 028 542
Total	<u>-8 028 542</u>

Note 19	Other provisions	2021-03-31	2020-03-31
	Guarantee commitment	-	-
	Carrying amount at the beginning of the year	-	-
	Amounts utilised during the year	-	-
	Carrying amount at the end of the year	<u>-</u>	<u>-</u>

Note 20	Non-current liabilities	2021-03-31	2020-03-31
	<i>Liabilities that mature between one and five years from the balance sheet date:</i>		
	Other liabilities to credit institutions	-	2 700 000
		<u>2021-03-31</u>	<u>2020-03-31</u>
	<i>Pledged assets for other liabilities</i>		
	Property mortgage	90 000 000	90 000 000
	Chattel mortgage	28 000 000	28 000 000
	Receivables	-	3 427 490
		<u>118 000 000</u>	<u>121 427 490</u>

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Note 21 Bank overdrafts and factoring

	<u>2021-03-31</u>	<u>2020-03-31</u>
Credit limit, overdraft	5 300 000	5 300 000
Unused	<u>-624 115</u>	<u>-141 380</u>
Utilised credit amount	4 675 885	5 158 620
Credit limit, factoring usable	-	10 239 312
Unused	<u>-</u>	<u>-6 811 821</u>
	-	3 427 491

Note 22 Accrued expenses and prepaid income

	<u>2021-03-31</u>	<u>2020-03-31</u>
Social security contributions	752 006	632 349
Salary and vacation contribution	1 680 846	1 835 281
Other items	<u>2 568 006</u>	<u>2 438 631</u>
	5 000 858	4 906 261

Note 23 Paid interest

	<u>2020-04-01- 2021-03-31</u>	<u>2019-04-01- 2020-03-31</u>
Paid interest	508 752	610 084

Note 24 Cash equivalents

	<u>2021-03-31</u>	<u>2020-03-31</u>
<i>The following sub-components are included in cash equivalents:</i>		
Cash	1 326	1 486
Bank balance	<u>1 412 556</u>	<u>2 840</u>
	1 413 882	4 326

Note 25 Group information

The company is 95% owned by ISMT Ltd, India.
The ultimate company is ISMT Ltd, India
ISMT Ltd prepares consolidated accounts for the entire group.
These are available at ISMT Ltd, Lunkad Tower, Viman Nagar, Pune, India

Purchases and sales within the group

Of the Company's total purchases and sales in SEK, 23 % of the purchases and 23 % of the sales refer to other Companies within the group that that the Company belongs to.

Note 26 Pledged securities and contingent liabilities

	<u>2021-03-31</u>	<u>2020-03-31</u>
Property mortgage	90 000 000	90 000 000
Chattel mortgage	28 000 000	28 000 000
Pledged assets	<u>-</u>	<u>3 427 491</u>
	118 000 000	121 427 491
Contingent liabilities		
Guarantee commitment for group companies	4 675 885	6 042 161

Storfors

O.P Kakkar
Chairman of the board

Rajiv Goel

Anne Karlsson

Kishore Bharambe

Minna Johansson
Representative from Unionen

Erik Mattisson
Representative from Metall

My audit report has been submitted

Mattias Eriksson
Authorized public accountant